

# THE CITY OF NEW YORK MANHATTAN COMMUNITY BOARD 3 59 East 4th Street - New York, NY 10003 Phone (212) 533-5300 www.cb3manhattan.org - mn03@cb.nyc.gov

Tareake Dorill, Board Chair

Susan Stetzer, District Manager

### Community Board 3 Cannabis License Application Questionnaire

#### NOTE: ALL ITEMS MUST BE SUBMITTED FOR APPLICATION TO BE CONSIDERED.

#### The following items package are due by date listed in your email invitation:

- Questionnaire (below)
- Executed lease for the proposed location
- Community Impact Plan (see page 5)

#### **GENERAL INFORMATION**

- 1. Type of License:
  - Adult-Use Retail Dispensary
  - Micro-business (with retail)
- 2. Entity Name: Fire Escape LLC
- 3. Trade Name ("Doing Business As"): Fire Escape

#### LOCATION INFORMATION

4. Address (including the floor location or room number, if applicable):

# 103 Avenue A

# New York, NY 10009

# Cross streets: Between 6th st and 7th st

- 5. Does the business, or has the business, ever sold cannabis products at this location?
  - Yes
  - 🛛 No
- 6. Are there any buildings with the primary functions of a **church**, **synagogue**, **or other places of worship** on the same road and within 200-feet of this location?
  - Yes
  - 🛛 No

- 7. Are there grounds occupied exclusively by a **school** on the same road and within 500-feet of this location?
  - Yes
  - 🛛 No
- 8. Are there any **other retail dispensary or microbusiness retail** locations within 1,000 ft of this location?
  - Yes
  - 🛛 No
- 9. If the establishment is a **transfer or previously licensed premises**, what is the name of the old establishment, and what is its registration or license number?

Name:

Registration or License Number: \_\_\_\_\_

#### **PROPOSED BUSINESS**

10. Please provide a brief description of the types of products/services (to be) provided at the physical location, including which products will be sold onsite and which will be available for delivery, if applicable.

We plan to offer a full spectrum of adult-use cannabis products,

including flower, pre-rolls, vaporizers, edibles, tinctures, and

concentrates. We also aim to provide education surrounding cannabis

and the historic role that our surrounding neighborhood played it its legalization.

11. What measures will be taken to ensure that customers do not smoke outside in areas that would cause smoke to enter apartments or businesses above and nearby?

Security will be stationed at the front door during all hours of operation,

and instructed to politely inform customers that they are not allowed to

consume on premises in compliance with the OCM regulations.

12. How many cannabis events will you be hosting per year? 12 subject to CB3's preference

- 13. Would you commit to playing music at background levels only?
  - 🛛 Yes
  - No
- 14. Would you be willing to meet with the Lower East Side Employment Network (LESEN) to help identify local residents who meet your criteria for staffing the proposed business?
  - 🛛 Yes
  - No

15. What are the total hours you will be open each week? 96

- 16. What are your proposed hours?
  - Sundays: 10am-10pm
  - Mondays: 10am-10pm
  - Tuesdays: 10am-10pm
  - Wednesdays: 10am-10pm
  - Thursdays: 10am-2am
  - Fridays: 10am-2am
  - Saturdays: <u>10am-2am</u>

#### APPLICANT/LICENSEE REPRESENTATIVE INFORMATION

17. Applicant Full Name: Fire Escape LLC

18. Attorney/Representative Full Name: \_\_\_\_\_

19. Attorney/Representative Address: \_\_\_\_\_ **1115 Broadway, 12th Floor** 

## New York, NY 10010

20. Attorney/Representative Address Phone Number: 917-398-9081

21. How many cannabis licenses does the applicant currently hold? \_\_\_\_\_

22. Has the applicant completed any workforce or training programs offered by OCM? If yes, which ones?

We have not, but our partner has worked in the industry across over a dozen states,

and as a company we have working with a CAURD licensee in CB2 to get through

# the licensing and opening process in New York,

- 23. If the applicant has an existing business at this location, have they ever received **a violation at this location**?
  - Yes
  - 🛛 No
- 24. Has the applicant received a violation for selling unlicensed cannabis in last 3 years?
  - Yes
  - 🛛 No

#### **REQUIRED ATTACHMENT GUIDANCE**

**Community Impact Plan**: Please share your community impact plan, including the applicant's proposed strategy for community engagement, as an attachment. You should address the following points:

- Identify the community or communities and individuals disproportionately impacted that the applicant or licensee plans to benefit
- Include a description of:
  - the benefits that the applicant or licensee will provide to the community or individuals disproportionately impacted, including, but not limited to, workforce opportunities, community resources, education, and other community building programs
  - o the scale or size of the disproportionately impacted target beneficiaries; and
  - the plan for implementation, including, but not limited to, actions, activities and engagements that will be performed by the applicant or licensee and frequency of engagement with the community or individuals disproportionately impacted
- Detail a demonstrated need of the proposed benefit to the community and individuals disproportionately impacted, including, but not limited to, economic and social impact
- Include identifiable resources the applicant or licensee will use to execute the community impact plan, including, but not limited to:
  - by written agreement, a demonstrable partnership or relationship with a communitybased organization or other association
  - estimated expenses, if any, the applicant or licensee will incur to execute the community impact plan and its activities
  - the applicant's or licensee's demonstrated ability, knowledge, expertise or experience
  - o any other information or documentation evidencing community engagement.
- Include a description of the applicant's or licensee's strategy to measure, track, and record the performance and execution of the community impact plan that identifies qualitative and quantitative metrics, and includes frequency of tracking such metrics

## Fire Escape Mission Statement:

Fire Escape is a family and labor owned company with a mission to serve high quality cannabis products, as ethically and equitably as possible. We prioritize justice, community, and partnership, aiming to rectify historical injustices and promote inclusivity in the cannabis industry.

## **Community Impact Plan:**

The purpose of this document is to demonstrate Fire Escape's commitment to the social and economic equity goals of the Cannabis Law through our Community Impact Plan and Strategy for Communication Engagement. While we are proud to be part of New York's legal cannabis industry where our taxes go to Education, the Community Grants Reinvestment Fund, and the Drug Treatment and Public Education Fund, we believe there is more we can and should do. We are dedicated to centering the values of justice that were the driving force behind legalization.

I. Background of Target Beneficiaries: Fire Escape recognizes the war on drugs' disproportionate impact on BIPOC individuals, low-income communities, LGBTQ+ communities, and women. In NYC, Black individuals comprised 57% of the 1.3 million cannabis-related arrests, while Hispanics made up 25%. Despite White individuals using cannabis more frequently, Black New Yorkers were 15 times more likely to be arrested for cannabis offenses, and Hispanic New Yorkers were 7.5 times more likely than non-Hispanic Whites.

These racial imbalances have exacerbated economic inequalities. We aim to support these communities, especially in the East Village. The East Village has a median household income of \$57,104 which is 31% lower than Manhattan's median household income of \$82,459. The East Village has a diverse demographic composition with 50% White, 25% Hispanic/Latino, 13% Asian, and 10% African American residents. Recent gentrification concerns threaten the unique character of the neighborhood, but local organizations are working to preserve its culture, small businesses, and minority communities.

### II. Planned Benefits

## A. Fire Escape Workforce Equity & Opportunity Plan

1. Plan for Implementation: Fire Escape will offer a two-fold approach to their Workforce Equity & Opportunity Plan. Firstly, as a labor owned company, all team members will not only receive above market pay and benefits, but also direct voting equity through an ESOP program. Every full time employee down to our budtenders will have a financial stake in our success and share directly in our profits, with a full 19% of our company already set aside for non-executive employees. Our entry level positions will be paid an hourly rate of \$31.25/hr and provided full health coverage valuing roughly \$13,000, bringing total entry level compensation for full time employees to \$78,000 before profit sharing. Secondly, we will partner with local community organizations to proactively offer work opportunities to those impacted by cannabis prohibition with a particular focus on local residents. Fire Escape will create partnerships with local and national community organizations specializing in job training and placement support for those impacted by the war on drugs including Women and BIPOC, lowincome and LGBTQ+ communities. We commit to interviewing 3 candidates recommended by these organizations for each open role. We plan to create relationships with these organizations for long term placement, industry knowledge, mentorship, and vocal support. We have set a target for at least 20% of our workforce to be current or former residents of communities disproportionately impacted by cannabis prohibition, and for at least 50% of our workforce to being members of BIPOC, LGBT+, or low income communities.

2. Demonstrated Need: Black cannabis entrepreneurs account for just 5% of industry ownership. The New York Social and Economic Equity Plan includes a recommendation from minority-owned businesses to "create a pathway for legacy operators to transition to the regulated market". It includes a recommendation from individuals in communities disproportionately impacted to "Establish retail operations connected to the community through assessment of community needs and wants and create ownership opportunities and jobs for existing legacy operators". We know that roughly 60% of people leaving prison are still unemployed and seeking work one year after release. The Prison Policy Initiative's analysis shows that "formerly incarcerated people are unemployed at a rate of over 27% — higher than the total U.S. unemployment rate during any historical period".

#### **B.** Fire Escape Community Care Program

1. Plan for Implementation:

- a) The Fire Escape executive team will choose and commit financially to a local neighborhood garden. They will also coordinate annual volunteer hours with their team members.
- b) Community Garden Volunteer Days: all team members will receive 1 paid day per year to volunteer at Fire Escape's adopted neighborhood garden
- c) Neighborhood Cleanup Days: We will begin with engaging in ongoing dialogue with local community leaders, residents and organizations to gain insights into their specific needs. A priority will be placed on Thompkins Square Park and the immediate surrounding areas that are the core of the community we serve. Fire Escape will organize these events multiple times a year aiming to ensure regular engagement with the community. Fire Escape will seek input on the most helpful times for these events but have targeted a few days that might be helpful based on community trends: November 1st (post Halloween), July 5th (post 4th of July) and a Spring Cleanup. We will assemble team members and provide them with the necessary resources, training and safety measures. Promotional efforts will be directed toward both our employees and the community, encouraging active participation and feedback. Records of the cleanup events will be documented to measure their impact, and these findings will be transparently reported.
- 2. Demonstrated Need: The East Village Commercial District Needs Assessment identified the challenge "Sanitation and streetscape cleanliness are issues in various parts of the district, with illegal dumping from households and overflowing litter baskets. The Assessment also identified the opportunity to "Clean, beautify, and maintain the streetscape to make it more attractive to shoppers and pedestrians, and lessen the negative effects of nightlife activity". In a survey, 20% of consumers who were asked about what changes needed to occur in the East Village to attract more visitors/shoppers said "sanitation" and 19% said "landscaping/ beautification". The Assessment lists the opportunity to "foster connections between new residents and longstanding businesses, and long-standing residents and new businesses". Another opportunity identified in the Commercial Assessment is to "build on the neighborhood's vibrant street life and walkability by installing benches, streetscape

furniture, and amenities.

## C. Fire Escape Community Education Program

- 1. Plan for Implementation:
  - a) Host quarterly cannabis education events.
  - b) Host, organize and fund community resource events with a mission to provide assistance such as legal resources, employment opportunities and training, and job fairs.
  - c) Showcase local artists to raise awareness and provide opportunities to sell their art.
  - d) Offer an online Information Center with local community organization recommendations for food resources, support services, job training and placement. We will also train employees to be aware of these resources and to make them available to people who come into the store.
  - e) Partner with Municipal Organizations to extend programs to the community by providing funding, organization, and/or outreach.
- 2. **Demonstrated Need:** The New York Office of Cannabis Management's Social and Economic Equity Plan reported the recommendation from individuals in communities disproportionately impacted to "Host 'Know Your Rights' education for members of these communities so they know what protections they have under the law". Additionally, the East Village Commercial District Needs Assessment identified the opportunity to "host more community events and cultural programs that connect the arts and business communities which can be accomplished through these initiatives.

# D. Local Business Support Program

## 1. Plan for Implementation:

- a) Offer an Information Center online with local business recommendations.
- b) Monthly spotlight of a local business in Fire Escape marketing.
- c) Pledge support to local organizations that provide small business support.
- 2. **Demonstrated Need:** The East Village Commercial District Needs Assessment identified the opportunity to "Support businesses in the eastern portion of the district by using promotions and wayfinding to

reduce the perceived distance to the eastern section of the neighborhood". Another opportunity to "Build the capacity of community-based organizations that serve small businesses and encourage collaboration among merchant associations and business owners" was identified. We agree with the US Department of Commerce that long term, locally-driven investment in community assets results in "high-quality jobs, greater investments, and increased prosperity". Our goal is to build community and support these local efforts.

### III. What resources will we use to execute this plan:

- A. Written Agreements: Fire Escape will demonstrate their commitment to this Plan with demonstrable partnerships. We are in the process of obtaining Memorandums of Understanding (MOUs) with one national organization, and 3 local organizations centered on mutual aid and community benefit. Our MOUs will commit to upfront donations of \$3,000 to each of these organizations, as additional annual donations based on profit. We are also building out the details of our ESOP program, which will manage the flow of the 19% equity set aside for employees.
- B. Estimated Expenses The total estimated expense of our community impact plan is difficult to quantify due to the nature of labor ownership being tied to a company without a real valuation. That said, we can estimate value and revenue ranges based on our own industry experiences and publicly available information from the current CAURD licensees in New York. With that understanding, Fire Escape will be allocating in excess of \$1.368 million dollars of resources towards our community impact plan. The bulk of these resources will be in the form of our ESOP program, offered to all employees at every level, and prioritizing local employees, valued conservatively at \$1.33 million. The remainder includes the costs associated with our community organization partnerships and employee paid volunteer days. This is not inclusive of employee salaries, benefits, or future profit sharing.
- **C. Demonstrated Ability:** The Fire Escape team is committed to building a business based on justice, community, and partnership. With varied expertise, we will each use our specific abilities to successfully implement this Community Impact Plan.
  - 1. Ash Heckler (Custer): Founded Uprooted Flower Truck in 2015 and served New Yorkers through 2022. Through Uprooted, Ash was able to offer job opportunities for folks in the community including seeking out justice-involved individuals. She also partnered with

various non-profits, donating time, service and flowers including Heritage of Pride, Planned Parenthood, The Letter Project, Breast Treatment Task Force, Girl's Circle, Step Up, Street Vendor Project/ Urban Justice Center, You Gotta Believe, Yoga Foster, NY Society for the Prevention of Cruelty to Children, and Polished Man. Ash also assists her wife, Kristin Heckler, with her non-profit theater company, Recognize Theatre, which aims to challenge society's persisting discrimination with regard to gender and sexuality. Ash has work experience in social work and has a passionate commitment to social justice. She has a degree from Temple University in Criminal Justice.

2. Clay Brier moved to Colorado and entered the cannabis industry in 2012, serving as the Director of Systems, Compliance & Marketing for a 42,000-square-foot greenhouse, warehouse and associated dispensaries.

From there, he went on to join General Cannabis/Next Big Crop in 2015 serving as Director of Marketing, Consulting Project Manager and ultimately Corporate Project Manager for Mergers and Acquisitions. His duties included coordinating, implementing and monitoring company strategy and game plans, managing budgets and allocating resources, along with writing (and winning) applications for every type of license, building cultivation facilities and dispensaries, training employees, implementing critical systems and standardizing processes nationwide.

He joined as Partner with Green Belt Strategies in 2020, consulting with additional Clients Nationwide. His operational expertise in nearly every aspect of cannabis — from cultivation and quality control to sales and marketing — garner him a master at converting big-picture visions into manageable step-by-step pieces for seamless navigation through the ever-changing and rapidly expanding cannabis universe.

In addition to his cannabis background, Clay has over a decade more experience in both entrepreneurial and corporate operations, marketing and finance. Mr. Brier believes that building fundamentally sound, environmentally sustainable, efficient and community oriented businesses drive long term success. 3. Mark Harvey is a dedicated individual whose passion for community empowerment and social justice has been a driving force throughout his personal and professional journey. With a background in Music and Education, he understands the transformative power of opportunity, founding a community orchestra through his University to provide access for youth and low-income individuals to participate in ensemble rehearsals performances, fostering a sense of empowerment, belonging and professional development.

With over a decade of retail experience, notably as a Store Manager for CVS Health in various Brooklyn locations, Mark's focus has always been on revitalizing stores to serve the communities they belong to. His motivation has been deeply rooted in uplifting these areas and supporting the needs of the local population by empowering the workers who provide these crucial services. With his People-First approach, the locations under his management saw an average increase in Community Satisfaction Scores & Total Sales of 40% and 19% respectively.

Mark is also a member of the Type 1 Diabetes Community. As a person living with a disability, he has taken on the responsibility to support others living and struggling with a chronic condition by volunteering his time to Diabetes Organizations. Within the first 6 months of his diagnosis, he provided his operational skills to help the Diabetes Foundation Inc. raise over \$1,000,000 to provide supplies to under-resourced communities, as well as funding for research.

Mark's experiences have ignited a fervor for labor organization and equity, propelling him to seek avenues where his values and professional acumen intersect. As a pivotal member of Fire Escape, Mark aims to integrate workforce equity and opportunity into the company's ethos, leveraging his background in Education & Operations to create a structure that benefits laborers and the broader community.

4. Max Heckler started his career working in financial services at Northwestern Mutual, offering budgeting and retirement planning services to a variety of different clients. Over the years, he found working with lower income clients more rewarding, even though it was not incentivized in the corporate environment, due to the true impact he could have on their lives.

He eventually left, and began working in local real estate development on a project that aimed to build a new walkable town center to revitalize a small town in Pennsylvania. There he worked directly with the Borough to design a mixed-use walkable retail development with over 140 new homes and over 100,000 sq.ft. of walkable retail. Max specifically worked with the local government to center local artists in displays, provided flexible and inexpensive working spaces for local businesses, and matched the historic character of the surrounding area.

Max discovered that his true passion was in working toward more equitable and inclusive communities, and challenging the existing business structures that create an America that does not work for everyone. When cannabis legalization happened, he looked around the East Village community he lived in and saw an opportunity for real impact. He founded Fire Escape before the Social Equity and CAURD programs had been announced by the state with the intention of bringing a truly equitable business model to communities that need it, especially in a time where companies are climbing over each other to monopolize the industry as quickly as possible.

Now, Max hopes to lead his team, which now has full experience navigating the complex New York market, to starting an even more equitable business model in the neighborhood that most feels like home. He believes that the licensees outside the Social Equity programs have a responsibility to not only match the goals of those programs, but to push the boundaries of what we mean by Social Equity in New York.

5. Partnership with CAURD licensee Robin Hood Cannabis d/b/a Dagmar. Fire Escape partnered with CAURD license holder Dagmar, providing much needed investment that helped Dagmar sign a Manhattan lease, as well as compliance and backend support through the OCM post-application and inspection process. If Fire Escape is lucky enough to win a license from the OCM, this experience working closely with the OCM will help us navigate the post-application process and open doors more quickly, leading to great community benefits sooner.

## IV. Measurement Strategy for Performance and Execution:

- A. The Community Impact Plan reflects our unwavering commitment to fostering positive change within the community we serve. To ensure the effectiveness of our plan, we have established a strategy for measuring the performance and execution of our community impact initiatives. This strategy encompasses both qualitative and quantitative metrics, and we have designed a comprehensive framework that outlines the frequency of tracking these metrics.
  - 1. Community Feedback: We will regularly solicit input from community members and stakeholders through surveys, focus groups, and public meetings to gauge their perceptions of the impact of our efforts. Tracking qualitative stories and testimonials from individuals will provide valuable insights into our impact. We will measure the quality and extent of our partnerships with local organizations, assessing their satisfaction.
  - 2. Equity and Inclusion Index: We will develop an equity and inclusion index to assess the inclusivity and diversity of our workforce, management, and supply chain.
  - 3. Community Investment and Economic Impact: Tracking financial contributions to community organizations, infrastructure improvements, and social programs. We will track the economic benefits that Fire Escape brings to the community including jobs created.
  - **4. Third Party Evaluation:** Partner with a Social Impact Evaluator to coordinate with 3rd party organizations to help navigate ongoing studies that determine efficacy of programs.

# B. Frequency of Tracking:

 To ensure accountability and adaptability, we commit to a regular and transparent assessment of our community impact plan. We will review and update these metrics annually, to respond to changing community needs and challenges. We will report on the quantitative metrics to provide timely feedback and adapt our initiatives accordingly. Additionally, we will engage in ongoing dialogues with community stakeholders to assess qualitative metrics and make necessary adjustments.

## V. Commitment to Execute

A. Fire Escape is fully committed to executing our Community Impact Plan. Our proposed benefits demonstrate our commitment to supporting justice, community and partnership. By partnering with local organizations, we aim to proactively offer job opportunities, above market pay, benefits, and equity to those affected by cannabis prohibition. This aligns with recommendations from minority-owned businesses and individuals from disproportionately impacted communities to create pathways for legacy operators and establish retail operations connected to the community. We are confident in our ability to execute this plan due to the expertise of our team members including experience in navigating the New York market in our partnership with a CUAURD licensee. We will regularly solicit community feedback, assess equity and inclusion, and track our financial contributions to community organizations and economic impact. This tracking, along with our commitment to regular updates and adaptability, ensures our accountability and success in executing this plan. With these metrics and our demonstrated commitment to social and economic equity, we are confident in our ability to make a meaningful and positive impact on the communities we serve.