



CITY OF NEW BEDFORD

MASSACHUSETTS

OFFICE OF THE TREASURER

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Treasurer/Collector

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Tax Title Attorney

November 18, 2019

By Hand

Councilor Ian Abreu
Chairman Committee on Licensing and
Zoning for Cannabis
New Bedford City Council
133 William Street
New Bedford, MA 02740

RE: Host Community Agreement
Beacon Compassion, Inc.

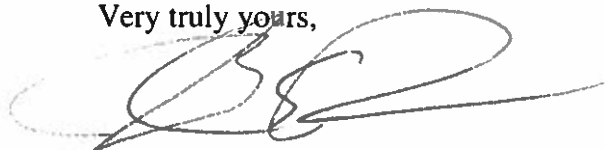
Dear Chairman Abreu

I am writing in response to the concerns raised by the Committee on Licensing and Zoning for Cannabis (the "Committee") regarding the first proposed amendment to the above-referenced Host Community Agreement. It is my understanding that the consideration of that proposal was tabled pending the City and Beacon discussing making the agreement consistent with those recently approved by the City Council for other dispensaries.

The City and Beacon have discussed the agreement. As a result of those discussions, I am enclosing a revised First Amendment to Host community Agreement between the City and Beacon. This document contains the same payment language as the other dispensary host agreements. The administration respectfully requests that the Committee consider the enclosed document.

Please feel free if you should have any questions regarding the enclosed document or any other aspect of this matter.

Very truly yours,



Blair S. Bailey

FIRST AMENDMENT TO HOST COMMUNITY AGREEMENT

THIS FIRST AMENDMENT is entered into as of July __, 2019 by and between the **City of New Bedford**, acting by and through its Mayor, with a principal address of 133 Williams Street, New Bedford, Massachusetts 02740 (hereinafter the “City”) and **Beacon Compassion Inc.**, a Massachusetts corporation with a principal office address of 900 Washington Street, Ste. A, Norwood, Massachusetts 02062 (hereinafter the “Company”) (collectively, the “Parties”).

WHEREAS, on or about February 10, 2017, the Parties executed a Host Community Agreement (“HCA”) pertaining to the Company’s proposed medical marijuana dispensary at 366 Hathaway Road (“the Premises”); and

WHEREAS, the HCA requires in Section 1 thereof certain Host Community Payments; and

WHEREAS, in light of changes in Massachusetts law and regulation, the HCA may no longer comply with certain provisions of Mass. Gen. Law ch. 94G § 3(d) and 935 CMR 500.000 et seq.; and

WHEREAS, the Parties desire to keep the HCA in full force and effect, and to amend the HCA to conform it to Massachusetts law and regulation; and

WHEREAS, the Parties desire that the HCA apply to both the medical marijuana dispensary operations and adult use recreational dispensary operations at the Premises.

NOW WHEREFORE, for good and valuable consideration the receipt and sufficiency of which is hereby acknowledged and for the mutual promises set forth below, the parties agree as follows:

1. The HCA is hereby amended by adding, after Section 17, a new section containing in its entirety the following text:

“The Parties agree that the HCA, as amended, shall pertain to and allow the operation of an adult use recreational dispensary in accordance with 935 CMR 500.000 et seq. and Mass. Gen. Laws ch. 94G, and subject to the Company’s receipt of all necessary and required permit and licenses of the City and the Massachusetts Cannabis Control Commission (“CCC).”

2. The HCA is hereby further amended by adding a new section 6(e) containing in its entirety the following text:

e. **Annual Charitable/Non-Profit Contributions.** The Company, in addition to any funds otherwise specified herein, agrees to make an annual contribution of \$50,000.00 or 1½ % of the establishment’s gross sales, whichever is greater, in charitable donations per year to New Bedford based organizations that deliver substance abuse prevention and education programs in the City’s public-school district. The first \$25,000.00 portion of

the payment for the first year of operation shall be paid on the facility's opening date and the remaining balance must be made within 12 months of opening. Company shall submit annual reports to the City indicating payments made under this provision. In any year where the Company reaches gross sales of \$2,500,000.00, the Company shall make an additional charitable contribution of \$50,000.00 and in a year where the Company reaches \$5,000,000.00 in gross sales, the Company shall make an additional charitable contribution of \$100,000.00. Any charitable payment will not reduce the Community Impact Fee amount nor is it considered a payment in response to a community impact."

2. In accordance with Mass Gen. Law. Ch 94G § 3(d), and notwithstanding the provisions of Section 1, the Host Community Payments made to the City of New Bedford under the HCA shall not exceed three percent (3%) of the gross annual sales of the Facility.

3. In accordance with Mass Gen. Law. Ch 94G § 3(d), and notwithstanding any provisions within the HCA to the contrary, the HCA shall be effective for a period of five (5) years commencing upon the date that the Company commences sales operation at the Premises.

4. Notwithstanding any references to 105 CMR 725.000 et seq., the Parties agree that the HCA shall be subject to any jurisdiction provided to the CCC, and shall be interpreted in accordance with Mass. Gen. Laws ch. 94G and 935 CMR 500.000 et seq.

5. All other terms and conditions of the HCA not inconsistent with this Amendment are hereby ratified and confirmed.

In witness whereof, the Parties have hereafter set faith their hand.

CITY OF NEW BEDFORD

BEACON COMPASSION, INC.

By: Jonathan F. Mitchell

By: Catherine Cametti

Its: Mayor

Its: President

Date: ____/____/2019

Date: ____/____/2019