

## **The Town of Littleton's Social Equity Plan**

### **I. Purpose**

The Select Board seeks to further the public interest by encouraging diversity in the local cannabis industry. In furtherance of this goal, the Select Board is adopting this Social Equity Policy. This policy is intended to provide opportunities for local and diverse applicants.

### **II. Definition**

Unless defined herein, all capitalized terms shall have the meaning ascribed to them by the Cannabis Control Commission (the "Commission") in its regulations.

### **III. Application**

This policy shall apply to Social Equity Applicants, which shall include the following types of individuals and entities:

- A. An Economic Empowerment Priority Applicant, which means an applicant who was certified by the Commission between April 1, 2018 and April 15, 2018 as an Economic Empowerment Applicant by demonstrating at least three of the following six criteria:
  1. Majority of ownership belongs to people who have lived in an Area of Disproportionate Impact for five of the last 10 years.
  2. Majority of ownership has held one or more previous positions where the primary population served were disproportionately impacted, or where primary responsibilities included economic education, resource provision or empowerment to disproportionately impacted individuals or communities.
  3. At least 51% of current employees/subcontractors reside in an Area of Disproportionate Impact and will increase to 75% by first day of business.
  4. At least 51% of employees or subcontractors have drug-related a CORI, but are otherwise legally employable in a cannabis-related enterprise.
  5. A majority of the ownership is made up of individuals from Black, African American, Hispanic, or Latino descent.
  6. Owners can demonstrate significant past experience in or business practices that promote economic empowerment in an Area of Disproportionate Impact.
- B. A Social Equity Program Participant, which means the applicant satisfies one or more of the following criteria:

1. Has resided in an Area of Disproportionate Impact, as defined by the Commission, for at least five of the preceding ten years and income does not exceed 400% of that Area Median Income;
  2. Has resided in Massachusetts for at least the preceding 12 months and has a conviction or continuance without a finding for an offense under M.G.L. c. 94C or an equivalent conviction in Other Jurisdictions;
  3. Has resided in Massachusetts for at least the preceding 12 months and has proof that the individual was either married to or the child of an individual convicted or continuance without a finding for a M.G.L. c. 94C offense or an equivalent conviction in Other Jurisdiction;
  4. Any individual listed as an Owner on the original certification of an Economic Empowerment Priority Applicant who satisfies one or more the following criteria:
    - a. Lived for five of the preceding ten years in an Area of Disproportionate Impact, as determined by the Commission;
    - b. Experience in one or more previous positions where the primary population served were disproportionately impacted, or where primary responsibilities included economic education, resource provision or empowerment to disproportionately impacted individuals or communities;
    - c. Black, African American, Hispanic or Latino descent; or
    - d. Other significant articulable demonstration of past experience in or business practices that promote economic empowerment in Areas of Disproportionate Impact.
- C. A Social Equity Business, which means Marijuana Establishment or Medical Marijuana Treatment Center comprised of at least 51% (majority) ownership of individuals who are Social Equity Program Participants, or who have been certified as meeting the Commission's criteria for designation as an Economic Empowerment Priority Applicant, or both.
- D. Individuals or entities that are required to be considered under the equity component of the standard evaluation form pursuant to the Commission's regulations, which are:
1. A License Applicant or pre-verified individual or entity that has a prior Marijuana-related criminal offense or conviction;
  2. A License Applicant or pre-verified individual or entity that is part of an Area of Disproportionate Impact, as identified by the Commission;
  3. A pre-verified individual that is of Black, African American, Hispanic, Latino, Native American or indigenous descent, or a majority of a pre-verified entity or License Applicant entity that is comprised of individuals that are of Black, African American, Hispanic, Latino, Native American or indigenous descent.

#### **IV. Host Community Agreements and Equity Applicants**

To encourage greater participation by Social Equity Applicants, the Select Board commits to the following:

- A. The Select Board will inform the Commissions' social equity program as to the availability of Host Community Agreements ("HCAs"). The Select Board will also post such information on the Town's website.
- B. The Select Board will waive all HCA review fees for Social Equity Applicants and encourages other boards and commissions to similarly waive permit and license fees within their body's jurisdiction or otherwise reduce the financial barriers associated with the municipal HCA approval process for Social Equity Applicants.
- C. The Select Board shall use a grading matrix to score any and all applications for an HCA. Social equity applicants shall automatically receive 25 points under the Equity Standards/Equity Parties category.
- D. The Town will create a website pertaining to cannabis siting and operation in the Town. The website will include all information required by the Commission, including, but not limited to a copy of the Select Board's scoring matrix for HCA issuance.
- E. The Select Board may reserve one marijuana retailer HCA for License Applicants that are Social Equity Businesses; License Applicants that have been designated as Social Equity Program Participants, Economic Empowerment Priority Applicants, or both; or individuals or entities verified or pre-verified, including pre-verified individuals or entities that have already been designated as Social Equity Businesses, Economic Empowerment Applicants, or both.
- F. The Select Board will use the Model HCA as a template for negotiating HCAs with social equity applicants and commits to complying with the HCA negotiations practices outlined in 935 CMR 500.181(4) and 501.181(4).
- G. When an HCA is issued to a Social Equity Applicant, the Town will document that the HCA has been issued to a Social Equity Applicant. The Board will post on the website data as to how many HCAs are held by Social Equity Applicants. The Town will publish data regarding its total applicant pool, which shall identify each pre-verified or verified social equity business, social equity program participant, or economic empowerment priority applicant.