

**RENEWAL HOST COMMUNITY AGREEMENT FOR MARIJUANA PRODUCT  
MANUFACTURING ESTABLISHMENT  
BETWEEN CLOUD CREAMERY, LLC AND  
THE CITY OF FRAMINGHAM, MASSACHUSETTS**

THIS RENEWAL HOST COMMUNITY AGREEMENT ("Agreement") is entered into this 30<sup>th</sup> day of January, 2023 by and between **CLOUD CREAMERY, LLC**, a Massachusetts domestic limited liability company with its main office presently located at with usual place of business in Framingham at **119 Herbert Street, Framingham, MA 01702** ("OPERATOR") and the **CITY OF FRAMINGHAM**, a Massachusetts municipal corporation with a principal address of 150 Concord Street, Framingham, MA 01702 ("CITY").

**RECITALS**

1. OPERATOR is the lessee of the property at **119 Herbert Street, Framingham, MA 01702** ("the Premises") owned by Robert G. Kinz, Trustee of Eames/Herbert Street Realty Trust, w/d/t/d December 27, 2001 under the deed recorded with the Middlesex South District registry of Deeds at Book 35678, Page 508, which lease is evidenced by a Notice of Lease dated October 31, 2018 and recorded with said Deed at Book 72996, Page 50;
2. OPERATOR has obtained a license from the Cannabis Control Commission to operate **an adult use, i.e., non-medical, Marijuana Product Manufacturing Establishment** within the meaning of 935 CMR 500.002, located at **119 Herbert Street, Framingham, MA 01702**; and to manufacture and sell at wholesale marijuana and marijuana products at the Premises in compliance with 935 CMR 500, and M.G.L. c. 94C, § 34;
3. OPERATOR has warranted and represented, and the CITY's Planning Administrator has verified, that the OPERATOR'S **Marijuana Product Manufacturing Establishment** is not located within 500 feet, measured in a straight line from the nearest point of the Premises to the nearest point of any pre-existing public or private school providing education in kindergarten or grades 1 through 12;
4. MGL c. 94G § 3(d), as affected by Chapter 55 of the Acts of 2017, as further amended by Chapter 180 of the Acts of 2022 at SECTION 10, provides in part that:  
  
(d)(1) A marijuana establishment or a medical marijuana treatment center seeking a new license or renewal of a license to operate or continue to operate in a municipality that permits such operation shall negotiate and execute a host community agreement with that host community setting forth the conditions to have a marijuana establishment or medical marijuana treatment center located within the host community, which shall include, but

not be limited to, all stipulations of responsibilities between the host community and the marijuana establishment or medical marijuana treatment center.

(2)(i) Notwithstanding any general or special law to the contrary, a host community agreement may include a community impact fee for the host community; provided, however, that no host community agreement shall include a community impact fee after the eighth year of operation of a marijuana establishment or a medical marijuana treatment center. The community impact fee shall: (A) be reasonably related to the costs imposed upon the municipality by the operation of the marijuana establishment or medical marijuana treatment center, as documented pursuant to subparagraph (iii); (B) amount to not more than 3 per cent of the gross sales of the marijuana establishment or medical marijuana treatment center; (C) not be effective after the marijuana establishment or medical marijuana treatment center's eighth year of operation; (D) commence on the date the marijuana establishment or medical marijuana treatment center is granted a final license by the commission; and (E) not mandate a certain percentage of total or gross sales as the community impact fee.

5. M.G.L. c. 94G, § 12 (h), as affected by Chapter 55 of the Acts of 2017 at SECTION 37 requires that "[e]ach licensee shall file an emergency response plan with the fire department and police department of the host community"; and
6. OPERATOR and the CITY enter into this Agreement with the intention of being bound by its terms such that this Agreement shall be fully enforceable by a court of competent jurisdiction.
7. OPERATOR and the CITY entered into a Host Community Agreement ("Prior Agreement") on July 26, 2019, which set forth the terms and conditions of the Company's operation of **an adult use, i.e., non-medical Marijuana Product Manufacturing Establishment**;
8. Subsequent to the OPERATOR and the CITY entering the Prior Agreement, statutory amendments to M.G.L. c. 94G were enacted. As such, the OPERATOR and the CITY are entering into this Renewal Agreement to reflect said changes;
9. OPERATOR and the CITY desire to amend and restate the Prior Agreement in its entirety as provided herein, replacing the Prior Agreement with this Agreement in all respects.

NOW THEREFORE, in accordance with M.G.L. c. 94G, as affected by Chapter 55 of the Acts of 2017, as further amended by Chapter 180 of the Acts of 2022 at SECTION 10, and the regulations of the Cannabis Control Commission ("COMMISSION") promulgated thereunder as

935 CMR 500.00, and in consideration of the mutual promises herein contained, the OPERATOR and CITY agree as follows:

1. **Compliance.** OPERATOR shall comply with all laws, rules, bylaws or ordinances, regulations and orders applicable to the operation of **an adult use, i.e., non-medical, Marijuana Product Manufacturing Establishment**, such provisions being incorporated herein by reference, including, but not limited to:
  - a. M.G.L. c. 94G, as affected by Chapter 55 of the Acts of 2017, as further amended by Chapter 180 of the Acts of 2022 at SECTION 10 and the regulations of the COMMISSION as the same may be amended from time to time; and
  - b. The City of Framingham General Ordinances, Zoning Ordinance, and Board of Health Regulations as the same may be amended from time to time.

OPERATOR shall be responsible for obtaining from the Commission and the CITY all necessary licenses, permits, and approvals required for the operation of its Marijuana Product Manufacturing Establishment at the Premises or with continuing compliance with such necessary licenses, permits, and approvals in effect for the continuing operation of the Marijuana Product Manufacturing Establishment at the Premises. OPERATOR has consulted with the Board of Health, which has determined that OPERATOR has made adequate provision for odor mitigation and waste disposal OPERATOR shall use of an industrial grinder for disposal of waste containing cannabis or cannabis residue, provided such provisions are not considered "Unreasonably Impracticable" as defined in 935 CMR 500.002.

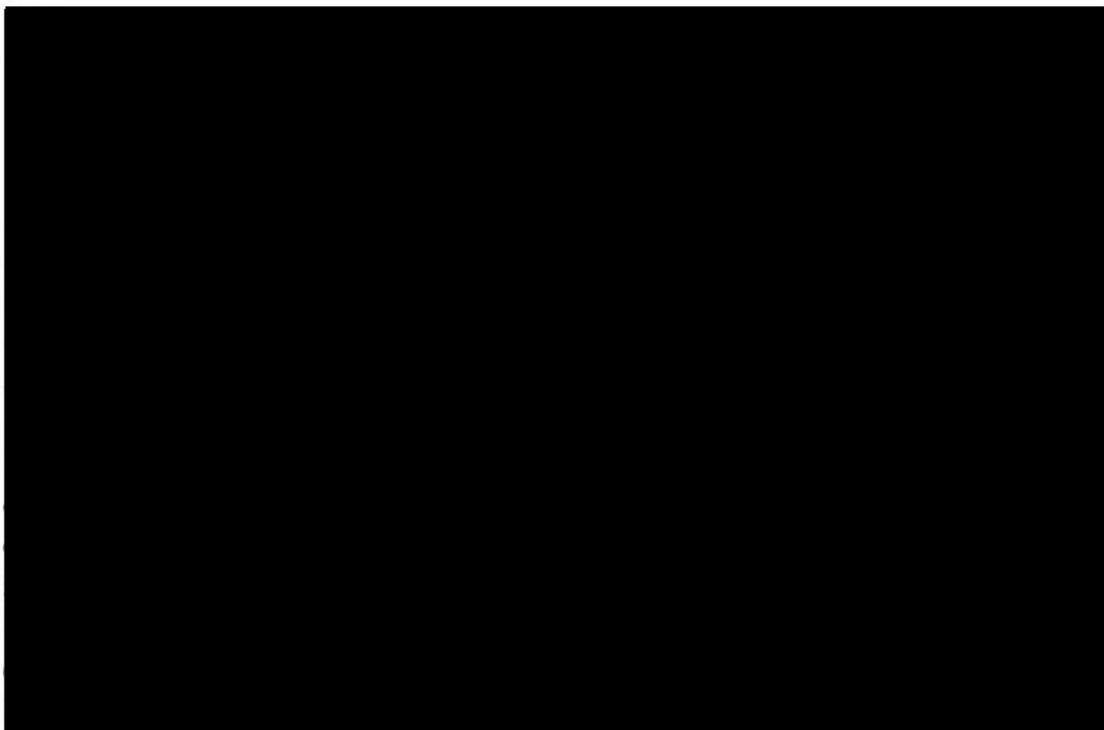
2. **Community Impact Fee.** In accordance with the City of Framingham's General Ordinances, Article VIII, Section 9.10, OPERATOR shall pay to the CITY an annual community impact fee related to the reasonably related costs imposed on the CITY for OPERATOR'S Marijuana Product Manufacturing Establishment at the Premises which shall be in an amount allowed and for such duration as provided under MGL c. 94G § 3(d), as amended by Chapter 180 of the Acts of 2022. Any cost imposed upon the CITY related to OPERATOR'S operation of a Marijuana Facility at the Premises shall be documented by the CITY and transmitted to the OPERATOR within one (1) month after the date of the OPERATOR'S annual renewal of final licensing. The OPERATOR shall provide payment pursuant to paragraph b herein.
  - a. OPERATOR understands and agrees that the purpose of the Community Impact Fee is to alleviate the impacts of the siting and operating the Marijuana Product Manufacturing Establishment in the CITY, which include, but are not limited to, expenditures of CITY funds to:
    - i. promote and maintain a positive perception of the CITY to other residents, visitors and businesses;

- ii. address impacts on public health and safety, including creation of addiction prevention and education programs;
  - iii. maintain roads and public services;
  - iv. pay for costs and increased costs including overtime, if any, associated with the CITY'S administrative, regulatory, police, fire, legal and inspectional services activities relating to the OPERATOR and the Premises;
  - v. cover legal services and costs of CITY personnel involved in any legal, administrative and/or agency proceedings relating to OPERATOR and the Premises, excepting the CITY's legal services related to the negotiation, drafting and execution of this Agreement.
- b. Payment shall be made as follows, subject to any payment plan negotiated between the CITY's Marijuana Advisory Team and the OPERATOR: within thirty (30) days of OPERATOR's receipt of documentation provided to the OPERATOR within one (1) month after the date of the OPERATOR's annual renewal of final licensing of such reasonably related costs as allowed under M.G.L. c. 94G, §3(d), as affected by Chapter 180 of the Acts of 2022 at SECTION 10, adjusted for any partial year. The community impact fee shall be capped at 3% of the gross sales of the Marijuana Product Manufacturing Establishment.
- c. The Parties further expressly agree that, subject to applicable law, the CITY may treat its community impact fee as general fund revenue pursuant to M.G.L. c. 44, §53 and is not a donation or grant under M.G.L. c. 44, §53A.
- d. The OPERATOR acknowledges that any mitigation and impact fees which OPERATOR has paid to the CITY to date based upon previous Host Community Agreements entered by the Parties, and prior to executing this Agreement, were lawfully owed and consistent with statutes and regulations applicable thereto at the time payments were made. OPERATOR agrees to waive and release any claims and/or requests for reimbursement of mitigation and/or impact fees previously paid. The parties agree that any current changes to mitigation and impact fees based on Chapter 180 of the Acts of 2022 SECTION 10 are reflected herein, and shall operate prospectively.
3. **Financial Reporting:** OPERATOR shall furnish the CITY with annual profit and loss statements, in a form and manner as submitted to the Commission, as soon as they become available, reflecting gross sales figures of marijuana at its Marijuana Product Manufacturing Establishment in Framingham and shall provide the CITY upon request with all copies of its periodic financial filings to agencies of the Commonwealth documenting gross sales and

gross annual revenues and copies of its filings to the Commission, Secretary of the Commonwealth's Corporations Division, and the Massachusetts Department of Revenue.

4. **Confidentiality:** To the extent permitted by M.G.L. c. 66, § 10, (the "Public Records Law") any material or information OPERATOR provides to the CITY including 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") shall be subject to this Confidentiality provision. The CITY (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 thereafter, disclose any Confidential Information to any person or entity, except as may be required by court order or the Public Records Law.
5. **Monitoring and Accounting for Community Impacts.** The OPERATOR may make written request to the CITY for review of the community impact fee. So that the CITY may respond to such request, the OPERATOR agrees that it shall append Police, Fire and Inspectional Services Department incident reports specifically related to the OPERATOR's Marijuana Product Manufacturing Establishment occurring within a two-mile radius of the Marijuana Product Manufacturing Establishment and satellite parking area(s) indicated in paragraph 10 below.
6. **Security.**

a.



b.



7. **Hours of Operation.** OPERATOR may operate during the following hours:

Monday: 9 am – 5 pm  
Tuesday: 9 am – 5 pm  
Wednesday: 9 am – 5 pm  
Thursday: 9 am – 5 pm  
Friday: 9 am – 5 pm  
Saturday: 9 am – 5 pm

8. **Public Transit-Discharge and Pickup of Passengers.** OPERATOR expressly acknowledges and understands that it is prohibited from selling its marijuana products directly to consumers or patients, and that accordingly, OPERATOR is not required to provide marked area in parking lot for public transit buses and taxis to discharge and pick up passengers.
9. **No Discharge of Patrons on Public Way-No Loitering.** OPERATOR shall not allow discharge and pick up of passengers within any portion of the adjacent state highway, including the breakdown lane, or other public ways. OPERATOR shall not allow any person to congregate or remain outside of its Marijuana Product Manufacturer Establishment building or parking lot for more than 15 minutes.
10. **Parking and Traffic Control.** OPERATOR shall provide no fewer than 3 parking spaces for its employees; the OPERATOR has non-exclusive use to approximately 30 spaces that serve the office park. OPERATOR expressly acknowledges and understands that it is prohibited from selling its marijuana products directly to consumers or patients, and that accordingly, OPERATOR is not required to retain a parking lot attendant during the hours of operation to ensure safe traffic flow to and from the Premises.
11. **Incorporation of Minor Site Plan Review Conditions by Reference.** The City of Framingham's Building Commissioner has determined that Minor Site Plan Review is not required.
12. **Cooperation.** OPERATOR shall maintain a cooperative relationship with the City's Police and Fire Departments and shall meet no less than once every four (4) months to review

operational concerns, cooperate in investigations, and communicate to Framingham Police Department any suspicious activities on the site.

13. **Hiring Framingham Residents.** OPERATOR shall make a diligent effort to hire local, qualified employees to the extent consistent with law and shall work in a good faith, legal and non-discriminatory manner to hire local vendors, suppliers, contractors and builders from the Framingham area where possible.

14. **Personal Property and Real Estate Taxes.** OPERATOR hereby represents that all personal property and real estate taxes, and all water and sewer use charges are paid in full through the current tax period. Further, OPERATOR agrees that at all times during the term of this Agreement, all property, both real and personal, owned or operated by OPERATOR shall be treated as taxable, and that all applicable real estate and personal property taxes for that property shall be paid either directly by OPERATOR or by its landlord.

OPERATOR further agrees that it shall not object or otherwise challenge the taxability of such property and shall not seek a non-profit exemption from paying such taxes and that, notwithstanding the foregoing, if:

- a. any real or personal property owned or operated by OPERATOR is determined to be non-taxable or partially non-taxable, or
- b. the value of such property is abated with the effect of reducing or eliminating the tax which would otherwise be paid if assessed at full value, or
- c. 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 OPERATOR shall pay to the CITY 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 full assessed 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 OPERATOR under Section 1 of this Agreement.

15. **Water and Sewer Metering:** OPERATOR's Premises is served by municipal water and sewer, the meter(s) for which were inspected by the CITY on or before May 28, 2019. OPERATOR expressly understands that illegal connections and inflow into the City's sewer system is expressly prohibited by the Framingham Wastewater Regulations dated May 2015 ("Regulations"). Further, OPERATOR to pay an inflow and infiltration fee as required by the Department of Public Works, which fee is based upon the water usage for the business operations at the Premises. Such fee shall be paid prior to the commencement of OPERATOR's business operations.

16. **Term, Continued Operation and Extension of Term.** The term of this Agreement is **three (3) years, beginning on January 1, 2023**, terminating on December 31, 2025, unless sooner terminated by:

- a. revocation of OPERATOR's license by the Commission; or
- b. OPERATOR's voluntary or involuntary cessation of operations; or
- c. the CITY's termination of this Agreement for breach of the conditions contained herein that remain uncured 15 days from the date of notice of such breach.

OPERATOR expressly understands and agrees that its continued operation of its Marijuana Product Manufacturing Establishment (either at the Premises or elsewhere in Framingham if the Marijuana Product Manufacturing Establishment should relocate) after the end of term of this Agreement, shall require either a renewal of this Agreement upon the same terms (or a new Agreement with new terms) and agrees that the terms of this Agreement shall be extended until such time as a renewal Agreement is entered by the Parties.

17. **Amendment.** This Agreement may be amended by a fully executed mutual written agreement, provided however, that OPERATOR shall have paid all taxes and fees due and payable to the Commission and the CITY as of the date when the OPERATOR executes of such amendment, it being understood that the CITY shall be the final signatory to such amendment.

18. **Bond.** Prior to commencing operations, OPERATOR shall provide to the CITY a bond in the sum of One Thousand and 00/100 (\$1,000.00) to support the orderly dismantling and winding down of the Marijuana Establishment if the OPERATOR should cease operations, i.e., should not transact business for a period greater than 60 days with no substantial action taken to reopen, excluding any period of force majeure or government shutdown. The CITY's requirement for such bond is analogous to that stated in the Commission's Regulations promulgated as 935 CMR 500.105 (16).

19. **Assignment.** OPERATOR shall not assign, sublet or otherwise transfer this Agreement, in whole or in part, without the prior written consent of the CITY and shall not assign any of the moneys payable under this Agreement, except by and with the written consent of the CITY. This Agreement is binding upon the parties hereto, their successors, assigns and legal representatives.

20. **No Rights in Third Parties.** This Agreement is not intended to, nor shall it be construed to, create any rights in third parties.

21. **Notice.** Any and all notices 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, to the parties at the addresses set forth below or as furnished from time to time in writing hereafter by one party to the other party. Any such notice or correspondence shall be deemed given when so delivered by hand during normal business hours of the parties, or if so mailed, on the date of delivery to the address of the party.

**In case of Notice to the CITY:**

ATTN: Mayor Charlie Sisitsky  
City of Framingham  
150 Concord Street, Room 213  
Framingham, MA 01702

With copy to:

ATTN: Audra Shaw, Licensing Coordinator  
Framingham City Solicitor's Office  
150 Concord Street, B2  
Framingham, MA 01702

Kathryn Fallon, Esq.  
City Solicitor  
150 Concord Street, B2  
Framingham, MA 01702

**In case of Notice to OPERATOR:**

David Yusefzadeh  


22. **Post Business Hours Contact.** For situations requiring after business hours contact with the OPERATOR, the CITY may contact the following contact

David Yusefzadeh  


23. **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.

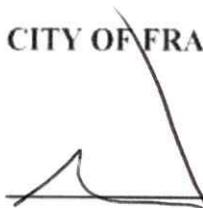
24. **Governing Law.** This Agreement shall be governed by, construed and enforced in accordance with the laws of the Commonwealth of Massachusetts and OPERATOR submits to the jurisdiction of the Trial Court for Middlesex County for the adjudication of disputes arising out of this Agreement.
25. **Integration.** This Agreement, including all documents incorporated herein by reference, constitute 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.

OPERATOR Executed this 30<sup>th</sup> day of January, 2023

  
By: \_\_\_\_\_

Its duly authorized

CITY OF FRAMINGHAM Executed this 7<sup>th</sup> day of February, 2023

  
\_\_\_\_\_

Charlie Sisitsky, Mayor

**APPROVED AS TO FORM**

  
By: Kathryn Fallon, City Solicitor