



CITY of BEVERLY

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Proposals for Marijuana Establishment Host Community Agreement January 24, 2019

The process outlined herein is intended to provide guidance to persons and/or entities seeking to enter into a Host Community Agreement (“HCA”) to operate a marijuana establishment in Beverly. The City reserves the right to alter, amend, and/or deviate from this process at any time, in its discretion.

1. **Timeline.** The City will open the process for receiving proposals January 24, 2019. Proposals will be reviewed on a rolling basis.
2. **Review.** In considering HCA proposals, the City seeks to work with the highly qualified operators at locations that have minimal negative impacts on the neighborhood and the community at large, among other things. Proposals will be initially reviewed by City Staff who will then advise the Mayor on the benefits or lack thereof of the proposals. The City, in its discretion, will thereafter meet with proposers to further discuss proposals and the possibility of entering into a HCA.
3. **Submission.** Four (4) copies and a digital copy of the attached Marijuana Establishment Host Community Agreement Proposal form and all required supporting materials, along with any other materials an operator would like the City to consider, shall be submitted to the City through the City Planning Department. Incomplete proposals will not be reviewed.
4. **Supporting materials.** The following supporting materials must accompany each Proposal:
 - a. Evidence of site control, either through deeded ownership, an executed lease, a real estate contract contingent upon successful licensing and permitting, or a notarized letter of intent by the owner of the property indicating intent to lease or sell the premises to the applicant upon successful licensing and permitting.
 - b. A completed copy of the entire application, in draft or final form, by the establishment to the Massachusetts Cannabis Control Commission (CCC).
 - c. Resumes for every manager, director, or officer of the establishment.
 - d. Completed Criminal Offender Record Information (“CORI”) Open Access Acknowledgement Forms for every manager, director, officer, or investor of the establishment (available here: <https://www.mass.gov/files/documents/2017/09/25/open-access-request-form.pdf>) accompanied by a payment of fifty dollars (\$50) per form, payable to the Commonwealth of Massachusetts in money order or cashier’s/treasurer’s check.
 - e. Copy of the establishment’s Business Plan.

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- f. Copy of the establishment's Security Plan.
 - g. Description and scope of the transportation analysis to be performed as a requirement of the Special Permit application.
 - h. Copy of financial records or letter of financing demonstrating capitalization or investment to ensure the establishment's solvency and successful operation.
5. **Minimum HCA provisions.** Should the City decide to proceed with an HCA, proposers should expect that the HCA will include, at a minimum, the provisions set forth below. In its discretion the City may require a HCA that alters, modifies and/or supplements these provisions.
- a. A commitment to pay the City a Community Impact Fee not to exceed three percent (3.0%) of the establishment's gross annual sales, with an initial payment in the first year of operation of twenty-five thousand dollars (\$25,000) payable to the City on the facility's opening date and the remaining balance due within twelve (12) months of opening.
 - b. A commitment to pay all required taxes, betterments, assessments, and utility charges in addition to the Community Impact Fee.
 - c. Operator's obligation to file annual financial statements with the City. Copies of financial statements provided to the CCC in connection with state licensing shall be sufficient for the purposes of this requirement.
 - d. Operator's obligation to apply for and comply with the requirements of any applicable City permit and/or license. Operator's acknowledgement that an executed HCA does not guarantee that a special permit or any other City permit or license will be granted.
 - e. Operator's obligation to design, construct, renovate, or improve the facilities to reflect high quality construction standards that improve and/or complement the general design aesthetic of the neighborhood, are consistent with design guidelines and the zoning code, and ensure energy efficiency and minimal environmental impact. To the fullest extent practicable, a facility's power supply shall use renewable energy sources.
 - f. Facility staff shall participate in City-sponsored educational programs on public health and drug abuse prevention.
 - g. Operator's obligation to submit establishment's security plan to the Beverly Chief of Police annually and receive approval of such plan each year. Upon the request of the City, the Operator shall meet with the Beverly Police Department to review operational concerns or other issues and shall report to the Police within 24 hours of becoming aware of: diversion of marijuana, inventory discrepancies, theft, loss or other criminal action, discrepancy in weight or inventory during transportation, vehicle accidents, diversions, losses or other reportable incidents that occur during transport, any suspicious act involving sale, cultivation, distribution, process or production of marijuana, unauthorized destruction of marijuana, loss or unauthorized alteration of the establishment's records, alarm activation or other event that requires public safety personnel to respond, failure of security alarm due to power loss or mechanical failure expected to last longer than eight hours, and any other

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breach of security. Operator will site interior and exterior security cameras in coordination with the Beverly Police Department, including two (2) cameras located so as to provide an unobstructed view in each direction of the public way(s) on which the facility is located, and provide unimpeded access to all security camera feeds to the Beverly Police Department. Operator will participate with the Police Department in a comprehensive diversion prevention plan.

- h. Operator shall comply with all CCC requirements regarding Criminal Offender Record Information (CORI) review for any new individual for whom the Marijuana Establishment seeks a marijuana establishment agent registration and forthwith submit all necessary information to the Police Chief who will then make a determination as to whether the individual is suitable to hold the position.
- i. Operator shall refuse to complete a transaction with any customer if the customer appears to be under the influence of drugs or alcohol.
- j. Operator shall verify the legal age of all customers using a government-issued identification prior to the customer being admitted into the facility and again prior to the completion of a transaction. Applicant must utilize electronic identification verification measures.
- k. If any term or condition of the HCA shall to any extent be held invalid, illegal or unenforceable by a court of competent jurisdiction or by regulation, the validity, legality, and enforceability of the remaining terms and conditions of HCA shall not be deemed affected thereby unless one or both parties would be substantially or materially prejudiced. Further, the Operators agree it will not challenge, in any jurisdiction, the enforceability of any provision included in the HCA; and to the extent the validity of the HCA is challenged by the Operator in a court of competent jurisdiction, the Operator shall pay for all reasonable fees and costs incurred by the City in the defense thereof.

Proposers are welcome and encouraged to propose additional benefits for the City's consideration. In addition, the City may also require direct impact mitigation particular to the specific location proposed by the applicant and its specific impacts.

6. **Favorable criteria.** Favorable criteria include, but are not limited to: (a) demonstrated direct experience in the cannabis industry or a similar industry; (b) managers, directors, officers, investors, and others related to the establishment are free of any disqualifying criminal convictions; (c) managers, directors, officers, investors, and others related to the establishment are representative of a diverse community; (d) financial records, Business Plan, and other documentation that demonstrates strong capitalization or access to financing to ensure success of business; (e) strong commitment to the community through investment and outreach; (f) demonstration of a clear understanding of the zoning regulations; (g) proposed design and operation of a facility with minimal impact upon the surrounding neighborhood; (h) demonstration of a commitment to providing indirect community support to the City through (i) use of local vendors (e.g., whether and how local businesses and vendors will be prioritized in the provision of goods and services called for in the construction, maintenance, and continued operation of the facility), (ii) hiring of Beverly residents (include process for recruitment), and

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(iii) payment of “living wages” (describe how such salaries and hourly wage rates may qualify as a “living wage,” as defined by the Massachusetts Institute of Technology as “the hourly rate that an individual must earn to support their family, if they are the sole provider and are working full-time (2080 hours per year)”; and (i) Demonstration of commitment to the Beverly community through charitable contributions to Beverly-based nonprofits or to the City of Beverly for a public purpose.

The City reserves the right to consider any additional criteria.

**CITY OF BEVERLY
MARIJUANA ESTABLISHMENT
HOST COMMUNITY AGREEMENT PROPOSAL**

File seven (7) copies, plus one digital version, of the proposal completed in full accompanied by all required supporting materials with Beverly Planning Department, 191 Cabot Street, Beverly, MA 01915. Please respond to each question as fully as possible, attaching separate sheets as necessary.

INDICATE TYPE(S) OF ESTABLISHMENT(S):

- CO-LOCATED MARIJUANA OPERATION
- CRAFT MARIJUANA COOPERATIVE
- INDEPENDENT TESTING LABORATORY
- MARIJUANA CULTIVATOR (indicate tier: _____)
- MARIJUANA PRODUCT MANUFACTURER
- MARIJUANA RESEARCH FACILITY
- MARIJUANA RETAILER
- MARIJUANA TRANSPORTER
- MARIJUANA MICRO-BUSINESS
- MEDICAL MARIJUANA TREATMENT CENTER or REGISTERED MARIJUANA DISPENSARY (RMD)

APPLICANT (Corporation Name / Business Name (D/B/A) / Sole Proprietor, etc.)					
Location of Proposed Establishment			Contact Name		
Address			Mailing Address (if different)		
City/Town	State	Zip	City/Town	State	Zip
Telephone Number		Fax Number	Business Telephone Number		Fax Number
Tax I.D. Number			Massachusetts Cannabis Industry Portal Number		
Email Address			Website		
Economic Empowerment Applicant: <input type="checkbox"/> Yes <input type="checkbox"/> No					

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1. Describe the form of ownership of the applicant (e.g., corporation, limited liability company, or limited partnership, sole proprietor, etc.)

Provide copies are any articles of organization, certificate of organization or other similar document filed with the Massachusetts Secretary of State and complete the Corporate Information required for Business Entities (see page 8).

2. Is the physical location of the business leased or owned? _____

Provide copy of purchase and sale agreement, deed, or lease.

3. Do you own or have any interest in another marijuana establishment(s), including registered marijuana dispensaries or medical marijuana treatment centers? Yes No

If yes, please provide name and physical location of any other such establishments:

4. Please specify your intended days and hours of operation:

5. Will you agree to the minimum HCA provisions as outlined in Section 5? Yes No

6. Does any owner, director, manager, officer, or investor have an existing or previously existing business or property in Beverly that owes any delinquent taxes, fees, fines, penalties, or other monies to the City of Beverly? Yes No

7. Does any owner, director, manager, officer, or investor have an existing or previously existing business or property in any other municipality that owes any delinquent taxes, fees, fines, penalties, or other monies to said municipality? Yes No

8. Has any owner, manager, director, officer, investor, or other individual affiliated with the applicant been convicted of any criminal disqualifying conditions, offenses, and violations pursuant to 935 CMR 500? Yes No

If Yes, please explain: _____

Please respond to the following questions with separate attachments to be submitted with this proposal. Please check box to demonstrate responses are attached.

9. Do you have experience managing a business in the marijuana industry? Please describe.

Response attached

10. Describe in detail the premises to be licensed, including plans for customer flow, security, delivery, lighting, and signage.

Response attached

11. How will you prevent the diversion of marijuana from your establishment?

Response attached

12. Please describe any ways in which the business or its affiliates have demonstrated a commitment to community involvement.

Response attached

13. Please indicate any additional conditions, considerations, or benefits you wish to propose for the HCA.

Response attached

14. Please submit a diagram of the premises. Diagrams should be as accurate and to scale. Label the areas of your diagram including entrances, office area, kitchen, storage areas, restrooms, parking locations, signage, loading areas, transaction locations, etc.

Diagram attached

15. Submission of a proposal does not endow any proposer with any legal right or create any legal obligation on the part of the City to execute a HCA. The City may in its discretion decline to execute a HCA.

Signature of Applicant or Corporate Officer(s)

Signature of Applicant or Corporate Officer(s)

Print Name

Print Name

Date of Proposal

Corporate Information Required for Business Entities

Responses to questions below must match information on file with the MA Secretary of State’s office.

1. Exact legal name: _____
2. Doing Business As, if any: _____
3. Date of filing with Secretary of State: _____ State in which you are formed: _____
4. If not a MA business entity, date on which you were authorized to transact business in the State of MA

5. List the name, addresses and title of officers, directors and/or members and list the percentage ownership:
(attach additional sheets as needed)

NAME	ADDRESS	TITLE	% OWNERSHIP

(Stock ownership in non-publicly traded companies must add up to 100 %.)

Signature of Duly Authorized Person

Date