

CITY CLERK  
GLOUCESTER, MA  
2018 APR 12 AM 11: 01



GLOUCESTER CITY COUNCIL  
**Budget & Finance Committee Meeting**  
Thursday, April 19, 2018 – **5:00 p.m.**  
1<sup>st</sup> Fl. Council Committee Room – City Hall  
**AGENDA**

Individual items from committee reports may be consolidated into a consent agenda.

1. *Memorandum from City Auditor re: Fiscal 2017 Comprehensive Annual Financial Report (CAFR) – Presentation by Outside Auditors to the City of Gloucester*
2. *Memorandum from City Clerk re: acceptance of a donation in the amount of \$500 to the Archives Department*
3. *Supplemental Appropriation-Budgetary Request 2018-SA-28 from the DPW*
4. *Disposition and Recommendation for a three year parking lease agreement for Witham Street Parking Area, 99 Thatcher Road*
5. *CC2018-015 (O'Hara) Request the B&F Standing Committee work with the Administration, CFO and City Auditor for the acceptance of credit and debit cards for any fine, fee, charge, tax or cost imposed by the City*
6. *Memorandum from Mayor re: Recreational Marijuana Recommendations that the Council adopt section 3 of chapter 94G that provides for a community impact fee in the amount of 3% of the gross sales of each marijuana establishment or medical marijuana treatment center in Gloucester*
7. *Memo from City Auditor regarding accounts having expenditures which exceed their authorization & Auditor's Report and other related business*

COMMITTEE  
Chair, Councilor Melissa Cox  
Vice Chair, Councilor Scott Memhard  
Councilor Ken Hecht

CC: Jim Destino  
Chris Sicuranza  
Kenny Costa  
John Dunn  
Mike Hale/Mark Cole  
Donna Compton

The listing of matters is those reasonably anticipated by the Chair which may be discussed at the meeting. Not all items listed may be discussed & other items not listed may also be brought up for discussion to the extent permitted by law. Items may be taken out of order.

City Hall  
Nine Dale Avenue  
Gloucester, MA. 01930



TEL 978 281 9730  
FAX 978 281 8472

**CITY OF GLOUCESTER  
CITY AUDITOR'S OFFICE**

**MEMORANDUM**

TO: Honorable Mayor Sefatia Romeo Theken and City Council  
FROM: Kenny Costa, City Auditor *KC*  
RE: City's FY 2017 Comprehensive Annual Financial Report (CAFR)  
Date: March 15, 2018

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The City of Gloucester's Independent Auditors' Report on the Comprehensive Annual Financial Report (CAFR) for the fiscal year ended June 30, 2017 will be available for discussion at the next Budget & Finance Committee Meeting. We are pleased to acknowledge that the City of Gloucester has completed its inaugural installment of the CAFR. We are proud to be one of only about 40 communities in Massachusetts to accomplish this achievement in financial reporting. At the close of each fiscal year, state law requires the City of Gloucester to publish a complete set of financial statements in conformity with accounting principles generally accepted in the United States of America (GAAP), and that are audited in accordance with generally accepted auditing standards by a firm of licensed certified public accountants.

The CAFR report is designed to be used by the elected and appointed officials of the City and others who are concerned with its management and progress such as bond analysts, banking institutions and rating agencies as well as the residents and taxpayers of Gloucester.

The City's CAFR has been audited by Roselli, Clark & Associates a firm of licensed certified public accountants, who report to the Gloucester City Council.

A copy of the entire report will be on file in the City Auditor's Office and City Clerk's Office.

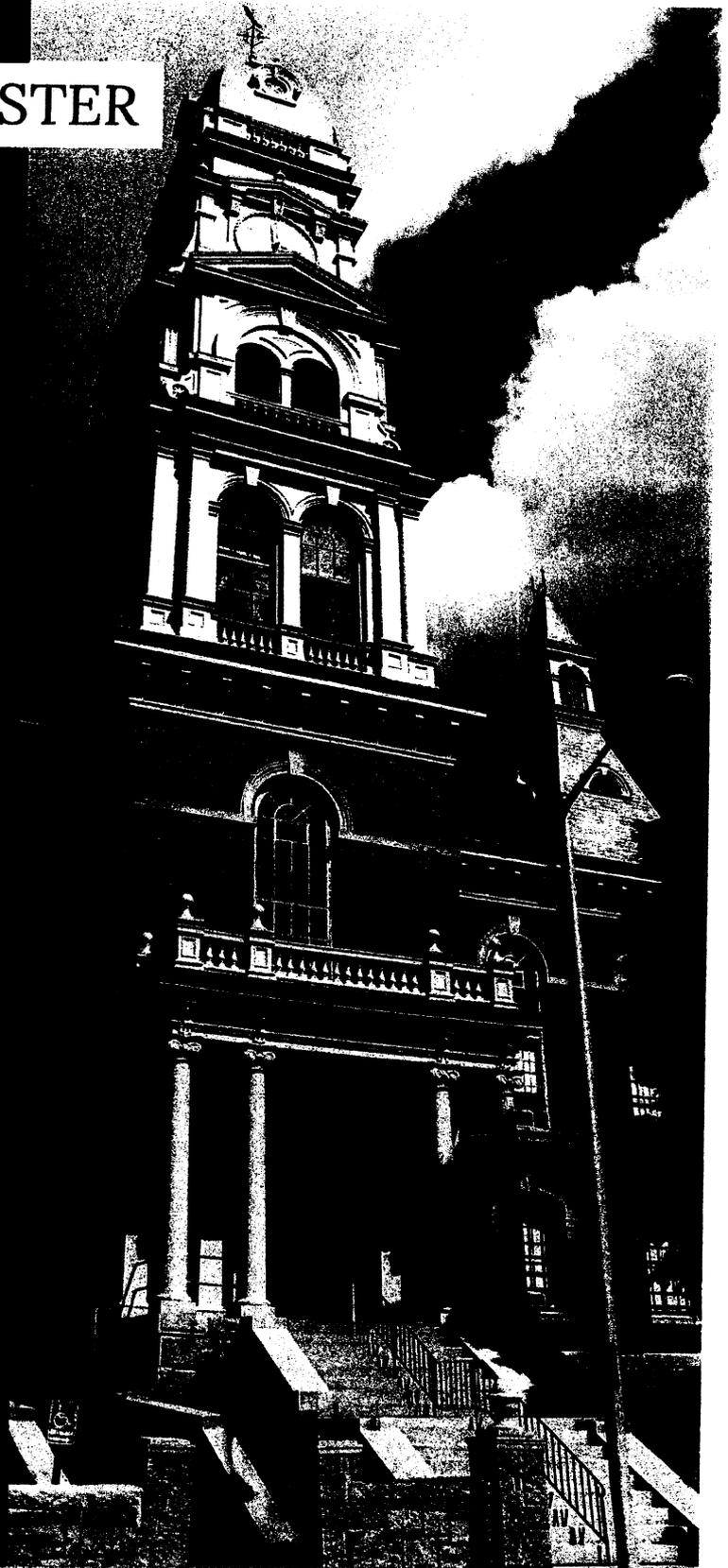
Please refer this matter to the Budget and Finance subcommittee for review and discussion.

CITY OF GLOUCESTER

*City of  
Gloucester,  
Massachusetts*

*Comprehensive  
Annual Financial  
Report*

*For the Fiscal  
Year Ended  
June 30, 2017*





**OFFICE OF THE CITY CLERK**  
9 Dale Avenue • Gloucester, Massachusetts 01930  
Office (978) 281-9720 Fax (978) 282-3051

**TO:** Mayor Sefatia Romeo Theken and City Council

**FROM:** Joanne M. Senos, City Clerk 

**DATE:** March 27, 2018

**RE:** Acceptance of a donation in the amount of \$500.00 to the Archives Department

A donation in the amount of \$500.00 was made to the Archives Department on December 9, 2017 from the Cape Ann Chapter Daughters of the American Revolution. This donation was deposited in Archives Vault Construction Fund #3318 without the acceptance of the City Council.

In order to expend these funds, the City Council will need to vote to accept this donation.

Please place this matter on the next Mayor's Report for referral to the Budget & Finance Committee. Appropriate personnel will be available to answer questions and provide further information as required.

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Dear Sarah,

Dec. 9, 2017

On behalf of the Cope Ann Chapter, Daughters of the American Revolution, it is my honor and pleasure to enclose our check in the amount of \$500 to help support your worthy activities at Gloucester Archives. We are grateful to you, your staffs and volunteers for your hard work and dedication to the objectives of your organization which benefit our communities.

Sincerely, Mary Wilhelm-Regent  
Cope Ann Chapter DAR

DEPARTMENTAL PAYMENTS TO TREASURER

TREASURER'S RECEIPT

CITY AGENCY

Archives

PERIOD OF COLLECTION

9 Dec

DATE SUBMITTED

2017

No 05876

COLLECTED FROM

DAR.

NO. OR DATE

9-Dec-2017

PURPOSE OR FEE CATEGORY

Donation

REVENUE CODE

FUND

DEPT.

SCHED.

ACCOUNT

DIV. (CC1)

SUBDIV. (CC2)

AMOUNT \$

ARCVLT

500.00

TO CITY AUDITOR: (Name collected and paid to the City Treasurer the moneys listed above. (SIGNED BY) AGENCY OFFICER

Sandra J Williams

I have received the moneys listed above for the specified accounts. (SIGNED BY)

Jouven Orlando

CITY TREASURER

AUDITOR'S DISPOSITION:

TREASURER'S DISPOSITION: CASH BOOK PAGE

SCHEDULE OF RECEIPTS

DEPOSIT RECEIPT BANK DATE

CHECKS CURRENCY

R1223 B101

500.00

TOTAL

INSTRUCTIONS: To be prepared in triplicate and presented in person at the Treasurer's Office, with currency, checks, or bank deposit slips, no later than one week after collection.

ORIGINAL WHITE to be retained by Treasurer's Office.

CANARY COPY to be returned to submitting agency for permanent filing.

PINK COPY to be submitted to the City Auditor.

**City of Gloucester  
SUPPLEMENTAL APPROPRIATION - BUDGETARY REQUEST  
Fiscal Year 2018**

\*\*\*\*CITY COUNCIL APPROVAL- 6 VOTES NEEDED\*\*\*\*

APPROPRIATION # 2018-SA- 28 *Auditor's Use Only*

DEPARTMENT REQUESTING TRANSFER: \_\_\_\_\_ DPW \_\_\_\_\_  
APPROPRIATION AMOUNT: \_\_\_\_\_ \$40,000.00 \_\_\_\_\_

Account to appropriate from: MUNIS ORG - OBJECT \_\_\_\_\_ 32085-596001 \_\_\_\_\_  
MUNIS ACCOUNT DESCRIPTION \_\_\_\_\_ Highway Force Acct. \_\_\_\_\_  
Balance Before Appropriation \_\_\_\_\_ \$68,455.43 \_\_\_\_\_  
Balance After Appropriation \_\_\_\_\_ \$28,455.43 \_\_\_\_\_

Account Receiving Appropriation: MUNIS ORG - OBJECT \_\_\_\_\_ 0147052-530018 \_\_\_\_\_  
MUNIS ACCOUNT DESCRIPTION \_\_\_\_\_ Public Services Police Details \_\_\_\_\_  
Balance Before Appropriation \$ \_\_\_\_\_ (1,789.01) \_\_\_\_\_  
Balance After Appropriation \_\_\_\_\_ \$38,210.99 \_\_\_\_\_

DETAILED ANALYSIS OF NEED(S): Funds needed for details for spring paving and tree projects, and to cover details hired during winter storm flooding.

**APPROVALS:**

DEPT. HEAD: [Signature] DATE: 30 MAR. 2018  
ADMINISTRATION: [Signature] DATE: 4/4/18  
BUDGET & FINANCE: \_\_\_\_\_ DATE: \_\_\_\_\_  
CITY COUNCIL: \_\_\_\_\_ DATE: \_\_\_\_\_

**18141 Dispostion & Recomendation, Witham St. Parking Lease**

**Property Information:**

Document Number: **18141**  
Property Name and Address: **Witham Street Parking Area Lease, 99 Thatcher Road (G. H. Beach)**  
Description of Property: **Intersection of Salt Island Road and Witham Street**  
Method of Disposition: **Three Year Lease Agreement, 5/1/18 to 4/30/21**  
Recommended Rent: **\$ per year, \$ term of lease (subject to CC approval)**  
Current Rent: **\$6,500 per year**  
Market Value of Lease: **\$6,500-\$6,700 per year (see memo from Assessor)**

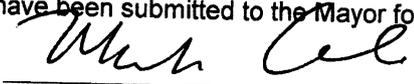
**Purchasing Department:**

At the request of the Mayor, the Purchasing Department has prepared a lease agreement for the disposition of the above property.

 **Purchasing Agent** 4/2/18  
NAME POSITION DATE

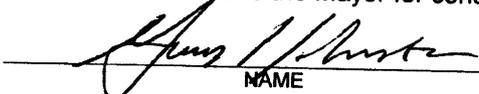
**Contract Manager:**

At the request of the Mayor, I have reviewed the possible disposition of the above named property. My recommendations have been submitted to the Mayor for consideration and possible inclusion in the lease.

 **Contract Manager** 4-2-18  
NAME POSITION DATE

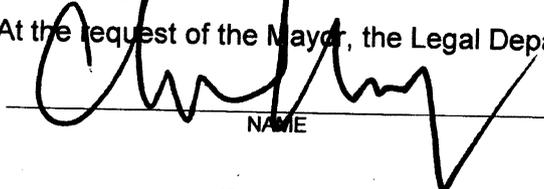
**Office of the Assessor:**

At the request of the Mayor, I have reviewed the possible disposition of the above named property. My recommendations have been submitted to the Mayor for consideration and possible inclusion in the lease.

 **Assessor** 4-2-18  
NAME POSITION DATE

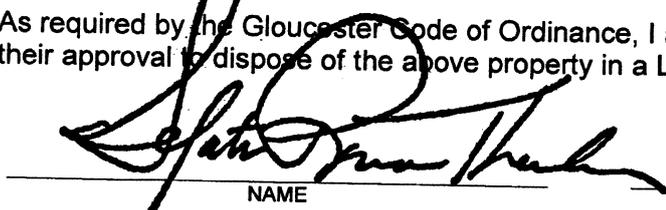
**Legal Department:**

At the request of the Mayor, the Legal Department has reviewed as to form

 **General Counsel** 4/2/18  
NAME POSITION DATE

**Office of the Mayor:**

As required by the Gloucester Code of Ordinance, I am submitting my recommendation to the City Council for their approval to dispose of the above property in a Lease format.

 **Mayor** 4/2/18  
NAME POSITION DATE

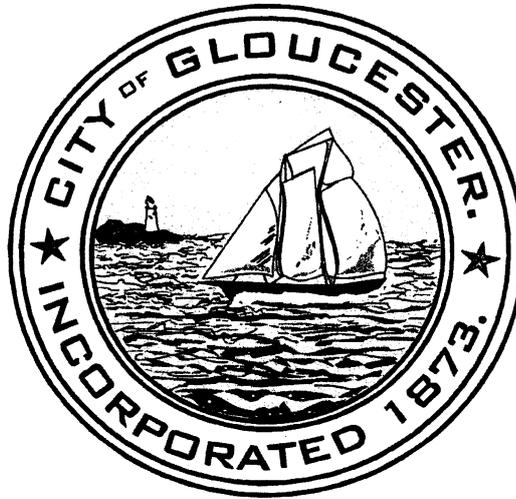
# **City of Gloucester**

## **Office of the Purchasing Agent**

City Hall, 9 Dale Avenue, Gloucester, MA 01930

Telephone 978 281 9710 Fax 978 281 8763

[www.gloucester-ma.gov](http://www.gloucester-ma.gov)



## **Witham Street Parking Area**

### **Lease Agreement #18141**

Between the

**City of Gloucester**

And

**Good Harbor Beach Inn, Corp.**



**SECTION 7: DISCLOSURE OF BENEFICIAL INTEREST**

***THE LESSEE SHALL SUBMIT THIS FORM TO DCAM***

***A COPY OF THE COMPLETED FORM IS TO BE RETURNED TO THE PURCHASING DEPARTMENT WITH YOUR SIGNED CONTRACT.***

**SUCCESSFUL PROPOSER DISCLOSURE OF BENEFICIAL INTEREST IN REAL ESTATE**

MGLc 7, S 40J, requires disclosure of all beneficial interests in real property acquired or disposed of by a public agency. The selected bidder's disclosure of beneficial interests must be filed with the Commissioner of the Division of Capital Asset Management (DCAM). No contract to lease or sell property is valid until the buyer or lessee files this form with DCAM. A form for this purpose is attached. An updated disclosure form must be filed within 30 days of any change in beneficial interests during the lease term.

**Disclosure of Beneficial Interests in Real Property Transaction**

This form contains a disclosure of the names and addressees of all persons with a direct or indirect beneficial interest in the real estate transaction described below. This form must be filed with the Massachusetts Division of Capital Planning and Operations, as required by MGLc 7 Sec. 40J, prior to the conveyance of or execution of a lease for the real property described below. Attach additional sheets if necessary.

1. Public agency involved in this transaction: **City of Gloucester, MA.**  
 Complete legal description of the property: **Witham Street Parking Area  
 Witham Street  
 Gloucester, MA. 01930**

Type of transaction: Sale: **N/A** Lease from **5/01/18 to 4/30/21**  
 Seller: **N/A** Lessor: **City of Gloucester, MA.**  
 Purchaser **N/A** Lessee:

Names and addresses of all persons who have or will have a direct or indirect beneficial interest in the real property described above. **Note:** If a corporation has, or will have a direct or indirect beneficial interest in the real property, the names of all stockholders must be listed except that, if the stock of the corporation is listed for sale to the general public, the name of any person holding less than ten percent of the outstanding voting shares need not be disclosed.

Name	Address
_____	_____
_____	_____
_____	_____

None of the persons listed in this section is an official elected to public office in the Commonwealth of Massachusetts except as noted below:

Name	Title or position
_____	_____
_____	_____

This section must be signed by the individual(s) or organization(s) entering into this real property transaction with the public agency named in item #1. If this form is signed on behalf of a corporation, it must be signed by a duly authorized officer of that corporation.

The undersigned acknowledges that any changes or additions to item #4 of this form during the term of any lease or rental will require filing a new disclosure with the Division of Capital Planning and Operations within 30 days following the change or addition.

Signature: \_\_\_\_\_  
 Printed name: \_\_\_\_\_  
 Title: \_\_\_\_\_ Date: \_\_\_\_\_

**SECTION 8.0 LEASE****SECTION 8.1: PARTIES**

This lease agreement is between the CITY OF GLOUCESTER, LESSOR, which expression shall include its heirs, successors and assigns, and Good Harbor Beach Inn, Corp., d.b.a. GOOD HARBOR BEACH INN, LESSEE, which expression shall include its successors and assigns.

**SECTION 8.2: PREMISES**

The LESSOR hereby leases to the LESSEE the following parcels of land.

- 8.2.1 A strip of land situated on the westerly side of Witham Street, bounded and described as follows:  
Beginning at a point on Witham Street at telephone pole #845 which pole is located at a point where Witham Street intersects Salt Island Road and then running northerly by the westerly side line of Witham Street about eighty (80) feet to the location of telephone pole #846; then running westerly about twenty-five (25) feet at land of the City of Gloucester; southerly about eighty (80) feet, still land of said City, and easterly twenty-five (25) feet still by land of said City, to the point of beginning.
- 8.2.2 A triangular parcel of land consisting of 400 square feet, more or less, located near the intersection of Thatcher Road and Witham Street.

**SECTION 8.3 TERM**

The term of this lease shall be from May 1, 2018 to April 30, 2021.

**SECTION 8.4 RENT**

The LESSEE shall pay the LESSOR at the following rate: **SUBJECT TO CITY COUNCIL APPROVAL**

May 1, 2018 to April 30, 2019 - - **Six Thousand, Five Hundred dollars (\$6,500.00) TBD**

May 1, 2019 to April 30, 2020 -- **Six Thousand, Five Hundred dollars (\$6,500.00) TBD**

May 1, 2020 to April 30, 2021-- **Six Thousand, Five Hundred dollars (\$6,500.00) TBD**

Such rent shall be payable in advance of each year on or before May 1, made payable City of the Gloucester, mailed to DPW Director, 9 Dale Ave., Gloucester, MA 01930

**SECTION 8.5 USE OF LEASED PREMISES**

The LESSEE shall use the leased premises described in paragraph 8.2.1 above solely for parking motor vehicles in connection with the operation of the Good Harbor Beach Inn. The LESSEE shall not allow the general public to use the leased premises described in paragraph 8.2.1 above for any purpose, including parking of motor vehicles, except that from November 15 to March 15 the premises may be used by the general public.

The LESSEE shall use the leased premises described in paragraph 8.2.2 above solely and exclusively for the erection and maintenance of a sign to advertise the Good Harbor Beach Inn. The LESSEE shall obtain all the necessary permits for the sign and shall comply with all laws, ordinances and regulations, including Section 4.3 of the Gloucester Zoning Ordinance, that may be applicable to its signs. The LESSEE shall, at LESSEE'S expense, landscape and maintain the leased premises described in paragraph 8.2.2 above and maintain the sign in good repair, as may be directed by the Director of Public Works.

LESSEE shall, at LESSEE'S expense, maintain the entire leased premises litter-free.

LESSEE may have towed all motor vehicles illegally parked on the leased premises, as allowed by law, provided there is a sign indicating that illegally parked cars may be towed.

LESSEE shall not use, and shall not permit the use of the public landing abutting the leased premises to the east for any purpose other than those for which a public land is normally used.

**SECTION 8.6 COMPLIANCE WITH LAWS**

The LESSEE shall make no use of the premises which is contrary to any federal, state or municipal law.

**SECTION 8.7 ASSIGNMENT AND SUBLEASING**

The LESSEE shall not assign or sublet the whole or any part of the leased premises without LESSOR'S prior written consent, which consent will not be unreasonably withheld. Notwithstanding such consent, LESSEE shall remain liable to LESSOR for the payment of all rent and for the full performance of the covenants and conditions of this lease.

**SECTION 8.8 LESSOR'S ACCESS**

The LESSOR or any agent of the LESSOR at reasonable times and with reasonable notice to the LESSEE enter to view the leased premises. The LESSOR may, with notice to the LESSEE, show the leased premises to others at any time within three (3) months before the expiration of the term.

**SECTION 8.9 INDEMNIFICATION AND LIABILITY**

The LESSEE shall indemnify and save the LESSOR harmless for any and all claims and all loss or damage occasioned by the use of the leased premises.

**SECTION 8.10 LESSEE'S LIABILITY INSURANCE**

The LESSEE shall maintain with respect to the leased premises comprehensive liability insurance in the amount of \$1,000,000.00, with property damage insurance in limits of \$50,000.00. The policies shall be with responsible companies qualified to do business in Massachusetts and in good standing herein, insuring LESSOR as well as LESSEE against injury to persons or damage to property. The LESSEE shall deposit with the LESSOR certificates of insurance prior to the commencement of the term, and thereafter within thirty (30) days prior to expiration of any such policy. All such insurance certificates shall provide that such policies shall not be canceled without at least ten (10) days' prior written notice to each insured named therein.

**SECTION 8.11 DEFAULT AND BANKRUPTCY**

In the event that:

- 8.11.1 The LESSEE shall default in the payment of any installment of rent or other sum herein specified and such default shall continue for ten (10) days after written notice thereof; or
- 8.11.2 The LESSEE shall default in the observance or performance of any other of the LESSEE'S covenants, agreements or obligations hereunder and such default shall not be corrected within thirty (30) days after written notice thereof; or
- 8.11.3 The LESSEE shall be declared bankrupt or insolvent according to law, or if any assignment shall be made of LESSEE'S property for the benefit of creditors, then the LESSOR shall have the right thereafter, while such default continues, to re enter and take complete possession of the leased premises, to declare the term of this lease ended, and remove the LESSEE'S effects, without prejudice to any remedies which might be otherwise used for arrears of rent or other default.
- 8.11.4 The LESSEE shall indemnify the LESSOR against all loss of rent and other payments which the LESSOR may suffer by reason of such termination during the residue of the term. If the LESSEE shall default, after reasonable notice thereof in the observance or performance of any conditions or covenants on LESSEE'S part to be observed or performed under or by virtue of any of the provisions in any article of this lease, the LESSOR, without being under any obligation to do so and without thereby waiving such default, may remedy such default for the account and at the expense of the LESSEE.

If the LESSOR makes an expenditures or incurs any obligations for the payment of money in connection therewith, including but not limited to, reasonable attorneys' fees in instituting, prosecuting or defending any action or proceeding, such sums paid or obligations incurred with interest at the rate of ten (10) per cent per annum and costs, shall be paid to the LESSOR by the LESSEE as additional rent.

**SECTION 8.12 NOTICE**

Any notice from LESSOR to LESSEE relating to leased premises or to the occupancy thereof shall be deemed to be duly served if mailed to Dennis Dyer, Good Harbor Beach Inn Corp., One Salt Island Road, Gloucester, MA 01930 registered or certified mail, return receipt requested, postage prepaid.

Any notice from LESSEE to LESSOR relating to the leased premises or to the occupancy thereof, shall be deemed duly served if mailed to the Mayor, City of Gloucester, City Hall, Dale Avenue, Gloucester, MA 01930, registered or certified mail, return receipt requested, postage prepaid.

**SECTION 8.13 SURRENDER**

The LESSEE shall at the expiration or other termination of this lease remove all LESSEE'S goods and effects from the leased premises including, without hereby limiting the generality of the foregoing, all signs erected by the LESSEE. LESSEE shall deliver to the LESSOR the leased premises in the same condition as they were at the commencement of the term, or as they were put in during the term hereof, reasonable wear and tear and damage by casualty only excepted. In the event of the LESSEE'S failure to remove any of LESSEE'S property from the premises, LESSOR is hereby authorized, without liability to LESSEE for loss or damage thereto, and at the sole risk of LESSEE, to remove and store any of the property at LESSEE'S expense, or to retain same under LESSOR'S control or to sell at public or private sale, without notice, any or all of the property not so removed and to apply the net proceeds of such sale to the payment of any sum due hereunder, or to destroy such property.

Signed and sealed this \_\_\_\_\_ day of \_\_\_\_\_, 2018 by their duly authorized officers and representatives:

City of Gloucester, LESSOR

Good Harbor Beach Inn Corp., LESSEE

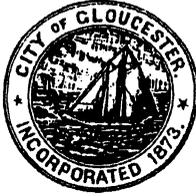
By: \_\_\_\_\_  
Mayor

By: \_\_\_\_\_  
Authorized Signature & Title

\_\_\_\_\_  
Purchasing Agent

\_\_\_\_\_  
Approved as to Form:  
General Counsel

**ATTACHMENTS**  
**LETTER FROM ASSESSOR**



# CITY OF GLOUCESTER

GLOUCESTER, MASSACHUSETTS - 01930

OFFICE OF THE ASSESSORS

March 29, 2018

To: Donna Compton, Purchasing Agent

From: Gary I. Johnstone, Assessor

Re: Good Harbor Beach 11 Space Parking Lease On Witham Street

As per your request, the assessors have attempted to determine a reasonable lease amount for 11 parking spaces situated on Witham Street which are a portion of the Good Harbor Beach parcel situated at 99 Thatcher Road (Map 184 and Lot 3) that have been and are currently leased and utilized by the Good Harbor Beach Inn. Mark Cole, DPW Operations Manager, has supplied beach parking statistics of full weekday and full weekend days at Good Harbor Beach for the past 6 seasons in order to determine the potential gain or loss in beach revenues related to the eleven parking spaces on the full days. This scenario assumes that residents would be able to utilize the 11 parking spaces on Witham Street and thus free up 11 beach parking lot rental spaces. Over the past 6 years there were 84 full weekend days or an average of 14 per year and 45 full weekday days or an average of 7.5 per year in which the Good Harbor Beach lot was closed to paying beach guests. Utilizing these figures, there would be potential annual revenue loss for each of the next 3 years of \$4,620 for the 14 weekend days based upon the current \$30/space per day times 11 spaces and \$2,062.50 for the 7.5 weekday days per year based upon the current \$25/space per day times 11 spaces or a combined potential total revenue loss of \$6,682.50 per year. The existing lease for these 11 spaces has been \$6,500 for each of the past 6 years. Based upon this information it appears that an annual lease in the range of \$6,500 to \$6,700 appears to be reasonable for the 11 parking spaces which are to be leased to the Good Harbor Beach Inn for guest use.

Respectfully submitted,

Gary I. Johnstone  
Assessor



CITY OF GLOUCESTER 2018  
**CITY COUNCIL ORDER**

**ORDER:** CC#2018-015  
**COUNCILLORS:** James O'Hara

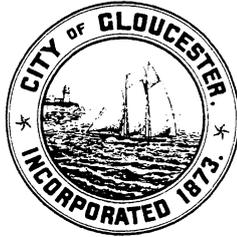
**DATE RECEIVED BY COUNCIL:** 04/10/18  
**REFERRED TO:** B&F, Administration,  
CFO & City Auditor  
**FOR COUNCIL VOTE:**

**ORDERED** request that the Budget & Finance Standing Committee work with the Administration, CFO and City Auditor to establish an ordinance for the acceptance of credit and debit cards for any fine, fee, charge, tax or cost and other services imposed by the City in accordance with applicable Mass General Laws.

**FURTHER ORDERED** that this matter be referred to the and Budget and Standing Committee, Administration, CFO and City Auditor for review and recommendation to City Council.

James O'Hara  
Councillor at Large

City Hall  
Nine Dale Avenue  
Gloucester, MA 01930



TEL 978-281-9700  
FAX 978-281-9738  
stheken@gloucester-ma.gov

CITY OF GLOUCESTER  
OFFICE OF THE MAYOR

April 4, 2018

MEMORANDUM

To: Council President Lundberg and  
Members of the City Council

From: Mayor Sefatia Romeo Theken

Re: Recreational Marijuana Recommendations

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On November 8, 2016, voters in the Commonwealth of Massachusetts approved "An Initiative Petition for a Law Relative to the Regulation and Taxation of Marijuana" by a margin of 53.7% to 46.3%. In the City of Gloucester, of the 16,708 votes cast, 9,484 (56.7%) voted in favor of the measure and 6,869 (41.1%) voted against it.

In December 2016, the Massachusetts Legislature codified the Initiative Petition. On July 19, 2017, in an attempt to address some of the ambiguity in the Petition, the Massachusetts Legislature passed a revised law called "An Act to Ensure Safe Access to Marijuana" that created chapter 94G of the Massachusetts General Laws entitled the "Regulation of the Use and Distribution of Marijuana Not Medically Prescribed."

Included in the new law was the creation and make-up of the Cannabis Control Commission (CCC). In October, 2017, the CCC convened and began holding listening sessions across the Commonwealth. The CCC was charged with adopting regulations consistent with chapter 94G for the administration, clarification and enforcement of laws regulating and licensing marijuana establishments and the CCC is the state body that approves all marijuana establishment applications.

According to the law and the CCC, there are several types of marijuana establishments: cultivators, craft cooperatives, product manufacturers, retailers, transporters, research facilities, laboratories and microbusinesses. Gloucester may pass an ordinance limiting the numbers of marijuana retailers to 20% or less of the number of liquor licenses in Gloucester (3.4, rounded down to 3) only by a vote of the voters during a special election. Further, Gloucester also has the option to regulate the number marijuana retailers to 20% or more of the number of liquor licenses as a matter of right by a vote of the City Council.

Gloucester may regulate the "time, place and manner" of all marijuana establishments also as a matter of right by a vote of the Council; we may enter into Host Community Agreements with

marijuana establishments; and we may charge them a 3% sales tax under the law provided that we adopt the same. Finally, and perhaps most importantly, Gloucester may not prevent the conversion of a registered medical marijuana dispensary (registered not later than July 1, 2017) to a recreational marijuana establishment for adult use.

In late 2016, I commissioned a task force to examine the issue of recreational marijuana and make some recommendations that we, as City leaders, should consider. The Recreational Marijuana Task Force was charged with reviewing the law and its impacts on our community. The Task Force was made up of: Karin Carroll, Jim Destino, Val Gilman, Chip Payson, Melissa Teixeira, Kathy Clancy, Jill Cahill, John McCarthy, Joanne Senos, Gregg Cademartori, Chris Sicuranza, Joan Whitney and Bill Sanborn.

Beginning in late 2016 until March, 2018, the Task Force held over a dozen meetings in which they discussed all aspects of this issue in great detail. This was no small task as law was often ambiguous and there was little or no guidance from the Commonwealth on its interpretation. In August, 2017, multiple ward meetings held for public discussion and input. The Task Force reached consensus around public safety concerns, education, health, zoning the effects on children (labeling and access), traffic and security of the sites.

I would like to thank all of the members of the Recreational Task Force for their hard work and dedication on this issue.

While I do not personally support the issue, this mandate came from the people. My job is to best position our City regarding the scope, process and placement of recreational marijuana establishment. Accordingly, I would like to make the following recommendations to the City Council:

- That the City Council vote to limit the number of marijuana retail establishments in Gloucester to three (3);
- That the City Council adopt the requisite ordinances and zoning requirements necessary in that regard currently at the Planning Board;
- That the City Council adopt an ordinance governing marijuana accessories as well as an ordinance authorizing Board of Health to inspect edible marijuana products to be drafted by the General Counsel;
- That the City Council adopt section 3 of chapter 94G that provides for a community impact fee in the amount of 3% of the gross sales of each marijuana establishment or medical marijuana treatment center in Gloucester; and
- That money from these establishments be directed to public safety and educating our children about the dangers of using drugs.

Thank you for your consideration of this very important issue.