

CANNABIS BUSINESS GUIDE: TEMPORARY DELIVERY-ONLY LOCATIONS

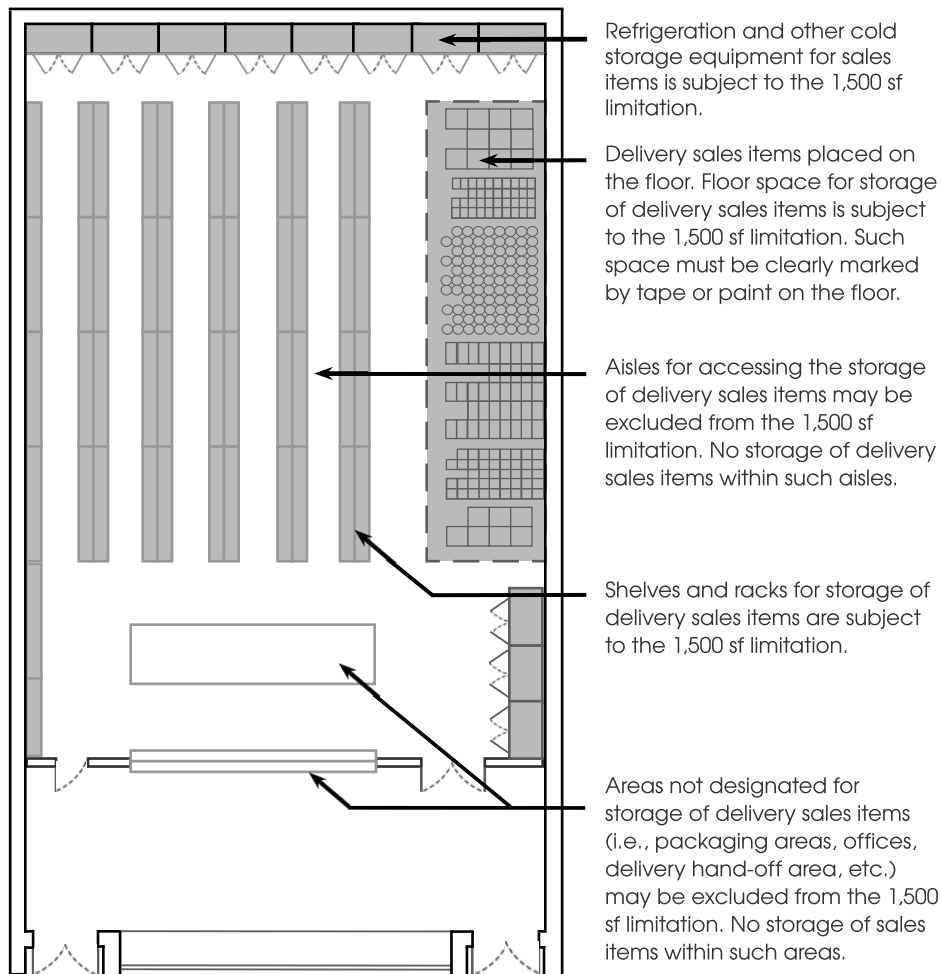


The **NYS Office of Cannabis Management (OCM)** offers CAURD¹ licensees the option of operating out of a **Temporary Delivery-Only (TDO)** location for up to 12 months from license issuance before opening a retail dispensary.

¹ Conditional Adult-Use Retail Dispensary (CAURD), a type of legal adult-use cannabis license issued by OCM.

OCM regulations prohibit TDOs from servicing walk-in customers and curbside pick-ups. OCM also requires TDOs to be visually silent on the outside – no signs or display of cannabis is allowed. See [OCM's CAURD Delivery Guidance](#) for detailed TDO regulations.

To find a suitable space for your TDO, look for locations where this type of use is allowed by zoning. A TDO is considered Use Group (UG) 7B² or 16D³ depending on the amount of floor space dedicated to storage of sales products. If it is not more than 1,500 sf, it is UG 7B. If there is more than 1,500 sf of storage space, it is UG 16D. Below, **Figure 1** details how the 1,500 sf is measured.



Another key aspect of finding a suitable space for any business is the Building Code occupancy classification. A TDO may be classified as S-1 (moderate-hazard storage) or S-2 (low-hazard storage) depending on the combustibility of the storage content.

If you plan on having a small inventory of products and a relatively large area for office functions, it may be classified as Occupancy Group B (business). Where high-piled combustible storage and/or rack storage is used, the building and/or area is subject to specific fire protection and safety requirements in the Fire Code. Refer to the [NYC Fire Code](#) for the definitions of high-piled combustible storage and rack storage and their relevant Fire Code requirements.

LEGEND

Storage area for delivery sales items (limited to 1500 sf of zoning floor area per establishment under UG 7B; unlimited under UG 16D)

Use and occupancy are recorded on the Certificate of Occupancy (CO), which should be amended when it no longer matches the proposed business establishment. See the [Cannabis Business: Adult-Use Retail Dispensary Guide](#) to learn whether an amendment is required. As an alternative to amending the CO, you may opt to pursue a **Temporary Use Permit (TUP)**. A TUP allows short-term uses in a space without filing for a CO amendment, provided that the space will be occupied in a manner that will not endanger public safety, health, or welfare;⁴ and that the space will conform with use provisions of the Zoning Resolution. Where the Department has no objection to the proposed use, a TUP will be granted for 90 days.⁵

Please refer to the following if pursuing a TUP:

1. The applicant (PE/RA) must submit a request letter to the Borough Commissioner's office for a TUP. The request letter cannot be submitted via DOB NOW, it must be submitted in-person in the borough office where your TDO is located.
2. The title of the request letter must include the:
 - business name
 - address, Block, Lot, BIN
 - *Temporary Use Letter for Cannabis Temporary Delivery-Only Location*
3. The main body of the request letter must begin with an explanation for the TUP request and must include the following:
 - description
 - applicable Building Code
 - proposed occupancy
 - floors to be used
 - date of operation
 - hours of operation
 - temporary structures and equipment – interior partitions, doors, lighting fixtures, electrical outlets, etc. Pursuant to AC 28-111.1.1, these structures and equipment shall be temporary.

To learn where Zoning Use Groups are allowed, use the **Guide to Locating Cannabis Businesses in NYC in Compliance with the Zoning Resolution.**

DOB's **Small Business Team** offers one-on-one support on DOB-related filing matters.

² NYC Zoning Resolution, Section 32-16(B) "moving or storage offices, with storage limited to items for retail sale and to 1,500 sf of floor area per establishment"

³ NYC Zoning Resolution, Section 32-25(D) "warehouses"

⁴ Administrative Code §28-111.2 Conformance. Temporary structures and uses shall conform to the structural strength, fire safety, means of egress, accessibility, light, ventilation and sanitary requirements of this Code as necessary to ensure the public health, safety and general welfare

⁵ Administrative Code 28-111.1.2 Letters authorizing temporary uses. The Commissioner is authorized to issue a letter authorizing the temporary use of outdoor or indoor spaces provided the space shall be occupied in a manner that will not endanger public safety, health, or welfare. Such letters authorizing the temporary use shall be limited as to time of service or use, but shall not be permitted for more than 90 days. The Commissioner may grant extensions for demonstrated cause.

4. Signed and sealed drawings by a PE/RA.
5. Filing fee⁶ of \$100 for the initial 30 days of duration; \$130 for each additional 30-day period of permit duration.

If your space needs permanent installation, i.e., a bathroom or storage room, you must file an Alteration application in DOB NOW: *Build*. Minor work and ordinary repairs like painting or sink replacement do not require a permit pursuant to §28-105.4.2 of the Administrative Code. More details are available on DOB's [Do I Need a Permit](#) web page. Whether you are in need of construction permits, a Certificate of Occupancy, or TUP, you should hire a [licensed professional](#) to discuss how best to manage your project. Start by submitting an online request for guidance with [DOB's Small Business Team](#).

Lastly, if overnight storage of delivery bikes is planned, be aware of the dangers associated with faulty lithium-ion batteries. On 3/20/2023 Local Law 39 of 2023 was signed into law by Mayor Adams to mandate that e-bikes, e-scooters, e-mobility devices, and light electric vehicle battery packs must be third-party certified. When you purchase or lease them, make sure they are manufactured in accordance with UL 2849⁷ and UL 2271.⁸ Also confirm with the landlord that e-bikes can be stored inside the building.

RESOURCES

- Go to [OCM's CAURD Delivery Guidance](#) for detailed regulations pertaining to TDOs. Contact OCM at **(888) 626-5151** or visit them online at cannabis.ny.gov.
- Use the [Guide to Locating Cannabis Businesses in NYC in Compliance with the Zoning Resolution](#) to learn where Zoning Use Groups are allowed.
- Reach out to [NYC Small Business Services](#) for assistance with an adult-use cannabis license, no-cost resources, and government regulations. Contact SBS at **(888) SBS-4NYC | (888) 727-4692** or online at nyc.gov/sbs.
- For DOB-related matters, contact [DOB's Small Business Team](#) and visit them online at nyc.gov/dob-sbt.

⁶ Filing fees as per §28-112.8 of the Administrative Code.

⁷ UL 2849, the Standard for Electrical Systems for e-bikes, for the electrical system of any powered bicycle sold, distributed, leased, or rented in New York City.

⁸ UL 2271, the Standard for Batteries for Use in Light Electric Vehicle Applications, of any storage battery for a powered bicycle or mobility device sold, distributed, leased, or rented in New York City.

