

CommCan Summary

		CommCan		
		Adult Use Host Community Impact Fees	Medical Host Community Impact Fees	Total Host Community Impact Fees
July 2018 - June 2019	FY2019	\$ 15,000.00		\$ 15,000.00
July 2019 - June 2020	FY2020	\$ 167,544.75	\$ 25,000.00	\$ 192,544.75
July 2020 - June 2021	FY2021	\$ 355,773.06	\$ 92,153.77	\$ 447,926.83
July 2021 - Nov 2021	FY2022	\$ 236,725.46		\$ 236,725.46
Total Paid by CommCan		<b>\$ 775,043.27</b>	<b>\$ 117,153.77</b>	<b>\$ 892,197.04</b>

		Consumer		
		Adult Use Local Option Excise Fee	Medical Local Option Excise Fee	Total Local Option Excise Fee
July 2018 - June 2019	FY2019	\$ -		\$ -
July 2019 - June 2020	FY2020	\$ 167,544.74	\$ -	\$ 167,544.74
July 2020 - June 2021	FY2021	\$ 370,773.06	\$ -	\$ 370,773.06
July 2021 - Sept 2021	FY2022	\$ 125,465.58		\$ 125,465.58
Total Paid by Consumer		<b>\$ 663,783.38</b>	<b>\$ -</b>	<b>\$ 663,783.38</b>

Total All Receipts CommCan & Consumer		<b>\$ 1,438,826.65</b>	<b>\$ 117,153.77</b>	<b>\$ 1,555,980.42</b>
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		CommCan & Consumer		
		Adult Use HCA & Local Option Fees	Medical HCA & Local Option Fees	Total HCA & Local Option Fees
July 2018 - June 2019	FY2019	\$ 15,000.00	\$ -	\$ 15,000.00
July 2019 - June 2020	FY2020	\$ 335,089.49	\$ 25,000.00	\$ 360,089.49
July 2020 - June 2021	FY2021	\$ 726,546.12	\$ 92,153.77	\$ 818,699.89
July 2021 - Nov 2021	FY2022	\$ 362,191.04	\$ -	\$ 362,191.04
Total Paid by CommCan & Consumer		<b>\$ 1,438,826.65</b>	<b>\$ 117,153.77</b>	<b>\$ 1,555,980.42</b>

**Town of Millis**  
**Host Community Agreement**  
**COMMCAN, Inc**  
**Retail Marijuana Establishment**  
*Date of Agreement: February 11, 2019*

	GPSR*	<u>Year 0</u> 11/4/2019	<u>Year 1</u> Qtr1	<u>Year 1</u> Qtr2	<u>Year 1</u> Qtr3	<u>Year1</u> Qtr4	<u>Year 2</u> Qtr1	<u>Year 2</u> Qtr2	<u>Year 2</u> Qtr3	<u>Year 2</u> Qtr4	<u>Year 3</u> Qtr1	<u>Totals</u>	<u>Annual Totals</u>
<b>Annual Community Impact Fee Agreement Payment Schedule:</b>													
Initial payment \$15,000 - 90 days prior to projected Actual Operations or March 1, 2019	\$ 500,000.00	\$15,000										\$15,000	
4th Month Year 1 Actual Operations - Greater of \$20,000 or 3% of GPSR for Year 1 months 1 through 3	\$ 2,934,879.00			\$88,046								\$88,046	
7th Month Year 1 Actual Operations - Greater of \$20,000 or 3% of GPSR for Year 1 months 4 through 6	\$ 2,649,946.00				\$79,498							\$79,498	
10th Month Year 1 Actual Operations - Greater of \$20,000 or 3% of GPSR for Year 1 months 7 through 9	\$ 2,335,271.33					\$70,058						\$70,058	
** 1st Month Year 2 Actual Operations - True Up 3% of GPSR for Year 1 months 1 through 12 less initial payment	\$ 3,518,995.00						\$105,570					\$105,570	
4th Month Year 2 Actual Operations - True Up 3% of GPSR for Year 1 months 1 through 12 less initial payment	\$ (500,000.00)							(\$15,000)				(\$15,000)	\$343,173
4th Month Year 2 Actual Operations - Greater of \$20,000 or 3% of GPSR for Year 2 months 1 through 3	\$ 3,436,193.33							\$103,086				\$103,086	
7th Month Year 2 Actual Operations - Greater of \$20,000 or 3% of GPSR for Year 2 months 4 through 6	\$ 3,068,642.33								\$92,059			\$92,059	
10th Month Year 2 Actual Operations - Greater of \$20,000 or 3% of GPSR for Year 2 months 7 through 9	\$ 4,182,186.00									\$125,466		\$125,466	
** 1st Month Year 3 Actual Operations - True Up 3% of GPSR for Year 2 months 1 through 12	\$ 3,708,662.67										\$111,260	\$111,260	\$431,871
4th Month Year 3 Actual Operations - Greater of \$20,000 or 3% of GPSR for Year 3 months 1 through 3	\$ 666,666.67											\$20,000	
7th Month Year 3 Actual Operations - Greater of \$20,000 or 3% of GPSR for Year 3 months 4 through 6	\$ 666,666.67											\$20,000	
10th Month Year 3 Actual Operations - Greater of \$20,000 or 3% of GPSR for Year 3 months 7 through 9	\$ 666,666.67											\$20,000	
** 1st Month Year 4 Actual Operations - True Up 3% of GPSR for Year 3 months 1 through 12	\$ 666,666.67											\$20,000	\$80,000
4th Month Year 4 Actual Operations - Greater of \$20,000 or 3% of GPSR for Year 4 months 1 through 3	\$ 666,666.67											\$20,000	
7th Month Year 4 Actual Operations - Greater of \$20,000 or 3% of GPSR for Year 4 months 4 through 6	\$ 666,666.67											\$20,000	
10th Month Year 4 Actual Operations - Greater of \$20,000 or 3% of GPSR for Year 4 months 7 through 9	\$ 666,666.67											\$20,000	
** 1st Month Year 5 Actual Operations - True Up 3% of GPSR for Year 4 months 1 through 12	\$ 666,666.67											\$20,000	\$80,000
4th Month Year 5 Actual Operations - Greater of \$20,000 or 3% of GPSR for Year 5 months 1 through 3	\$ 666,666.67											\$20,000	
7th Month Year 5 Actual Operations - Greater of \$20,000 or 3% of GPSR for Year 5 months 4 through 6	\$ 666,666.67											\$20,000	
10th Month Year 5 Actual Operations - Greater of \$20,000 or 3% of GPSR for Year 5 months 7 through 9	\$ 666,666.67											\$20,000	
** 1st Month Year 6 Actual Operations - True Up 3% of GPSR for Year 5 months 1 through 12	\$ 666,666.67											\$20,000	\$80,000
<b>Estimated Total Payments Based on Agreement</b>		<b>\$15,000</b>	<b>\$0</b>	<b>\$88,046</b>	<b>\$79,498</b>	<b>\$70,058</b>	<b>\$105,570</b>	<b>\$88,086</b>	<b>\$92,059</b>	<b>\$125,466</b>	<b>\$111,260</b>	<b>\$1,015,043</b>	<b>\$1,015,043</b>

\* GPSR - Gross Product Sales Revenue - NO "CAP" or maximum amount when calculating 3% of Gross Sales Annually

\*\* Fourth Quarter of each Actual Operation Year, True-Up Amount Due to Town is 3% of Gross Annual Sales less previous payments for that Actual Operation Year

**Payments Received**

Initial payment \$15,000 - received 2/11/2019 check #2148	\$ 15,000	\$ 15,000										\$ 15,000	
4th Month Year 1 Actual Operations - Months 1 through 3 - received 2/28/2020 check #6602	\$ 88,046		\$ 88,046									\$ 88,046	
7th Month Year 1 Actual Operations - Months 4 through 6 - received 5/28/2020 check #7863	\$ 79,498			\$79,498								\$ 79,498	
10th Month Year 1 Actual Operations - Months 7 through 9 - received 8/31/2020 check #9392	\$ 70,058				\$70,058							\$ 70,058	
1st Month Year 2 Actual Operations - Months 10 through 12 - received 11/19/2020 check #10779	\$ 105,570					\$105,570						\$ 105,570	
4th Month Year 2 Actual Operations - Year 1 True Up less initial payment - received 02/26/2021 check #12514	\$ (15,000)						(\$15,000)					\$ (15,000)	
4th Month Year 2 Actual Operations - Months 1 through 3 - received 02/26/2021 check #12514	\$ 103,086						\$103,086					\$ 103,086	
7th Month Year 2 Actual Operations - Months 4 through 6 - received 05/26/2021 check #13297	\$ 92,059							\$92,059				\$ 92,059	
10th Month Year 2 Actual Operations - Months 7 through 9 - received 09/13/2021 check #13710	\$ 125,466								\$125,466			\$ 125,466	
1st Month Year 3 Actual Operations - Months 10 through 12 - received 11/30/2021 check #14388	\$ 111,260										\$111,260	\$ 111,260	
<b>Total Payments Received</b>												<b>\$ 775,043</b>	

**Town of Millis**  
**Host Community Agreement**  
**COMMCAN, Inc**  
**Registered Marijuana Dispensary (RMD)**  
*Date of Agreement: August 1, 2016*

		<u>Year 1</u>	<u>Year 2</u>	<u>Year 3</u>	<u>Year 4</u>	<u>Year 5</u>	<u>Year 6</u>	<u>Sales Dates</u>
		<u>Day 1</u>	<u>19th Month</u>	<u>25th Month</u>	<u>37th Month</u>	<u>49th Month</u>	<u>61st Month</u>	
GPSR*		<u>11/4/2019</u>	<u>6/30/2021</u>	<u>12/31/2021</u>	<u>12/31/2022</u>	<u>12/31/2023</u>	<u>12/31/2024</u>	
<b>Agreement Payment Schedule:</b>								
Effective Date - Sales Commencement Date \$25,000	\$ 833,333.33	\$25,000						11/1/2019 - 10/31/2020
19th Month - Greater of \$50,000 or 3% of GPSR for months 13 through 18	\$ 3,071,792.33		\$92,154					11/1/2020 - 04/30/2021
25th -27th Month - Greater of \$50,000 or 3% of GPSR for months 19 through 24	\$ 1,666,666.67			\$50,000				5/1/2021 - 10/31/2021
37th -39th Month - Greater of \$100,000 or 3% of GPSR for months 25 through 36	\$ 3,333,333.33				\$100,000			11/1/2021 - 10/31/2022
49th -51st Month - Greater of \$100,000 or 3% of GPSR for months 37 through 48	\$ 3,333,333.33					\$100,000		11/1/2022 - 10/31/2023
61st -63th Month - Greater of \$100,000 or 3% of GPSR for months 49 through 60	\$ 3,333,333.33						\$100,000	11/1/2023 - 10/31/2024
Estimated Total Payments Based on Agreement		\$25,000	\$92,154	\$50,000	\$100,000	\$100,000	\$100,000	

\*GPSR - Gross Product Sales Revenue - NO "CAP" or maximum amount when calculating 3% of Gross Sales Annually

**Payments Received**

Effective Date - Sales Commencement Date \$25,000 - received 11/4/2019 check #4865	\$ 25,000	\$ 25,000
19th Month - Months 13 through 18 - received 06/29/2021 check #13455	\$ 92,154	\$92,154
Total Payments Received	\$ 117,154	

Year 1	11/1/2019 - 10/31/2020
Year 2	11/1/2020 - 10/31/2021
Year 3	11/1/2021 - 10/31/2022
Year 4	11/1/2022 - 10/31/2023
Year 5	11/1/2023 - 10/31/2024

**Town of Millis**  
**Host Community Agreement**  
**617 THERAPEUTIC HEALTH CENTER, Inc.**  
**Marijuana Cultivator & Marijuana Products Manufacturer**  
*Date of Agreement: April 8, 2019*

	<i>GPSR*</i>	<i>Totals</i>	<i>Annual Totals</i>
<b>Annual Community Impact Fee Agreement Payment Schedule:</b>			
Initial payment \$25,000 - Upon execution of the agreement	\$ 833,333.33	\$25,000	
4th Month Year 1 Actual Operations - \$15,000 - for Year 1 months 1 through 3	\$ 500,000.00	\$15,000	
7th Month Year 1 Actual Operations - \$40,000 - for Year 1 months 4 through 6	\$ 1,333,333.33	\$40,000	
10th Month Year 1 Actual Operations - \$40,000 - for Year 1 months 7 through 9	\$ 1,333,333.33	\$40,000	
<b>** 1st Month Year 2 Actual Operations - True Up 3% of GPSR for Year 1 months 1 through 12 less \$120,000</b>	<b>\$ -</b>	<b>\$0</b>	<b>\$120,000</b>
4th Month Year 2 Actual Operations - 3% of GPSR for Year 2 months 1 through 3	\$ 1,333,333.33	\$40,000	
7th Month Year 2 Actual Operations - 3% of GPSR for Year 2 months 4 through 6	\$ 1,333,333.33	\$40,000	
10th Month Year 2 Actual Operations - 3% of GPSR for Year 2 months 7 through 9	\$ 1,333,333.33	\$40,000	
<b>** 1st Month Year 3 Actual Operations - True Up 3% of GPSR for Year 2 months 1 through 12 less \$120,000</b>	<b>\$ -</b>	<b>\$0</b>	<b>\$120,000</b>
4th Month Year 3 Actual Operations - 3% of GPSR for Year 3 months 1 through 3	\$ 1,333,333.33	\$40,000	
7th Month Year 3 Actual Operations - 3% of GPSR for Year 3 months 4 through 6	\$ 1,333,333.33	\$40,000	
10th Month Year 3 Actual Operations - 3% of GPSR for Year 3 months 7 through 9	\$ 1,333,333.33	\$40,000	
<b>** 1st Month Year 4 Actual Operations - True Up 3% of GPSR for Year 3 months 1 through 12 less \$120,000</b>	<b>\$ -</b>	<b>\$0</b>	<b>\$120,000</b>
4th Month Year 4 Actual Operations - 3% of GPSR for Year 4 months 1 through 3	\$ 1,333,333.33	\$40,000	
7th Month Year 4 Actual Operations - 3% of GPSR for Year 4 months 4 through 6	\$ 1,333,333.33	\$40,000	
10th Month Year 4 Actual Operations - 3% of GPSR Year 4 months 7 through 9	\$ 1,333,333.33	\$40,000	
<b>** 1st Month Year 5 Actual Operations - True Up 3% of GPSR for Year 4 months 1 through 12 less \$120,000</b>	<b>\$ -</b>	<b>\$0</b>	<b>\$120,000</b>
4th Month Year 5 Actual Operations - 3% of GPSR for Year 5 months 1 through 3	\$ 1,333,333.33	\$40,000	
7th Month Year 5 Actual Operations - 3% of GPSR for Year 5 months 4 through 6	\$ 1,333,333.33	\$40,000	
10th Month Year 5 Actual Operations - 3% of GPSR for Year 5 months 7 through 9	\$ 1,333,333.33	\$40,000	
<b>** 1st Month Year 6 Actual Operations - True Up 3% of GPSR for Year 5 months 1 through 12 less \$120,000</b>	<b>\$ -</b>	<b>\$0</b>	<b>\$120,000</b>
<b>Estimated Total Payments Based on Agreement</b>		<b>\$600,000</b>	<b>\$600,000</b>

\* GPSR - Gross Product Sales Revenue - 3% of Gross Sales Annually

\*\* Fourth Quarter of each Actual Operation Year, True-Up Amount Due to Town is 3% of GPSR for Year months 1 through 12 less \$120,000  
Amounts reflect total for both the Marijuana Cultivator and Marijuana Products Manufacturer Licenses

**Payments Received**

Initial payment - 1 license - \$25,000 - received 4/08/2019 check #1113	\$ 25,000
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**TO:** MILLIS BOARD OF SELECTMEN  
**FROM:** KATHERINE FEODOROFF, TOWN COUNSEL  
**RE:** GTE Millis LLC  
 HOST COMMUNITY AGREEMENT  
**DATE:** AUGUST 31, 2020

This memorandum provides a summary of the salient terms of the host community agreement submitted to the Select Board regarding the proposed marijuana cultivation and product manufacturing facility by GTE Millis LLC. This agreement, required by G.L. c. 94G, is a five-year agreement.

#### Community Impact Payments

Upon signing GTE will pay \$15,000 to the Town, which will be credited toward its annual impact payments. The impact payments are calculated as a percentage of Gross Sales due as follows:

15,000.00 check # 205 September 16,2020

<u>Annual Gross Revenue</u>	<u>Impact Fee (%)</u>	<u>Potential Impact Fee</u>
\$5,000,000	3%	\$150,000
\$5,000,001-\$10,000,000	2%	\$100,000
\$10,000,001-\$15,000,000	1%	\$50,000
\$15,000,000 +	0%	\$0
<u>Total Impact Payments</u>		<u>\$300,000</u>

#### Tax Revenue

In addition, the Town estimates a significant increase in the payment of taxes for a property which currently yields \$3,530.54 in tax payments. Tax Payments are estimated as follows:

<u>Tax Type</u>	<u>Tax Revenue Generated</u>
Personal Property Tax	\$165,148
Real Property Tax	\$86,600
<u>Total Tax Payments</u>	<u>\$251,748</u>

**HOST COMMUNITY AGREEMENT  
FOR A MARIJUANA ESTABLISHMENT  
BETWEEN  
ADVESA WELLNESS INC.  
AND  
THE TOWN OF MILLIS, MASSACHUSETTS**

This **HOST COMMUNITY AGREEMENT FOR MARIJUANA ESTABLISHMENT** ("Agreement") is entered into pursuant to M.G.L. c. 94G on this 22<sup>nd</sup> day of February, 2021 by and between **ADVESA WELLNESS INC.**, a Massachusetts corporation with a principal office address of 1375 Main Street, Millis MA 02054 ("OPERATOR") and the **TOWN OF MILLIS**, a Massachusetts town with a principal address of 900 Main Street, Millis, MA 02054, by and through its Select Board or its designee ("TOWN").

WHEREAS, On November 8, 2016 Massachusetts voters approved the legal cultivation, processing, distribution, sale and use of marijuana for adult use through Chapter 334 of the Acts of 2016, an Act for The Regulation and Taxation of Marijuana; and

WHEREAS, On July 28, 2017, Governor Baker signed the General Court's revised law on the subject, "An Act to Ensure Safe Access to Marijuana" adopted as Chapter 55 of the Acts of 2017 (the "Act"); and

WHEREAS, Massachusetts, acting through the Cannabis Control Commission ("CCC") implemented regulatory framework for the regulation of the adult use of marijuana establishments through 935 CMR 500.000 *et. seq.* on March 23, 2018 ("CCC Regulations"); and

WHEREAS, A "marijuana establishment" as defined in the CCC Regulations, means a Marijuana Cultivator, Craft Marijuana Cooperative, Marijuana Product Manufacturer, Marijuana Retailer, Independent Testing Laboratory, Marijuana Research Facility, Marijuana Transporter, or any other type of licensed marijuana-related business, except a medical marijuana treatment center; and

WHEREAS, OPERATOR seeks licensure and other approvals as a Marijuana Products Manufacturer to locate and operate a marijuana establishment in the TOWN at 1375 Main Street, Millis, MA 02054, in accordance with applicable CCC regulations and such approvals as may be issued by the TOWN, by its designated officers, boards and/or commissions, in accordance with its Zoning Bylaw and other applicable regulations in effect at the time that the CCC deems that the OPERATOR's application is complete; and

WHEREAS, OPERATOR intends to provide certain benefits to the TOWN upon receipt of CCC licensure to operate its Marijuana Products Manufacturer business in the TOWN and upon receipt of all required local approvals to do so; and

WHEREAS, OPERATOR and TOWN agree that the OPERATOR's Marijuana Products Manufacturer business will impact TOWN resources in ways unique to such business and will uniquely draw upon TOWN resources such as TOWN's road system, law enforcement, fire protection services, inspectional and permitting services, public health services in a manner not

review shall only be conducted one time for the TOWN and shall be considered to be part of the Special Permit process. The TOWN agrees this peer review shall meet all the requirements or requests of any other Department, Committee, Board, or any other TOWN entity that may seek additional information related to the OPERATOR'S odor control plan.

3. **Community Impact Fee:** For the operation of its Marijuana Establishments, the OPERATOR shall pay a community impact fee as allowed by M.G.L. c. 94G, § 3 (d) ("Impact Fee") in the amounts and under the terms provided herein. OPERATOR shall pay 3% of Gross Sales due as follows:

- a. The OPERATOR shall make quarterly payments to the TOWN in an amount equal to three percent (3%) of all OPERATOR'S gross quarterly sales from the facility, all marijuana, marijuana products, and marijuana manufacturing intellectual property. This payment shall be in addition to any local option tax accepted by the TOWN.
- b. OPERATOR agrees to make a down payment of \$25,000 to the TOWN upon execution of this agreement. The down payment will be a one-time payment and shall be credited toward any payments which may be due under paragraph 3a. hereunder. The down payment shall be refunded to the OPERATOR if the Town fails to approve a special permit to permit the marijuana operation contemplated herein.
- c. The first Quarterly Payment from paragraph 3a. above shall be made thirty (30) days following the close of the first fiscal quarter after commencement of operations. OPERATOR agrees to make subsequent Quarterly Payments thirty (30) days following the close of each subsequent fiscal quarter.
- d. In the event of a relocation out of the TOWN, an adjustment of the Payment due to the TOWN shall be calculated based on the period of occupation of the Facility with the TOWN, but in no event shall the TOWN be responsible for the return of any Payment or portion thereof already provided to the TOWN by the OPERATOR.

4. **Impact Fees Relative to Town Costs:** 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..." ("Town Costs"). Notwithstanding the foregoing, the Parties acknowledge the difficulty in computing actual Town Costs and have agreed to Impact Fee schedule above in lieu of attempting to determine actual Town Costs incurred. OPERATOR acknowledges that the impacts of its operation may be impracticable to ascertain and assess as impacts may result in budgetary increases though not separately identified, and consequently, OPERATOR acknowledges that the payments due under this Agreement are reasonably related to Town Costs.

5. **Impact Fees as Other Municipal Charges.** Impact Fees are expressly included as "other municipal charges" pursuant to M.G.L. c. 40, § 57. A Town licensing authority may deny, revoke or suspend any license or permit, including renewals and transfers, of OPERATOR or agent thereof if OPERATOR'S name appears on a list furnished to the licensing

**25,000.00** wire received February 25, 2021