

Public Hearing Notice: To be Read into the Record

In conformity with the requirements of Section 22 of Chapter 166 of the General Laws (Ter. Ed.) you are hereby notified that a **Public Hearing** has been scheduled for **Monday, April 11, 2022 at 7PM**, via Zoom Meeting based upon the petition of MASSACHUSETTS ELECTRIC COMPANY and VERIZON NEW ENGLAND, INC., request permission to erect and maintain poles and wires to be placed thereon, together with such sustaining and protecting fixtures as said Companies may deem necessary to be owned and used in common by your petitions in the following public way or ways:

**Plain Street:**

**Verizon requested tree guy removal. National Grid to remove tree guy from existing JO P1. Upgrade P1 to 45 and install push brace for support. HDPW has approved this push brace install on Plain St.**

Wherefore they pray that after due notice and hearing as provided by law, it be granted joint or identical locations for and permission to erect and maintain poles and wires, together with such sustaining and protecting fixtures as they may find necessary, said poles to be erected substantially in accordance with the plan filed herewith marked

**MASSACHUSETTS ELECTRIC COMPANY and VERIZON NEW ENGLAND, INC.**

**Plan No. 27360547 Dated 01/18/2021**

**PETITION FOR JOINT OR IDENTICAL POLE LOCATIONS**

December 15, 2021

To the Board of Selectmen  
of the Town of Hopedale, Massachusetts

**MASSACHUSETTS ELECTRIC COMPANY and VERIZON NEW ENGLAND, INC.**

request permission to erect and maintain poles and wires to be placed thereon, together with such sustaining and protecting fixtures as said Companies may deem necessary to be owned and used in common by your petitioners, in the following public way or ways:

**Plain St**

**Verizon requested tree guy removal. Ngrid to remove tree guy from existing JO P1. Upgrade P1 to 45 and install pushbrace for support. HDPW has approved this push brace install on Plain St.**

Wherefore they pray that after due notice and hearing as provided by law, it be granted joint or identical locations for and permission to erect and maintain poles and wires, together with such sustaining and protecting fixtures as they may find necessary, said poles to be erected substantially in accordance with the plan filed herewith marked: **MASSACHUSETTS ELECTRIC COMPANY and VERIZON NEW ENGLAND, INC.**

Plan No. 27360547 Dated: 1/18/2021

Also for permission to lay and maintain underground laterals, cables and wires in the above or intersecting public ways for the purpose of making connections with such poles and buildings as each of said petitioners may desire for distributing purposes.

Your petitioners agree to reserve space for one cross arm at a suitable point on each of said poles for the fire, police, telephone and telegraph signal wires belonging to the municipality and used by it exclusively for municipal purposes.

**MASSACHUSETTS ELECTRIC COMPANY**

By: *Robert Leonida*  
DBA Robert Leonida  
Manager of Distribution Design

**VERIZON NEW ENGLAND, INC.**

By: *Albert Bessette*  
Manager, R.O.W.

**ORDER FOR JOINT OR IDENTICAL POLE LOCATIONS**

December 15, 2021

By the Board of Selectmen  
of the Town of Hopedale, Massachusetts

Notice having been given and public hearing held, as provided by law, **IT IS HEREBY ORDERED:**  
**that MASSACHUSETTS ELECTRIC COMPANY and VERIZON NEW ENGLAND, INC. be and they are hereby granted joint or identical locations for and permission to erect and maintain poles and wires to be placed thereon, together with such sustaining and protecting fixtures as said Companies may deem necessary, in the public way or ways hereinafter referred to, as requested in petition of said Companies dated the 15th day of December**

All construction under this order shall be in accordance with the following conditions:-

Poles shall be of sound timber, and reasonably straight, and shall be set substantially at the points indicated upon the plan marked— filed with this order  
Plan No. 27360547 Dated: 1/18/2021

There may attached to said **MASSACHUSETTS ELECTRIC COMPANY** not to exceed twenty wires and by said **VERIZON NEW ENGLAND, INC.** not to exceed forty wires and four aerial cables, and all of said wires and cables shall be placed at a height of not less than eighteen feet from the ground.

The following are the public ways or parts of ways along which the poles above referred to may be erected, and the number of poles which may be erected thereon under this order:--

**Plain St**

**Verizon requested tree guy removal. Ngrid to remove tree guy from existing JO P1. Upgrade P1 to 45 and install pushbrace for support. HDPW has approved this push brace install on Plain St.**

Also for permission to lay and maintain underground laterals, cables and wires in the above or intersecting public ways for the purpose of making connections with such poles and buildings as each of said petitioners may desire for distributing purposes.

I hereby certify that the foregoing order was adopted at a meeting of the Board of Selectmen of the Town of Hopedale, Massachusetts held on the \_\_\_\_\_ day of \_\_\_\_\_

\_\_\_\_\_  
Clerk of Selectmen

Received and entered in the records of location orders of the Town of Hopedale, Massachusetts

Book: \_\_\_\_\_ Page: \_\_\_\_\_

\_\_\_\_\_  
Town Clerk

We hereby certify that on \_\_\_\_\_ at \_\_\_\_\_ o'clock, \_\_\_\_\_ M.  
at \_\_\_\_\_ a public hearing was held on the petition of the  
**MASSACHUSETTS ELECTRIC COMPANY and VERIZON NEW ENGLAND, INC.**

for permission to erect the poles, wires, cables, fixtures and connections described in the order herewith recorded, and that we mailed at least seven days before said hearing a written notice of the time and place of said hearing to each the owners of real estate (as determined by the last preceding assessment for taxation) along the ways or parts of ways upon which the Companies are permitted to erect poles, wires, cables, fixtures and connections under said order. And that thereupon said order was duly adopted.

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Selectmen of the Town of

Hopedale, Massachusetts

**CERTIFICATE**

I hereby certify that the foregoing is a true copy of a joint location order and certificate of hearing with notice adopted by the Board of Selectmen of the Town of Hopedale, Massachusetts, on the \_\_\_\_\_ day of \_\_\_\_\_ recorded with the records of location orders of said Town, Book \_\_\_\_\_, Page \_\_\_\_\_.

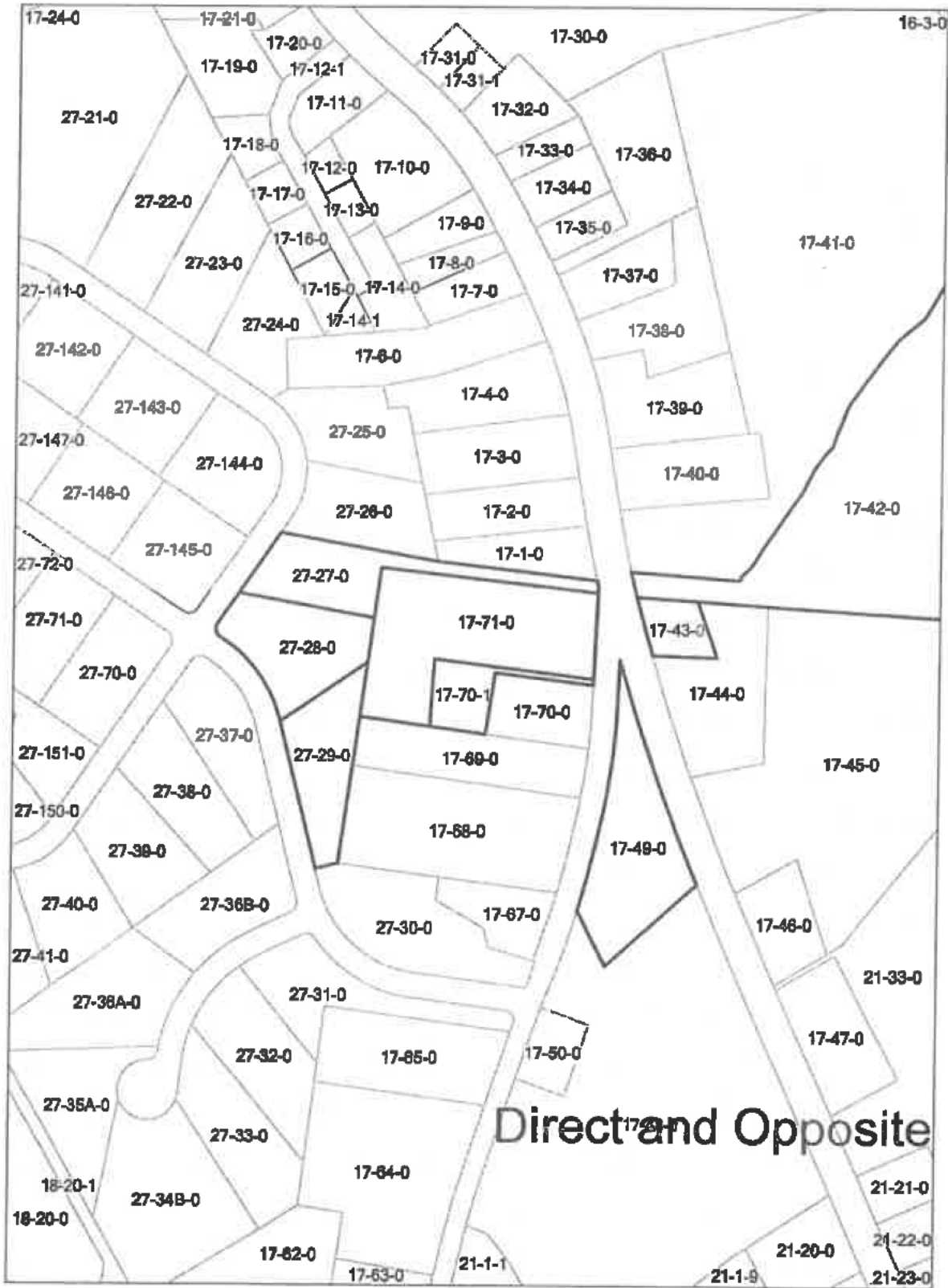
This certified copy is made under the provisions of Chapter 166 of General Laws and any additions thereto or amendments thereof.

Attest: \_\_\_\_\_  
Town Clerk

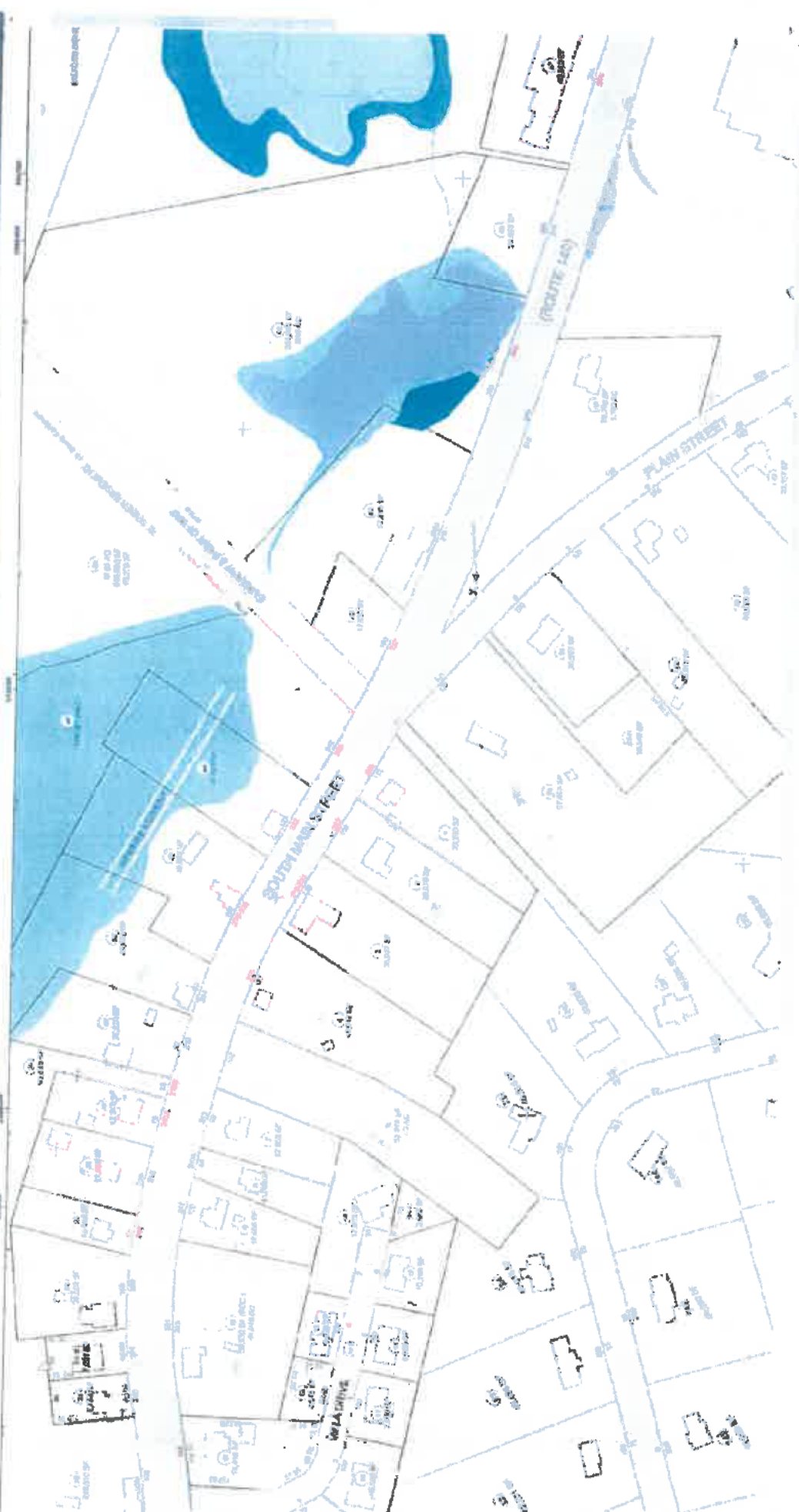




# 1 Plain St Parcel 17-71-0



Google Maps interface showing a street view of a residential area. The browser address bar contains the URL: <https://www.google.com/maps/@42.5688889, -71.0000000, 15z>. The map shows a street grid with several buildings and green spaces. The street names visible are "SOUTH MAIN STREET" and "PLAIN STREET". The map is oriented with North at the top.



**Select Board  
Regular Meeting Minutes  
March 9, 2022, 8:20am**

Present: Chair Keyes, Selectman Arcudi, Selectwoman Hazard, Town Administrator Schindler, Attorney Vetere, Attorney Durning will join in executive session.

Chair Keyes called the meeting to order 8:21AM.

Chair Keyes read the executive session paragraph and purpose below.

Selectwoman Hazard moved to enter executive session per the purpose Chair Keyes read, returning to open session at 6:00PM this evening. Selectman Arcudi seconded the motion.

Arcudi – Aye, Hazard – Aye, Keyes – Aye

The Board entered executive session at 8:29AM

This meeting is exclusively for the purpose of mediation and will be held virtually through REBA Dispute Resolution, Inc.

Executive Session:

Motion: To move into Executive Session pursuant to M.G.L. c. 30A, § 21(a): paragraph 9, with respect to participation in mediations. To meet or confer with a mediator, as defined in section 23C of chapter 233, with respect to any litigation or decision on any public business within its jurisdiction involving another party, group or entity, provided that: (i) any decision to participate in mediation shall be made in an open session and the parties, issues involved and purpose of the mediation shall be disclosed; and (ii) no action shall be taken by any public body with respect to those issues which are the subject of the mediation without deliberation and approval for such action at an open session.

**REBA Dispute Resolution Mediation: Town of Hopedale v. Jon Delli Priscoli, Trustee of the One Hundred Forty Realty Trust, Land Court Civ. Case No. 20 MISC 000467 [DRR].**

**The Board returned to open session at 6:00PM**

Old Business

Update regarding Town v. Jon Delli Priscoli, Trustee of the One Hundred Forty Realty Trust, et als. Attorney Durning stated that there was not change from the mediation proceedings. Meaning, the Town is in the same position as it was before Judge Rubin issued her mediation screening order on February 23, 2022. The Town has established a date for Town Meeting, on March 26, 2022. The articles that KP Law have prepared which address the acquisition of Parcel A settlement agreement and the GU RR's gift of Parcel D will be on the warrant. Durning stated the appropriate focus should be on the residents having the ability to assess and vote on those articles. This will be a 2/3rds vote for parcel A and a simple majority for the gift from GU RR.

Selectwoman Hazard stated that she was surprised that the Town and other parties ended up in mediation again. She feels that going forward, the Town will need to include the residents and give out as much information as possible. Selectman Arcudi stated that he feels the Board did their due diligence and he stands by his vote and the settlement agreement. He stated that he was not provided any information that proved otherwise. Chair Keyes stated he echoed Selectman Arcudi's sentiments.

Durning reiterated that there is no change to the settlement agreement. He believed there was a possibility of modifying the settlement agreement during the mediation session but that did not happen. The land acquisition portions of the settlement agreement will need to go to Town Meeting per Judge Goodwin's order.

Attorney Durning stated that the Town has made direct requests to the Railroad to refrain from development on the land prior to the Town Meeting decisions. This request is not backed by an order of the Court. Rob Fahey asked Attorney Durning to explain this point again. Durning reiterated that there is no Court imposed injunction controlling the GURR activities on the property at this time. Durning reiterated that requests were made by the Town and the 10 Taxpayers to refrain from work prior to Town Meeting. The GURR has not directly responded that they are agreeing to this. Rob Fahey asked Michael Milanowski with the GURR to comment on this. Milanowski did not make a comment.

Attorney Durning stated that pursuant to Judge Goodwin's decision, the portion of the settlement agreement that the Board lacked authority to structure the acquisitions without further authorization from Town Meeting. Durning stated that Judge Goodwin's decision also explores that in the event that Town Meeting is not held, or a Town meeting vote is against the acquisition, then the transfer of title that's contemplated in the settlement agreement would not occur. The 140 Realty Trust would own the property outright. Selectman Arcudi made note of this distinction. Chair Keyes stated that he recommends the residents take a serious look at the settlement agreement and the risk assessment of what a no vote would mean to the Town. Chair Keyes stated that the Town is currently in the red regarding getting legal fees paid, this is something that the Board has had to take into consideration regarding ongoing litigation.

#### Review & Sign Special Town Meeting Warrant (vote)

Town Administrator Schindler shared the Special Town Meeting Warrant with the Board and public. Article 8 and 9, were discussed by the Town's Counsel. Attorney Riley stated that Article 8 is asking the Town to authorize the Select Board to acquire of Parcel A and to appropriate funds to pay for that, roughly \$587,000. Riley stated that Article 9 is regarding the portion of land that the GURR has offered to donate to the Town.

Article 1-7: Schindler stated that Finance Committee has not provided their recommendations regarding the Articles. She is not aware of if they recommend this article or not. Attorney Riley stated that this is fine if the Finance Committee weighs in on the articles on, they have reviewed. Town Administrator Schindler reviewed Articles 1-7 with the Board.

Selectman Arcudi moved to close the warrant and its articles for the March 26, 2022 Special Town Meeting. Selectwoman Hazard seconded the motion.  
Arcudi – Aye, Hazard – Aye, Keyes – Aye

Selectwoman Hazard moved to adjourn the regular meeting. Selectman Arcudi seconded the motion.  
Arcudi – Aye, Hazard – Aye, Keyes – Aye

Chair Keyes dissolved the meeting at 7:59PM.

*Submitted by:*

Lindsay Peterman \_\_\_\_\_

*Executive Assistant*

*Adopted:* \_\_\_\_\_

**Select Board  
Regular Meeting Minutes  
March 22, 2022, 7 PM**

Present: Chair Keyes, Selectman Arcudi, Selectwoman Hazard, Town Administrator Schindler, Attorney Riley, Attorney Durning, Attorney Vetere

Chair Keyes called the meeting to order at 6:02 p.m. Chair Keyes began the meeting with the pledge of allegiance.

Chair Keyes read the executive session paragraph and purpose below.

Selectwoman Hazard moved to enter executive session per the paragraph and purpose that Chair Keyes read, returning to open session at 7:00PM. Selectman Arcudi seconded the motion.

Arcudi – Aye, Hazard – Aye, Keyes – Aye

The Hopedale Select Board entered executive session at 6:08PM

Executive Session:

Motion: To move into Executive Session, pursuant to M.G.L. c.30A, § 21(a) for item # (3): To discuss strategy with respect to litigation that an open meeting may have a detrimental effect on the litigation position of the public body and the chair so declares. Roll Call Vote

Purpose: Litigation strategy re: Town v. Jon Delli Priscoli, Trustee of the One Hundred Forty Realty Trust, et als, Attorneys Brian Riley and Peter Durning present.

Board will return to Open Session at 7:00 pm.

Selectwoman Hazard moved to return to open session. Selectman Arcudi seconded the motion.

Arcudi – Aye, Hazard – Aye, Keyes – Aye

The Select Board returned to open session at 7:02PM

Old Business

Update regarding Town v. Jon Delli Priscoli, Trustee of the One Hundred Forty Realty Trust, et als.

Attorney Durning stated that a hearing application took place this morning, March 22, 2022, for an injunction pending appeal that was filed on behalf of the Town in the Land Court. The Town had filed a motion to vacate the stipulation of dismissal in the Land Court, which Judge Rubin denied. The Town had filed a notice of appeal, to appeal this action in the Appeals Court. The Town was following procedure by asking the Trial Court to impose an injunction to maintain the status quo while that appeal was going forward. That hearing had been postponed; however, Judge Rubin convened the hearing. Judge Rubin heard from all sides and effectively Judge Rubin read a prepared decision that she had. Attorney Durning anticipates that Judge Rubin will release the decision as an order or docket entry soon. In Judge Rubin's decision, she decided that she would not grant the injunction. This came as no surprise to the Town because Judge Rubin did not impose injunctions previously. The importance came from Judge Rubin's estimation, the Town did not necessarily demonstrate a likelihood of success on the appeal and an injunction was not warranted at this juncture.

The Town does have the ability to seek an injunction directly from the Appeals Court, but the Town had to go through this procedural step first. Attorney Durning reiterated that as of now, there is no Court imposed injunction on the activities of the Trust or the GURR pertaining to 364 West Street. Durning noted that there was a request for an intervention by the Citizens group and their Counsel and Judge Rubin denied the request for intervention.

Town Administrator Schindler stated that the was Storm Water Prevention Plan that was done for the area that was filed with the EPA but she does not have the documents in hand. Resident Ed Burt asked if these documents are supposed to be given to the Planning Board. Schindler stated that she will have to check with the Planning Board. Schindler stated that if they are violating Town Bylaws regarding storm water then there are penalties/fines that would be applied, Schindler also stated that the planning board can issue a stop work order as well. Selectman Arcudi stated that if the proper planning documents and procedures have not been submitted to the Planning Board, then the Building Inspector is to be contacted because they are the authority. Tim Watson stated that anything over 3/4s of an acre needs to be submitted to the planning board for review. Non-Resident Rob Fahey asked Michael Milanowski with the GURR if they will provide storm water documents to the Hopedale Planning Board by tomorrow. Michael Milanowski stated that the railroad has historically submitted the proper stormwater documents required under federal law, the GURR is in compliance with all federal regulations that they need to comply with. The GURR will continue to follow those regulations.

Review Warrant Motions for Special Town Meeting, Saturday, March 26, 11 am.

Town Administrator Schindler shared the draft motions with the Board and the public. The Select Board had no questions or comments on articles 1-10. Selectman Arcudi stated that regarding Articles 11 and 12, these are non-binding votes. Chair Keyes stated that they will reiterate this at Town Meeting. Selectman Arcudi stated that the Finance Committee is meeting to do the recommendations this week. Schindler stated that the Select Board will not be voting on the motions at tonight's meeting.

Resident and Chair of the Conservation Commission, Becca Solomon, asked for clarification on whether the meeting on March 24, 2022 will be hybrid or virtual.

Selectman Arcudi moved to have the agenda for the joint meeting on March 24, 2022, revised to an all-virtual meeting. Chair Keyes seconded the motion.

Selectman Arcudi stated that a meeting with Board members in person and attending via zoom will be too chaotic and attendees won't be able to see body language and the meeting should require all participants to be in person, this including the Attorneys. However, he stated that he takes his motion off the table due to some Boards needing the hybrid option. The joint meeting will take place as a hybrid meeting to accommodate all of the Board/Commission participants.

Selectwoman Hazard moved to adjourn the regular meeting. Selectman Arcudi seconded the motion. Arcudi – Aye, Hazard – Aye, Keyes – Aye

Chair Keyes dissolved the open meeting at 8:24PM

Submitted by:

Lindsay Peterman

Executive Assistant

Adopted: \_\_\_\_\_

**Select Board  
Regular Meeting Minutes  
March 28, 2022, 7:00 PM**

Present: Chair Keyes, Selectman Arcudi, Selectwoman Hazard, Town Administrator Schindler

Chair Keyes called the meeting to order 7:00 p.m. Chair Keyes began the meeting with the Pledge of Allegiance.

Consent Items

Approval of March 9, 2022 Regular Minutes

Selectman Arcudi stated that he would like to pass over the March 9, 2022 regular minutes due to the case and until his personal Counsel can review the meeting minutes. He wants his Counsel to be sure that the meeting minutes reflect the exact video audio from the meeting.

Selectwoman Hazard stated that the edits she would like to have some minor edits made (typos) to the March 9, 2022 regular minutes. These revisions have been made.

Selectman Arcudi moved to Passover the March 9, 2022 regular meeting minutes. Selectwoman Hazard seconded the motion.

Arcudi – Aye, Hazard – Aye, Keyes – Aye

Approval of March 14, 2022 Regular Minutes

Town Administrator Schindler stated that the Executive Assistant is currently working on completing the March 14, 2022 regular minutes. This item will be passed over and moved to the next regular session meeting for approval.

Appointments and Resignations

Resignation/Termination of Derek Piatt from the Hopedale Finance Committee, effective March 28, 2022

Town Administrator Schindler stated that Derek is deployed and will not be able to attend tonight's meeting. The Select Board thanked Derek for his service. Town Administrator Schindler stated that the Finance Committee is full, so the next agenda item, with the appointment of Stephen Capuzziello Jr would confirm that the Committee stays full.

Selectman Arcudi moved to accept the resignation of Derek Piatt from the Hopedale Finance Committee, effective March 28, 2022. Selectwoman Hazard seconded the motion.

Arcudi – Aye, Hazard – Aye, Keyes – Aye

Appointment of Stephen Capuzziello Jr to the Hopedale Finance Committee, effective March 28, 2022, term expires June 30, 2023

Chair Keyes read the letter from Stephen Cappuzziello Jr regarding his interest in the Finance Committee addressed to the Select Board.

Selectwoman Hazard moved to appoint Stephen Capuzziello Jr to the Hopedale Finance Committee, effective March 28, 2022, term expires June 30, 2023. Selectman Arcudi seconded the motion.

Arcudi – Aye, Hazard – Aye, Keyes – Aye

New Business

Freedom Street Dam Alternatives Analysis, Presentation by Tighe & Bond



Town Administrator Schindler stated that in the Hopedale Pond Dam, the mechanisms of the flash board have not been working properly. When the bridge reconstruction project took place a few years ago, it had an impact on the ability to access those manual flash boards in the dam. One of the conditions of the settlement agreement with Mr. Shwachman was that the Town would work on correcting this issue. When Schindler started in Hopedale, she stated that the Town had a reanalysis of the project by the original engineer, BETA. However, the principal that had worked on the project was no longer accessible to the Town. Thus, the Town contracted with Tighe & Bond, the Town asked them to conduct an alternatives analysis. Schindler introduced Dan Buttrick and Dan Roop with Tighe and Bond to the Select Board. Dan Buttrick presented a presentation to the Select Board that discussed what Tighe & Bond found and their recommended next steps. Schindler stated that the Town has been primarily focused on the water control portion of this project under the Freedom Street bridge. As part of this discussion, there has been some additional items/deficiencies raised, it is Schindler's understanding that if the Town is going to do a project of this magnitude, it makes the most sense to address these additional items/deficiencies cohesively. This would include participation from the dam owner. Schindler stated that a meeting has taken place to hear the results from Tighe & Bond and Mr. Shwachman was also able to voice his concerns and ask questions regarding the project. Schindler stated that she is bringing this to the attention of the Board because the water control of the Hopedale Pond is of an emergent nature, the longer the pond levels are low the more negative of an impact it has. Schindler stated that the next step is for the Board to decide if the Town will be moving forward with the project and then discuss potential funding sources. The report is included in the packet which includes costs, what Tighe & Bond found, items/deficiencies and recommendations/next steps.

Request for HYBA Baseball Parade on April 23, 2022 starting at 11AM. The Parade will start in front of the Draper Gym and end at the Draper Field – Route: Dutcher St to Freedom St

Chair Keyes thanked Keith Smith for another year of service within the Board of Baseball league. Chair Keyes stated that he has not reservations with this event. Chair Keyes stated that he is not aware of a rain date at this moment, however, if there is inclement weather that requires a rain date then that would be acceptable. Resident Scott Savage, a member of the Baseball Board, stated that there is not a confirmed rain date, but he will get a rain date from the Baseball Board.

Selectwoman Hazard moved to approve the Hopedale Youth Baseball Parade on April 23, 2022 starting at 11AM, with a potential rain date of April 24, 2022. Selectman Arcudi seconded the motion. Arcudi – Aye, Hazard – Aye, Keyes – Aye

Award Mass Works grant for Hopedale/Mendon Street intersection construction project  
Schindler stated the Town recently bid out the construction of the Hopedale and Mendon Street intersection where some widening, changing the traffic system and sidewalk work will take place. The low bidder was Caracas Construction Corp at \$826,852. The Engineer has evaluated and approved Caracas Construction Corp as the lowest bidder. Schindler stated that she is asking the Board to award the construction contract to this corporation. Chair Keyes stated that this falls within all monies that are still left from the initial grant that was accepted from the Transportation Secretary. Schindler stated that the Town received a 1-million-dollar grant from MassWorks, the engineer was roughly 120,000, meaning that the \$826,852.84 will keep the Town under 1 million. Chair Keyes asked for clarification on the timeframe of this project. Schindler stated that the grant was supposed to be closed out on June 30, 2022, but the Town is behind. The Town has asked for an extension, which was granted until June 30, 2023. The Town is estimated to complete this construction in this year's construction period (2022).

Selectman Arcudi moved to award the MassWorks Contract to Caracas Construction Corp for an amount of \$826,852.84. Selectwoman Hazard seconded the motion.

Arcudi – Aye, Hazard – Aye, Keyes – Aye

File Transfer Request for 75 Plain Street from KP Law to Continue with Atty Jonathan Silverstein  
Chair Keyes read the letter provided by Lauren Goldberg, president of KP Law and Atty Jonathan Silverstein. Schindler stated that the applicant will be paying for this, so it would be most appropriate for the Attorney to follow the hearing regarding 75 Plain Street. Schindler stated that there is no objection from the Hopedale Planning Board. Schindler stated that the Board should vote and sign to officially transfer the file.

Selectman Arcudi moved to transfer the request of 75 Plain Street, KP Law, Attorney Jonathan Silverstein to continue as per the letter that Chair Keyes read. Selectwoman Hazard seconded the motion.

Arcudi – Aye, Hazard – Aye, Keyes – Aye

### Old Business

Review Counsel Opinion re: 187 Freedom Street as Location of Water Tank; Execute & Sign Confirmatory Deed as Accepted by Conservation Commission (vote)

Schindler stated that the last time this was on the Select Board agenda, it was not voted by the Conservation Commission. This has been voted at the Conservation Commission's recent meeting. This document has been signed by Mr. Borrell as well. The Select Board is the last entity to vote and sign. Schindler confirmed that this will need a wet signature and it will live in the Town Clerk's office. Residents asked that the Select Board refer to it as a tower instead of a tank because it will be ariel. Water/Sewer Manager, Tim Watson confirmed that the dimensions are 849,000 gallons and 100 feet high. Tim Watson stated that he is not looking to rent this tank out to vendors such as Verizon, but a more detailed conversation will need to be had regarding that. Schindler stated that the wording from the original donation calls it a tank.

Selectwoman Hazard moved to accept the deed of 187 Freedom Street as the location of the water tank, as indicated in the packet and endorsed by the Conservation Commission. Selectman Arcudi seconded the motion.

Arcudi – Aye, Hazard – Aye, Keyes – Aye

Review and Approve Hopedale Volunteer Release Form, Revised (vote)

The Town's insurance contact stated that there should be language regarding minor's participating. If a minor will be volunteering, there should be a portion notifying the Town that and the document should require the guardians/parent's signature on behalf of the minor.

Selectwoman Hazard moved to accept the Hopedale Volunteer Release Form as presented. Selectman Arcudi seconded the motion.

Arcudi – Aye, Hazard – Aye, Keyes – Aye

Update regarding Town v. Jon Delli Priscoli, Trustee of the One Hundred Forty Realty Trust, et als.

Attorney Durning stated that since the Town meeting vote on Saturday, March 26, 2022 there has been some activity, such as documents and motions filed in the Appeals Court. As there is continuing litigation and the Select Board has not had a chance to discuss this with Counsel, Durning recommends that an executive session meeting be scheduled for the next regular meeting so these matters can be reviewed. Chair Keyes agreed with the recommendation. Attorney Durning stated that the executive session meeting should take place by next Monday, April 4, 2022, due to the notice the Town received from the Appeals Court asking for a response by April 7, 2022. Durning stated that the main focus is the injunction, however, there are other filings beyond the injunction to discuss.

Selectman Arcudi stated that he has engaged in an independent law firm, not paid for by the Town but paid for by Selectman Arcudi himself, to represent him for any past, or any future actions that he has, may or may not have taken under the current litigations with respect to the Town/GURR in Massachusetts Federal Courts. Arcudi stated that the law firm has extensive experience representing Massachusetts elected and appointed officials on such matters.

Arcudi stated that regarding his rationale for the settlement agreement and his judgement. The town was faced with an all or nothing situation. Arcudi quoted Judge Lombardi “there are only winners and losers in Land Court, nothing in between, Judge Rubin and Judge Goodwin, it would be a shame for the Town to lose everything, we are hoping that we can still find a way to work together on this matter” Arcudi stated that at this point his objective switched to negotiations with a focus on the Town’s residents and the Town’s natural resources such as the Town’s current and future water supply and the Town’s Parklands. Arcudi stated that he was not willing to take a risk for Hopedale’s future water and parklands, he was elected to represent the entirety of Hopedale and its residents. In Arcudi’s conclusion, based on sound guidance based upon independent legal and environmental expertise, it was determined that this was the safest and most reasonable resolution to reach his objective and the Town’s objective. Arcudi stated that he felt extremely comfortable with his decision in February 2021 and still does. Arcudi continues to support his vote on the settlement agreement.

#### Public and Board Member Comments (votes will not be taken)

Non-Resident, Rob Fahey stated that the Board should try to be more diverse and possibly have a larger board.

#### Correspondence and Selectmen Informational Items (votes will not be taken)

A/P Warrant #22-20, \$433,550.09, 3/24/2022

P/R Warrant #22-20, \$945,511.74, 3/24/2022

Blackstone Valley Vocational Regional School District - Approved the School budget and related regional assessments for FY23

Hopedale Zoning Board of Appeal – Request for Stipends

Chair Keyes read the executive session paragraph and purpose below.

Selectwoman Hazard moved to enter executive session per the paragraph and purpose the Chair Keyes read, not to return to open session. Selectman Arcudi seconded the motion.

Arcudi – Aye, Hazard – Aye, Keyes – Aye

Executive Session

In accordance with G.L. c. 30A, §21(a)(3) (Purpose #3), to discuss strategy with respect to collective bargaining and litigation that an open meeting may have a detrimental effect on the bargaining and litigation position of the public body and the chair so declares, which he does. (Collective Bargaining; All Units)

Chair Keyes dissolved the open meeting at 8:45PM

Submitted by:

*Lindsay Peterman*

Executive Assistant

Adopted: \_\_\_\_\_

**Select Board  
Regular Meeting Minutes  
April 4, 2022, 6:30PM**

Present: Chair Keyes, Selectman Arcudi, Selectwoman Hazard, Town Administrator Schindler, Attorney Durning, Attorney Riley

Chair Keyes called the meeting to order 6:31p.m. Chair Keyes began the meeting with the Pledge of Allegiance.

Chair Keyes stated that the Board will not be returning to open session. Attorney Durning stated that he feels there is not going to be a public announcement after this executive session. Durning stated that if there are any decisions or directive items made tonight it would affect the litigation which cannot be shared with the public as of yet.

Chair Keyes read the executive session paragraph below.

Selectwoman Hazard moved to enter executive session per the terms that Chair Keyes read. Selectman Arcudi seconded the motion.

Arcudi – Aye, Hazard – Aye, Keyes – Aye

Executive Session:

Motion: To move into Executive Session, pursuant to M.G.L. c.30A, § 21(a) for item # (3): To discuss strategy with respect to litigation that an open meeting may have a detrimental effect on the litigation position of the public body and the chair so declares. Roll Call Vote

Purpose: Litigation strategy re: Town v. Jon Delli Priscoli, Trustee of the One Hundred Forty Realty Trust, et als, Attorneys Brian Riley and Peter Durning present.

**The Board did not return to open session.**

Old Business

Update regarding Town v. Jon Delli Priscoli, Trustee of the One Hundred Forty Realty Trust, et als.

Chair Keyes dissolved the open meeting at 6:36PM

Submitted by:

Lindsay Peterman\_\_\_\_\_

Executive Assistant

Adopted: \_\_\_\_\_

**From:** [Barry Sims](#)  
**To:** [Lindsay Peterman](#)  
**Cc:** [Lisa Pedroli](#)  
**Subject:** RE: [Town of Hopedale MA] Constables [REDACTED]  
**Date:** Monday, February 28, 2022 3:45:09 PM  
**Attachments:** [image001.png](#)

---

Thank you.

Would you consider me for an appointment as a Bonded Constable for the Town? I have been a Constable for 15+ years and have appointments in Framingham, Holliston, Hopkinton, Ashland and Webster. I am a Holliston resident & my brother-in-law is a Hopedale resident.

In addition to my regular civil work, I provide no-charge service to those deemed indigent by the Courts as well as no-charge service to the Town for your postings.

Thanks for your consideration.

**Barry Sims, Constable/Notary Public/NAPPS**  
**Metrowest Constable Service**  
327 Union Ave.  
Framingham, MA 01702  
(508) 872-3757  
(508) 620-6565 eFax  
[TheConstable@msn.com](mailto:TheConstable@msn.com)  
[www.metrowestconstable.com](http://www.metrowestconstable.com)





**BARRY SIMS, CONSTABLE**  
67 Dunster Road, Holliston, MA 01746  
327 Union Avenue, Framingham, MA 01702  
direct line: (508) 872-3757, fax: (508) 620-6565  
[TheConstable@msn.com](mailto:TheConstable@msn.com)

March 30, 2022

Ms. Diane Schindler, Town Administrator  
Selectmen's Office  
Town of Hopedale  
78 Hopedale St (PO Box 7)  
Hopedale, MA 01747

Ms. Schindler:

I am requesting an appointment as constable for the town of Hopedale. The reason for my request is so that I can serve the needs of my fellow citizens and the town of Hopedale. I have constable appointments in Holliston, Ashland, Hopkinton, Webster and Framingham and I'm involved in many activities in these towns. In addition, I have lived in Holliston for more than forty years and have enjoyed these communities. This appointment would extend my community involvement to Hopedale.

I own Metrowest Constable Service, established in 1990, with affiliated constables serving most of Massachusetts.

Below you will find the required signatures attesting to my moral character. I would hope that you might take favorable action on my request. If you have any questions, please, do not hesitate to contact me.

Respectfully yours,

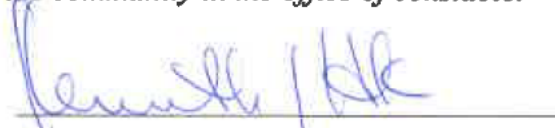


Barry W. Sims, Constable

*We, the undersigned, believe that Barry W. Sims, who is known to us, is of good moral character and we further believe that he would be an asset to the community in the office of constable.*



Elliot Beresen, Esq.  
Attorney



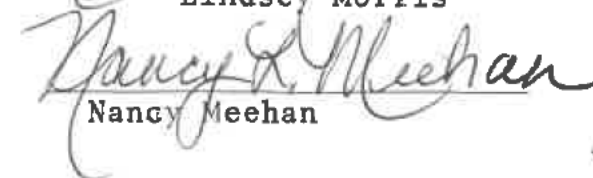
Kenneth Hark



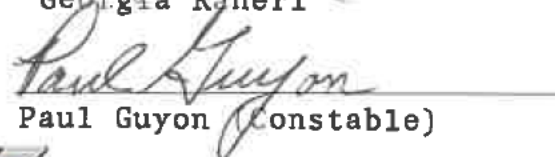
Lindsey Morris



Georgia Raneri



Nancy Meehan



Paul Guyon (Constable)





## HOPEDALE POLICE DEPARTMENT

70 Hopedale Street Hopedale, MA 01747  
Tel: (508) 634-2227 Fax: (508) 634-2228



[www.hopedalepolice.com](http://www.hopedalepolice.com)

**Chief of Police**  
*Mark A. Giovanella*

March 31, 2022

Select Board  
Town of Hopedale  
Hopedale, MA 01747

Honorable Select Board,

I respectfully request the board to appoint Jeffery B. White to the position of Full Time Police Officer effective April 12, 2022. Mr. White will be filling the open vacancy created by the resignation of Officer Doyon. Mr. White has completed all in house requirements and is Academy trained with several years of full time law enforcement experience.

Respectfully submitted,

Mark A. Giovanella  
Chief of Police



**TOWN OF HOPEDALE  
BOARD, COMMISSION OR COMMITTEE  
TALENT BANK FORM**

Local Government needs citizens to give of their time and talents serving the Town of Hopedale. A Talent Bank has been established to compile a list of interested citizens, willing to serve on a voluntary basis on boards, commissions and committees. Some groups meet often, others require less time, and still others are busy only at specific times of the year. Occasionally, there are requirements for ad hoc committees or sub-committees appointed to work on specific projects. Experience indicates that the two most appropriate qualities for successful service are an open mind and exercise of common sense.

If you are interested in serving, please list the position(s) you wish to be considered for:

Board, Commission or Committee applying for:

Capital Program Committee, Economic Development & Industrial Corporation

---

Please return completed forms to:

Town Administrator's Office – Hopedale Town Hall 78 Hopedale Street, Hopedale, MA 01747

The Town Hall mailing address is: P.O. Box 7, Hopedale MA, 01747

Please Note:

- The Board of Selectmen may fill vacancies until next election.
- It is recommended that you attend a few meetings of the committee or board you are contemplating joining to help determine your interest.
- The board/committee will be asked for their recommendation on each applicant appointment.

Name: Christopher Cody Chase

Are you a registered voter?  Yes  No

Address: [REDACTED]

How long have you lived in Hopedale? 31 Years

Home Phone: \_\_\_\_\_ Cell Phone [REDACTED]

E-Mail: [REDACTED]

How would you like to be contacted? Email or cell phone

Occupation: Building Trades Supervisor, Northeastern University Boston, MA

---

---

Have you ever been convicted of a felony?  Yes  No

Please list any potential conflicts of interest, e.g. membership in an organization or your business:

NONE \_\_\_\_\_

Education and Experience: Resume Attached \_\_\_\_\_

How many times during the last year have you attended a meeting of the Board/Committee to which you are requesting appointment? \_\_\_\_\_

Have you ever had business before the Board/Committee to which you are requesting an appointment?

Yes  No If yes what type of business? \_\_\_\_\_

Special interests and skills: I am interested in the Capital Program Committee, I have been involved with Capital Projects at Northeastern University for the past five years. \_\_\_\_\_

Activities, e.g. Government/Civic & Community/Charitable & Educational: \_\_\_\_\_

Reasons for wanting to serve: I have lived in Hopedale all my life, I am passionate about construction, I have a wide range of experience throughout my career, Residential/Commercial/Educational. I would love to be able to help the Town of Hopedale. \_\_\_\_\_

*The completion of this form in no way assures appointment. Citizens deemed most qualified to serve in a particular capacity will fill all board, commission or committee vacancies.*

Applicant's Signature 

Date 3/8/2022



# HOPEDALE FIRE DEPARTMENT

40 Dutcher Street - Hopedale MA. 01747

Tel. (508) 473-1050 Fax: (508) 902-0076

[www.hopedale-ma.gov/fire-department](http://www.hopedale-ma.gov/fire-department)

*Thomas M. Daige – Fire Chief*

*David J. McMorrow – Deputy Chief*



Select Board  
Town Hall Office  
78 Hopedale Street  
Hopedale MA 01747

March 25, 2022

Re: Resignation of Call Firefighter David Shearns

Mr. Chairman,

Select Board

I received a letter of resignation (enclosed) from Call Firefighter David Shearns on Thursday, March 24<sup>th</sup>, 2022. Mr. Shearns has moved from the area and is no longer able to provide the services we require of our Call Firefighters. Mr. Shearns has been a member of our department since November of 2020 and recently was hired as a career Firefighter/EMT with the Plainville Fire Department. We thank Mr. Shearns for the time he has served with our department and wish him well in all his future endeavors.

Respectfully,

  
Thomas M. Daige  
Fire Chief

FF David Shearns  
346 Turnpike Road  
Westborough, MA 01581  
(774)-214-6393

Chief Thomas Daige  
Hopedale Fire Department  
40 Dutcher St  
Hopedale, MA 01747

Chief Daige,

Please accept this letter as formal notification that I am resigning my position of Call Firefighter for the Town of Hopedale. It has been an honor to serve the Town of Hopedale, I will always be grateful for the amount of training and experience I received throughout my time as a Call Firefighter.

Respectfully,

David Shearns

A handwritten signature in black ink, appearing to read "David Shearns", with a long horizontal flourish extending to the right.



# HOPEDALE FIRE DEPARTMENT

40 Dutcher Street - Hopedale MA. 01747

Tel. (508) 473-1050 Fax: (508) 902-0076

[www.hopedale-ma.gov/fire-department](http://www.hopedale-ma.gov/fire-department)

*Thomas M. Daige – Fire Chief*

*David J. McMorrow – Deputy Chief*



Select Board  
Town Hall Office  
78 Hopedale Street  
Hopedale MA 01747

March 25, 2022

Re: Call Firefighter Brandon Deluca Resignation

Mr. Chairman,

I was handed this letter of resignation by Call Firefighter Brandon Deluca effective immediately. Mr. Deluca sites his reason for leaving as the inability to meet requirements because he and his wife starting a family with a young child at home and another on the way.

Mr. Deluca has been a member of our department for just over a year having joined in March of 2021.

We wish Brandon and his family all the best.

Respectfully,

  
Thomas Daige  
Fire Chief

Thomas Daige  
Fire Chief



DATE: March 25th, 2022

TO: Chief Thomas Daige

FROM: FF Brandon DeLuca, Unit #57

SUBJECT: Resignation of Hopedale Fire Department

Dear Chief,

I regrettingly submit my resignation of employment at Hopedale Fire Department effective immediately. The cause of this submission is due to my inability to meet the requirements of the position primarily due to child care and full-time employment concerns.

At the time of hire, I had significantly underestimated the at home responsibilities required of a new parent. With our second child arriving in two months time, I do not foresee these responsibilities decreasing in a manner that would allow me to increase my involvement to an acceptable or worthwhile level.

This past year has been an excellent experience due to the high quality of full and voluntary personnel which comprise the department. The on-boarding process was smooth and reasonable in its requirements and the monthly training sessions have been second to none. I can safely say that through my involvement with Hopedale Fire I have become a more proficient firefighter all around.

I hope that issues pertaining to manpower for the department come to an end in the near future and wish nothing but the best for the department moving forward. Thank you for your time and investment in me during my period with Hopedale Fire.

Sincerely,

Brandon DeLuca, Unit #57

**From:** [Diana Schindler](#)  
**To:** [Lindsay Peterman](#)  
**Subject:** Fwd: Resignation as Alternate - ZBA  
**Date:** Monday, March 28, 2022 5:12:15 PM

---

Get [Outlook for Android](#)

---

**From:** Mary Arcudi  
**Sent:** Monday, March 28, 2022 4:31:30 PM  
**To:** Diana Schindler <DSchindler@hopedale-ma.gov>  
**Cc:** Brian Keyes <bkeyes@hopedale-ma.gov>  
**Subject:** Resignation as Alternate - ZBA

Dear Diana and Brian -

I am submitting my official notice of resignation as the alternate to the ZBA effective March 28, 2022. Although I expected to resign when Lou and I made the move to full time on the Cape at the end of the year, I do not agree with the direction of the board and am no longer interested in being a member as the alternate. It has been my pleasure being a member of the ZBA since 2008 when I was recruited to assist with the 40B project (that never came to fruition) and continued on all these years, working with some amazing people along the way. I will focus my time and energy as the secretary to the Planning Board and assist them in any way moving forward. I will also continue as a member of the Public Employee Committee as the retiree representative and the Hopedale Cable Advisory Board.

Respectfully yours,  
Mary Arcudi

**HOPEDALE PUBLIC SCHOOLS  
OFFICE OF THE SUPERINTENDENT  
APPLICATION FOR USE OF SCHOOL FACILITIES**

03-25-22 11:43 AM

**I. TO BE COMPLETED BY APPLICANT – please print**

Name of Organization: APP/ Class of 2023  
 Responsible Representative: APP Committee  
 Address: 25 Adin St. Phone: (508) ~~634~~ 488-5604  
 Facility Requested: parking lot Date(s) of Activity: April 30  
 Time to Begin: 10 am Time to End: 2 pm Number Expected: \_\_\_\_\_  
 Is access needed early to set up/decorate? yes If so, at what time: 9:30  
 Purpose for Use/Activity: Candle Drive Fundraiser  
 Is it a Fundraising Activity? ✓ Will Admission be Charged? no Amount: ✓

*I have read and agree to the provisions contained in the Regulations for Use of School Facilities (see reverse)*

Signature of Representative: Kathleen Haynes

**II. TO BE COMPLETED BY BUILDING PRINCIPAL**

Space Requested  is available \_\_\_\_\_ is NOT available  
 Approval  is recommended \_\_\_\_\_ is NOT recommended  
 Staffing Requirements:  
 Custodian: \_\_\_\_\_  
 Cafeteria: \_\_\_\_\_  
 Police (Chief Notified): \_\_\_\_\_  
 Other: \_\_\_\_\_  
 Principal: Debra Altman Date: 3-25-2022

**III. TO BE COMPLETED BY SUPERINTENDENT OF SCHOOLS**

Request is  approved \_\_\_\_\_ denied  
 Superintendent: [Signature] Date: 3.29.22

**CHARGES: All fees must be paid 7 days prior to the date of use or approval is withdrawn**

Building Use: \_\_\_\_\_ x \_\_\_\_\_ \$ \_\_\_\_\_  
 Custodial Fee: \_\_\_\_\_ x \_\_\_\_\_ \$ \_\_\_\_\_  
 Cafeteria: \_\_\_\_\_ x \_\_\_\_\_ \$ \_\_\_\_\_  
 Other: \_\_\_\_\_ \$ \_\_\_\_\_  
 Total School Department Charges \$ \_\_\_\_\_  
 (Please make checks payable to "Hopedale Public Schools-Rental Receipts")

**Police Department Charges**  
 (Please make check payable to "Town of Hopedale") \$ \_\_\_\_\_

Original – Return to Organization  
 Copies to: Building Principal, Superintendent of Schools, Facilities Manager, Business Office





# Local Finance Opinion

LFO-2018-3  
September 24, 2018

**TOPIC:** Money from Marijuana Establishments and Medical Marijuana Treatment Centers

**ISSUE:** Accounting treatment of local option excises on retail sales of marijuana for adult use and impact fees and any other payments required or received from marijuana establishments and medical marijuana treatment centers in connection with their operation

This LFO addresses questions and provides guidance regarding the municipal finance law and accounting treatment of money from marijuana establishments and medical marijuana treatment centers. It does not address how payments by those establishments or treatment centers are treated for purposes of host community agreements.

**1. What is the general rule about accounting for money received by a city, town or district officer or department?**

All money received or collected by a city, town or district from any source is credited to its general fund and can only be spent after appropriation unless a general or special law provides for an exception and different treatment, *i.e.*, a general or special law expressly reserves the revenue stream for expenditure for a particular purpose or allows expenditure by a municipal or district department or officer without appropriation. [G.L. c. 44 § 53](#).

**2. What money could a marijuana establishment or a medical marijuana treatment center generate for a municipality?**

Municipalities may (1) impose a local excise on the retail sales of marijuana for adult use and (2) negotiate impact fees or other payments under a community host or other agreement with a marijuana establishment or medical marijuana treatment center in connection with its siting and operation in the municipality.

**3. How does a municipality impose a local excise on retail sales of marijuana for adult use?**

A city or town may impose a local excise on the retail sale of marijuana for adult use by accepting [G.L. c. 64N, § 3](#). Acceptance is by majority vote of the community's legislative body, subject to charter. The maximum excise rate communities may impose is 3%. If a city or town in which a marijuana retailer is located accepts G.L. c. 64N, § 3, all sales by the marijuana retailer that are subject to the state excise on marijuana retail sales will also be subject to the host community's local excise. The excise does not apply to the sale of marijuana or marijuana products by a medical marijuana treatment center. [G.L. c. 64N, § 4](#). See [Bulletin 2018-3, Local Excise on Retail Sales of Marijuana for Adult Use](#).

**4. How does a municipality obtain impact fees or other payments from a marijuana establishment or medical marijuana treatment center?**

A marijuana establishment or a medical marijuana treatment center that wants to operate or continue to operate in a municipality must execute a community host agreement with the municipality. [G.L. c. 94G, § 3\(d\)](#). The community host agreement must include, but is not limited to, all responsibilities of both parties with respect to the operation of the establishment or center within the municipality. The agreement may include payment of a community impact fee by the marijuana establishment or medical marijuana treatment center in order to mitigate the costs imposed upon the municipality by the operation of the establishment or treatment center within its borders. [G.L. c. 94G, § 3\(d\)](#).

**5. Is there an exception to the general rule for money related to the operation of a marijuana establishment or medical marijuana treatment center?**

No. There is no general law that establishes a different accounting treatment for (1) revenues generated by the local sales excise on retail sales of marijuana for adult use or (2) payments made under community host or other agreements with marijuana establishments or medical marijuana treatment centers. Therefore, the money belongs to the general fund and can only be spent by appropriation. [G.L. c. 44 § 53](#).

**6. How do accounting officers treat money related to the operation of a marijuana establishment or medical marijuana treatment center?**

Accounting officers must credit all of the following to the general fund:

1. Collections from local option excises on retail sales of marijuana for adult use and
2. Payments made by a marijuana establishment or medical marijuana treatment center regardless of the characterization of the payments by the parties.

State law governs the municipal finance and accounting treatment of payments made by a marijuana establishment or medical marijuana treatment center, not a host community or other agreement between the municipality and the establishment or treatment center. It is not within our regulatory purview to determine the nature of those payments for purposes of [G.L. c. 94G, § 3\(d\)](#). For municipal finance law purposes, however, payments made by an establishment or treatment center under a host community or other agreement in connection with, or to mitigate the costs imposed by, the location and operation of the establishment or treatment center within the municipality are in the nature of exactions or mitigation payments that belong to the general fund. They cannot be reserved in or credited to a separate gift or grant account, trust fund, revolving fund or other special revenue fund and cannot be spent without appropriation or appropriated as an available fund. They belong to the general fund because no general law establishes a different accounting treatment for money related to the operation of these establishments or treatment centers specifically or from exactions or mitigation payments generally.

We understand that some of these agreements have characterized all or some of the payments as gifts or gifts in the nature of trusts. However, a payment made by a private party to a municipality in connection with a regulated activity, contract or other municipal action is not a gift, donation or grant within the meaning of and for the purposes of [G.L. c. 44, § 53A](#). Therefore, it may not be accounted for in a separate account and spent without appropriation. These payments lack the donative intent that is an essential characteristic of the genuine gift required by that statute. A gift is ordinarily defined as a

voluntary payment of money or transfer of property made without consideration. Although a private party's decision to engage in a regulated activity or contract with a municipality may be one of choice, it is doing so with the expectation of receiving valuable consideration in return, *i.e.*, a privilege or benefit, or some municipal action or authorization. In this case, the execution of a host agreement is a condition precedent to being able to operate or continue to operate as a licensed marijuana establishment or registered medical marijuana treatment center. It is doubtful that any payments the establishment or treatment center agree to make are for a purpose other than to obtain the necessary host agreement. "[T]he nature of a monetary exaction must be determined by its operation rather than its specially descriptive phrase." [Emerson College v. Boston](#), 391 Mass. 415, at 424 (1984), quoting [Thomson Electric Welding Company v. Commonwealth](#), 275 Mass. 426, at 429 (1931).

**7. Is there a way under state law that a municipality may dedicate payments made by a marijuana establishment or medical marijuana treatment center for later appropriation for particular purposes?**

Yes. A municipality may use a local acceptance option to dedicate all, or a portion of at least 25%, of the collections of the excise on retail sales of marijuana or payments from a community host and other agreement payments to a general or special purpose stabilization fund established under [G.L. c. 40 § 5B](#). For the procedure that must be followed to accept and use this local option, see Section II of [Informational Guideline Release \(IGR\) No. 17-20, Stabilization Funds](#). Under this option, these collections and payments may be dedicated to stabilization funds because they are not earmarked for a particular purpose under current state law. In addition, the excise on marijuana retail sales is not a locally assessed tax or excise specifically excluded from dedication.

**8. How will the Bureau of Accounts treat balance sheet reservations of payments from a marijuana establishment or medical marijuana treatment center when certifying free cash?**

The Bureau of Accounts will close balance sheet reservations of payments from marijuana establishments or medical marijuana treatment centers when calculating the available funds of a municipality (free cash). [G.L. c. 59, § 23](#). This is consistent with its policy with respect to similar payments made under host, development or other agreements with other private parties that also belong to the general fund.

**9. What agency has regulatory jurisdiction over issues related to the operation of marijuana establishments or medical marijuana treatment centers?**

The state's [Cannabis Control Commission](#) determines whether marijuana establishments or medical marijuana treatment centers meet licensing or registration standards required to operate. Questions regarding the interpretation of the statute, regulations and other guidance related to the implementation of marijuana for adult use or medical purposes should be directed to the Commission.



Kathleen Colleary, Chief  
Bureau of Municipal Finance Law

**HOST COMMUNITY AGREEMENT  
FOR THE SITING OF A  
MARIJUANA CULTIVATION ESTABLISHMENT  
IN THE TOWN OF HOPEDALE**

This Agreement (the "Agreement") entered into this 15<sup>th</sup> day of October, 2019 by and between the Town of Hopedale with a principal address at 78 Hopedale St, Hopedale, Massachusetts, 01747 (the "Town") and Lifted Genetics, LLC, a duly organized Massachusetts limited liability corporation with a principal office address of 42 Holliston St, Medway, Massachusetts, 02053 (the "Company"). The Town and the Company are collectively referred to as the Parties.

WHEREAS, the Company intends to apply to the Cannabis Control Commission (the "Commission") to operate as a Tier 2 Marijuana Cultivator at the property located at 6 Condon Way, Hopedale, Massachusetts, 01747 within the Town (the "Premises" or the "Facility"), pursuant to G. L. c. 94G and 935 CMR 500; and

WHEREAS, the Parties acknowledge that the Commission will request certain information from the Town as part of the Commission's licensing process for the Premises and the Town will respond promptly to those requests; and

WHEREAS, this Agreement shall constitute the stipulations of responsibilities between the Town and the Company pursuant to G. L. c. 94G, § 3, as amended by Stat. 2017 c. 55, § 25 for the Company's operations at the Premises; and

WHEREAS, Company desires to provide community impact fee payments to the Town pursuant to M.G.L. c. 94G, § 3(d), and any successor statutes and regulations, in order to address any costs imposed upon the Town by Company's operations in the Town; and

WHEREAS, the Town supports Company's intention to operate a retail store for sale of recreational, adult-use marijuana in the Town.

WHEREAS, the Parties intend by this Agreement to satisfy the provisions of M.G.L. c. 94G, §3(d), as established by the Act, applicable to the operation of an adult use recreational retail store in the Town;

NOW THEREFORE, in consideration of the provisions of this Agreement and other good and valuable consideration, the receipt of which is hereby acknowledged, the parties agree as follows:

**1) Community Impact.**

The Town anticipates that, as a result of the Company's operation at the Premises, the Town will incur additional expenses and impacts upon its road system, law enforcement, inspectional services, permitting services, administrative services and public health services, in addition to potential additional unforeseen impacts upon the Town. Accordingly, in order to mitigate the direct and indirect financial impact upon the Town and use of the Town's resources, the Company agrees to annually pay a community impact fee to the Town, in the amounts and under the terms provided herein (the "Annual Payments").

**2) Annual Payment.**

- a) In the event that the Company obtains a final license from the Commission for operation as a marijuana cultivation and receives any and all necessary and required permits, licenses and/or approvals required by the Town, and at the expiration of any final appeal period related thereto, said matter not being appealed further, which said permits, licenses, and/or approvals allow the Company to locate, occupy and operate as a marijuana cultivation in the Town (the "Opening") then the Company agrees to provide the following Annual Payment for each year this Agreement is in effect:

The Company shall pay an Annual Community Impact Fee in quarterly installments (the "Quarterly Community Impact Fee") based on the following percentages of the gross wholesale value of marketable marijuana or marijuana products produced by the Facility each quarter.

<b>Wholesale Quarterly Payment</b>	<b>Quarterly Gross Wholesale Sales</b>
1%	Equal to or greater than \$4,000,000.01
2%	\$2,500,000.01 - \$4,000,000.00
3%	\$0 - \$2,500,000.00

Wholesale Value shall be determined by arms-length wholesale sales made by the Facility during the year and shall include all marijuana, marijuana infused products, paraphernalia and any other products produced and sold by the Facility. In the event the marijuana or marijuana products produced at the Facility are sold by the Company at a marijuana retail establishment located outside of the Town that is also owned and controlled by the Company, or its affiliates, such the product is not subject to an arms-length sale, the value of such product for purposes of calculating the Quarterly Community Impact Fee shall be based

on the wholesale value of the marijuana and marijuana products as determined by arms-length wholesale sales made by the Facility during the preceding quarter, or, if no such sales have taken place, the wholesale value of said product based on available market data.

The Quarterly Community Impact Fee shall continue for a period of five (5) years from the date the Facility commences operations. The Facility shall be deemed in operation upon receipt of both an occupancy permit from the Building Commissioner and the issuance of a final License and approval to grow at the Facility from the CCC.

- b) The Company shall pay the Quarterly Community Impact Fee in installments as follows:
  - i) For sales between January 1 and March 31, payment shall be made on or before May 1
  - ii) For sales between April 1 and June 30, payment shall be made on or before August 1
  - iii) For sales between July 1 and September 30, payment shall be made on or before Nov. 1
  - iv) For sales between Oct. 1 and December 31, payment shall be made on or before Feb 1
- c) The Company shall notify the Town when it commences sales at the Facility and shall submit annual financial statements to the Town to prove the payment amounts at such time as it makes the payments. Upon request, the Company shall provide the Town or its agents with the same access to its financial records (to be treated as confidential, to the extent allowed by law) as it is required by the Commonwealth to obtain and maintain a license at this Facility.
- d) At the conclusion of the five (5) year term, the Parties shall negotiate the terms of a new Annual Community Impact Fee as an Amendment to this Agreement; provided, however, that if the parties are unable to reach an agreement on a successor Community Impact Fee, the Annual Community Impact Fee specified in Paragraph 2.A of this Agreement shall remain in effect and shall not be reduced below the amount set forth above until such time as the Parties negotiate a successor Community Impact Fee.
- e) The Town may use the above referenced payments as it deems appropriate in its sole discretion, but shall make a good faith effort to allocate said payments for road and other infrastructure systems, law enforcement, fire protection services, inspectional services, public health and addiction services and permitting and consulting services, as well as unforeseen impacts upon the Town.
- f) Pursuant to M.G.L. c. 94G, §3(d), a "community impact fee shall be reasonably related to the costs imposed upon the municipality by the operation of the marijuana establishment..." Notwithstanding the foregoing, the Parties hereby acknowledge the difficulty in computing actual Town costs and agree that impacts may result in municipal

budgetary increases that cannot be separately identified or precisely quantified. Consequently, the Company agrees that the payments due under this Agreement are reasonably related to Town costs and waives any claims to the contrary.

**3) Additional Payments, Costs, Payments and Reimbursements**

- a) **Community Benefit Payment**: The Company shall pay to the Town a Community Benefit Payment in the sum of \$5,000.00 annually for the term of the Agreement. The Town may use the above referenced payments as it deems appropriate in its sole discretion but shall make a good faith effort to allocate said payments for purposes of supporting the Opioid Task Force. The Community Benefit Payment shall be based on the calendar year with the payment for the preceding year due to the Town no later than February 1<sup>st</sup>. The parties hereby recognize and agree that the Community Benefit Payment to be paid by the Company shall not be deemed a community impact fee subject to the requirements or limitations set forth in G.L. c.94G, §3(d).
- b) **Permit and Connection Fees**: The Company hereby acknowledges and agrees to pay the usual and customary building permit and other permit application fees, sewer and water connection fees, and all other local charges and fees generally applicable to other commercial developments in the Town.
- c) **Facility Consulting Fees and Costs**: The Company shall reimburse the Town for any and all reasonable and customary consulting costs and fees, including without limitation, reasonable attorneys' fees related to any land use applications concerning the Facility, negotiation of this and any other related agreements, and any review concerning the Facility, including planning, engineering, and any related reasonable disbursements at standard rates charged by the above-referenced consultants in relation to the Facility.
- d) **Other Costs**: The Company shall reimburse the Town for the actual costs incurred by the Town in connection with holding public meetings not held in public buildings and forums not within the Town's regularly scheduled public hearings and meetings, which are solely devoted to discussing the Facility.
- e) **Late Payment Penalty**: The Company acknowledges that time is of the essence with respect to their timely payment of all funds required under Section 2 of this Agreement. In the event that any such payments are not fully made in a timely manner, the Town may send written notice of default to the Company. If within ten (10) business days of the date written notice has been received, the Company fails to make timely payment, it shall be required to pay the Town a late payment penalty equal to five percent (5%) of such required payments.

**4) Town Response to the Cannabis Control Commission.**

- a) The Town agrees to respond to the Commission within 60 days of a request from the Commission and to provide such other information as may be requested by the Commission in connection with the Company's applications for licenses at the Premises and cooperate in good faith in the Commission licensing process.

**5) Annual Reporting for Host Community Impact Fee and Compliance.**

- a) The Company shall submit an annual written report to the Town Administrator within thirty (30) days after the payment of its fourth quarterly installment of the Annual Community Impact Fee with a certification of: (1) its annual sales; and (2) its compliance with all other requirements of this Agreement. During the term of this Agreement the Company shall agree, upon request of the Town, to appear before a meeting of Board of Selectmen to review compliance with the terms of this Agreement. Such meeting shall occur no later than thirty (30) days following written notice from the Town.
- b) The Company shall maintain books, financial records, and other compilations of data pertaining to the requirements of this Agreement in accordance with standard accounting practices and any applicable regulations or guidelines of the CCC. All records shall be kept for a period of at least seven (7) years. Upon request by the Town, the Company shall provide the Town with the same access to its financial records (to be treated as confidential, to the extent allowed by law) as it is required by the CCC and Department of Revenue for purposes of obtaining and maintaining a License for the Facility.
- c) During the term of this Agreement, and for three (3) years following the termination of this Agreement, the Company shall agree, upon request of the Town, to have its financial records examined, copied and audited by an Independent Financial Auditor, the expense of which shall be borne by the Company. The Independent Financial Auditor shall review the Company's financial records for purposes of determining that the payment of its Annual Community Impact Fee is in compliance with the terms of this Agreement. Such examination shall be made not less than thirty (30) days following written notice from the Town and shall occur only during normal business hours and at such place where said books, financial records and accounts are maintained. The Independent Financial Audit shall include those parts of the Company's books and financial records which relate to the payment and shall include a certification of itemized gross sales for the previous calendar year, and all other information required to ascertain compliance with the terms of this Agreement. The independent audit of such records shall be conducted in such a manner as not to interfere with the Company's normal business activities.



## **6) Local Taxes, Ordinances and Vendors**

- a) At all times during the term of this Agreement, the property, both real and personal, owned or operated or leased by the Company shall be treated as taxable, and all applicable real estate and personal property taxes for that property shall be paid either directly by the Company or by its landlord, and neither the Company nor its landlord shall object or otherwise challenge the taxability of such property and shall not seek a non-profit exemption from paying such taxes. Notwithstanding the foregoing, (i) if real or personal property owned, leased or operated by the Company is determined to be non-taxable or partially non-taxable, or (ii) if the value of such property is abated with the effect of reducing or eliminating the tax which would otherwise be paid if assessed at fair cash value as defined in G.L. c. 59, §38, or (iii) if the Company is determined to be entitled or subject to exemption with the effect of reducing or eliminating the tax which would otherwise be due if not so exempted, then the Company shall pay to the Town an amount which when added to the taxes, if any, paid on such property, shall be equal to the taxes which would have been payable on such property at fair cash value and at the otherwise applicable tax rate, if there had been no abatement or exemption; this payment shall be in addition to the payment made by the Company under Section 2 of this Agreement.
  
- b) To the extent such practice and its implementation are consistent with federal, state, and municipal laws and regulations, the Company will make every effort in a legal and non-discriminatory manner to give priority to local businesses, suppliers, contractors, builders and vendors in the provision of goods and services called for in the construction, maintenance and continued operation of the Facility when such contractors and suppliers are properly qualified and price competitive, and shall use good faith efforts to hire Town residents.

## **7) Community Support and Additional Obligations.**

- a) Drug Awareness Program: The Company agrees to support the efforts of the Town's Opioid Task Force in developing and implementing programming to support drug abuse awareness and substance abuse prevention.
  
- b) To the extent permissible by law, the Company will make good faith efforts in a legal and non-discriminatory manner to hire or contract with local businesses, suppliers, contractors, builders and vendors in the provision of goods and services called for in the construction, maintenance and continued operation of the Premises.
  
- c) The Company agrees that it shall install state of the art technology to eliminate any odors impacting the neighborhood and to minimize noise from any generators, HVAC systems or other mechanical equipment, including any equipment utilized to reduce odors.

- d) The Company will work cooperatively with all necessary municipal departments, boards, commissions, and agencies to ensure the company's operations are in compliance with all local ordinances, rules and regulations.
- e) The Company shall maintain a broom clean environment on its premises and on the sidewalks surrounding its Facility.
- f) The Company shall install cameras outside of its Facility which provide views of all sidewalks and adjacent properties. Said cameras shall be accessible to the Police Department through the Town's camera surveillance system.
- g) If contacted by a representative of the Town, the Company shall respond immediately and substantively;
- h) The Company shall maintain its marijuana cultivator license in good standing with the CCC and comply with all applicable CCC regulations.

**8) Community Impact Hearing Concerns**

As a result of community feedback and neighborhood concerns voiced at the Company's Community Outreach Meeting and additional concerns reasonable and customary to marijuana cultivation brought to the Company's attention prior to commencement of operations – if any, the Company shall establish written policies and procedures to address mitigation of reasonable and customary concerns or issues that may arise through its operation of the Facility in accordance with 935 CMR 500.120(11), 12(e). Said written policies and procedures, as may be amended from time to time at the request of the Board of Selectmen, may be reviewed annually by the Board of Selectmen at the Board's discretion as part of the Company's annual report to ensure compliance with the policies and procedures and to address any further impacts requiring mitigation. The policies and procedures addressing community impact mitigation shall be incorporated herein by reference and made a part of this Agreement, the same as if each were fully set forth herein.

**9) Additional Obligations**

The obligations of the Company and the Town recited herein are specifically contingent upon the Company obtaining a Final License from the CCC for operation of a Marijuana Cultivation Establishment in the Town, and the Company's receipt of any and all necessary local approvals to locate, occupy, and operate the Facility in the Town.

This AGREEMENT does not affect, limit, or control the authority of Town boards, commissions, and departments to carry out their respective powers and duties to decide upon and to issue, or deny applicable permits and other approvals under the statutes and regulations of the Commonwealth, the General and Zoning Bylaws of the Town, or applicable regulations of those boards, commissions, and departments or to enforce said statutes, Bylaws, and regulations. The

Town, by entering into this AGREEMENT, is not thereby required or obligated to issue such permits and approvals as may be necessary for a Marijuana Cultivation Establishment to operate in the Town, or to refrain from enforcement action against the Company and/or its Facility for violation of the terms of said permits and approvals or said statutes, Bylaws, and regulations.

**10) Security.**

Company shall maintain security at the Facility in accordance with a security plan presented to the Town and approved by the Cannabis Control Commission. In addition, Company shall at all times comply with State Law and Local Law regarding security of the Facility. The Company further agrees:

- a) Company shall maintain security at the Facility at least in accordance with the security plan presented to the Town and approved by the Cannabis Control Commission, or such other state licensing or monitoring authority, as the case may be. In addition, the Company shall at all times comply with all applicable laws and regulations regarding the operations of the Facility and the security thereof. Such compliance shall include but will not be limited to providing hours of operation; after-hours contact information and access to surveillance operations; and requiring agents to produce their Agent Registration Card to law enforcement upon request.
- b) To the extent requested by the Hopedale Police Department, and subject to the security and architectural review requirements of the Cannabis Control Commission, or such other state licensing or monitoring authority, as the case may be, the Company shall work with the Town's Police Department in determining the placement of exterior security cameras, so that at least two cameras are located to provide an unobstructed view in each direction of the public way(s) on which the Facility is located.
- c) Company agrees to cooperate with the Town's Police Department, including but not limited to periodic meetings to review operational concerns, security, delivery schedule and procedures, cooperation in investigations, and communications with the Police Department of any suspicious activities at or in the immediate vicinity of the Facility, and with regard to any anti-diversion procedures.
- d) To the extent requested by the Town's Police Department, the Company shall work with the Police Department to implement a comprehensive diversion prevention plan to prevent diversion, such plan to be in place prior to the commencement of operations at the Facility. Such plan shall include, but is not limited to, (i) training the Company employees to be aware of, observe, and report any unusual behavior in authorized visitors or other Company employees that may indicate the potential for diversion; and (ii) utilizing seed-to-sale tracking software to closely track all inventory

at the Facility. This may include the hiring of police details as per the recommendation of the Police Chief.

- e) Company shall promptly report the discovery of the following to the Town's Police within twenty-four (24) hours of the Company becoming aware of such event: diversion of marijuana; unusual discrepancies identified during inventory; theft; loss and any criminal action; unusual discrepancy in weight or inventory during transportation; any vehicle accidents, diversions, losses, or other reportable incidents that occur during transport; any suspicious act involving the sale, cultivation, distribution, processing, or production of marijuana by any person; unauthorized destruction of marijuana; any loss or unauthorized alteration of records related to marijuana, or the Facility agents; an alarm activation or other event that requires response by public safety personnel; failure of any security alarm system due to a loss of electrical power or mechanical malfunction that is expected to last longer than eight hours; and any other breach of security.
- f) The Company agrees that any delivery of cash from marijuana sales at the facility, to either a banking facility or a tax collecting facility of the Commonwealth, shall be accomplished by means of an armored car service to the extent feasible and allowed by law. The plan for such cash deliveries shall be provided in advance to the Police Department and must be approved by the Police Chief.

**11) Water Consumption, Waste Plan and Odor Control.**

- a) The Company shall use best efforts to minimize water consumption at the Facility. Water consumption techniques shall include:
  - i) A commitment to utilizing techniques to ensure plants only receive the minimum amount of water needed for each plant;
  - ii) A commitment to not engaging in water intensive cultivation methods such as ebb and flood hydroponic cultivation
  - iii) Installation of dehumidifiers in each room where cultivation occurs to collect and reuse moisture evaporating from plants resulting in reclamation of significant quantities of water.
- b) The Company shall ensure that all recyclables and waste relating to the cultivation of marijuana, including organic waste composed of or containing finished marijuana and marijuana products, shall be stored, secured, and managed in accordance with applicable state and local statutes, ordinances, and regulations. Liquid waste containing marijuana or by-products of marijuana processing shall be disposed of in compliance with all applicable state and federal requirements, including but not limited to, for discharge of pollutants into surface water or groundwater (Massachusetts Clean Waters Act, M.G.L. c. 21 §§ 26-53; 314 CMR 3.00: Surface Water Discharge Permit Program; 314 CMR 5.00: Groundwater Discharge Program; 314 CMR 12.00: Operation Maintenance and Pretreatment Standards for Wastewater

Treatment Works and Indirect Dischargers; the Federal Clean Water Act, 33 U.S.C. 1251 et seq., the National Pollutant Discharge Elimination System Permit Regulations at 40 CFR Part 122, 314 CMR 7.00: Sewer System Extension and Connection Permit Program), or stored pending disposal in an industrial wastewater holding tank in accordance with 314 CMR 18.00: Industrial Wastewater Holding Tanks and Containers.

- c) The Company shall make all reasonable efforts to exclusively use organic or natural cultivation processes to limit the risk of cultivation-related pollutants and contaminants from being discharged into surface water and groundwater, provided that there is no conflict with state law or regulations. Company shall utilize appropriate cultivation processes and dehumidification systems to ensure that there is minimum wastewater discharged as part of the cultivation at the Facility. Company agrees to consult with the Hopedale Sewer Department regarding its cultivation methods and wastewater plan prior to commencing cultivation at the Facility or in the event of a change of the Company's cultivation practices that may result in wastewater discharge at the Facility. Company shall comply with all reasonable requests of the Hopedale Sewer Department, including, but not limited to, testing requirements and tank holding requirements if necessary.
  
- d) The Company shall ensure that odor from the Facility does not constitute a nuisance to surrounding properties. The Company shall, at a minimum, utilize a closed air system at the Facility to not relive or introduce any outdoor air into the Facility, nor allow any indoor air to escape. The Company shall utilize high capacity activated carbon filter fans to constantly recirculate the air and remove odors and harmful volatile organic compounds (VOCs) from the Facility. The Company shall ensure proper maintenance of all odor mitigation equipment and will replace carbon filters in a timely manner according to manufacturer recommendations to ensure maximum efficiency.

## **12) Term and Termination.**

This Agreement shall take effect on the day above written, subject to the contingencies noted herein for the Company's necessary state and local permits, licenses and approvals. Except as expressly provided herein, this Agreement shall take effect on the date set forth above (the "Effective Date"), and shall be applicable for as long as the Company operates the Facility in the Town, with the exception of the Community Impact Fee, which shall be governed by the provisions of Paragraph 2 of this Agreement.

In the event the Company has not secured a Final License from the CCC and all necessary local permits from the Town and commenced operations at the Facility within one (1) year from the Effective Date of this Agreement, this Agreement shall expire and the Company shall be required to negotiate a new Agreement in order to operate the Facility within the Town, unless the Board of Selectmen, in its discretion, agrees to an additional extension of time, for good cause, which shall include the time required to pursue or await the determination of an appeal of the special permit or other legal proceeding.

**13) Governing Law.**

This Agreement shall be governed in accordance with the laws of the Commonwealth of Massachusetts.

**14) Amendments/Waiver.**

Amendments, or waivers of any term, condition, covenant, duty or obligation contained in this Agreement may be made only by written amendment executed by duly authorized representatives of the Company and the Town, prior to the effective date of the amendment.

**15) Severability.**

If any term or condition of the Agreement or any application thereof shall to any extent be held invalid, illegal or unenforceable by the court of competent jurisdiction, the validity, legality, and enforceability of the remaining terms and conditions of this Agreement shall not be deemed affected thereby unless one or both parties would be substantially or materially prejudiced. For the purposes hereof, substantial or material prejudice shall include, without limitation, reduction or termination of the payments required hereunder. Further, the Company agrees that it will not challenge, in any jurisdiction, the enforceability of any provision included in this Agreement; and to the extent the validity of this Agreement is challenged by the Company in a court of competent jurisdiction, the Company shall pay for all reasonable fees and costs incurred by the Town in enforcing this Agreement.

**16) Successors/Assigns.**

- a) This Agreement is binding upon the parties hereto, their successors, assigns and legal representatives. The Company shall not assign, sublet, or otherwise transfer its rights nor delegate its obligations under this Agreement, in whole or in part, without the prior written consent from the Town and shall not assign any of the monies payable under this Agreement, except by and with the written consent of the Town and shall not assign or obligate any of the monies payable under this Agreement, except by and with the written consent of the Town.
- b) Events deemed an assignment include, without limitation: (i) Company's final and adjudicated bankruptcy whether voluntary or involuntary; (ii) the Company's takeover or merger by or with any other entity; (iii) the Company's outright sale of assets and equity, majority stock sale to another organization or entity for which the Company does not maintain a controlling equity interest; (iv) or any other change in ownership or status of the Company; (v) any assignment for the benefit of creditors; and/or (vi) any other assignment not approved in advance in writing by the Town.



KP-Law, PC  
101 Arch Street, 12<sup>th</sup> Floor  
Boston, MA 02110

To Company:

Dave Griffiths  
Lifted Genetics  
42 Holliston St  
Medway MA 02053

**22) Indemnification**

The Company shall indemnify, defend, and hold the Town harmless from and against any and all claims, demands, liabilities, actions, causes of actions, defenses, proceedings and/or costs and expenses, including attorney's fees, brought against the Town, their agents, departments, officials, employees, insurers and/or successors, by any third party arising from or relating to the development of the Facility to the extent caused by or contributed to by the Company, but specifically excluding such matters caused by the fraud or willful misconduct or negligence of the Town, its agents, departments, officials, employees, insurers and/or successors which in part creates a claim. Such indemnification shall include, but shall not be limited to, all reasonable fees and reasonable costs of attorneys and other reasonable consultant fees and all fees and costs (including but not limited to attorneys and consultant fees and costs) shall be at charged at regular and customary municipal rates, of the Town's choosing incurred in defending such claims, actions, proceedings or demands. The Company agrees, within thirty (30) days of written notice by the Town, to reimburse the Town for any and all costs and fees incurred in defending itself with respect to any such claim, action, proceeding or demand. As a condition of indemnification pursuant to this Section, the Town shall: (a) notify the Company within a reasonable period of time of any matter concerning which the Town may seek indemnification hereunder; (b) at the request of the Company give the Company control over the investigation, defense and/or settlement of such matter; and (iii) cooperate to the greatest possible extent in such investigation, defense and/or settlement.

Notwithstanding the foregoing, the indemnification described above shall not apply to the Town in the event of any gross negligence or willful misconduct on the part of the Town or its employees.

**23) Third-Parties.**

Nothing contained in this Agreement shall create a contractual relationship with or a cause of action in favor of a third party against either the Town or the Company.

[SIGNATURE PAGE TO FOLLOW]




In witness whereof, the parties have hereafter set faith their hand as of the date first above written.

For the TOWN OF HOPEDALE BOARD OF  
SELECTMEN

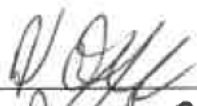
LIFTED GENETICS

By:

\_\_\_\_\_  
Louis J. Arcudi, III, Chair

  
\_\_\_\_\_  
Brian B. Keyes

  
\_\_\_\_\_  
Thomas A. Wesley

  
\_\_\_\_\_  
By: David Griffith  
Title: CEO

10/15/19

TOWN OF HOPEDALE  
AND MACA INDUSTRIES, LLC

HOST COMMUNITY AGREEMENT

3<sup>RD</sup> THIS HOST COMMUNITY AGREEMENT (“AGREEMENT”) is entered into this day of June, 2019 (the “Effective Date”) by and between MACA Industries, a Massachusetts corporation with a principal office address of 291 Main Street, Suite 101, Milford, Massachusetts 01757 (the “Company”), and the Town of Hopedale, a Massachusetts municipal corporation with a principal address of 78 Hopedale Street, Hopedale, MA 01747 (the “Town”) (Company and Town, collectively the “Parties”), acting by and through its Board of Selectmen, in reliance upon all of the representations made herein.

RECITALS

WHEREAS, the Company wishes to locate an adult use Marijuana Cultivation Establishment, which shall be limited in its operations to maximum Tier 3 marijuana cultivation license pursuant to 935 CMR 500.005 (20,000 sq. ft. of mature canopy) at a parcel of land located at 2 Condon Way, Hopedale, more accurately described by the deed recorded with the Worcester County Registry of Deeds Book 58541 page 39 and on Map 32, numbered Lot 16 in the Assessor’s database (the “Facility”), in accordance with and pursuant to applicable state laws and regulations, including, but not limited to G.L. c.94G and 935 CMR 500.00 and such approvals as may be issued by the Town in accordance with its Zoning Bylaw and other applicable local regulations; and

WHEREAS, the Town recognizes this development and Facility will benefit the Town and its citizens through increased economic development, additional employment opportunities for residents, and a strengthened local tax base; and

WHEREAS, the Company anticipates that the Town will incur additional expenses and impacts on the Town’s road and other infrastructure systems, law enforcement, fire protection services, inspectional services, permitting and consulting services and public health, as well as unforeseen impacts, both quantifiable and unquantifiable on the Town; and

WHEREAS, the Company intends to provide certain benefits to the Town in the event that it receives the requisite License from the Cannabis Control Commission (the “CCC”) or such other state licensing or monitoring authority, as the case may be, to operate the Facility and receives all required local permits and approvals from the Town; and

WHEREAS, the parties intend by this AGREEMENT to satisfy the provisions of G.L. c.94G, Section 3(d) applicable to the operation of Facility, such activities to be only done in accordance with the applicable state and local laws and regulations in the Town; and

WHEREAS, the Parties agree that the above Recitals are true and accurate and that they are incorporated herein and made a part hereof.

NOW THEREFORE, in consideration of the mutual promises and covenants set forth herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Company and the Town agree as follows:

1. **Representations and Warranties**

The Parties respectively represent and warrant that:

- a. Each is duly organized and existing and in good standing, has the full power, authority, and legal right to enter into and perform this AGREEMENT, and the execution, delivery and performance hereof and thereof (i) will not violate any judgment, order, state law, bylaw, or regulation, and (ii) do not conflict with, or constitute a default under, any agreement or instrument to which either is a party or by which either party may be bound or affected; and
- b. Once this AGREEMENT has been duly authorized, executed and delivered, this AGREEMENT constitutes legal, valid and binding obligations of each party, enforceable in accordance with its terms; and
- c. There is no action, suit, or proceeding pending, or, to the knowledge of either party, threatened against or affecting wither wherein an unfavorable decision, ruling or finding would materially adversely affect the performance of any obligations hereunder, except as otherwise specifically noted in this AGREEMENT.

2. **Annual Payments**

In the event that the Company obtains the requisite Final License from the CCC and all necessary and required state approvals required for the operation of a Marijuana Cultivation Establishment, and receives any and all necessary and required permits and licenses of the Town, and at the expiration of any final appeal period related thereto, which permits and/or licenses allow the Company to locate, occupy and operate the Facility in the Town, then the Company agrees to provide the following Community Impact Fee on a quarterly basis (the “Quarterly Community Impact Fee”):

A. **Community Impact Fee**

In order to mitigate the anticipated impacts of the Facility on the Town, including, but not limited to impacts on roads and other infrastructure systems, law enforcement, fire protection services, inspectional services, as well as unforeseen impacts, both quantifiable and unquantifiable on the Town’s resources, the Company agrees to pay an Annual Community Impact Fee to the Town to account for both quantifiable and unquantifiable impacts to the Town, in the amount and under the terms provided herein.

1. The Company shall pay an Annual Community Impact Fee in quarterly installments (the “Quarterly Community Impact Fee”) based on the following percentages of the

gross wholesale value of marketable marijuana or marijuana products produced by the Facility each quarter.

Wholesale Quarterly Payment	Quarterly Gross Wholesale Sales
1%	Equal to or greater than \$4,000,000.01
2%	\$2,500,000.01 - \$4,000,000.00
3%	\$0 - \$2,500,000.00

Wholesale Value shall be determined by arms-length wholesale sales made by the Facility during the year and shall include all marijuana, marijuana infused products, paraphernalia and any other products produced and sold by the Facility. In the event the marijuana or marijuana products produced at the Facility are sold by the Company at a marijuana retail establishment located outside of the Town that is also owned and controlled by the Company, or its affiliates, such the product is not subject to an arms-length sale, the value of such product for purposes of calculating the Quarterly Community Impact Fee shall be based on the wholesale value of the marijuana and marijuana products as determined by arms-length wholesale sales made by the Facility during the preceding quarter, or, if no such sales have taken place, the wholesale value of said product based on available market data.

2. The Quarterly Community Impact Fee shall continue for a period of five (5) years from the date the Facility commences operations. The Facility shall be deemed in operation upon receipt of both an occupancy permit from the Building Commissioner and the issuance of a final License and approval to grow at the Facility from the CCC.
3. The Company shall pay the Quarterly Community Impact Fee in installments as follows:
  - For sales between January 1 and March 31, payment shall be made on or before May 1;
  - For sales between April 1 and June 30, payment shall be made on or before August 1;
  - For sales between July 1 and September 30, payment shall be made on or before Nov. 1;
  - For sales between Oct. 1 and December 31, payment shall be made on or before Feb 1.

With regard to any quarter year of operation for the Facility, which is not a full quarter year, the applicable quarterly installment of the Community Impact Fee shall be pro-rated accordingly. The Town reserves the right to amend the timing and frequency of the Quarterly Community Impact Fee payments, with 30-days' notice to the Company.

4. At the conclusion of the five (5) year term, the Parties shall negotiate the terms of a new Annual Community Impact Fee as an Amendment to this Agreement; provided, however, that if the parties are unable to reach an agreement on a successor Community Impact Fee, the Annual Community Impact Fee specified in Paragraph 2.A.1 of this Agreement shall remain in effect and shall not be reduced below the amount set forth above until such time as the Parties negotiate a successor Community Impact Fee.
5. The Town may use the above referenced payments as it deems appropriate in its sole discretion, but shall make a good faith effort to allocate said payments for road and other infrastructure systems, law enforcement, fire protection services, inspectional services, public health and addiction services and permitting and consulting services, as well as unforeseen impacts upon the Town.
6. Pursuant to M.G.L. c. 94G, §3(d), a "community impact fee shall be reasonably related to the costs imposed upon the municipality by the operation of the marijuana establishment..." Notwithstanding the foregoing, the Parties hereby acknowledge the difficulty in computing actual Town costs and agree that impacts may result in municipal budgetary increases that cannot be separately identified or precisely quantified. Consequently, the Company agrees that the payments due under this Agreement are reasonably related to Town costs and waives any claims to the contrary.

#### B. Additional Costs, Payments and Reimbursements

1. Permit and Connection Fees: The Company hereby acknowledges and agrees to pay the usual and customary building permit and other permit application fees, sewer and water connection fees, and all other local charges and fees generally applicable to other commercial developments in the Town.
2. Facility Consulting Fees and Costs: The Company shall reimburse the Town for any and all reasonable and customary consulting costs and fees, including without limitation, reasonable attorneys' fees related to any land use applications concerning the Facility, negotiation of this and any other related agreements, and any review concerning the Facility, including planning, engineering, and any related reasonable disbursements at standard rates charged by the above-referenced consultants in relation to the Facility.

3. Other Costs: The Company shall reimburse the Town for the actual costs incurred by the Town in connection with holding public meetings not held in public buildings and forums not within the Town's regularly scheduled public hearings and meetings, which are solely devoted to discussing the Facility.
4. Late Payment Penalty: The Company acknowledges that time is of the essence with respect to their timely payment of all funds required under Section 2 of this Agreement. In the event that any such payments are not fully made in a timely manner, the Town may send written notice of default to the Company. If within ten (10) business days of the date written notice has been received, the Company fails to make timely payment, it shall be required to pay the Town a late payment penalty equal to five percent (5%) of such required payments.

C. Positive Impact Plan

1. Drug Awareness Program: The Company agrees to support the efforts of the Town's Opioid Task Force in developing and implementing programming to support drug abuse awareness and substance abuse prevention, including drug awareness of marijuana.
2. DRE Training: The Company agrees to pay the cost of Drug Recognition Expert (DRE) Training for a minimum of 3 officers of the Hopedale Police Department.
3. Community Benefit Payment: The Company shall pay to the Town a Community Benefit Payment in the sum of \$5,000.00 annually for the term of the AGREEMENT. The Town may use the above referenced payments as it deems appropriate in its sole discretion but shall make a good faith effort to allocate said payments for purposes of supporting senior citizen transportation services.
  - a) The Community Benefit Payment shall be based on the calendar year with the payment for the preceding year due to the Town no later than February 1. The Community Benefit Payment for the first year of operation shall be prorated based on the number of months the Facility is in operation. The Facility shall be deemed in operation upon receipt of both an occupancy permit from the Building Commissioner and the issuance of a final License and approval to grow at the Facility from the CCC.
  - b) The parties hereby recognize and agree that the Community Benefit Payment to be paid by the Company shall not be deemed a community impact fee subject to the requirements or limitations set forth in G.L. c.94G, §3(d).

#### D. Annual Reporting for Host Community Impact Fees and Compliance

The Company shall submit an annual written report to the Town Administrator within thirty (30) days after the payment of its fourth quarterly installment of the Annual Community Impact Fee with a certification of: (1) its annual sales; and (2) its compliance all other requirement of this AGREEMENT. During the term of this AGREEMENT the Company shall agree, upon request of the Town, to appear before a meeting of Board of Selectmen to review compliance with the terms of this AGREEMENT. Such meeting shall occur no later than thirty (30) days following written notice from the Town.

The Company shall maintain books, financial records, and other compilations of data pertaining to the requirements of this AGREEMENT in accordance with standard accounting practices and any applicable regulations or guidelines of the CCC. All records shall be kept for a period of at least seven (7) years. Upon request by the Town, the Company shall provide the Town with the same access to its financial records (to be treated as confidential, to the extent allowed by law) as it is required by the CCC and Department of Revenue for purposes of obtaining and maintaining a License for the Facility.

During the term of this AGREEMENT, and for three (3) years following the termination of this AGREEMENT, the Company shall agree, upon request of the Town, to have its financial records examined, copied and audited by an Independent Financial Auditor, the expense of which shall be borne by the Company. The Independent Financial Auditor shall review the Company's financial records for purposes of determining that the payment of its Annual Community Impact Fee are in compliance with the terms of this AGREEMENT. Such examination shall be made not less than thirty (30) days following written notice from the Town and shall occur only during normal business hours and at such place where said books, financial records and accounts are maintained. The Independent Financial Audit shall include those parts of the Company's books and financial records which relate to the payment and shall include a certification of itemized gross sales for the previous calendar year, and all other information required to ascertain compliance with the terms of this AGREEMENT. The independent audit of such records shall be conducted in such a manner as not to interfere with the Company's normal business activities.

#### 3. Local Vendors and Employment

To the extent such practice and its implementation are consistent with federal, state, and municipal laws and regulations, the Company will make every effort in a legal and non-discriminatory manner to give priority to local businesses, suppliers, contractors, builders and vendors in the provision of goods and services called for in the construction, maintenance and continued operation of the Facility when such contractors and suppliers are properly qualified and price competitive, and shall use good faith efforts to hire Town residents.

#### 4. Local Taxes

At all times during the term of this AGREEMENT, property, both real and personal, owned or operated by the Company shall be treated as taxable, and all applicable real estate and personal

property taxes for that property shall be paid either directly by the Company or by its landlord, and neither the Company nor its landlord shall object or otherwise challenge the taxability of such property and shall not seek any non-profit or agricultural exemption or reduction with respect to such taxes.

Notwithstanding the foregoing, (i) if real or personal property owned, leased or operated by the Company is determined to be non-taxable or partially non-taxable, or (ii) if the value of such property is abated with the effect of reducing or eliminating the tax which would otherwise be paid if assessed at fair cash value as defined in G.L. c. 59, §38, or (iii) if the Company is determined to be entitled or subject to exemption with the effect of reducing or eliminating the tax which would otherwise be due if not so exempted, then the Company shall pay to the Town an amount which when added to the taxes, if any, paid on such property, shall be equal to the taxes which would have been payable on such property at fair cash value and at the otherwise applicable tax rate, if there had been no abatement or exemption; this payment shall be in addition to the payment made by the Company under Section 2 of this AGREEMENT.

#### 5. Security and Safety

To the extent requested by the Town's Police Department, and subject to the security and architectural review requirements of the CCC, or such other state licensing or monitoring authority, as the case may be, the Company shall work with Town's Police Department in reviewing and approving all security plans prior to implementation and commencement of operations.

The Company agrees to cooperate with the Police Department, including but not limited to periodic meetings to review operational concerns, security, delivery schedule and procedures, cooperation in investigations, and communications with the Police Department of any suspicious activities at or in the immediate vicinity of the Facility, and with regard to any anti-diversion procedures to ensure that the marijuana and marijuana products sold in the Facility are not being transferred to the illegal market or to minors.

The Company shall implement a comprehensive diversion prevention plan to prevent diversion of marijuana and marijuana products into the illicit market and to minors, such plan to be in place prior to the commencement of operations at the Facility. The Company shall present the diversion plan to the Police Department for its review and feedback and, to the extent required by the Police Department, work collaboratively to implement any suggested changes, amendments or modifications to address local concerns.

The Company agrees and acknowledges that annual inspections of the Facility by the Town's Police Department, Town's Fire Department, Building Department and Board of Health shall be a condition of continued operation in Town and agrees to cooperate with the Town's Police Department, Town's Fire Department and Board of Health in providing access for scheduled and unscheduled inspections of the Facility.

The Company further agrees that all signage and packaging for marijuana products shall comply applicable state laws and regulations, including, but not limited to G.L. c.94G and 935 CMR 500.000, and further agrees that to the extent 935 CMR 500.000 imposes more stringent



requirements on packaging, labeling, marketing or the form of permitted edibles, the Company will comply with the more restrictive regulatory provisions.

#### **6. Community Impact Hearing Concerns**

As a result of community feedback and neighborhood concerns voiced at the February 7, 2019 Community Outreach Meeting and additional concerns reasonable and customary to marijuana cultivation brought to the Company's attention prior to commencement of operations – if any, the Company shall establish written policies and procedures to address mitigation of reasonable and customary concerns or issues that may arise through its operation of the Facility in accordance with 935 CMR 500.120(11), 12(e). Said written policies and procedures, as may be amended from time to time at the request of the Board of Selectmen, may be reviewed annually by the Board of Selectmen at the Board's discretion as part of the Company's annual report to ensure compliance with the policies and procedures and to address any further impacts requiring mitigation. The policies and procedures addressing community impact mitigation shall be incorporated herein by reference and made a part of this AGREEMENT, the same as if each were fully set forth herein.

#### **7. Additional Obligations**

The obligations of the Company and the Town recited herein are specifically contingent upon the Company obtaining a Final License from the CCC for operation of a Marijuana Cultivation Establishment in the Town, and the Company's receipt of any and all necessary local approvals to locate, occupy, and operate the Facility in the Town.

This AGREEMENT does not affect, limit, or control the authority of Town boards, commissions, and departments to carry out their respective powers and duties to decide upon and to issue, or deny applicable permits and other approvals under the statutes and regulations of the Commonwealth, the General and Zoning Bylaws of the Town, or applicable regulations of those boards, commissions, and departments or to enforce said statutes, Bylaws, and regulations. The Town, by entering into this AGREEMENT, is not thereby required or obligated to issue such permits and approvals as may be necessary for a Marijuana Cultivation Establishment to operate in the Town, or to refrain from enforcement action against the Company and/or its Facility for violation of the terms of said permits and approvals or said statutes, Bylaws, and regulations.

#### **8. Energy and Environmental Requirements**

The Company shall (a) satisfy all minimum energy efficiency and equipment standards established by the Cannabis Control Commission and meet all applicable environmental laws, regulations, permits, and other applicable approvals; (b) adopt and use best management practices as determined by the Cannabis Control Commission's Energy and Environmental Working Group and operate the facility in compliance with best environmental practices with respect to cultivation, processing and manufacturing operations; and (c) ensure that lighting power densities for cultivation spaces does not exceed an average of 36 watts per gross square foot of active and growing canopy. Additionally, the Company commits to utilizing LED lighting, at a minimum, for the vegetative and flowering phases of its cultivation operations.

## **9. Water Consumption**

The Company shall use best efforts to minimize water consumption at the Facility. Water consumption techniques shall include: (a) a commitment to utilizing techniques to ensure plants only receive the minimum amount of water needed for each plant; (b) a commitment to not engaging in water intensive cultivation methods such as ebb and flood hydroponic cultivation; and (c) installation of dehumidifiers in each room where cultivation occurs to collect and reuse moisture evaporating from plants resulting in reclamation of significant quantities of water.

## **10. Solid Waste and Wastewater Controls**

The Company shall ensure that all recyclables and waste relating to the cultivation of marijuana, including organic waste composed of or containing finished marijuana and marijuana products, shall be stored, secured, and managed in accordance with applicable state and local statutes, ordinances, and regulations. Liquid waste containing marijuana or by-products of marijuana processing shall be disposed of in compliance with all applicable state and federal requirements, including but not limited to, for discharge of pollutants into surface water or groundwater (Massachusetts Clean Waters Act, M.G.L. c. 21 §§ 26-53; 314 CMR 3.00: Surface Water Discharge Permit Program; 314 CMR 5.00: Groundwater Discharge Program; 314 CMR 12.00: Operation Maintenance and Pretreatment Standards for Wastewater Treatment Works and Indirect Dischargers; the Federal Clean Water Act, 33 U.S.C. 1251 et seq., the National Pollutant Discharge Elimination System Permit Regulations at 40 CFR Part 122, 314 CMR 7.00: Sewer System Extension and Connection Permit Program), or stored pending disposal in an industrial wastewater holding tank in accordance with 314 CMR 18.00: Industrial Wastewater Holding Tanks and Containers.

The Company shall make all reasonable efforts to exclusively use organic or natural cultivation processes to limit the risk of cultivation-related pollutants and contaminants from being discharged into surface water and groundwater, provided that there is no conflict with state law or regulations. Company shall utilize appropriate cultivation processes and dehumidification systems to ensure that there is minimum wastewater discharged as part of the cultivation at the Facility. Company agrees to consult with the Hopedale Sewer Department regarding its cultivation methods and wastewater plan prior to commencing cultivation at the Facility or in the event of a change of the Company's cultivation practices that may result in wastewater discharge at the Facility. Company shall comply with all reasonable requests of the Hopedale Sewer Department, including, but not limited to, testing requirements and tank holding requirements if necessary.

## **11. Odor Control Technology**

The Company shall ensure that odor from the Facility does not constitute a nuisance to surrounding properties. The Company shall, at a minimum, utilize a closed air system at the Facility to not relive or introduce any outdoor air into the Facility, nor allow any indoor air to escape. The Company shall utilize high capacity activated carbon filter fans to constantly recirculate the air and remove odors and harmful volatile organic compounds (VOCs) from the Facility. The Company shall ensure proper maintenance of all odor mitigation equipment and will replace

carbon filters in a timely manner according to manufacturer recommendations to ensure maximum efficiency.

#### 12. Support

The Town shall support the Company's license application to the CCC but makes no representation or promise that it will act on any local license or permit request, including, but not limited to any zoning application submitted for the Facility, in any particular way other than by the Town normal and regular course of conduct and in accordance with its rules and regulations and any statutory guidelines governing them.

#### 13. Term

Except as expressly provided herein, this AGREEMENT shall take effect on the date set forth above (the "Effective Date"), and shall be applicable for as long as the Company operates the Facility in the Town, with the exception of the Community Impact Fee, which shall be governed by the provisions of Paragraph 2.A of this AGREEMENT.

In the event the Company has not secured a Final License from the CCC and all necessary local permits from the Town and commenced operations at the Facility within one (1) year from the Effective Date of this AGREEMENT, this AGREEMENT shall expire and the Company shall be required to negotiate a new AGREEMENT in order to operate the Facility within the Town, unless the Board of Selectmen, in its discretion, agrees to an additional extension of time, for good cause, which shall include the time required to pursue or await the determination of an appeal of the special permit or other legal proceeding.

#### 14. Successors/Assigns

The Company shall not assign, sublet, or otherwise transfer its rights nor delegate its obligations under this AGREEMENT, in whole or in part, without the prior written consent from the Town, and shall not assign or obligate any of the monies payable under this AGREEMENT, except by and with the written consent of the Town. This AGREEMENT is binding upon the parties hereto, their successors, assigns and legal representatives. The Company shall not assign, sublet, or otherwise transfer any interest in the AGREEMENT without the written consent of the Town, such consent not to be unreasonably withheld.

Events deemed an assignment include, without limitation: (i) Company's final and adjudicated bankruptcy whether voluntary or involuntary; (ii) the Company's takeover or merger by or with any other entity; (iii) the Company's outright sale of assets and equity, majority stock sale to another organization or entity for which the Company does not maintain a controlling equity interest; (iv) or any other change in ownership or status of the Company; (v) any assignment for the benefit of creditors; and/or (vi) any other assignment not approved in advance in writing by the Town.

15. Notices

Any and all notices, consents, demands, requests, approvals or other communications required or permitted under this AGREEMENT, shall be in writing and delivered by hand or mailed postage prepaid, return receipt requested, by registered or certified mail or by other reputable delivery service, and shall be deemed given when so delivered by hand, if so mailed, when deposited with the U.S. Postal Service, or, if sent by private overnight or other delivery service, when deposited with such delivery service.

**To Town:**

**Town Administrator**  
Steve Sette  
Town of Hopedale  
78 Hopedale Street,  
Hopedale, MA 01747

Copy To:  
Town Counsel  
Katherine D. Laughman  
KP-Law, PC  
101 Arch Street, 12<sup>th</sup> Floor  
Boston, MA 02110

**To Company:**

Michael M. Kaplan  
291 Main Street, Suite 101  
Milford, MA  
01757

16. Severability

If any term or condition of this AGREEMENT or any application thereof shall to any extent be held invalid, illegal or unenforceable by a court of competent jurisdiction, the validity, legality, and enforceability of the remaining terms and conditions of this AGREEMENT shall not be deemed affected thereby unless the Town would be substantially or materially prejudiced. Further, the Company agrees that it will not challenge, in any jurisdiction, the enforceability of any provision included in this AGREEMENT; and to the extent the validity of this AGREEMENT is challenged by the Company in a court of competent jurisdiction, the Company shall pay for all reasonable fees and costs incurred by the Town in enforcing this AGREEMENT.

**17. Governing Law**

This AGREEMENT shall be governed by, construed and enforced in accordance with the laws of the Commonwealth of Massachusetts, and the Company submits to the jurisdiction of any of its appropriate courts for the adjudication of disputes arising out of this AGREEMENT.

**18. Entire Agreement**

This AGREEMENT constitutes the entire integrated agreement between the Company and the Town with respect to the matters described herein. This AGREEMENT supersedes all prior agreements, negotiations and representations, either written or oral, and it shall not be modified or amended except by a written document executed by the parties hereto.

**19. Amendments/Waiver**

Amendments, or waivers of any term, condition, covenant, duty or obligation contained in this AGREEMENT may be made only by written amendment executed by authorized representatives of both parties to the original Agreement, prior to the effective date of the amendment.

**20. Headings**

The article, section, and/or paragraph headings in this AGREEMENT are for convenience of reference only, and shall in no way affect, modify, define or be used in interpreting the text of this AGREEMENT.

**21. Counterparts**

This AGREEMENT may be signed in any number of counterparts all of which taken together, each of which is an original, and all of which shall constitute one and the same instrument, and any party hereto may execute this AGREEMENT by signing one or more counterparts.

**22. Signatures**

Facsimile signatures affixed to this AGREEMENT shall have the same weight and authority as an original signature.

**23. No Joint Venture**

The Parties hereto agree that nothing contained in this AGREEMENT or any other documents executed in connection herewith is intended or shall be construed to establish the Town and the Company and any other successor, affiliate or corporate entity as joint ventures or partners.

#### **24. Nullity**

This AGREEMENT shall be null and void in the event that the Company does not locate a Marijuana Cultivation Establishment in the Town or relocates the Facility out of the Town. Further, in the case of any relocation out of the Town, the Company agrees that an adjustment of Annual Community Impact Fee due to the Town hereunder shall be calculated based upon the period of occupation of the Facility within the Town, but in no event shall the Town be responsible for the return of any funds provided to it by the Company.

#### **25. Indemnification**

The Company shall indemnify, defend, and hold the Town harmless from and against any and all claims, demands, liabilities, actions, causes of actions, defenses, proceedings and/or costs and expenses, including attorney's fees, brought against the Town, their agents, departments, officials, employees, insurers and/or successors, by any third party arising from or relating to the development of the Facility to the extent caused by or contributed to by the Company, but specifically excluding such matters caused by the fraud or willful misconduct or negligence of the Town, its agents, departments, officials, employees, insurers and/or successors which in part creates a claim. Such indemnification shall include, but shall not be limited to, all reasonable fees and reasonable costs of attorneys and other reasonable consultant fees and all fees and costs (including but not limited to attorneys and consultant fees and costs) shall be at charged at regular and customary municipal rates, of the Town's choosing incurred in defending such claims, actions, proceedings or demands. The Company agrees, within thirty (30) days of written notice by the Town, to reimburse the Town for any and all costs and fees incurred in defending itself with respect to any such claim, action, proceeding or demand. As a condition of indemnification pursuant to this Section, the Town shall: (a) notify the Company within a reasonable period of time of any matter concerning which the Town may seek indemnification hereunder; (b) at the request of the Company give the Company control over the investigation, defense and/or settlement of such matter; and (iii) cooperate to the greatest possible extent in such investigation, defense and/or settlement.


#### **26. Third Parties**


Nothing contained in this AGREEMENT shall create a contractual relationship with or a cause of action in favor of a third party against either the Town or the Company.

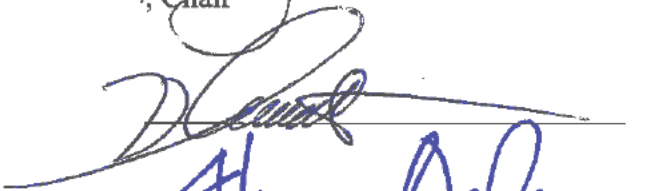
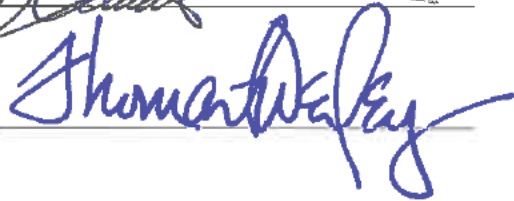
IN WITNESS WHEREOF, the parties hereto have executed this AGREEMENT on the day and year first written above.

TOWN HOPEDALE  
BOARD OF SELECTMEN

COMPANY

  
\_\_\_\_\_  
Chair

  
\_\_\_\_\_  
Michael M. Kaplan  
Manage/Shareholder  
MACA Industries, LLC.

  
\_\_\_\_\_  
  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

## Host Community Agreement Certification Form

The applicant and contracting authority for the host community must complete each section of this form before uploading it to the application. Failure to complete a section will result in the application being deemed incomplete. Instructions to the applicant and/or municipality appear in italics. Please note that submission of information that is “misleading, incorrect, false, or fraudulent” is grounds for denial of an application for a license pursuant to 935 CMR 500.400(1).


### Applicant

I, Michael M. Kaplan, (*insert name*) certify as an authorized representative of MACA Industries (*insert name of applicant*) that the applicant has executed a host community agreement with Town of Hopedale (*insert name of host community*) pursuant to G.L.c. 94G § 3(d) on June 3, 2019 (*insert date*).

  
Signature of Authorized Representative of Applicant

### Host Community

I, Brian R. Kenes, (*insert name*) certify that I am the contracting authority or have been duly authorized by the contracting authority for Board of Selectmen (*insert name of host community*) to certify that the applicant and Town of Hopedale (*insert name of host community*) has executed a host community agreement pursuant to G.L.c. 94G § 3(d) on June 3, 2019 (*insert date*).

  
Signature of Contracting Authority or  
Authorized Representative of Host Community





## **HOST COMMUNITY AGREEMENT**

**between**

**The TOWN OF HOPEDALE, Massachusetts and  
HIGH HOPES LLC**

This Host Community Agreement (“Agreement”) is entered into this eleventh day of May, 2020 by and between High Hopes LLC, a Massachusetts limited liability company with a principal address of 8 Hope Street, Hopedale, Massachusetts (“Operator”) and the Town of Hopedale, a Massachusetts municipal corporation with a principal address of 78 Hopedale Street, Hopedale, Massachusetts 01747 (“Town”).

WHEREAS, Operator intends to apply to the Cannabis Control Commission (the “CCC”) to operate a 3,000 square foot Retail Marijuana Establishment at the property located at 1 Menfi Way, Unit 9, Parcel ID 22-15-1 within the Town (the “Premises” or the “Facility”), pursuant to G. L. c. 94G (the “Act”) and 935 CMR 500: Adult Use of Marijuana and such approvals as may be issued by the Town in accordance with its Zoning Bylaw and other applicable local regulations; and

WHEREAS, Operator will be licensed to purchase and transport cannabis or marijuana product from Marijuana Establishments and to sell or otherwise transfer this product to Marijuana Establishments and to consumers in municipalities throughout the Commonwealth of Massachusetts;

WHEREAS, Operator is seeking a license from the CCC to operate a Retail Marijuana Establishment in Town; and

WHEREAS, Operator has paid a two-hundred-fifty-dollar (\$250.00) application fee to the Town.

NOW THEREFORE, in consideration of the above, the Operator offers and the Town accepts this Host Community Agreement as follows:

- **Community Impact Fee:** The Town anticipates that, as a result of the Operator’s operation of the Retail Marijuana Establishment, the Town will incur additional expenses and impacts upon its road system, law enforcement, inspectional services, permitting services, administrative services, public health services and education in addition to potential additional unforeseen impacts upon the Town. Accordingly, in order to mitigate the direct and indirect financial impact upon the Town and use of Town resources, the Operator agrees to annually pay a community impact fee to the Town, in the amounts and under the terms provided herein (the “Annual Payments”);
- **Payment:** In the event that the Operator obtains a Final License, or such other license and/or approval as may be required, for the Retail Marijuana Establishment in the Town by the CCC or such other state licensing or monitoring authority, and receives revenue

HOST COMMUNITY AGREEMENT/HIGH HOPES LLC. -TOWN OF HOPEDALE, MA

Page 1 of 5

928178.2

from sales of marijuana and marijuana infused products to consumers from operating the Retail Marijuana Establishment:

- Operator shall make Annual Payments in an amount equal to three percent (3%) of the gross revenue from the Retail Marijuana Establishment's annual cannabis or marijuana product sales, as long as the fee is reasonably related to the costs imposed upon the Town by the operation of the Retail Marijuana Establishment.
- Annual Payments shall be made quarterly each calendar year on the 1<sup>st</sup> Tuesday of January, April, July and October for the gross revenues for marijuana and marijuana-infused products in each such preceding quarter, beginning on the first of such dates after the Retail Marijuana Establishment has commenced retail sales.
- Operator shall submit financial records to the Town within 30 days after each payment of the Annual Payment with a certification of sales with respect to each such payment. Operator shall maintain its books, financial records, and other compilations of data pertaining to the requirements of this Agreement in accordance with standard accounting practices and any applicable regulations or guidelines of the CCC.
- The Town shall similarly maintain its books, financial records, and other compilations of data pertaining to its requirements to use Operator's community impact fee for the additional expenses and impacts it incurs as a result of hosting the Retail Marijuana Establishment and make such information available upon inquiry by Operator. Should such expenses incurred by the Town as a result of Operator's Retail Marijuana Establishment in the Town be minimal, Operator shall be entitled to a rebate.
- Duration: The duration of Operator's community impact fee to the Town shall be five (5) years.
- Local Taxes: At all times during the Term of this Agreement, property, both real and personal, owned or operated by Operator for the Retail Marijuana Establishment shall be treated as taxable, and all applicable real estate and personal property taxes for that property shall be paid either directly by Operator or by its landlord, and neither Operator nor its landlord shall object or otherwise challenge the taxability of such property and shall not seek a non-profit exemption from paying such taxes.
- Applicability of Host Community Agreement: The provisions of this Host Community Agreement apply only to the Operator's use of the facility to operate a Retail Marijuana Establishment in accordance with 935 CMR 500.000 by the CCC.

- Security: Operator shall maintain security at the Retail Marijuana Establishment at least in accordance with a security plan presented to the Town and approved by the CCC. Additionally, Operator shall at all times comply with Massachusetts and local laws regarding security of the Retail Marijuana Establishment. Operator shall coordinate with the Hopedale Police Department in the development and implementation of security measures, as required pursuant to applicable regulations and otherwise, including determining the placement of exterior security cameras. Operator will maintain a cooperative relationship with the Hopedale Police Department, including, but not limited to, periodic meetings to review operational concerns and communication of any suspicious activities on the site of the Retail Marijuana Establishment.

Operator shall promptly report the discovery of the following to the Hopedale Police Department immediately: diversion of marijuana; unusual discrepancies identified during inventory, theft, loss and any criminal action; unusual discrepancy in weight or inventory during transportation; any vehicle accidents, diversions, losses, or other reportable incidents that occur during transport; any suspicious act involving the sale, cultivation, distribution, processing, or production of marijuana by any person; unauthorized destruction of marijuana; any loss or unauthorized alteration of records related to marijuana or marijuana establishment agents; an alarm activation or other event that requires response by public safety personnel; failure of any security alarm system due to a loss of electrical power or mechanical malfunction that is expected to last longer than eight hours; and any other breach of security.

- Local Hiring: To the extent permissible by law, Operator commits to hiring local, qualified employees. In addition to the direct hiring, Operator will work in a good faith, legal and non-discriminatory manner to hire local vendors, suppliers, contractors and builders from the Town area whenever otherwise comparable local vendors are available.
- Improvements to Property: Operator shall make capital improvements to the Retail Marijuana Establishment such that the property of the Retail Marijuana Establishment will match the look and feel of the Town and be of construction standards at least at the quality of other nearby businesses and construction standards per state and local Building Code requirements.
- Registration and Approvals Required: The obligations of the Operator and the Town recited herein are specifically contingent upon the obtaining a final certificate of license for the operation of a Retail Marijuana Establishment from the CCC to operate in the Town, and all necessary local permits and approvals.
- Cooperation: Town shall work cooperatively and in good faith with Operator in securing prompt and efficient siting, planning, permitting and preparation for opening of the Retail Marijuana Establishment, provided that nothing herein shall require Town to waive any review and approval rights set forth in applicable statutes or regulations, and provided further that Town shall retain the right to provide comments and recommendations regarding design and security.

- Compliance: Operator shall comply with all laws, rules, regulations and orders applicable to the operation of a Retail Marijuana Establishment, such provisions being incorporated herein by reference, and shall be responsible for obtaining all necessary licenses, permits, and approvals required for the operation of a Retail Marijuana Establishment.

Operator shall indemnify, defend, and hold the Town harmless from and against any and all claims, demands, liabilities, actions, causes of actions, costs and expenses brought against the Town by third parties, including attorney's fees, arising out of Operator's material breach of this Agreement or the gross negligence or willful misconduct of Operator, or Operator's agents or employees, provided, however, that this shall not apply if such claim arises out of or in connection with the gross negligence or willful misconduct of the Town. The Town shall provide prompt notice to Operator of any potential claim subject to indemnification hereunder, and reasonably cooperate with Operator in defense of a claim.

- Assignability: This Agreement is binding upon the parties hereto, their successors, assigns, and legal representatives. The parties shall be prohibited from assigning, in whole or in part, any portion of this Agreement without the written consent of the other party, which shall not be unreasonably withheld, conditioned, or delayed.
- Retention of Regulatory Authority: By entering into this Agreement, Town does not waive any enforcement rights or regulatory authority it currently holds over any business in Town.
- Notices: Any and all notices, or other communications required or permitted under this Agreement, shall be in writing and/or email.
- Severability: If any term or condition of this Agreement or any application thereof shall to any extent be held invalid, illegal or unenforceable by the court of competent jurisdiction, the validity, legality, and enforceability of the remaining terms and conditions of this Agreement shall not be deemed affected thereby unless one or both parties would be substantially or materially prejudiced.
- Governing Law: This Agreement shall be governed by, construed and enforced in accordance with the laws of the Commonwealth of Massachusetts.
- Entire Agreement: This Agreement, including all documents incorporated herein by reference, constitutes the entire integrated agreement between the parties with respect to the matters described. This Agreement supersedes all prior agreements, negotiations and representations, either written or oral, and it shall not be modified or amended except by a written document executed by the parties hereto.

- License Renewal: Upon the request of Operator in connection with the renewal of its CCC license, the Town shall cooperate with and support Operator’s obligation to provide to CC an accounting of the financial benefits to the Town under this Agreement.
- Confidentiality: Operator may provide to the Town certain financial information, investment materials, products, plans, documents, details of company history, know-how, trade secrets, and other nonpublic information related to Operator, its affiliates and operations (collectively, the “Confidential Information”). The Town (inclusive of its employees, agents, representatives or any other of its affiliated persons) shall not, at any time during the term of this Agreement or at any time thereafter, disclose to any person or entity, any Confidential Information, except as may be required by court order or law. Operator shall mark each plan, page, or transmission with the word “Confidential.”
- Modifications: Modifications to this Agreement may only be effective if made in writing and signed by both Parties.
- Headings: The article, section, and paragraph headings in this Agreement are for convenience only, are not part of the Agreement and shall not affect the interpretation of this Agreement.
- Counterparts: This Agreement may be signed in any number of counterparts all of which taken together, shall constitute one and the same instrument, and any party hereto may execute this Agreement by signing one or more counterparts.
- Notices: Except as otherwise provided herein, any notices given under this Agreement shall be addressed as follows:

To the Municipality:  
 Town of Hopedale  
 Town Administrator  
 78 Hopedale Street  
 Hopedale, MA 01747  
 dschindler@hopedale-ma.gov

To the Operator  
 High Hopes LLC  
 c/o 8 Hope Street  
 Hopedale MA 01747  
 [add email address]

The following signatures indicate that the parties hereby agree to the terms set forth in this Agreement as per the date set forth on page 1 of this Agreement.

For the TOWN OF HOPEDALE

For HIGH HOPES LLC.:

By: \_\_\_\_\_  
 Brian Keyes, Chair, Board of Selectmen

By: \_\_\_\_\_  
 Russell Bogartz,  
 Its: President

**HOST COMMUNITY AGREEMENT  
FOR THE SITING OF A  
MARIJUANA CULTIVATION ESTABLISHMENT  
IN THE TOWN OF HOPEDALE**

This Agreement (the "Agreement") entered into this 15<sup>th</sup> day of October, 2019 by and between the Town of Hopedale with a principal address at 78 Hopedale St, Hopedale, Massachusetts, 01747 (the "Town") and Lifted Genetics, LLC, a duly organized Massachusetts limited liability corporation with a principal office address of 42 Holliston St, Medway, Massachusetts, 02053 (the "Company"). The Town and the Company are collectively referred to as the Parties.

WHEREAS, the Company intends to apply to the Cannabis Control Commission (the "Commission") to operate as a Tier 2 Marijuana Cultivator at the property located at 6 Condon Way, Hopedale, Massachusetts, 01747 within the Town (the "Premises" or the "Facility"), pursuant to G. L. c. 94G and 935 CMR 500; and

WHEREAS, the Parties acknowledge that the Commission will request certain information from the Town as part of the Commission's licensing process for the Premises and the Town will respond promptly to those requests; and

WHEREAS, this Agreement shall constitute the stipulations of responsibilities between the Town and the Company pursuant to G. L. c. 94G, § 3, as amended by Stat. 2017 c. 55, § 25 for the Company's operations at the Premises; and

WHEREAS, Company desires to provide community impact fee payments to the Town pursuant to M.G.L. c. 94G, § 3(d), and any successor statutes and regulations, in order to address any costs imposed upon the Town by Company's operations in the Town; and

WHEREAS, the Town supports Company's intention to operate a retail store for sale of recreational, adult-use marijuana in the Town.

WHEREAS, the Parties intend by this Agreement to satisfy the provisions of M.G.L. c. 94G, §3(d), as established by the Act, applicable to the operation of an adult use recreational retail store in the Town;

NOW THEREFORE, in consideration of the provisions of this Agreement and other good and valuable consideration, the receipt of which is hereby acknowledged, the parties agree as follows:

**1) Community Impact.**

The Town anticipates that, as a result of the Company's operation at the Premises, the Town will incur additional expenses and impacts upon its road system, law enforcement, inspectional services, permitting services, administrative services and public health services, in addition to potential additional unforeseen impacts upon the Town. Accordingly, in order to mitigate the direct and indirect financial impact upon the Town and use of the Town's resources, the Company agrees to annually pay a community impact fee to the Town, in the amounts and under the terms provided herein (the "Annual Payments").

**2) Annual Payment.**

- a) In the event that the Company obtains a final license from the Commission for operation as a marijuana cultivation and receives any and all necessary and required permits, licenses and/or approvals required by the Town, and at the expiration of any final appeal period related thereto, said matter not being appealed further, which said permits, licenses, and/or approvals allow the Company to locate, occupy and operate as a marijuana cultivation in the Town (the "Opening") then the Company agrees to provide the following Annual Payment for each year this Agreement is in effect:

The Company shall pay an Annual Community Impact Fee in quarterly installments (the "Quarterly Community Impact Fee") based on the following percentages of the gross wholesale value of marketable marijuana or marijuana products produced by the Facility each quarter.

<b>Wholesale Quarterly Payment</b>	<b>Quarterly Gross Wholesale Sales</b>
1%	Equal to or greater than \$4,000,000.01
2%	\$2,500,000.01 - \$4,000,000.00
3%	\$0 - \$2,500,000.00

Wholesale Value shall be determined by arms-length wholesale sales made by the Facility during the year and shall include all marijuana, marijuana infused products, paraphernalia and any other products produced and sold by the Facility. In the event the marijuana or marijuana products produced at the Facility are sold by the Company at a marijuana retail establishment located outside of the Town that is also owned and controlled by the Company, or its affiliates, such the product is not subject to an arms-length sale, the value of such product for purposes of calculating the Quarterly Community Impact Fee shall be based



on the wholesale value of the marijuana and marijuana products as determined by arms-length wholesale sales made by the Facility during the preceding quarter, or, if no such sales have taken place, the wholesale value of said product based on available market data.

The Quarterly Community Impact Fee shall continue for a period of five (5) years from the date the Facility commences operations. The Facility shall be deemed in operation upon receipt of both an occupancy permit from the Building Commissioner and the issuance of a final License and approval to grow at the Facility from the CCC.

- b) The Company shall pay the Quarterly Community Impact Fee in installments as follows:
  - i) For sales between January 1 and March 31, payment shall be made on or before May 1
  - ii) For sales between April 1 and June 30, payment shall be made on or before August 1
  - iii) For sales between July 1 and September 30, payment shall be made on or before Nov. 1
  - iv) For sales between Oct. 1 and December 31, payment shall be made on or before Feb 1
- c) The Company shall notify the Town when it commences sales at the Facility and shall submit annual financial statements to the Town to prove the payment amounts at such time as it makes the payments. Upon request, the Company shall provide the Town or its agents with the same access to its financial records (to be treated as confidential, to the extent allowed by law) as it is required by the Commonwealth to obtain and maintain a license at this Facility.
- d) At the conclusion of the five (5) year term, the Parties shall negotiate the terms of a new Annual Community Impact Fee as an Amendment to this Agreement; provided, however, that if the parties are unable to reach an agreement on a successor Community Impact Fee, the Annual Community Impact Fee specified in Paragraph 2.A of this Agreement shall remain in effect and shall not be reduced below the amount set forth above until such time as the Parties negotiate a successor Community Impact Fee.
- e) The Town may use the above referenced payments as it deems appropriate in its sole discretion, but shall make a good faith effort to allocate said payments for road and other infrastructure systems, law enforcement, fire protection services, inspectional services, public health and addiction services and permitting and consulting services, as well as unforeseen impacts upon the Town.
- f) Pursuant to M.G.L. c. 94G, §3(d), a "community impact fee shall be reasonably related to the costs imposed upon the municipality by the operation of the marijuana establishment..." Notwithstanding the foregoing, the Parties hereby acknowledge the difficulty in computing actual Town costs and agree that impacts may result in municipal

budgetary increases that cannot be separately identified or precisely quantified. Consequently, the Company agrees that the payments due under this Agreement are reasonably related to Town costs and waives any claims to the contrary.

**3) Additional Payments, Costs, Payments and Reimbursements**

- a) **Community Benefit Payment**: The Company shall pay to the Town a Community Benefit Payment in the sum of \$5,000.00 annually for the term of the Agreement. The Town may use the above referenced payments as it deems appropriate in its sole discretion but shall make a good faith effort to allocate said payments for purposes of supporting the Opioid Task Force. The Community Benefit Payment shall be based on the calendar year with the payment for the preceding year due to the Town no later than February 1<sup>st</sup>. The parties hereby recognize and agree that the Community Benefit Payment to be paid by the Company shall not be deemed a community impact fee subject to the requirements or limitations set forth in G.L. c.94G, §3(d).
- b) **Permit and Connection Fees**: The Company hereby acknowledges and agrees to pay the usual and customary building permit and other permit application fees, sewer and water connection fees, and all other local charges and fees generally applicable to other commercial developments in the Town.
- c) **Facility Consulting Fees and Costs**: The Company shall reimburse the Town for any and all reasonable and customary consulting costs and fees, including without limitation, reasonable attorneys' fees related to any land use applications concerning the Facility, negotiation of this and any other related agreements, and any review concerning the Facility, including planning, engineering, and any related reasonable disbursements at standard rates charged by the above-referenced consultants in relation to the Facility.
- d) **Other Costs**: The Company shall reimburse the Town for the actual costs incurred by the Town in connection with holding public meetings not held in public buildings and forums not within the Town's regularly scheduled public hearings and meetings, which are solely devoted to discussing the Facility.
- e) **Late Payment Penalty**: The Company acknowledges that time is of the essence with respect to their timely payment of all funds required under Section 2 of this Agreement. In the event that any such payments are not fully made in a timely manner, the Town may send written notice of default to the Company. If within ten (10) business days of the date written notice has been received, the Company fails to make timely payment, it shall be required to pay the Town a late payment penalty equal to five percent (5%) of such required payments.

**4) Town Response to the Cannabis Control Commission.**

- a) The Town agrees to respond to the Commission within 60 days of a request from the Commission and to provide such other information as may be requested by the Commission in connection with the Company's applications for licenses at the Premises and cooperate in good faith in the Commission licensing process.

**5) Annual Reporting for Host Community Impact Fee and Compliance.**

- a) The Company shall submit an annual written report to the Town Administrator within thirty (30) days after the payment of its fourth quarterly installment of the Annual Community Impact Fee with a certification of: (1) its annual sales; and (2) its compliance with all other requirements of this Agreement. During the term of this Agreement the Company shall agree, upon request of the Town, to appear before a meeting of Board of Selectmen to review compliance with the terms of this Agreement. Such meeting shall occur no later than thirty (30) days following written notice from the Town.
- b) The Company shall maintain books, financial records, and other compilations of data pertaining to the requirements of this Agreement in accordance with standard accounting practices and any applicable regulations or guidelines of the CCC. All records shall be kept for a period of at least seven (7) years. Upon request by the Town, the Company shall provide the Town with the same access to its financial records (to be treated as confidential, to the extent allowed by law) as it is required by the CCC and Department of Revenue for purposes of obtaining and maintaining a License for the Facility.
- c) During the term of this Agreement, and for three (3) years following the termination of this Agreement, the Company shall agree, upon request of the Town, to have its financial records examined, copied and audited by an Independent Financial Auditor, the expense of which shall be borne by the Company. The Independent Financial Auditor shall review the Company's financial records for purposes of determining that the payment of its Annual Community Impact Fee is in compliance with the terms of this Agreement. Such examination shall be made not less than thirty (30) days following written notice from the Town and shall occur only during normal business hours and at such place where said books, financial records and accounts are maintained. The Independent Financial Audit shall include those parts of the Company's books and financial records which relate to the payment and shall include a certification of itemized gross sales for the previous calendar year, and all other information required to ascertain compliance with the terms of this Agreement. The independent audit of such records shall be conducted in such a manner as not to interfere with the Company's normal business activities.

## **6) Local Taxes, Ordinances and Vendors**

- a) At all times during the term of this Agreement, the property, both real and personal, owned or operated or leased by the Company shall be treated as taxable, and all applicable real estate and personal property taxes for that property shall be paid either directly by the Company or by its landlord, and neither the Company nor its landlord shall object or otherwise challenge the taxability of such property and shall not seek a non-profit exemption from paying such taxes. Notwithstanding the foregoing, (i) if real or personal property owned, leased or operated by the Company is determined to be non-taxable or partially non-taxable, or (ii) if the value of such property is abated with the effect of reducing or eliminating the tax which would otherwise be paid if assessed at fair cash value as defined in G.L. c. 59, §38, or (iii) if the Company is determined to be entitled or subject to exemption with the effect of reducing or eliminating the tax which would otherwise be due if not so exempted, then the Company shall pay to the Town an amount which when added to the taxes, if any, paid on such property, shall be equal to the taxes which would have been payable on such property at fair cash value and at the otherwise applicable tax rate, if there had been no abatement or exemption; this payment shall be in addition to the payment made by the Company under Section 2 of this Agreement.
  
- b) To the extent such practice and its implementation are consistent with federal, state, and municipal laws and regulations, the Company will make every effort in a legal and non-discriminatory manner to give priority to local businesses, suppliers, contractors, builders and vendors in the provision of goods and services called for in the construction, maintenance and continued operation of the Facility when such contractors and suppliers are properly qualified and price competitive, and shall use good faith efforts to hire Town residents.

## **7) Community Support and Additional Obligations.**

- a) Drug Awareness Program: The Company agrees to support the efforts of the Town's Opioid Task Force in developing and implementing programming to support drug abuse awareness and substance abuse prevention.
  
- b) To the extent permissible by law, the Company will make good faith efforts in a legal and non-discriminatory manner to hire or contract with local businesses, suppliers, contractors, builders and vendors in the provision of goods and services called for in the construction, maintenance and continued operation of the Premises.
  
- c) The Company agrees that it shall install state of the art technology to eliminate any odors impacting the neighborhood and to minimize noise from any generators, HVAC systems or other mechanical equipment, including any equipment utilized to reduce odors.

- d) The Company will work cooperatively with all necessary municipal departments, boards, commissions, and agencies to ensure the company's operations are in compliance with all local ordinances, rules and regulations.
- e) The Company shall maintain a broom clean environment on its premises and on the sidewalks surrounding its Facility.
- f) The Company shall install cameras outside of its Facility which provide views of all sidewalks and adjacent properties. Said cameras shall be accessible to the Police Department through the Town's camera surveillance system.
- g) If contacted by a representative of the Town, the Company shall respond immediately and substantively;
- h) The Company shall maintain its marijuana cultivator license in good standing with the CCC and comply with all applicable CCC regulations.

#### **8) Community Impact Hearing Concerns**

As a result of community feedback and neighborhood concerns voiced at the Company's Community Outreach Meeting and additional concerns reasonable and customary to marijuana cultivation brought to the Company's attention prior to commencement of operations – if any, the Company shall establish written policies and procedures to address mitigation of reasonable and customary concerns or issues that may arise through its operation of the Facility in accordance with 935 CMR 500.120(11), 12(e). Said written policies and procedures, as may be amended from time to time at the request of the Board of Selectmen, may be reviewed annually by the Board of Selectmen at the Board's discretion as part of the Company's annual report to ensure compliance with the policies and procedures and to address any further impacts requiring mitigation. The policies and procedures addressing community impact mitigation shall be incorporated herein by reference and made a part of this Agreement, the same as if each were fully set forth herein.

#### **9) Additional Obligations**

The obligations of the Company and the Town recited herein are specifically contingent upon the Company obtaining a Final License from the CCC for operation of a Marijuana Cultivation Establishment in the Town, and the Company's receipt of any and all necessary local approvals to locate, occupy, and operate the Facility in the Town.

This AGREEMENT does not affect, limit, or control the authority of Town boards, commissions, and departments to carry out their respective powers and duties to decide upon and to issue, or deny applicable permits and other approvals under the statutes and regulations of the Commonwealth, the General and Zoning Bylaws of the Town, or applicable regulations of those boards, commissions, and departments or to enforce said statutes, Bylaws, and regulations. The

Town, by entering into this AGREEMENT, is not thereby required or obligated to issue such permits and approvals as may be necessary for a Marijuana Cultivation Establishment to operate in the Town, or to refrain from enforcement action against the Company and/or its Facility for violation of the terms of said permits and approvals or said statutes, Bylaws, and regulations.

**10) Security.**

Company shall maintain security at the Facility in accordance with a security plan presented to the Town and approved by the Cannabis Control Commission. In addition, Company shall at all times comply with State Law and Local Law regarding security of the Facility. The Company further agrees:

- a) Company shall maintain security at the Facility at least in accordance with the security plan presented to the Town and approved by the Cannabis Control Commission, or such other state licensing or monitoring authority, as the case may be. In addition, the Company shall at all times comply with all applicable laws and regulations regarding the operations of the Facility and the security thereof. Such compliance shall include but will not be limited to providing hours of operation; after-hours contact information and access to surveillance operations; and requiring agents to produce their Agent Registration Card to law enforcement upon request.
- b) To the extent requested by the Hopedale Police Department, and subject to the security and architectural review requirements of the Cannabis Control Commission, or such other state licensing or monitoring authority, as the case may be, the Company shall work with the Town's Police Department in determining the placement of exterior security cameras, so that at least two cameras are located to provide an unobstructed view in each direction of the public way(s) on which the Facility is located.
- c) Company agrees to cooperate with the Town's Police Department, including but not limited to periodic meetings to review operational concerns, security, delivery schedule and procedures, cooperation in investigations, and communications with the Police Department of any suspicious activities at or in the immediate vicinity of the Facility, and with regard to any anti-diversion procedures.
- d) To the extent requested by the Town's Police Department, the Company shall work with the Police Department to implement a comprehensive diversion prevention plan to prevent diversion, such plan to be in place prior to the commencement of operations at the Facility. Such plan shall include, but is not limited to, (i) training the Company employees to be aware of, observe, and report any unusual behavior in authorized visitors or other Company employees that may indicate the potential for diversion; and (ii) utilizing seed-to-sale tracking software to closely track all inventory

at the Facility. This may include the hiring of police details as per the recommendation of the Police Chief.

- e) Company shall promptly report the discovery of the following to the Town's Police within twenty-four (24) hours of the Company becoming aware of such event: diversion of marijuana; unusual discrepancies identified during inventory; theft; loss and any criminal action; unusual discrepancy in weight or inventory during transportation; any vehicle accidents, diversions, losses, or other reportable incidents that occur during transport; any suspicious act involving the sale, cultivation, distribution, processing, or production of marijuana by any person; unauthorized destruction of marijuana; any loss or unauthorized alteration of records related to marijuana, or the Facility agents; an alarm activation or other event that requires response by public safety personnel; failure of any security alarm system due to a loss of electrical power or mechanical malfunction that is expected to last longer than eight hours; and any other breach of security.
- f) The Company agrees that any delivery of cash from marijuana sales at the facility, to either a banking facility or a tax collecting facility of the Commonwealth, shall be accomplished by means of an armored car service to the extent feasible and allowed by law. The plan for such cash deliveries shall be provided in advance to the Police Department and must be approved by the Police Chief.

**11) Water Consumption, Waste Plan and Odor Control.**

- a) The Company shall use best efforts to minimize water consumption at the Facility. Water consumption techniques shall include:
  - i) A commitment to utilizing techniques to ensure plants only receive the minimum amount of water needed for each plant;
  - ii) A commitment to not engaging in water intensive cultivation methods such as ebb and flood hydroponic cultivation
  - iii) Installation of dehumidifiers in each room where cultivation occurs to collect and reuse moisture evaporating from plants resulting in reclamation of significant quantities of water.
- b) The Company shall ensure that all recyclables and waste relating to the cultivation of marijuana, including organic waste composed of or containing finished marijuana and marijuana products, shall be stored, secured, and managed in accordance with applicable state and local statutes, ordinances, and regulations. Liquid waste containing marijuana or by-products of marijuana processing shall be disposed of in compliance with all applicable state and federal requirements, including but not limited to, for discharge of pollutants into surface water or groundwater (Massachusetts Clean Waters Act, M.G.L. c. 21 §§ 26-53; 314 CMR 3.00: Surface Water Discharge Permit Program; 314 CMR 5.00: Groundwater Discharge Program; 314 CMR 12.00: Operation Maintenance and Pretreatment Standards for Wastewater

Treatment Works and Indirect Dischargers; the Federal Clean Water Act, 33 U.S.C. 1251 et seq., the National Pollutant Discharge Elimination System Permit Regulations at 40 CFR Part 122, 314 CMR 7.00: Sewer System Extension and Connection Permit Program), or stored pending disposal in an industrial wastewater holding tank in accordance with 314 CMR 18.00: Industrial Wastewater Holding Tanks and Containers.

- c) The Company shall make all reasonable efforts to exclusively use organic or natural cultivation processes to limit the risk of cultivation-related pollutants and contaminants from being discharged into surface water and groundwater, provided that there is no conflict with state law or regulations. Company shall utilize appropriate cultivation processes and dehumidification systems to ensure that there is minimum wastewater discharged as part of the cultivation at the Facility. Company agrees to consult with the Hopedale Sewer Department regarding its cultivation methods and wastewater plan prior to commencing cultivation at the Facility or in the event of a change of the Company's cultivation practices that may result in wastewater discharge at the Facility. Company shall comply with all reasonable requests of the Hopedale Sewer Department, including, but not limited to, testing requirements and tank holding requirements if necessary.
  
- d) The Company shall ensure that odor from the Facility does not constitute a nuisance to surrounding properties. The Company shall, at a minimum, utilize a closed air system at the Facility to not relive or introduce any outdoor air into the Facility, nor allow any indoor air to escape. The Company shall utilize high capacity activated carbon filter fans to constantly recirculate the air and remove odors and harmful volatile organic compounds (VOCs) from the Facility. The Company shall ensure proper maintenance of all odor mitigation equipment and will replace carbon filters in a timely manner according to manufacturer recommendations to ensure maximum efficiency.

## **12) Term and Termination.**

This Agreement shall take effect on the day above written, subject to the contingencies noted herein for the Company's necessary state and local permits, licenses and approvals. Except as expressly provided herein, this Agreement shall take effect on the date set forth above (the "Effective Date"), and shall be applicable for as long as the Company operates the Facility in the Town, with the exception of the Community Impact Fee, which shall be governed by the provisions of Paragraph 2 of this Agreement.

In the event the Company has not secured a Final License from the CCC and all necessary local permits from the Town and commenced operations at the Facility within one (1) year from the Effective Date of this Agreement, this Agreement shall expire and the Company shall be required to negotiate a new Agreement in order to operate the Facility within the Town, unless the Board of Selectmen, in its discretion, agrees to an additional extension of time, for good cause, which shall include the time required to pursue or await the determination of an appeal of the special permit or other legal proceeding.



**13) Governing Law.**

This Agreement shall be governed in accordance with the laws of the Commonwealth of Massachusetts.

**14) Amendments/Waiver.**

Amendments, or waivers of any term, condition, covenant, duty or obligation contained in this Agreement may be made only by written amendment executed by duly authorized representatives of the Company and the Town, prior to the effective date of the amendment.

**15) Severability.**

If any term or condition of the Agreement or any application thereof shall to any extent be held invalid, illegal or unenforceable by the court of competent jurisdiction, the validity, legality, and enforceability of the remaining terms and conditions of this Agreement shall not be deemed affected thereby unless one or both parties would be substantially or materially prejudiced. For the purposes hereof, substantial or material prejudice shall include, without limitation, reduction or termination of the payments required hereunder. Further, the Company agrees that it will not challenge, in any jurisdiction, the enforceability of any provision included in this Agreement; and to the extent the validity of this Agreement is challenged by the Company in a court of competent jurisdiction, the Company shall pay for all reasonable fees and costs incurred by the Town in enforcing this Agreement.

**16) Successors/Assigns.**

- a) This Agreement is binding upon the parties hereto, their successors, assigns and legal representatives. The Company shall not assign, sublet, or otherwise transfer its rights nor delegate its obligations under this Agreement, in whole or in part, without the prior written consent from the Town and shall not assign any of the monies payable under this Agreement, except by and with the written consent of the Town and shall not assign or obligate any of the monies payable under this Agreement, except by and with the written consent of the Town.
- b) Events deemed an assignment include, without limitation: (i) Company's final and adjudicated bankruptcy whether voluntary or involuntary; (ii) the Company's takeover or merger by or with any other entity; (iii) the Company's outright sale of assets and equity, majority stock sale to another organization or entity for which the Company does not maintain a controlling equity interest; (iv) or any other change in ownership or status of the Company; (v) any assignment for the benefit of creditors; and/or (vi) any other assignment not approved in advance in writing by the Town.



KP-Law, PC  
101 Arch Street, 12<sup>th</sup> Floor  
Boston, MA 02110

To Company:

Dave Griffiths  
Lifted Genetics  
42 Holliston St  
Medway MA 02053

**22) Indemnification**

The Company shall indemnify, defend, and hold the Town harmless from and against any and all claims, demands, liabilities, actions, causes of actions, defenses, proceedings and/or costs and expenses, including attorney's fees, brought against the Town, their agents, departments, officials, employees, insurers and/or successors, by any third party arising from or relating to the development of the Facility to the extent caused by or contributed to by the Company, but specifically excluding such matters caused by the fraud or willful misconduct or negligence of the Town, its agents, departments, officials, employees, insurers and/or successors which in part creates a claim. Such indemnification shall include, but shall not be limited to, all reasonable fees and reasonable costs of attorneys and other reasonable consultant fees and all fees and costs (including but not limited to attorneys and consultant fees and costs) shall be at charged at regular and customary municipal rates, of the Town's choosing incurred in defending such claims, actions, proceedings or demands. The Company agrees, within thirty (30) days of written notice by the Town, to reimburse the Town for any and all costs and fees incurred in defending itself with respect to any such claim, action, proceeding or demand. As a condition of indemnification pursuant to this Section, the Town shall: (a) notify the Company within a reasonable period of time of any matter concerning which the Town may seek indemnification hereunder; (b) at the request of the Company give the Company control over the investigation, defense and/or settlement of such matter; and (iii) cooperate to the greatest possible extent in such investigation, defense and/or settlement.

Notwithstanding the foregoing, the indemnification described above shall not apply to the Town in the event of any gross negligence or willful misconduct on the part of the Town or its employees.

**23) Third-Parties.**

Nothing contained in this Agreement shall create a contractual relationship with or a cause of action in favor of a third party against either the Town or the Company.

[SIGNATURE PAGE TO FOLLOW]


In witness whereof, the parties have hereafter set faith their hand as of the date first above written.

For the TOWN OF HOPEDALE BOARD OF  
SELECTMEN

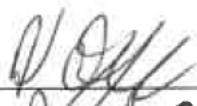
LIFTED GENETICS

By:

\_\_\_\_\_  
Louis J. Arcudi, III, Chair

  
\_\_\_\_\_  
Brian B. Keyes

  
\_\_\_\_\_  
Thomas A. Wesley

  
\_\_\_\_\_  
By: David Griffith  
Title: CEO

10/15/19

TOWN OF HOPEDALE  
AND MACA INDUSTRIES, LLC

HOST COMMUNITY AGREEMENT

3<sup>RD</sup> THIS HOST COMMUNITY AGREEMENT (“AGREEMENT”) is entered into this day of June, 2019 (the “Effective Date”) by and between MACA Industries, a Massachusetts corporation with a principal office address of 291 Main Street, Suite 101, Milford, Massachusetts 01757 (the “Company”), and the Town of Hopedale, a Massachusetts municipal corporation with a principal address of 78 Hopedale Street, Hopedale, MA 01747 (the “Town”) (Company and Town, collectively the “Parties”), acting by and through its Board of Selectmen, in reliance upon all of the representations made herein.

RECITALS

WHEREAS, the Company wishes to locate an adult use Marijuana Cultivation Establishment, which shall be limited in its operations to maximum Tier 3 marijuana cultivation license pursuant to 935 CMR 500.005 (20,000 sq. ft. of mature canopy) at a parcel of land located at 2 Condon Way, Hopedale, more accurately described by the deed recorded with the Worcester County Registry of Deeds Book 58541 page 39 and on Map 32, numbered Lot 16 in the Assessor’s database (the “Facility”), in accordance with and pursuant to applicable state laws and regulations, including, but not limited to G.L. c.94G and 935 CMR 500.00 and such approvals as may be issued by the Town in accordance with its Zoning Bylaw and other applicable local regulations; and

WHEREAS, the Town recognizes this development and Facility will benefit the Town and its citizens through increased economic development, additional employment opportunities for residents, and a strengthened local tax base; and

WHEREAS, the Company anticipates that the Town will incur additional expenses and impacts on the Town’s road and other infrastructure systems, law enforcement, fire protection services, inspectional services, permitting and consulting services and public health, as well as unforeseen impacts, both quantifiable and unquantifiable on the Town; and

WHEREAS, the Company intends to provide certain benefits to the Town in the event that it receives the requisite License from the Cannabis Control Commission (the “CCC”) or such other state licensing or monitoring authority, as the case may be, to operate the Facility and receives all required local permits and approvals from the Town; and

WHEREAS, the parties intend by this AGREEMENT to satisfy the provisions of G.L. c.94G, Section 3(d) applicable to the operation of Facility, such activities to be only done in accordance with the applicable state and local laws and regulations in the Town; and

WHEREAS, the Parties agree that the above Recitals are true and accurate and that they are incorporated herein and made a part hereof.

NOW THEREFORE, in consideration of the mutual promises and covenants set forth herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Company and the Town agree as follows:

1. **Representations and Warranties**

The Parties respectively represent and warrant that:

- a. Each is duly organized and existing and in good standing, has the full power, authority, and legal right to enter into and perform this AGREEMENT, and the execution, delivery and performance hereof and thereof (i) will not violate any judgment, order, state law, bylaw, or regulation, and (ii) do not conflict with, or constitute a default under, any agreement or instrument to which either is a party or by which either party may be bound or affected; and
- b. Once this AGREEMENT has been duly authorized, executed and delivered, this AGREEMENT constitutes legal, valid and binding obligations of each party, enforceable in accordance with its terms; and
- c. There is no action, suit, or proceeding pending, or, to the knowledge of either party, threatened against or affecting wither wherein an unfavorable decision, ruling or finding would materially adversely affect the performance of any obligations hereunder, except as otherwise specifically noted in this AGREEMENT.

2. **Annual Payments**

In the event that the Company obtains the requisite Final License from the CCC and all necessary and required state approvals required for the operation of a Marijuana Cultivation Establishment, and receives any and all necessary and required permits and licenses of the Town, and at the expiration of any final appeal period related thereto, which permits and/or licenses allow the Company to locate, occupy and operate the Facility in the Town, then the Company agrees to provide the following Community Impact Fee on a quarterly basis (the "Quarterly Community Impact Fee"):

A. **Community Impact Fee**

In order to mitigate the anticipated impacts of the Facility on the Town, including, but not limited to impacts on roads and other infrastructure systems, law enforcement, fire protection services, inspectional services, as well as unforeseen impacts, both quantifiable and unquantifiable on the Town's resources, the Company agrees to pay an Annual Community Impact Fee to the Town to account for both quantifiable and unquantifiable impacts to the Town, in the amount and under the terms provided herein.

1. The Company shall pay an Annual Community Impact Fee in quarterly installments (the "Quarterly Community Impact Fee") based on the following percentages of the

gross wholesale value of marketable marijuana or marijuana products produced by the Facility each quarter.

Wholesale Quarterly Payment	Quarterly Gross Wholesale Sales
1%	Equal to or greater than \$4,000,000.01
2%	\$2,500,000.01 - \$4,000,000.00
3%	\$0 - \$2,500,000.00

Wholesale Value shall be determined by arms-length wholesale sales made by the Facility during the year and shall include all marijuana, marijuana infused products, paraphernalia and any other products produced and sold by the Facility. In the event the marijuana or marijuana products produced at the Facility are sold by the Company at a marijuana retail establishment located outside of the Town that is also owned and controlled by the Company, or its affiliates, such the product is not subject to an arms-length sale, the value of such product for purposes of calculating the Quarterly Community Impact Fee shall be based on the wholesale value of the marijuana and marijuana products as determined by arms-length wholesale sales made by the Facility during the preceding quarter, or, if no such sales have taken place, the wholesale value of said product based on available market data.

2. The Quarterly Community Impact Fee shall continue for a period of five (5) years from the date the Facility commences operations. The Facility shall be deemed in operation upon receipt of both an occupancy permit from the Building Commissioner and the issuance of a final License and approval to grow at the Facility from the CCC.
3. The Company shall pay the Quarterly Community Impact Fee in installments as follows:
  - For sales between January 1 and March 31, payment shall be made on or before May 1;
  - For sales between April 1 and June 30, payment shall be made on or before August 1;
  - For sales between July 1 and September 30, payment shall be made on or before Nov. 1;
  - For sales between Oct. 1 and December 31, payment shall be made on or before Feb 1.

With regard to any quarter year of operation for the Facility, which is not a full quarter year, the applicable quarterly installment of the Community Impact Fee shall be pro-rated accordingly. The Town reserves the right to amend the timing and frequency of the Quarterly Community Impact Fee payments, with 30-days' notice to the Company.

4. At the conclusion of the five (5) year term, the Parties shall negotiate the terms of a new Annual Community Impact Fee as an Amendment to this Agreement; provided, however, that if the parties are unable to reach an agreement on a successor Community Impact Fee, the Annual Community Impact Fee specified in Paragraph 2.A.1 of this Agreement shall remain in effect and shall not be reduced below the amount set forth above until such time as the Parties negotiate a successor Community Impact Fee.
5. The Town may use the above referenced payments as it deems appropriate in its sole discretion, but shall make a good faith effort to allocate said payments for road and other infrastructure systems, law enforcement, fire protection services, inspectional services, public health and addiction services and permitting and consulting services, as well as unforeseen impacts upon the Town.
6. Pursuant to M.G.L. c. 94G, §3(d), a "community impact fee shall be reasonably related to the costs imposed upon the municipality by the operation of the marijuana establishment..." Notwithstanding the foregoing, the Parties hereby acknowledge the difficulty in computing actual Town costs and agree that impacts may result in municipal budgetary increases that cannot be separately identified or precisely quantified. Consequently, the Company agrees that the payments due under this Agreement are reasonably related to Town costs and waives any claims to the contrary.

#### B. Additional Costs, Payments and Reimbursements

1. Permit and Connection Fees: The Company hereby acknowledges and agrees to pay the usual and customary building permit and other permit application fees, sewer and water connection fees, and all other local charges and fees generally applicable to other commercial developments in the Town.
2. Facility Consulting Fees and Costs: The Company shall reimburse the Town for any and all reasonable and customary consulting costs and fees, including without limitation, reasonable attorneys' fees related to any land use applications concerning the Facility, negotiation of this and any other related agreements, and any review concerning the Facility, including planning, engineering, and any related reasonable disbursements at standard rates charged by the above-referenced consultants in relation to the Facility.



3. Other Costs: The Company shall reimburse the Town for the actual costs incurred by the Town in connection with holding public meetings not held in public buildings and forums not within the Town's regularly scheduled public hearings and meetings, which are solely devoted to discussing the Facility.
4. Late Payment Penalty: The Company acknowledges that time is of the essence with respect to their timely payment of all funds required under Section 2 of this Agreement. In the event that any such payments are not fully made in a timely manner, the Town may send written notice of default to the Company. If within ten (10) business days of the date written notice has been received, the Company fails to make timely payment, it shall be required to pay the Town a late payment penalty equal to five percent (5%) of such required payments.

C. Positive Impact Plan

1. Drug Awareness Program: The Company agrees to support the efforts of the Town's Opioid Task Force in developing and implementing programming to support drug abuse awareness and substance abuse prevention, including drug awareness of marijuana.
2. DRE Training: The Company agrees to pay the cost of Drug Recognition Expert (DRE) Training for a minimum of 3 officers of the Hopedale Police Department.
3. Community Benefit Payment: The Company shall pay to the Town a Community Benefit Payment in the sum of \$5,000.00 annually for the term of the AGREEMENT. The Town may use the above referenced payments as it deems appropriate in its sole discretion but shall make a good faith effort to allocate said payments for purposes of supporting senior citizen transportation services.
  - a) The Community Benefit Payment shall be based on the calendar year with the payment for the preceding year due to the Town no later than February 1. The Community Benefit Payment for the first year of operation shall be prorated based on the number of months the Facility is in operation. The Facility shall be deemed in operation upon receipt of both an occupancy permit from the Building Commissioner and the issuance of a final License and approval to grow at the Facility from the CCC.
  - b) The parties hereby recognize and agree that the Community Benefit Payment to be paid by the Company shall not be deemed a community impact fee subject to the requirements or limitations set forth in G.L. c.94G, §3(d).

#### D. Annual Reporting for Host Community Impact Fees and Compliance

The Company shall submit an annual written report to the Town Administrator within thirty (30) days after the payment of its fourth quarterly installment of the Annual Community Impact Fee with a certification of: (1) its annual sales; and (2) its compliance all other requirement of this AGREEMENT. During the term of this AGREEMENT the Company shall agree, upon request of the Town, to appear before a meeting of Board of Selectmen to review compliance with the terms of this AGREEMENT. Such meeting shall occur no later than thirty (30) days following written notice from the Town.

The Company shall maintain books, financial records, and other compilations of data pertaining to the requirements of this AGREEMENT in accordance with standard accounting practices and any applicable regulations or guidelines of the CCC. All records shall be kept for a period of at least seven (7) years. Upon request by the Town, the Company shall provide the Town with the same access to its financial records (to be treated as confidential, to the extent allowed by law) as it is required by the CCC and Department of Revenue for purposes of obtaining and maintaining a License for the Facility.

During the term of this AGREEMENT, and for three (3) years following the termination of this AGREEMENT, the Company shall agree, upon request of the Town, to have its financial records examined, copied and audited by an Independent Financial Auditor, the expense of which shall be borne by the Company. The Independent Financial Auditor shall review the Company's financial records for purposes of determining that the payment of its Annual Community Impact Fee are in compliance with the terms of this AGREEMENT. Such examination shall be made not less than thirty (30) days following written notice from the Town and shall occur only during normal business hours and at such place where said books, financial records and accounts are maintained. The Independent Financial Audit shall include those parts of the Company's books and financial records which relate to the payment and shall include a certification of itemized gross sales for the previous calendar year, and all other information required to ascertain compliance with the terms of this AGREEMENT. The independent audit of such records shall be conducted in such a manner as not to interfere with the Company's normal business activities.

#### 3. Local Vendors and Employment

To the extent such practice and its implementation are consistent with federal, state, and municipal laws and regulations, the Company will make every effort in a legal and non-discriminatory manner to give priority to local businesses, suppliers, contractors, builders and vendors in the provision of goods and services called for in the construction, maintenance and continued operation of the Facility when such contractors and suppliers are properly qualified and price competitive, and shall use good faith efforts to hire Town residents.

#### 4. Local Taxes

At all times during the term of this AGREEMENT, property, both real and personal, owned or operated by the Company shall be treated as taxable, and all applicable real estate and personal

property taxes for that property shall be paid either directly by the Company or by its landlord, and neither the Company nor its landlord shall object or otherwise challenge the taxability of such property and shall not seek any non-profit or agricultural exemption or reduction with respect to such taxes.

Notwithstanding the foregoing, (i) if real or personal property owned, leased or operated by the Company is determined to be non-taxable or partially non-taxable, or (ii) if the value of such property is abated with the effect of reducing or eliminating the tax which would otherwise be paid if assessed at fair cash value as defined in G.L. c. 59, §38, or (iii) if the Company is determined to be entitled or subject to exemption with the effect of reducing or eliminating the tax which would otherwise be due if not so exempted, then the Company shall pay to the Town an amount which when added to the taxes, if any, paid on such property, shall be equal to the taxes which would have been payable on such property at fair cash value and at the otherwise applicable tax rate, if there had been no abatement or exemption; this payment shall be in addition to the payment made by the Company under Section 2 of this AGREEMENT.

#### 5. Security and Safety

To the extent requested by the Town's Police Department, and subject to the security and architectural review requirements of the CCC, or such other state licensing or monitoring authority, as the case may be, the Company shall work with Town's Police Department in reviewing and approving all security plans prior to implementation and commencement of operations.

The Company agrees to cooperate with the Police Department, including but not limited to periodic meetings to review operational concerns, security, delivery schedule and procedures, cooperation in investigations, and communications with the Police Department of any suspicious activities at or in the immediate vicinity of the Facility, and with regard to any anti-diversion procedures to ensure that the marijuana and marijuana products sold in the Facility are not being transferred to the illegal market or to minors.

The Company shall implement a comprehensive diversion prevention plan to prevent diversion of marijuana and marijuana products into the illicit market and to minors, such plan to be in place prior to the commencement of operations at the Facility. The Company shall present the diversion plan to the Police Department for its review and feedback and, to the extent required by the Police Department, work collaboratively to implement any suggested changes, amendments or modifications to address local concerns.

The Company agrees and acknowledges that annual inspections of the Facility by the Town's Police Department, Town's Fire Department, Building Department and Board of Health shall be a condition of continued operation in Town and agrees to cooperate with the Town's Police Department, Town's Fire Department and Board of Health in providing access for scheduled and unscheduled inspections of the Facility.

The Company further agrees that all signage and packaging for marijuana products shall comply applicable state laws and regulations, including, but not limited to G.L. c.94G and 935 CMR 500.000, and further agrees that to the extent 935 CMR 500.000 imposes more stringent

requirements on packaging, labeling, marketing or the form of permitted edibles, the Company will comply with the more restrictive regulatory provisions.

#### **6. Community Impact Hearing Concerns**

As a result of community feedback and neighborhood concerns voiced at the February 7, 2019 Community Outreach Meeting and additional concerns reasonable and customary to marijuana cultivation brought to the Company's attention prior to commencement of operations – if any, the Company shall establish written policies and procedures to address mitigation of reasonable and customary concerns or issues that may arise through its operation of the Facility in accordance with 935 CMR 500.120(11), 12(e). Said written policies and procedures, as may be amended from time to time at the request of the Board of Selectmen, may be reviewed annually by the Board of Selectmen at the Board's discretion as part of the Company's annual report to ensure compliance with the policies and procedures and to address any further impacts requiring mitigation. The policies and procedures addressing community impact mitigation shall be incorporated herein by reference and made a part of this AGREEMENT, the same as if each were fully set forth herein.

#### **7. Additional Obligations**

The obligations of the Company and the Town recited herein are specifically contingent upon the Company obtaining a Final License from the CCC for operation of a Marijuana Cultivation Establishment in the Town, and the Company's receipt of any and all necessary local approvals to locate, occupy, and operate the Facility in the Town.

This AGREEMENT does not affect, limit, or control the authority of Town boards, commissions, and departments to carry out their respective powers and duties to decide upon and to issue, or deny applicable permits and other approvals under the statutes and regulations of the Commonwealth, the General and Zoning Bylaws of the Town, or applicable regulations of those boards, commissions, and departments or to enforce said statutes, Bylaws, and regulations. The Town, by entering into this AGREEMENT, is not thereby required or obligated to issue such permits and approvals as may be necessary for a Marijuana Cultivation Establishment to operate in the Town, or to refrain from enforcement action against the Company and/or its Facility for violation of the terms of said permits and approvals or said statutes, Bylaws, and regulations.

#### **8. Energy and Environmental Requirements**

The Company shall (a) satisfy all minimum energy efficiency and equipment standards established by the Cannabis Control Commission and meet all applicable environmental laws, regulations, permits, and other applicable approvals; (b) adopt and use best management practices as determined by the Cannabis Control Commission's Energy and Environmental Working Group and operate the facility in compliance with best environmental practices with respect to cultivation, processing and manufacturing operations; and (c) ensure that lighting power densities for cultivation spaces does not exceed an average of 36 watts per gross square foot of active and growing canopy. Additionally, the Company commits to utilizing LED lighting, at a minimum, for the vegetative and flowering phases of its cultivation operations.

## 9. Water Consumption

The Company shall use best efforts to minimize water consumption at the Facility. Water consumption techniques shall include: (a) a commitment to utilizing techniques to ensure plants only receive the minimum amount of water needed for each plant; (b) a commitment to not engaging in water intensive cultivation methods such as ebb and flood hydroponic cultivation; and (c) installation of dehumidifiers in each room where cultivation occurs to collect and reuse moisture evaporating from plants resulting in reclamation of significant quantities of water.

## 10. Solid Waste and Wastewater Controls

The Company shall ensure that all recyclables and waste relating to the cultivation of marijuana, including organic waste composed of or containing finished marijuana and marijuana products, shall be stored, secured, and managed in accordance with applicable state and local statutes, ordinances, and regulations. Liquid waste containing marijuana or by-products of marijuana processing shall be disposed of in compliance with all applicable state and federal requirements, including but not limited to, for discharge of pollutants into surface water or groundwater (Massachusetts Clean Waters Act, M.G.L. c. 21 §§ 26-53; 314 CMR 3.00: Surface Water Discharge Permit Program; 314 CMR 5.00: Groundwater Discharge Program; 314 CMR 12.00: Operation Maintenance and Pretreatment Standards for Wastewater Treatment Works and Indirect Dischargers; the Federal Clean Water Act, 33 U.S.C. 1251 et seq., the National Pollutant Discharge Elimination System Permit Regulations at 40 CFR Part 122, 314 CMR 7.00: Sewer System Extension and Connection Permit Program), or stored pending disposal in an industrial wastewater holding tank in accordance with 314 CMR 18.00: Industrial Wastewater Holding Tanks and Containers.

The Company shall make all reasonable efforts to exclusively use organic or natural cultivation processes to limit the risk of cultivation-related pollutants and contaminants from being discharged into surface water and groundwater, provided that there is no conflict with state law or regulations. Company shall utilize appropriate cultivation processes and dehumidification systems to ensure that there is minimum wastewater discharged as part of the cultivation at the Facility. Company agrees to consult with the Hopedale Sewer Department regarding its cultivation methods and wastewater plan prior to commencing cultivation at the Facility or in the event of a change of the Company's cultivation practices that may result in wastewater discharge at the Facility. Company shall comply with all reasonable requests of the Hopedale Sewer Department, including, but not limited to, testing requirements and tank holding requirements if necessary.

## 11. Odor Control Technology

The Company shall ensure that odor from the Facility does not constitute a nuisance to surrounding properties. The Company shall, at a minimum, utilize a closed air system at the Facility to not relive or introduce any outdoor air into the Facility, nor allow any indoor air to escape. The Company shall utilize high capacity activated carbon filter fans to constantly recirculate the air and remove odors and harmful volatile organic compounds (VOCs) from the Facility. The Company shall ensure proper maintenance of all odor mitigation equipment and will replace

carbon filters in a timely manner according to manufacturer recommendations to ensure maximum efficiency.

#### 12. Support

The Town shall support the Company's license application to the CCC but makes no representation or promise that it will act on any local license or permit request, including, but not limited to any zoning application submitted for the Facility, in any particular way other than by the Town normal and regular course of conduct and in accordance with its rules and regulations and any statutory guidelines governing them.

#### 13. Term

Except as expressly provided herein, this AGREEMENT shall take effect on the date set forth above (the "Effective Date"), and shall be applicable for as long as the Company operates the Facility in the Town, with the exception of the Community Impact Fee, which shall be governed by the provisions of Paragraph 2.A of this AGREEMENT.

In the event the Company has not secured a Final License from the CCC and all necessary local permits from the Town and commenced operations at the Facility within one (1) year from the Effective Date of this AGREEMENT, this AGREEMENT shall expire and the Company shall be required to negotiate a new AGREEMENT in order to operate the Facility within the Town, unless the Board of Selectmen, in its discretion, agrees to an additional extension of time, for good cause, which shall include the time required to pursue or await the determination of an appeal of the special permit or other legal proceeding.

#### 14. Successors/Assigns

The Company shall not assign, sublet, or otherwise transfer its rights nor delegate its obligations under this AGREEMENT, in whole or in part, without the prior written consent from the Town, and shall not assign or obligate any of the monies payable under this AGREEMENT, except by and with the written consent of the Town. This AGREEMENT is binding upon the parties hereto, their successors, assigns and legal representatives. The Company shall not assign, sublet, or otherwise transfer any interest in the AGREEMENT without the written consent of the Town, such consent not to be unreasonably withheld.

Events deemed an assignment include, without limitation: (i) Company's final and adjudicated bankruptcy whether voluntary or involuntary; (ii) the Company's takeover or merger by or with any other entity; (iii) the Company's outright sale of assets and equity, majority stock sale to another organization or entity for which the Company does not maintain a controlling equity interest; (iv) or any other change in ownership or status of the Company; (v) any assignment for the benefit of creditors; and/or (vi) any other assignment not approved in advance in writing by the Town.

15. Notices

Any and all notices, consents, demands, requests, approvals or other communications required or permitted under this AGREEMENT, shall be in writing and delivered by hand or mailed postage prepaid, return receipt requested, by registered or certified mail or by other reputable delivery service, and shall be deemed given when so delivered by hand, if so mailed, when deposited with the U.S. Postal Service, or, if sent by private overnight or other delivery service, when deposited with such delivery service.

**To Town:**

**Town Administrator**  
Steve Sette  
Town of Hopedale  
78 Hopedale Street,  
Hopedale, MA 01747

Copy To:  
Town Counsel  
Katherine D. Laughman  
KP-Law, PC  
101 Arch Street, 12<sup>th</sup> Floor  
Boston, MA 02110

**To Company:**

Michael M. Kaplan  
291 Main Street, Suite 101  
Milford, MA  
01757

16. Severability

If any term or condition of this AGREEMENT or any application thereof shall to any extent be held invalid, illegal or unenforceable by a court of competent jurisdiction, the validity, legality, and enforceability of the remaining terms and conditions of this AGREEMENT shall not be deemed affected thereby unless the Town would be substantially or materially prejudiced. Further, the Company agrees that it will not challenge, in any jurisdiction, the enforceability of any provision included in this AGREEMENT; and to the extent the validity of this AGREEMENT is challenged by the Company in a court of competent jurisdiction, the Company shall pay for all reasonable fees and costs incurred by the Town in enforcing this AGREEMENT.



**17. Governing Law**

This AGREEMENT shall be governed by, construed and enforced in accordance with the laws of the Commonwealth of Massachusetts, and the Company submits to the jurisdiction of any of its appropriate courts for the adjudication of disputes arising out of this AGREEMENT.

**18. Entire Agreement**

This AGREEMENT constitutes the entire integrated agreement between the Company and the Town with respect to the matters described herein. This AGREEMENT supersedes all prior agreements, negotiations and representations, either written or oral, and it shall not be modified or amended except by a written document executed by the parties hereto.

**19. Amendments/Waiver**

Amendments, or waivers of any term, condition, covenant, duty or obligation contained in this AGREEMENT may be made only by written amendment executed by authorized representatives of both parties to the original Agreement, prior to the effective date of the amendment.

**20. Headings**

The article, section, and/or paragraph headings in this AGREEMENT are for convenience of reference only, and shall in no way affect, modify, define or be used in interpreting the text of this AGREEMENT.

**21. Counterparts**

This AGREEMENT may be signed in any number of counterparts all of which taken together, each of which is an original, and all of which shall constitute one and the same instrument, and any party hereto may execute this AGREEMENT by signing one or more counterparts.

**22. Signatures**

Facsimile signatures affixed to this AGREEMENT shall have the same weight and authority as an original signature.

**23. No Joint Venture**

The Parties hereto agree that nothing contained in this AGREEMENT or any other documents executed in connection herewith is intended or shall be construed to establish the Town and the Company and any other successor, affiliate or corporate entity as joint ventures or partners.



#### **24. Nullity**

This AGREEMENT shall be null and void in the event that the Company does not locate a Marijuana Cultivation Establishment in the Town or relocates the Facility out of the Town. Further, in the case of any relocation out of the Town, the Company agrees that an adjustment of Annual Community Impact Fee due to the Town hereunder shall be calculated based upon the period of occupation of the Facility within the Town, but in no event shall the Town be responsible for the return of any funds provided to it by the Company.

#### **25. Indemnification**

The Company shall indemnify, defend, and hold the Town harmless from and against any and all claims, demands, liabilities, actions, causes of actions, defenses, proceedings and/or costs and expenses, including attorney's fees, brought against the Town, their agents, departments, officials, employees, insurers and/or successors, by any third party arising from or relating to the development of the Facility to the extent caused by or contributed to by the Company, but specifically excluding such matters caused by the fraud or willful misconduct or negligence of the Town, its agents, departments, officials, employees, insurers and/or successors which in part creates a claim. Such indemnification shall include, but shall not be limited to, all reasonable fees and reasonable costs of attorneys and other reasonable consultant fees and all fees and costs (including but not limited to attorneys and consultant fees and costs) shall be at charged at regular and customary municipal rates, of the Town's choosing incurred in defending such claims, actions, proceedings or demands. The Company agrees, within thirty (30) days of written notice by the Town, to reimburse the Town for any and all costs and fees incurred in defending itself with respect to any such claim, action, proceeding or demand. As a condition of indemnification pursuant to this Section, the Town shall: (a) notify the Company within a reasonable period of time of any matter concerning which the Town may seek indemnification hereunder; (b) at the request of the Company give the Company control over the investigation, defense and/or settlement of such matter; and (iii) cooperate to the greatest possible extent in such investigation, defense and/or settlement.


#### **26. Third Parties**

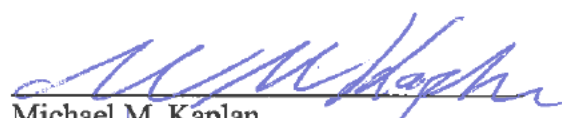
Nothing contained in this AGREEMENT shall create a contractual relationship with or a cause of action in favor of a third party against either the Town or the Company.


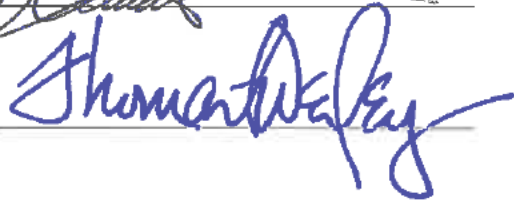
IN WITNESS WHEREOF, the parties hereto have executed this AGREEMENT on the day and year first written above.

TOWN HOPEDALE  
BOARD OF SELECTMEN

COMPANY

  
\_\_\_\_\_  
Chair

  
\_\_\_\_\_  
Michael M. Kaplan  
Manage/Shareholder  
MACA Industries, LLC.

  
\_\_\_\_\_  
  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

## Host Community Agreement Certification Form

The applicant and contracting authority for the host community must complete each section of this form before uploading it to the application. Failure to complete a section will result in the application being deemed incomplete. Instructions to the applicant and/or municipality appear in italics. Please note that submission of information that is “misleading, incorrect, false, or fraudulent” is grounds for denial of an application for a license pursuant to 935 CMR 500.400(1).


### Applicant

I, Michael M. Kaplan, (*insert name*) certify as an authorized representative of MACA Industries (*insert name of applicant*) that the applicant has executed a host community agreement with Town of Hopedale (*insert name of host community*) pursuant to G.L.c. 94G § 3(d) on June 3, 2019 (*insert date*).

  
Signature of Authorized Representative of Applicant

### Host Community

I, Brian R. Kenes, (*insert name*) certify that I am the contracting authority or have been duly authorized by the contracting authority for Board of Selectmen (*insert name of host community*) to certify that the applicant and Town of Hopedale (*insert name of host community*) has executed a host community agreement pursuant to G.L.c. 94G § 3(d) on June 3, 2019 (*insert date*).

  
Signature of Contracting Authority or  
Authorized Representative of Host Community



## **HOST COMMUNITY AGREEMENT**

**between**

**The TOWN OF HOPEDALE, Massachusetts and  
HIGH HOPES LLC**

This Host Community Agreement (“Agreement”) is entered into this eleventh day of May, 2020 by and between High Hopes LLC, a Massachusetts limited liability company with a principal address of 8 Hope Street, Hopedale, Massachusetts (“Operator”) and the Town of Hopedale, a Massachusetts municipal corporation with a principal address of 78 Hopedale Street, Hopedale, Massachusetts 01747 (“Town”).

WHEREAS, Operator intends to apply to the Cannabis Control Commission (the “CCC”) to operate a 3,000 square foot Retail Marijuana Establishment at the property located at 1 Menfi Way, Unit 9, Parcel ID 22-15-1 within the Town (the “Premises” or the “Facility”), pursuant to G. L. c. 94G (the “Act”) and 935 CMR 500: Adult Use of Marijuana and such approvals as may be issued by the Town in accordance with its Zoning Bylaw and other applicable local regulations; and

WHEREAS, Operator will be licensed to purchase and transport cannabis or marijuana product from Marijuana Establishments and to sell or otherwise transfer this product to Marijuana Establishments and to consumers in municipalities throughout the Commonwealth of Massachusetts;

WHEREAS, Operator is seeking a license from the CCC to operate a Retail Marijuana Establishment in Town; and

WHEREAS, Operator has paid a two-hundred-fifty-dollar (\$250.00) application fee to the Town.

NOW THEREFORE, in consideration of the above, the Operator offers and the Town accepts this Host Community Agreement as follows:

- **Community Impact Fee:** The Town anticipates that, as a result of the Operator’s operation of the Retail Marijuana Establishment, the Town will incur additional expenses and impacts upon its road system, law enforcement, inspectional services, permitting services, administrative services, public health services and education in addition to potential additional unforeseen impacts upon the Town. Accordingly, in order to mitigate the direct and indirect financial impact upon the Town and use of Town resources, the Operator agrees to annually pay a community impact fee to the Town, in the amounts and under the terms provided herein (the “Annual Payments”);
- **Payment:** In the event that the Operator obtains a Final License, or such other license and/or approval as may be required, for the Retail Marijuana Establishment in the Town by the CCC or such other state licensing or monitoring authority, and receives revenue

HOST COMMUNITY AGREEMENT/HIGH HOPES LLC. -TOWN OF HOPEDALE, MA

Page 1 of 5

928178.2

from sales of marijuana and marijuana infused products to consumers from operating the Retail Marijuana Establishment:

- Operator shall make Annual Payments in an amount equal to three percent (3%) of the gross revenue from the Retail Marijuana Establishment's annual cannabis or marijuana product sales, as long as the fee is reasonably related to the costs imposed upon the Town by the operation of the Retail Marijuana Establishment.
- Annual Payments shall be made quarterly each calendar year on the 1<sup>st</sup> Tuesday of January, April, July and October for the gross revenues for marijuana and marijuana-infused products in each such preceding quarter, beginning on the first of such dates after the Retail Marijuana Establishment has commenced retail sales.
- Operator shall submit financial records to the Town within 30 days after each payment of the Annual Payment with a certification of sales with respect to each such payment. Operator shall maintain its books, financial records, and other compilations of data pertaining to the requirements of this Agreement in accordance with standard accounting practices and any applicable regulations or guidelines of the CCC.
- The Town shall similarly maintain its books, financial records, and other compilations of data pertaining to its requirements to use Operator's community impact fee for the additional expenses and impacts it incurs as a result of hosting the Retail Marijuana Establishment and make such information available upon inquiry by Operator. Should such expenses incurred by the Town as a result of Operator's Retail Marijuana Establishment in the Town be minimal, Operator shall be entitled to a rebate.
- Duration: The duration of Operator's community impact fee to the Town shall be five (5) years.
- Local Taxes: At all times during the Term of this Agreement, property, both real and personal, owned or operated by Operator for the Retail Marijuana Establishment shall be treated as taxable, and all applicable real estate and personal property taxes for that property shall be paid either directly by Operator or by its landlord, and neither Operator nor its landlord shall object or otherwise challenge the taxability of such property and shall not seek a non-profit exemption from paying such taxes.
- Applicability of Host Community Agreement: The provisions of this Host Community Agreement apply only to the Operator's use of the facility to operate a Retail Marijuana Establishment in accordance with 935 CMR 500.000 by the CCC.

- Security: Operator shall maintain security at the Retail Marijuana Establishment at least in accordance with a security plan presented to the Town and approved by the CCC. Additionally, Operator shall at all times comply with Massachusetts and local laws regarding security of the Retail Marijuana Establishment. Operator shall coordinate with the Hopedale Police Department in the development and implementation of security measures, as required pursuant to applicable regulations and otherwise, including determining the placement of exterior security cameras. Operator will maintain a cooperative relationship with the Hopedale Police Department, including, but not limited to, periodic meetings to review operational concerns and communication of any suspicious activities on the site of the Retail Marijuana Establishment.

Operator shall promptly report the discovery of the following to the Hopedale Police Department immediately: diversion of marijuana; unusual discrepancies identified during inventory, theft, loss and any criminal action; unusual discrepancy in weight or inventory during transportation; any vehicle accidents, diversions, losses, or other reportable incidents that occur during transport; any suspicious act involving the sale, cultivation, distribution, processing, or production of marijuana by any person; unauthorized destruction of marijuana; any loss or unauthorized alteration of records related to marijuana or marijuana establishment agents; an alarm activation or other event that requires response by public safety personnel; failure of any security alarm system due to a loss of electrical power or mechanical malfunction that is expected to last longer than eight hours; and any other breach of security.

- Local Hiring: To the extent permissible by law, Operator commits to hiring local, qualified employees. In addition to the direct hiring, Operator will work in a good faith, legal and non-discriminatory manner to hire local vendors, suppliers, contractors and builders from the Town area whenever otherwise comparable local vendors are available.
- Improvements to Property: Operator shall make capital improvements to the Retail Marijuana Establishment such that the property of the Retail Marijuana Establishment will match the look and feel of the Town and be of construction standards at least at the quality of other nearby businesses and construction standards per state and local Building Code requirements.
- Registration and Approvals Required: The obligations of the Operator and the Town recited herein are specifically contingent upon the obtaining a final certificate of license for the operation of a Retail Marijuana Establishment from the CCC to operate in the Town, and all necessary local permits and approvals.
- Cooperation: Town shall work cooperatively and in good faith with Operator in securing prompt and efficient siting, planning, permitting and preparation for opening of the Retail Marijuana Establishment, provided that nothing herein shall require Town to waive any review and approval rights set forth in applicable statutes or regulations, and provided further that Town shall retain the right to provide comments and recommendations regarding design and security.

- Compliance: Operator shall comply with all laws, rules, regulations and orders applicable to the operation of a Retail Marijuana Establishment, such provisions being incorporated herein by reference, and shall be responsible for obtaining all necessary licenses, permits, and approvals required for the operation of a Retail Marijuana Establishment.

Operator shall indemnify, defend, and hold the Town harmless from and against any and all claims, demands, liabilities, actions, causes of actions, costs and expenses brought against the Town by third parties, including attorney's fees, arising out of Operator's material breach of this Agreement or the gross negligence or willful misconduct of Operator, or Operator's agents or employees, provided, however, that this shall not apply if such claim arises out of or in connection with the gross negligence or willful misconduct of the Town. The Town shall provide prompt notice to Operator of any potential claim subject to indemnification hereunder, and reasonably cooperate with Operator in defense of a claim.

- Assignability: This Agreement is binding upon the parties hereto, their successors, assigns, and legal representatives. The parties shall be prohibited from assigning, in whole or in part, any portion of this Agreement without the written consent of the other party, which shall not be unreasonably withheld, conditioned, or delayed.
- Retention of Regulatory Authority: By entering into this Agreement, Town does not waive any enforcement rights or regulatory authority it currently holds over any business in Town.
- Notices: Any and all notices, or other communications required or permitted under this Agreement, shall be in writing and/or email.
- Severability: If any term or condition of this Agreement or any application thereof shall to any extent be held invalid, illegal or unenforceable by the court of competent jurisdiction, the validity, legality, and enforceability of the remaining terms and conditions of this Agreement shall not be deemed affected thereby unless one or both parties would be substantially or materially prejudiced.
- Governing Law: This Agreement shall be governed by, construed and enforced in accordance with the laws of the Commonwealth of Massachusetts.
- Entire Agreement: This Agreement, including all documents incorporated herein by reference, constitutes the entire integrated agreement between the parties with respect to the matters described. This Agreement supersedes all prior agreements, negotiations and representations, either written or oral, and it shall not be modified or amended except by a written document executed by the parties hereto.



- License Renewal: Upon the request of Operator in connection with the renewal of its CCC license, the Town shall cooperate with and support Operator’s obligation to provide to CC an accounting of the financial benefits to the Town under this Agreement.
- Confidentiality: Operator may provide to the Town certain financial information, investment materials, products, plans, documents, details of company history, know-how, trade secrets, and other nonpublic information related to Operator, its affiliates and operations (collectively, the “Confidential Information”). The Town (inclusive of its employees, agents, representatives or any other of its affiliated persons) shall not, at any time during the term of this Agreement or at any time thereafter, disclose to any person or entity, any Confidential Information, except as may be required by court order or law. Operator shall mark each plan, page, or transmission with the word “Confidential.”
- Modifications: Modifications to this Agreement may only be effective if made in writing and signed by both Parties.
- Headings: The article, section, and paragraph headings in this Agreement are for convenience only, are not part of the Agreement and shall not affect the interpretation of this Agreement.
- Counterparts: This Agreement may be signed in any number of counterparts all of which taken together, shall constitute one and the same instrument, and any party hereto may execute this Agreement by signing one or more counterparts.
- Notices: Except as otherwise provided herein, any notices given under this Agreement shall be addressed as follows:

To the Municipality:  
Town of Hopedale  
Town Administrator  
78 Hopedale Street  
Hopedale, MA 01747  
dschindler@hopedale-ma.gov

To the Operator  
High Hopes LLC  
c/o 8 Hope Street  
Hopedale MA 01747  
[add email address]

The following signatures indicate that the parties hereby agree to the terms set forth in this Agreement as per the date set forth on page 1 of this Agreement.

For the TOWN OF HOPEDALE

For HIGH HOPES LLC.:

By: \_\_\_\_\_  
Brian Keyes, Chair, Board of Selectmen

By: \_\_\_\_\_  
Russell Bogartz,  
Its: President

HOST COMMUNITY AGREEMENT

Between

The TOWN OF HOPEDALE, Massachusetts

and

Caroline's Cannabis, LLC

This Host Community Agreement ("Agreement") is entered into this 24<sup>th</sup> day of July, 2020 by and between Caroline's Cannabis, LLC., a Massachusetts limited liability company with a principal office address of 640 Douglas Street, Uxbridge, Massachusetts ("Operator" or "Establishment") and the Town of Hopedale, a Massachusetts municipal corporation with a principal address of 78 Hopedale Street, Hopedale, MA 01747 ("Town").

WHEREAS, Operator intends to apply to the Cannabis Control Commission (the "CCC") to operate a 3,000 square foot Retail Marijuana Establishment at the property located at 4 Charlesview, Hopedale, MA 01747, Parcel ID 24-44 within the Town (the "Premises" or the "Facility"), pursuant to G. L. c. 94G (the "Act") and 935 CMR 500: Adult Use of Marijuana and such approvals as may be issued by the Town in accordance with its Zoning Bylaw and other applicable local regulations; and

WHEREAS, Operator seeks to be licensed as a Retail Marijuana Establishment authorized to purchase and transport cannabis or marijuana product from Marijuana Establishments and to sell or otherwise transfer this product to Marijuana Establishments and to consumers; and

WHEREAS, the Operator anticipates that the Town will incur additional expenses and impacts on the Town's road and other infrastructure systems, law enforcement, fire protection services, permitting and consulting services and public health, as well as unforeseen impacts, both quantifiable and unquantifiable on the Town; and

WHEREAS, the Operator intends to provide certain benefits to the Town in the event that it receives the requisite License from the CCC to operate the Facility and receives all required local permits and approvals from the Town; and

WHEREAS, Operator desires to provide community impact fee payments to the Town pursuant to M.G.L. c. 94G, § 3(d), and any successor statutes and regulations, in order to address any costs imposed upon the Town by the Establishment's operations in the Town; and

WHEREAS, the Town supports Operator's intention to operate a Retail Marijuana Establishment for sale of adult-use marijuana in the Town; and

WHEREAS, the Parties intend by this Agreement to satisfy the provisions of M.G.L. c. 94G, §3(d), as established by the Act, applicable to the operation of an adult use Retail Marijuana Establishment in the Town; and

WHEREAS, the Parties agree that the above Recitals are true and accurate and that they are incorporated herein and made a part hereof;

NOW THEREFORE, in consideration of the mutual promises and covenants set forth above, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Operator and the Town agree as follows:

1. Community Impact Fee: The Town anticipates that, as a result of the Operator's operation of the Retail Marijuana Establishment, the Town will incur additional expense and impacts upon its road system, law enforcement, inspectional services, permitting services, administrative services, public health services and education in addition to potential additional unforeseen impacts upon the Town. Accordingly, in order to mitigate the direct and indirect financial impact upon the Town and use of Town resources, the Operator agrees to annually pay a community impact fee to the Town, in the amounts and under the terms provided herein (The "Annual Payments")
  - A. Payments: In the event that the Operator obtains a Final License, or such other license and/or approval as may be required, for the operation of a Retail Marijuana Establishment by the CCC or such other state licensing or monitoring authority, which permits and/or licenses allow the Operator to locate, occupy and operate the Facility in the Town, then the Operator agrees to provide the following Community Impact Fee:
    1. Operator shall make Annual Payments in the amount equal to three percent (3%) of the gross revenue from the Retail Marijuana Establishment's annual cannabis or marijuana product sales. The term "gross sales" shall mean the total of all sales transactions of the Facility of marijuana and marijuana infused products.
    2. Annual Payments shall be quarterly each calendar year on the 1<sup>st</sup> Tuesday of January, April, July and October, beginning on the first of such dates after the establishment has received both an occupancy permit from the Building Commissioner and the issuance of a Final License and "approval to sell" at the Facility from the CCC.
    3. Operator shall submit financial records to the Town within 30 days after payment of each quarterly installment of the Annual Payment with a certification of sales with respect to each such payment. Operator shall maintain its books, financial records, and other compilations of data pertaining to the requirements of this Agreement in accordance with standard accounting practices and any applicable



regulations or guidelines of the CCC. All records shall be kept for a period of at least seven (7) years. Upon request by the Town, the Company shall provide the Town with the same access to its financial records (to be treated as confidential, to the extent allowed by law) as it is required by the CCC and Department of Revenue for purposes of obtaining and maintaining a license for the Facility.

4. The Annual Payments shall continue for a period of five (5) years from the date the Facility commences operations. At the conclusion of the five (5) year term, the Parties shall negotiate the terms of a new Annual Community Impact Fee as an Amendment to this Agreement.
5. The Town may use the above referenced payments as it deems appropriate in its sole discretion, but shall make a good faith effort to allocate said payments for road and other infrastructure systems, law enforcement, fire protection services, inspectional services, public health and addiction services and permitting and consulting services, as well as unforeseen impacts upon the Town.
6. Pursuant to M.G.L. c. 94G, §3(d), a "community impact fee shall be reasonably related to the costs imposed upon the municipality by the operation of the marijuana establishment..." Notwithstanding the foregoing, the Parties hereby acknowledge the difficulty in computing actual Town costs and agree that impacts may result in municipal budgetary increases that cannot be separately identified or precisely quantified. Consequently, the Operator agrees that for the initial 5-year term of the Community Impact Fee, the payments due under this Agreement are reasonably related to Town costs and waives any claims to the contrary.

B. Additional Costs, Payments and Reimbursements

1. Permit and Connection Fees: The Operator hereby acknowledges and agrees to pay the usual and customary building permit and other permit application fees, sewer and water connection fees, and all other local charges and fees generally applicable to other commercial developments in the Town.
2. Facility Consulting Fees and Costs: The Operator shall reimburse the Town for any and all reasonable and customary consulting costs and fees, including without limitation, reasonable attorneys' fees related to any land use applications concerning the Facility, negotiation of this and any other related agreements, and any review concerning the Facility, including planning, engineering, and any related reasonable disbursements at standard rates charged by the above-referenced consultants in relation to the Facility. Provided, however, that any

upfront payments for such fees and costs shall be deducted from the Community Impact Fee payment.

3. Late Payment Penalty: The Operator acknowledges that time is of the essence with respect to their timely payment of all funds required under this Agreement. In the event the Operator fails to make timely payment as set forth above, the Town will provide the Operator with written notice of delinquency. Any payments that are not fully made within fifteen (15) business days of the date written notice of delinquency has been received by the Operator will be subject to a late payment penalty equal to five percent (5%) of such required payments.
2. Term and Termination: Except as expressly provided herein, this Agreement shall take effect on the day above written, subject to the contingencies noted herein for the Operator's necessary state and local permits, licenses and approvals. This agreement shall continue in effect for so long as the Facility operates as a Retail Marijuana Establishment within the Town, with the exception of the Community Impact Fee, which shall be governed by the provisions of Section 1 of this Agreement, or until an amendment or new Host Community Agreement that supersedes this Agreement is executed.

In the event the Operator has not secured a Final License from the CCC and all necessary local permits from the Town and commenced operations at the Facility within one (1) year from the Effective Date of this Agreement, this Agreement shall expire and the Operator shall be required to negotiate a new Agreement in order to operate the Facility within the Town, unless the Board of Selectmen, in its discretion, agrees to an additional extension of time, for good cause, which shall not be unreasonably withheld, which shall include the time required to pursue or await the determination of an appeal of the special permit or other legal proceeding.

3. Local Taxes: At all times during the Term of this Agreement, property, both real and personal, owned or operated by Operator shall be treated as taxable, and all applicable real estate and personal property taxes for that property shall be paid either directly by the Operator or by its landlord, and neither the Operator nor its landlord shall object or otherwise challenge the taxability of such property and shall not seek a non-profit exemption from paying such taxes.

Notwithstanding the foregoing, (i) if real or personal property owned, leased or operated by the Operator is determined to be non-taxable or partially non-taxable, or (ii) if the value of such property is abated with the effect of reducing or eliminating the tax which would otherwise be paid if assessed at fair cash value as defined in G.L. c. 59, §38, or (iii) if the Operator is determined to be entitled or subject to exemption with the effect of reducing or eliminating the tax which would otherwise be due if not so exempted, then the Operator shall pay to the Town an amount which when added to the taxes, if any, paid on such property, shall be equal to the taxes which would



have been payable on such property at fair cash value and at the otherwise applicable tax rate, if there had been no abatement or exemption; this payment shall be in addition to the payment made by the Operator under Section 1 of this Agreement.

4. Applicability of Host Agreement: The provisions of this Host Agreement apply only to the Operator's use of the facility to operate a Retail Marijuana Establishment in accordance with 935 CMR 500.000 as licensed by the CCC.
5. Security: Operator shall maintain security at the Facility at least in accordance with a security plan presented to the Town and approved by the CCC. Additionally, the Operator shall at all times comply with Massachusetts law and local law regarding security of the Facility. Operator shall coordinate with the Hopedale Police Department in the development and implementation of security measures, as required pursuant to applicable regulations and otherwise, including determining the placement of exterior security cameras. Operator will maintain a cooperative relationship with the Hopedale Police Department, including but not limited to, periodic meetings to review operational concerns and communication to Hopedale Police Department of any suspicious activities on the site.

Operator shall promptly report the discovery of the following to the Hopedale Police Department immediately: diversion of marijuana, unusual discrepancies identified during inventory, theft, loss and any criminal activity; unusual discrepancy in weight or inventory during transportation; any vehicle accidents, diversions, losses, or other reportable incidents that occur during transport; any suspicious act involving the sale, cultivation, distribution, processing, or production of marijuana by any person; unauthorized destruction of marijuana; any loss or unauthorized alteration of records related to marijuana or marijuana establishment agents; an alarm activation or other event that requires response by public safety personnel; failure of any security alarm system due to loss of electrical power or mechanical malfunction that is expected to last longer than eight hours; and any other breach of security.

The Operator shall implement a comprehensive diversion prevention plan to prevent diversion of marijuana and marijuana products into the illicit market and to minors, such plan to be in place prior to the commencement of operations at the Facility. The Operator shall present the diversion plan to the Police Department for its review and feedback and, to the extent required by the Police Department, work collaboratively to implement any suggested changes, amendments or modifications to address local concerns.

The Operator agrees and acknowledges that annual inspections of the Facility by the Town's Police Department, Town's Fire Department, Building Department and Board of Health shall be a condition of continued operation in Town and agrees to cooperate with the Town's Police Department, Town's Fire Department and Board of Health in providing access for scheduled and unscheduled inspections of the Facility.

6. Local Hiring: To the extent permissible by law, Operator commits to hiring local, qualified employees. In addition to the direct hiring, Operator will work in a good faith, legal, and non-discriminatory manner to hire local vendors, suppliers, contractors and builders from the Town area whenever otherwise comparable local vendors are available.
7. Improvements to Property: Operator shall make capital improvements to the property such that the property will match the look and feel of the Town, and be of construction standards at least at the quality of other nearby businesses and construction standards per state and local Building Code requirements.
8. Registration and Approvals Required: The obligations of Operator and the Town recited herein are specifically contingent upon the obtaining a final license for the operation of a Retail Marijuana Establishment from the CCC to operate in Town, and all necessary local permits and approvals.
9. Cooperation: The Town agrees to submit to the CCC the required certifications required to support a License Application, but makes no representation or promise that it will act on any other license or permit request, including, but not limited to any zoning application submitted for the Facility, in any particular way other than by the Town's normal and regular course of conduct and in accordance with its rules and regulations and any statutory guidelines governing them.

This Agreement does not affect, limit, or control the authority of Town boards, commissions, and departments to carry out their respective powers and duties to decide upon and to issue, or deny applicable permits and other approvals under the statutes and regulations of the Commonwealth, the General and Zoning Bylaws of the Town, or applicable regulations of those boards, commissions, and departments or to enforce said statutes, Bylaws, and regulations. The Town, by entering into this Agreement, is not thereby required or obligated to issue such permits and approvals as may be necessary for the Facility to operate in the Town, or to refrain from enforcement action against the Operator and/or its Facility for violation of the terms of said permits and approvals or said statutes, Bylaws, and regulations.

10. Compliance and Indemnification: The Operator shall comply with all laws, regulations and orders applicable to the operation of a Retail Marijuana Establishment, such provisions being incorporated herein by reference, and shall be responsible for obtaining all necessary licenses, permits, and approval required for the operation of a Retail Marijuana Establishment.

The Operator shall indemnify, defend, and hold the Town harmless from and against any and all claims, demands, liabilities, actions, causes of actions, defenses, proceedings and/or costs and expenses including attorney's fees, brought against the Town, their agents, departments, officials, employees, insurers and/or successors, by any third party arising from or relating to the development of the Facility to the extent



caused by or contributed to by the Operator, but specifically excluding such matters caused by the negligence of the Town, its agents, departments, officials, employees, insurers and/or successors. Such indemnification shall include, but shall not be limited to, all reasonable fees and reasonable costs of attorneys and other reasonable consultant fees and all fees and costs (including but not limited to attorneys and consultant fees and costs) shall be at charged at regular and customary municipal rates, of the Town's choosing incurred in defending such claims, actions, proceedings or demands. The Operator agrees, within thirty (30) days of written notice by the Town, to reimburse the Town for any and all costs and fees incurred in defending itself with respect to any such claim, action, proceeding or demand. As a condition of indemnification pursuant to this Section, the Town shall: (a) notify the Operator within a reasonable period of time of any matter concerning which the Town may seek indemnification hereunder; (b) at the request of the Operator give the Operator control over the investigation, defense and/or settlement of such matter; and (c) cooperate to the greatest possible extent in such investigation, defense and/or settlement.

11. Retention of Regulatory Authority: By entering into this Agreement, Town does not waive any enforcement rights or regulatory authority it currently holds over any business in Town.
12. Notices: Any and all notices, or other communications required or permitted under this Agreement, shall be in writing and also by email. Any and all written notices, consents, demands, requests, approvals or other communications required or permitted under this Agreement, shall delivered by hand or mailed postage prepaid, return receipt requested, by registered or certified mail or by other reputable delivery service, and shall be deemed given when so delivered by hand, if so mailed, when deposited with the U.S. Postal Service, or, if sent by private overnight or other delivery service, when deposited with such delivery service.

**To Town:**

Diana Schindler  
Town Administrator  
78 Hopedale Street  
Hopedale, MA 01747

Copy To:

Town Counsel  
Brian W. Riley, Esq.  
KP-Law, PC  
101 Arch Street, 12<sup>th</sup> Floor  
Boston, MA 02110



**To Operator:**

Caroline's Cannabis, LLC  
640 Douglas Street  
Uxbridge, MA 01569

13. Severability: If any term or condition of this Agreement or any application thereof shall to any extent be held invalid, illegal, or unenforceable by the court of competent jurisdiction, the validity, legality, and enforceability of the remaining terms and conditions of this Agreement shall not be deemed affected thereby unless the Town would be substantially or materially prejudiced. Further, the Operator agrees that it will not challenge, in any jurisdiction, the enforceability of any provision included in this Agreement; and to the extent the validity of this Agreement is challenged by the Operator in a court of competent jurisdiction, the Operator shall pay for all reasonable fees and costs incurred by the Town in enforcing this Agreement.
  
14. Successors/Assigns: This Agreement is binding upon the parties hereto, their successors, assigns and legal representatives. The Operator shall not assign, sublet, or otherwise transfer its rights nor delegate its obligations under this Agreement, in whole or in part, without the prior written consent from the Town and shall not assign any of the monies payable under this Agreement, except by and with the written consent of the Town and shall not assign or obligate any of the monies payable under this Agreement, except by and with the written consent of the Town.  
  
Events deemed an assignment include, without limitation: (i) Company's final and adjudicated bankruptcy whether voluntary or involuntary; (ii) the Company's takeover or merger by or with any other entity; (iii) the Company's outright sale of assets and equity, majority stock sale to another organization or entity for which the Company does not maintain a controlling equity interest; (iv) or any other change in ownership or status of the Company; (v) any assignment for the benefit of creditors; and/or (vi) any other assignment not approved in advance in writing by the Town. Prior to any sale or transfer of a controlling interest in the Company, the Company shall obtain the consent of the Town, which shall not be unreasonably withheld or delayed.
  
15. Governing Law: This Agreement shall be governed by, construed and enforced in accordance with the laws of the Commonwealth of Massachusetts.
  
16. Entire Agreement: This Agreement, including all documents incorporated herein by reference, constitutes the entire integrated agreement between the parties with respect to the matters described. This Agreement supersedes all prior agreements, negotiations and representations, either written or oral, and it shall not be modified or amended except by a written document executed by the parties hereto.
  
17. Confidentiality: Operator may provide to the Town, certain financial information, investment materials, products, plan, documents, details or company history, know-

how, trade secrets, and other nonpublic information related to Operator, its affiliates and operations (collectively, the "Confidential Information"). Town (inclusive of its employees, agents, representatives or any other of its affiliated persons) shall not, at any time during the term of this Agreement or at any time thereafter, disclose to any person or entity, any Confidential Information, except as may be required by court order or law. Operator shall mark each plan, page, or transmission with the word "Confidential".

18. Modifications: Modifications to this Agreement may only be effective if made in writing and signed by both parties.

19. Headings: The article, section, and paragraph headings in this Agreement are for convenience only, are not part of the Agreement and shall not affect the interpretation of this Agreement.

20. Counterparts: This Agreement may be signed in any number of counterparts all of which taken together, shall constitute one and the same instrument, and any party hereto may execute this Agreement by signing one or more counterparts.

21. No Joint Venture

The Parties hereto agree that nothing contained in this Agreement or any other documents executed in connection herewith is intended or shall be construed to establish the Town and the Operator and any other successor, affiliate or corporate entity as joint ventures or partners.

22. Nullity

This Agreement shall be null and void in the event that the Operator does not locate a Retail Marijuana Establishment in the Town or relocates the Facility out of the Town. Further, in the case of any relocation out of the Town, the Company agrees that an adjustment of Annual Community Impact Fee due to the Town hereunder shall be calculated based upon the period of occupation of the Facility within the Town, but in no event shall the Town be responsible for the return of any funds provided to it by the Company.

23. Third-Parties

Nothing contained in this Agreement shall create a contractual relationship with or a cause of action in favor of a third party against either the Town or the Company.

Signature:   
Louis J. Arcudi III (Jul 24, 2020 09:44 EDT)

Email: [larcudi@hopedale-ma.gov](mailto:larcudi@hopedale-ma.gov)

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the day and year first written above

For the TOWN OF HOPEDALE BOARD OF  
SELECTMEN

For CAROLINE'S CANNABIS, LLC

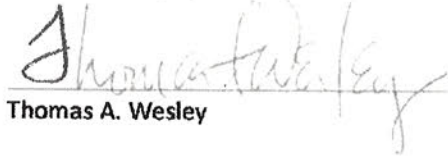
By:



Brian R. Keyes, Chair

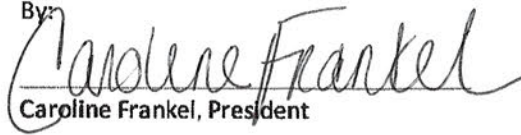
Louis J. Arcudi III

Louis J. Arcudi, III,



Thomas A. Wesley

By:



Caroline Frankel, President

**From:** [Chief Giovanella](#)  
**To:** [Brian Keyes](#); [Louis J. Arcudi](#); [Glenda Hazard](#); [Diana Schindler](#)  
**Subject:** Impact fee  
**Date:** Monday, January 10, 2022 9:00:33 PM  
**Attachments:** [October 2021 Update for DA.pdf](#)

---

I'm not sure if this falls under what the money collected can be used for. I would like to see a pro active approach if possible instead of a reaction. We utilize Chris's corner for all substance abuse issues in a partnership with other towns. Is there any possibility that any money collected could be used to assist this program. I have attached a monthly news letter from Chris's corner. I will also be sending a stats sheet in additional email. This is just a thought. If I can provide any additional information please let me know.

Mark A. Giovanella  
Chief of Police  
Hopedale Police Department

This e-mail message is confidential and/or privileged. It is to be used by the intended recipient only. Use of the information contained in this e-mail by anyone other than the intended recipient is strictly prohibited. If you have received this message in error, please notify the sender immediately and promptly destroy any record of this e-mail. When responding, please be advised that the Town of Hopedale and the Secretary of State has determined that this e-mail could be considered a public record.

**From:** [Crebase, Karen](#)  
**To:** [Diana Schindler](#)  
**Subject:** Re: [EXTERNAL ] Marijuana Establishments Impact Fees  
**Date:** Thursday, January 13, 2022 1:10:09 PM

---

Diana,

According to the State's CCC guidelines, money can be used for additional substance abuse prevention programming during the first years of operation.

I would specifically cite the follow from your non-exhaustive list

17. Potential public use and underage user enforcement costs.
18. Costs to address potential public health consequences of marijuana use.
19. Educational programming cost including public health classes and DARE resource costs.
31. School specific programming and services.

Therefore, during the first years of operation, the Impact Fees could be utilized to increase our school resource officer in the schools...even better would be to hire a DARE officer. The officer could do lessons at all three buildings and could offer evening classes/training for school families.

Thanks

Sincerely,

Karen

On Thu, Jan 13, 2022 at 12:48 PM Diana Schindler <[DSchindler@hopedale-ma.gov](mailto:DSchindler@hopedale-ma.gov)> wrote:

Good afternoon,

At their meeting Monday, the Select Board met with owners of two marijuana establishments, currently open for operations in Hopedale, to address impact fees required by their Host Community Agreements with the Town (We've collected \$45K from High Hopes who opened in August, and are due our first quarterly payment from Caroline's).

Caroline's representatives asked to have the fee eliminated or waived; they are assuming there is no impact to Hopedale because of their operations. We also have a manufacturing establishment that has asked for the fee to be reduced to be competitive with Uxbridge (1.75%). We are currently at 3%.

The Board asked that I reach out to you to determine if impacts do exist. To assist you in evaluation, the State's CCC states in its guidelines the following:

What is Permissible as Part of a Community Impact Fee? Some anticipated costs that may reasonably be included in a fee of up to 3% of gross annual sales include services such as:

- Municipal inspection costs;

- Traffic intersection design studies where additional heavy traffic is anticipated because of the location of a retail or social consumption establishment;
- Public safety personnel overtime costs during times where higher congestion or crowds are anticipated;
- Environmental impact or stormwater or wastewater studies anticipated as the result of cultivation; or
- Additional substance abuse prevention programming during the first years of operation.

They state further, the list is illustrative, not exhaustive or exclusive.

Based on that guidance, I've included a listing of what other communities identified as impacts caused by building or siting of marijuana establishments (ME). Please review and let me know if any of these translate to your department and if you are able to quantify. Feel free to modify or add to list as well if you can determine other impacts.

1. Municipal inspection costs.
2. Executive, planning, legal, and inspection staff time spent involving comprehensive business plan review, community outreach and other assistance.
3. Executive and Administrative time associated with Host Community Agreement negotiation.
4. Planning staff time to facilitate permitting; other staff time related to public hearings/meetings on permits/licenses for ME operations.
5. Traffic studies and/or mitigation review and implementation, including the implementation of new traffic signs and signals.
6. Increased law enforcement services and public safety personnel, including overtime costs where higher congestion or crowds are anticipated and/or where criminal activity has been reported.
7. Legal fees and costs associated with drafting, negotiating, and/or reviewing the Host Community Agreement, operational plans and local permitting applications; legal fees and costs associated with public hearings/meetings on permits/license for ME licensing, including costs of publishing public hearing notices.
8. Executive/administrative/staff time assisting the ME implement its community impact/engagement plan (including facility costs if community engagement meeting(s) held on municipal property).
9. Executive and Administrative time spent on developing re-opening rules during the COVID-19 pandemic and addressing ME operations during the pandemic.
10. Time spent reviewing and responding to federal subpoenas related to marijuana establishment licensing, permitting, or operations.
11. Studies or improvements to address increased impact on municipal utilities (water/electricity).
12. Time spent developing community awareness of responsible approaches to cannabis use and avoidance of substance abuse.
13. Costs associated with the increase in substance abuse, including but not limited to such items as increased demand on local health care clinics and facilities; need for increased counseling and/or invention programs.
14. Costs related to increased fire protection services.
15. Costs related to road and other infrastructure systems and improvements.
16. Costs associated with record keeping, including but not limited to documentation of costs reasonably related to community impacts.
17. Potential public use and underage user enforcement costs.



18. Costs to address potential public health consequences of marijuana use.
19. Educational programming cost including public health classes and DARE resource costs.
20. Infrastructure studies.
21. Municipal review of future operational issues.
22. Costs of drug recognition expert and advanced roadside impairment driving enforcement training programs for local police officers.
23. Other specialized training for local law enforcement officers.
24. Executive/administrative/staff/public safety/legal time spent responding to complaints or inquiries about the ME or its operations.
25. Any other Town costs incurred in relation to the ME or its operations.
26. Studies to determine relative increase in substance abuse problems in the community
27. Legal fees associated with agreements other than the HCA, such as parking licenses; leases, easements or sale of Town property, etc.
28. Police/Fire time associated with security plan review.
29. Executive and Administrative time associated with budget development to address community impacts.
30. Time spent responding to Public Records Requests related to the ME or its operations.
31. School specific programming and services.
32. Increased funding/provision of public health services.
33. Impacts on businesses and activities in vicinity of ME operations.

Town Counsel has opined the HCA is a voluntary agreement the applicants signed as a condition of being licensed in Hopedale; the Select Board can reduce or eliminate these fees, however they are not required to. He does note, there are 2-3 cases pending in court where ME's are suing communities that haven't been able to demonstrate true impacts.

Thank you in advance for your review and response.

Best,

*Diana*

Diana M. Schindler  
Town Administrator

Town of Hopedale

78 Hopedale St.

Hopedale, MA 01747

Off: (508) 634-2203 x213

Cell: (413) 387-9069

Please be advised that the Massachusetts Secretary of State and the Massachusetts Attorney General consider e-mail to be a public record, and therefore subject to the Massachusetts Public Records Law, M.G.L. c. 66 § 10.

--

Karen M. Crebase  
Superintendent of Schools  
Hopedale MA  
Tel: (508)634-2220  
[kcrebase@hopedaleschools.org](mailto:kcrebase@hopedaleschools.org)

---

Please be considerate: Only print this email if absolutely necessary. Saving resources allows more direct services to students.

When writing or responding please remember that the Secretary of State's Office has determined that email is a public record.

This communication may contain privileged or other confidential information. If you are not the intended recipient, or believe that you have received this communication in error, please do not print, copy retransmit, disseminate, or otherwise use the information. Also, please indicate to the sender that you have received this email in error, and delete the copy you received.

---

The Hopedale Public Schools do not discriminate on the basis of race, color, religion, national origin, sex, gender identity, sexual orientation, age, genetic information, ancestry, military status, disability, pregnancy or pregnancy related condition. The following person has been designated to handle inquiries regarding the nondiscrimination policies: Superintendent of Schools, 25 Adin St., Hopedale, MA 01747

---

All electronic messages are archived in conformance with Massachusetts and federal public records laws.