



# CANNABIS BUSINESS: ADULT-USE RETAIL DISPENSARY GUIDE

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The NYC Department of Buildings is here to help you get your Conditional Adult-Use Retail Dispensary (CAURD) construction project to completion and your retail store up and running.



## Are you starting a cannabis business?

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The **NYS Office of Cannabis Management (OCM)** is issuing various types of licenses for cannabis businesses.

- Keep reading if you have already obtained a **Conditional Adult-use Retail Dispensary (CAURD)** license from OCM.
- CAURD license holders starting with **Temporary Delivery-Only (TDO)** operation, refer to the TDO guidance.
- Stay tuned for upcoming guidance for other cannabis license types.

## What should you know?

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- Choose a store location that permits retail use.
- Cannabis retail licensees can get help from the **NYC Department of Buildings' (DOB) Small Business Team**.
- Construction of the retail store requires building permits from DOB.
- Refer to OCM's regulations for other requirements.

## What should you do?

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- Check the Certificate of Occupancy of your potential store.
- Use the **NYC Guide to Locating Cannabis Businesses in Compliance with the NYC Zoning Resolution** to locate potential store locations.
- Hire a licensed professional to apply for all required building permits.
- Hire licensed contractors to build your store.

## What is a CAURD License?

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A **CAURD License** is the first retail dispensary license to be distributed for legal adult-use cannabis sales in New York State. CAURD licenses are awarded to businesses owned by justice-involved New Yorkers and close family members, setting a foundation for an equitable industry.

DOB's **Small Business Team (SBT)** provides small business owners and entrepreneurs the dedicated DOB support they need. With a single point of contact at DOB, this allows you to have one-on-one guidance so your construction projects can move to completion.





## Need assistance with your construction application for your new cannabis dispensary?

To get started, you are required to obtain a cannabis dispensary license from OCM. A general guide to cannabis regulations can be found at [Cannabis NYC](#). Licensees may also get one-on-one guidance on planned or ongoing construction projects, including inspections, permits, and general advice from DOB's **Small Business Team (SBT)**. Contact SBT through the [Small Business Help Form](#). Keep reading to find out if your store is exempt from a new Certificate of Occupancy (CO) requirement.

A CO describes the legal use and type of occupancy permitted in a building and confirms the completed work substantially complies with all applicable laws. When the use of a space changes and no longer matches the CO, in most instances a new CO is required. The process to get an updated CO is called an Alteration-CO filing.

Remember, any alteration work that requires filing a DOB application must comply with all NYC Building Code and NYC Zoning Resolution requirements, and all necessary construction permits and sign-offs must be obtained. You should hire a **licensed professional** to discuss how best to manage your project.

### I. GENERAL

In terms of the NYC Zoning Resolution and NYC Construction Codes, cannabis dispensaries are treated the same as other retail stores. This means that cannabis dispensaries are classified as Zoning Use Group 6 (retail) and Building Code Group M (mercantile) occupancy.

See the [NYC Guide to Locating Cannabis Businesses in Compliance with the Zoning Resolution](#) for more information on where Zoning Use Group 6 is allowed.

*NOTE: For [Temporary Delivery-Only](#) locations, dispensary license holders should refer to the [Temporary Delivery-Only Guide](#).*



## II. EXAMPLES WHEN AN ALTERATION-CO FILING IS NOT REQUIRED

### A. When the Current CO Already Indicates Retail Store Use

An Alteration-CO (Alt-CO) filing is not required if a retail store is already indicated on the CO. Depending on when the CO was issued, the store use might be indicated differently. A CO issued recently will often indicate the retail store as **retail, Zoning Use Group 6, M Occupancy**, as shown in the following example:

Permissible Use and Occupancy						
All Building Code occupancy group designations below are 2008 designations.						
Floor From To	Maximum persons permitted	Live load lbs per sq. ft.	Building Code occupancy group	Dwelling or Rooming Units	Zoning use group	Description of use
001	3728	100	M		6	RETAIL STORES, RU101, RU102, RU103A, RU103B, RU104, RU105, RU106, RU109, RU110B, RU110C, RU111A, RU112, RU115A, RU116, RU117, RU119, RU120B, RU127, RU128A, RU128B, RU129, RU131A, RU131B, RU132, RU133

A legal retail store may also be indicated as **commercial, sales, or store** on the older COs, as shown in the following examples:

STORY	LIVE LOADS Lbs. per Sq. Ft.	PERSONS ACCOMMODATED	USE
Cellar	on ground		Meter room and storage.
1st	on ground	80	Stores, Use Group 6.

Permissible Use and Occupancy						
All Building Code occupancy group designations are 1968 designations, except RES, COM, or PUB which are 1938 Building Code occupancy group designations.						
Floor From To	Maximum persons permitted	Live load lbs per sq. ft.	Building Code occupancy group	Dwelling or Rooming Units	Zoning use group	Description of use
001	50	100	COM		6	RETAIL STORE

STORY	LIVE LOADS Lbs. per Sq. Ft.	PERSONS ACCOMMODATED	USE
Cellar	On Ground	50	Household Appliance Sales (Use Group 6).
First	120	100	Clothing Sales (Use Group 6).

## B. When the Current CO Indicates Other Zoning Use Group 6 Uses on the Ground Floor

Since 2009, the NYC Department of Buildings has provided allowances for small, existing individual mercantile establishments to use the existing CO. These conditions are now incorporated into **AC 28-118.3** as an exception to filing an Alt-CO.

For example, the ground floor bank (Zoning Use Group 6B, Occupancy Group B) indicated below may not require an Alt-CO filing to now operate as a cannabis dispensary if the Registered Design Professional (RDP) has evaluated that the space complies with the conditions in AC 28-118.3.

Permissible Use and Occupancy						
All Building Code occupancy group designations below are 2008 designations.						
Floor From To	Maximum persons permitted	Live load lbs per sq. ft.	Building Code occupancy group	Dwelling or Rooming Units	Zoning use group	Description of use
001	119	100	B R-2 M		2.6	BANK (45) (74) RESIDENTIAL LOBBY AND STORES

*NOTE: If the retail space is not on the ground floor (i.e., upper floor or basement/cellar), an Alt-CO filing is required. Accessibility changes may be required to accommodate individuals with disabilities.*

## C. When the Building Has No CO

Existing buildings constructed prior to January 1, 1938 without a CO may not require an Alt-CO filing if the building complies with AC 28-118.3.5. You may obtain a Letter of No Objection (LNO) in accordance with **Buildings Bulletin 2015-026** to verify the zoning Use Group. Talk to a licensed professional to see if an Alt-CO is required for your project.



### III. EXAMPLES WHEN AN ALTERATION-CO FILING IS REQUIRED

If the CO does not indicate retail use and the project cannot take advantage of the allowance discussed in Part II Section B, an Alt-CO filing is required to amend the CO. In Example 1 the current use is a restaurant under Zoning Use Group 12, therefore an Alt-CO must be filed to change to Zoning Use Group 6. Example 2 shows Zoning Use Group 6, however, the offices are not on the ground floor, therefore cannot take advantage of the allowance discussed in Part II Section B. An Alt-CO filing will be required, and accessibility changes may be required to provide access to individuals with disabilities.

#### Example 1

Permissible Use and Occupancy							
Floor From To	Maximum persons permitted	Live load lbs per sq. ft.	Building Code habitable rooms	Building Code occupancy group	Zoning dwelling or rooming units	Zoning use group	Description of use
MEZ	59			F-4		12	CABARET
001	236	100		F-4		12	EATING AND DRINKING

#### Example 2

Permissible Use and Occupancy							
Floor From To	Maximum persons permitted	Live load lbs per sq. ft.	Building Code habitable rooms	Building Code occupancy group	Zoning dwelling or rooming units	Zoning use group	Description of use
007	50	120	B		6	OFFICES	

*NOTE: To find out whether your intended store location permits retail use, reference the [NYC Guide to Locating Cannabis Businesses in Compliance with the NYC Zoning Resolution](#).*

### IV. DOB NOW FILING REQUIREMENTS

Permit filings for cannabis establishments, including Alteration and Alt-CO filings, may start by using DOB's **Small Business Help Form**. Fill in the required information and select **Cannabis** in the **Business Sector** section, as shown:

NYC
Buildings
Small Business Support  
How can we help?

Submit

Employer Identification Number (Federal Tax ID)\*

Business Sector (select all that apply)\*

Childcare

Grocery Store/Supermarket

Manufacturing

Nightclub/Cabaret/Live Performance Venue

Professional Services

Restaurant/Bar

Cannabis

Retail

Other/Unknown

- After completing and submitting your **Small Business Help Form**, SBT will set up your filing portal in DOB NOW.

The screenshot shows the DOB NOW portal interface. At the top, there's a header with the DOB NOW logo and the text 'Submit Filings, Payments, and Requests to the NYC Department of Buildings'. Below this is a progress bar with stages: Pre-filing, Pending CPE/ACPE Assignment, Pending PE Assignment, Plan Examiner Review, CPE/ACPE Review, Approved, Permit Issued/Permit Entire, and CO Issued. A sidebar on the left contains navigation options: Plans/Work (PW1), Zoning Information (highlighted in red), Small Business (highlighted in blue), Cost Affidavit (PW3), Technical Report, and Documents. The main content area is titled 'Small Business Information' and includes fields for Business Name (Cannabiz Store), Business Owner Email (mystore@cannabiz.com), and Tell Us Who You Are (Owner/Manager of current small business). The Business Sector section is expanded, showing a list of categories with 'Cannabis' selected (checked). The License Types dropdown is also expanded, showing 'Dispensary' as the selected option. Other fields include Business Space (Existing business space under renovation), License Number (M01234), and a 'Save' button.

- The portal allows you to file the job, starting with completing a PW1 form. In the **Comment** section of the PW1 form, you must enter the keyword **cannabis dispensary**.
- On the **Small Business** side panel, select **Cannabis** in the **Business Sector** section.

**Business Sector (select all that apply)\***

This close-up view shows the 'Business Sector (select all that apply)\*' section. It features a grid of checkboxes for various business sectors: Childcare, Nightclub/Cabaret/Live Performance Venue, Cannabis (checked), Grocery Store/Supermarket, Professional Services, Retail, and Other/Unknown. Below the checkboxes is a 'License Types\*' dropdown menu that is open, displaying a list of options including 'Dispensary' (highlighted in blue), 'On-site Consumption', 'Nursery', 'Cultivator', 'Cooperative', 'Distributor', 'Processor', and 'Microbusiness'. To the right, there is a 'License Number' field and a 'Partially-Owned' section with 'Yes' and 'No' radio buttons.

After that, you will be able to follow the regular DOB NOW filing procedures to complete your filing. **GOOD LUCK!**



# AGENCY CONTACT INFORMATION



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- **New York State Office of Cannabis Management**
- Phone: (888) 626-5151
- Website: [cannabis.ny.gov](https://cannabis.ny.gov)
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- **New York City Small Business Services**
- Phone: (888) SBS-4NYC | (888) 727-4692
- Website: [nyc.gov/sbs](https://nyc.gov/sbs)
- *Get more information from Cannabis*
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- **New York City Department of Buildings Small Business Team**
- Questions: [Small Business Help Form](#)
- Website: [nyc.gov/dob-sbt](https://nyc.gov/dob-sbt)
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