

TOWN OF ARLINGTON



MARIJUANA ESTABLISHMENT HOST COMMUNITY AGREEMENT (HCA) LICENSE APPLICATION

\*\*\*Notice: The following application is for the limited purpose of vetting individuals and businesses seeking a 2020 Host Community Agreement with the Town of Arlington. Applicants are encouraged to read the Select Board’s “Host Community Agreement Process & Criteria” for a full articulation of the HCA Selection Process in Arlington.\*\*\*

Section 1. Applicant Information:

Business Legal Name: The Human Connection LLC

Business DBA, if different:

Business Address: 29 Florence Ave, Arlington, MA 02476

Phone: 617.312.0592 Website:

Federal Employer Identification Number (EIN): 85-1039717

Does the business currently possess any type of marijuana license in the Town of Arlington? Yes No

If yes, describe:

Does the business currently possess any type of marijuana license in the Commonwealth? Yes No

If yes, describe:

(please note, subsidiary companies must identify any and all marijuana licenses held by parent companies/corporations in Massachusetts)

Primary Contact Name: Jared Glanz-Berger

Mailing Address: 29 Florence Ave, Arlington, MA 02476

Email: Jared.Glanzberger@gmail.com Phone: 617.312.0592

Emergency Contact: N/A

Email: \_\_\_\_\_ Phone: \_\_\_\_\_

If you would like mail sent to a different Address, provide alternate mailing information below:

Mailing Contact Name: N/A

Mailing Address: \_\_\_\_\_

### **A. Business Organization**

*Check only one and provide names as indicated:*

**Sole Proprietor:** Name of Owner: \_\_\_\_\_

**Partnership (Inc. LLP):** Name of Partnership: \_\_\_\_\_

Names of all Partners Who Own More Than 10%: \_\_\_\_\_

\_\_\_\_\_

**Trust:** Name of Trust: \_\_\_\_\_

Names of All Trustees Who Own More Than 10%: \_\_\_\_\_

\_\_\_\_\_

**Corporation (as registered):** \_\_\_\_\_

Name of President: \_\_\_\_\_

Name of Secretary: \_\_\_\_\_ Name of Treasurer: \_\_\_\_\_

**LLC:** Name of LLC: **The Human Connection LLC**

Name of All Managers Who Own More Than 10%: **Jared Glanz-Berger**

\_\_\_\_\_

**Other:** (Attach a Description of the Form of Ownership and the Names of Owners)

## **B. Proposed Marijuana Establishment**

- Adult-Use Marijuana Retailer
- Registered Marijuana Dispensary/Medical Marijuana Treatment Center
- Co-Located Adult-Use/Medical Marijuana Retailer
- Marijuana Cultivator
- Craft Marijuana Cooperative
- Marijuana Product Manufacturer
- Independent Testing Laboratory
- Marijuana Research Facility

## Section 2. Priority Status:

### *For Marijuana Retailers Only*

- Group A Priority.** Attach proof that the applicant is 1) an Economic Empowerment Applicant, 2) is owned by an Arlington resident(s) or entities with at least 50% of its ownership made up of Arlington residents, or 3) is a cooperatively-owned entity.

An Economic Empowerment Applicant is one who meets *at least three (3)* of the following criteria:

- (1) A majority of ownership belongs to people who have lived for 5 of the preceding 10 years in an area of disproportionate impact, as determined by the MA CCC;
- (2) A majority of ownership has held one or more previous positions where the primary population served were disproportionately impacted, or where primary responsibilities included economic education , resource provision or empowerment to disproportionately impacted individuals or communities;
- (3) At least 51% of employees or subcontractors reside in areas of disproportionate impact and by the first business day, the ratio will meet or exceed 75%;
- (4) At least 51% of the employees or subcontractors have drug-related CORI and are otherwise legally employable in cannabis enterprises;
- (5) A majority of ownership is made up of individuals of Black, African American, Hispanic or Latino descent;
- (6) Other significant articulable demonstration of past experience in or business practices that promote economic empowerment in area of disproportionate impact.

- Group B Priority.** Attach proof that your company is a Registered Marijuana Dispensary currently operating in Arlington that will continue selling medicinal products.

- No Priority.** All applicants who are not Group A or B should check here.

**SEE ATTACHED: “Proof of Group A Priority,” page 39**

**Section 3. Operating Questionnaire**

*The following questions provide applicants an opportunity to respond to the qualitative criteria established by the Select Board for considering applications, which are as follows:*

- a. Completeness and quality of application;
- b. Demonstrated direct experience in the cannabis industry or a similar industry, such sensitive retail and related commercial uses – package stores, establishments with other types of alcohol licenses or age-restricted products;
- c. Relevant business experience in Arlington;
- d. Relevant business experience in the Commonwealth of Massachusetts;
- e. A sound preliminary business plan which evidences applicants’ financial resources, proposed scale of operation, inventory sources and plans for inventory management, as well as anticipated costs and revenues;
- f. A strong employee training process and plan to ensure regulatory compliance;
- g. A sound preliminary security plan including inventory security;
- h. A sound preliminary traffic and parking plan demonstrating basic feasibility of the site and/or intended traffic and parking mitigation measures;
- i. For adult-use applicants, intention to co-locate RMD operations to ensure access to Arlington medical marijuana patients;
- j. Commitment to youth safety, abuse prevention, and community education;
- k. Commitment to diversity and local hiring; and
- l. Maintenance of geographic balance in the distribution of marijuana establishments.

*Applicants are encouraged to provide specific information which speaks to each criterion/question. You may respond with separate attached documents as directed and needed.*

- 1. Describe your direct experience in the cannabis industry or a similar industry (such as sensitive commercial retail enterprises such as package stores, nicotine products, etc.)

**SEE ATTACHED: “Q1 Direct Experience in the Cannabis Industry,” page 4-5**

---

---

---

---

2. Describe your business experience in Arlington if any.

**SEE ATTACHED: “Q2 & 3 Human Roots: Business Experience in Arlington and Mass,”**

---

**page 5-6**

---

---

---

3. Describe your experience operating a business within the Commonwealth of Massachusetts.

**SEE ATTACHED: “Q2 & 3 Human Roots: Business Experience in Arlington and Mass,”**

---

**pages 5-6**

---

---

---

4. Provide a preliminary business plan<sup>1</sup> with particular attention to your proposed scale of retail operation, inventory sources, products to be sold, plan for inventory management, financial resources, marketing expectations, and anticipated costs and revenues (*please attach your full preliminary plan*).

**SEE ATTACHED: “Q4 Human Connection: Preliminary Business Plan,” pages 6-19**

5. Describe your employee training process and plan to ensure regulatory compliance. If available, provide copies of any employee training manuals or policies to employ or plan to employ.

**SEE ATTACHED: “Q5 Human Development: Employee Training Process,” pages 19-21**

---

---

---

---

<sup>1</sup> Preliminary business, security, and traffic and parking plans need not provide the level of detail subsequent permitting processes will require such as a traffic study or all documents and information required by the Cannabis Control Commission for state licensure. The Select Board should however understand your basic business model and plans for addressing reasonable concerns about parking, security, and management of the flow of anticipated activity at your proposed location.

6. Provide a preliminary security plan identifying your priority security concerns and any site-specific security issues and proposed means of addressing them (please attach your full preliminary plan).

**SEE ATTACHED: “Q6 Human Safety: Preliminary Security Plan,” pages 21-23**

7. Provide a preliminary traffic and parking plan demonstrating basic feasibility of the site and/or intended traffic and parking mitigation strategies (please attach your full preliminary plan).

**SEE ATTACHED: “Q7 Human Harmony: Preliminary Traffic and Parking Plan and Intended Traffic and Parking Mitigation Measures,” pages 23-24**

8. Describe how you will prevent and educate youth and families about dangers of underage exposure to, and the consumption of, recreational marijuana. Describe how the Applicant will sustain these efforts over time.

**SEE ATTACHED: “Q8 Human Education: Commitment to Youth Safety, Abuse**

**Prevention, and Community Education,” pages 24-25**

---

9. Describe how you will inform customers about restrictions on public consumption and workplace use, the risk of second hand smoke, and dangers of operating a motor vehicle while impaired.

**SEE ATTACHED: “Q9 Human Communication: Educating Customers About Restrictions**

**on Public Consumption and Workplace Use, Second Hand Smoke Risks, and Dangers Of**

**Operating Motor Vehicles While Impaired,” page 25**

---

10. Describe the number and type of jobs expected to be created by your business in Arlington, and how you will attract a local workforce that is also reflects Arlington’s commitment to diversity.

**SEE ATTACHED: “Q10 Human Diversity: Job Creation, Commitment to Local Hiring**

**and Diversity,” pages 25-26**

---

11. Describe how your business will support the unique character of your site location's neighborhood, as well as the Town's overall character, history, and culture.

---

**SEE ATTACHED: "Q11 Human Environment: Supporting the Unique Character, Culture, and History of Our Neighborhood, Maintaining Geographic Balance in the Distribution Of Marijuana Establishments," pages 26-28**

---

Responsive applicants shall also be invited to make a 20 minute presentation to the Select Board after all applications have been received and examined by a Preliminary Review Team. In addition to the foregoing, the presentation will provide applicants an opportunity to address those matters you believe present the best case for your business seeking one of a limited number of licenses.

**Section 4. Site Control Certification and Authorization:**

*If the property has more than one owner, each owner must sign a copy of this form:*

Street Address of Business Location: 23-35 Massachusetts Avenue, Arlington, MA 02474

Zoning District and Overlay District, if any: B2A – Major Business

Assessor's Map 023.0 Block 0005 Lot 0004.A Ward 3

Property Owner's Legal Name; WGM Realty Trust

Property Owner's Mailing address (with zip code):204 2<sup>nd</sup> Avenue, Waltham, MA 02451

Property Owner's Type of Business (Check Only One and Provide the Names Indicated):

**Sole Proprietorship:** Name of Owner: \_\_\_\_\_

**Partnership (inc., LLP):** Name of Partnership: \_\_\_\_\_

Names of All Partners Who Own More Than 10%: \_\_\_\_\_  
\_\_\_\_\_

**Trust:** Name of Trust: WGM Realty Trust

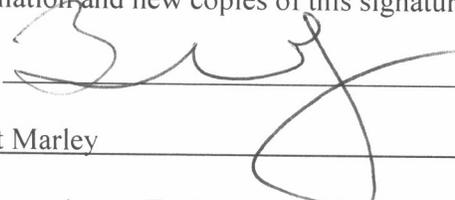
Names of All Trustees Who Own More Than 10% : Brett Marley  
\_\_\_\_\_

**Corporation:** Name of Corporation: \_\_\_\_\_

Name of President: \_\_\_\_\_

I certify that:

- I am the property owner or that I am duly authorized to act as agent for the property owner, For the property Located at 23-35 Massachusetts Avenue, Arlington, MA 02474.
- Jared Glanz-Berger (legal name of Applicant) Has been authorized by me to develop and use the property listed above for the purposes indicated in this application.
- I will permit any officials representing the Town to conduct site visits on the property in connection with this application and, if approved, this applicants business.
- Should the ownership of this property change before the Town has acted on this application, I will provide updated information and new copies of this signature page.

Owner Signature:  \_\_\_\_\_ Date: 5/11/2020

Print Name: Brett Marley

Title (Owner, Present, Agent, Etc.): Trustee/Owner

Email: Brett@MarleyProperties.com Phone: 781/890-9797 ext104

**Section 4. Site Control Certification and Authorization:**

*If the property has more than one owner, each owner must sign a copy of this form:*

Street Address of Business Location: 369 Massachusetts Avenue, Arlington, MA 02474

Zoning District and Overlay District, if any: B2 – Neighborhood Business

Assessor's Map 032.0 Block 0002 Lot 0013.A

Ward 7

Property Owner's Legal Name; GOBOOK, INC

Property Owner's Mailing address (with zip code): 1 Terrace Rd, Weston, MA 02493

Property Owner's Type of Business (Check Only One and Provide the Names Indicated):

**Sole Proprietorship:** Name of Owner: \_\_\_\_\_

**Partnership (inc., LLP):** Name of Partnership: \_\_\_\_\_

Names of All Partners Who Own More Than 10%: \_\_\_\_\_  
\_\_\_\_\_

**Trust:** Name of Trust: \_\_\_\_\_

Names of All Trustees Who Own More Than 10% : \_\_\_\_\_  
\_\_\_\_\_

**Corporation:** Name of Corporation: GOBOOK, INC

Name of President: ~~Hyun Sook Kim~~

Ki Suk Kim

I certify that:

- I am the property owner or that I am duly authorized to act as agent for the property owner, For the property Located at 369 Massachusetts Avenue. Arlington, MA 02474.
- Jared Glanz-Berger (legal name of Applicant) Has been authorized by me to develop and use the property listed above for the purposes indicated in this application.
- I will permit any officials representing the Town to conduct site visits on the property in connection with this application and, if approved, this applicants business.
- Should the ownership of this property change before the Town has acted on this application, I will provide updated information and new copies of this signature page.

Owner Signature: Hyun Sook Ki Date: 5/14/20

Print Name: HYUN SOOK Kim

Title (Owner, Present, Agent, Etc.): Treasurer and Authorized Agent of the

Email: KSKimWESTON@yahoo.com Phone: 617-997-8617 Corporation

**Section 5. Zoning Compliance**

*HCA Applicants are reminded that the Arlington Zoning Bylaw permits marijuana business only in those districts set forth in tables 5.5.3 and 5.6.3 subject to special permit requirements and review, and further by default do not permit marijuana establishments within 500 feet of k-12 schools, within 300 feet of Town playgrounds and recreational facilities, and/or within 200 feet of a public library.<sup>2</sup>*

HCA applicants must certify that the site described in Section 4, to the best of their knowledge complies with sections 5.5.3, 5.6.4, and 8.3 of the Arlington Zoning Bylaw with respect to siting restrictions.

I **Jared Glanz-Berger**, owner or duly authorized agent of **The Human Connection LLC** (legal name of Applicant, hereby certify that:

The proposed site of the Marijuana Establishment as described in this application is within an allowable Zoning District for my intended use.

The proposed site of the Marijuana Establishment as described in this application is **not within:**

- 2,000 feet of a pending or existing Marijuana Establishment;
- 500 feet of a k-12 public or private school;
- 300 feet of Town of Arlington playgrounds or recreational facilities; and/or
- 200 feet of a Town of Arlington public library.\*

*\*If a proposed site is within one of the buffer zones set forth in the Zoning Bylaw, applicants must provide a clear statement providing substantial evidence that an exception (which is purely within the discretion of the Arlington Redevelopment Board) is feasible due to site-specific conditions .*

Owner Signature: \_\_\_\_\_ Date: **May 14, 2020**

Print Name: **Jared Glanz-Berger**

Title (Owner, Present, Agent, Etc.): Owner

Email: **jared.glanzberger@gmail.com**

Phone: **617.312.0592**

<sup>2</sup> Marijuana Establishments are also not permitted within 2,000 feet of another like establishment. The Arlington Redevelopment Board *may, but is not required to* grant relief from buffer zone requirements as set forth in section 8.3.B.2 of the Zoning Bylaw.

**Section 6. Local & State Regulatory Compliance Information:**

*Each individual (e.g. partner, trustee, manager) with a 10% or greater ownership stake in the business must complete a separate copy of this form.*

Owner's Name: Jared Glanz-Berger Ownership Stake (%) 100

1. Has the Owner ever obtained a marijuana related license in any jurisdiction?  Yes  No

If yes, explain: Jared owns a minority interest (<10%) in Debilitating Medical Treatment Center, Inc., a Massachusetts Vertically Integrated Provisionally Licensed Marijuana Treatment Center

2. Has the Owner ever had any type of license denied, revoked or Suspended in any jurisdiction?  Yes  No

If yes, explain: \_\_\_\_\_

3. Has the Owner ever received a Notice of Violation in any jurisdiction?  Yes  No

If yes, explain: \_\_\_\_\_

4. Has the Owner been in compliance for the last 3 years (or since being in business in Massachusetts, whichever is less), and is the Applicant currently in compliance, with all laws and regulations of the Commonwealth of Massachusetts?  Yes  No

If no, explain: \_\_\_\_\_

5. Has the Owner been in compliance for the last 3 years (or since being in business in Arlington, whichever is less), and is the Applicant currently in compliance, with all laws and regulations of the Town of Arlington?  Yes  No

If no, explain: \_\_\_\_\_

6. Has the Owner been charged in any jurisdiction with any form of wage theft in the last three (3) years?  Yes  No

If yes, explain: \_\_\_\_\_

**Section 7. Proposed Host Community Agreement Terms**

*Applicants are invited to provide their own draft HCA proposals with the following minimum requirements and restrictions:\**

1. A Community Impact Fee equal to 3.0% of the establishment's gross sales;
2. Annual filing of financial statements with the Town;
3. Provision of financial reporting records required by the CCC to the Town within a reasonable timeframe;
4. Maintenance of books and other financial records pertaining to the requirements of the HCA consistent with accounting standards and guidelines of the CCC;
5. Commitment to hiring local, qualified employees, and diverse employees to the extent consistent with the law;
6. Commitment to hiring local vendors, suppliers, and contractors from diverse businesses to the extent permitted by law;
7. Commitment to participation in youth health, safety, and prevention programs;
8. Cooperation with the Arlington Police Department to ensure effective security, including periodic meetings to review of security protocols and agreement on the placement of exterior security cameras and devices; and
9. If applicable, commitment to cooperate with the Town to prevent Hardship Cultivation Registration for medical marijuana patients.

*\*Select Board will not accept additional financial incentives or payments to private entities as a condition of HCAs.*

Please submit a proposed HCA with this application. The Town will negotiate the details of HCAs with successful applicants at the direction of the Select Board.

**SEE ATTACHED: "S7 Proposed Host Community Agreement," pages 35-38**

## **SECTION 8.      Deadline for Filing and Application Fee**

- Applications must be submitted with six (6) *hard copies* to the Office of the Select Board located in Town Hall at 730 Massachusetts Avenue, Arlington MA, 02476, **AND by *electronic mail*** to the Select Board c/o Board Administrator, Marie Krepelka @ [mkrepelka@town.arlington.ma.us](mailto:mkrepelka@town.arlington.ma.us) and Town Legal Department c/o Town Counsel, Douglas Heim @ [dheim@town.arlington.ma.us](mailto:dheim@town.arlington.ma.us) no later than ***12 p.m. May 15, 2020.***
- Applicants must provide a \$250.00 payment to the “Town of Arlington” at the time of submission.
- Applicant presentations shall be made at an open meeting at a date and time to be set by the Select Board.

Application

CONFIDENTIAL

The Human Connection (THC):  
Cannabis Dispensary

Prepared for



Town of Arlington  
Board of Selectpersons

Submitted May 15, 2020

Contents

- Overview ..... 1
  - Why The Human Connection Dispensary is Right for Arlington..... 1
  - Origin..... 3
  - Mission ..... 3
  - Human-Centered Values ..... 3
- Q1 Direct Experience in the Cannabis Industry ..... 4
- Q2 & 3 Human Roots: Business Experience in Arlington and Mass ..... 5
- Q4 Human Connection: Preliminary Business Plan..... 6
  - Industry Analysis..... 6
    - National Overview..... 6
    - Market Size – Massachusetts..... 6
    - Market Size – Arlington..... 6
  - Scale of Operation ..... 7
    - Customer Volume..... 7
    - Hours of Operation..... 8
    - Scale of Staffing..... 8
- Shop Overview..... 9
  - Location ..... 9
  - Customer Experience..... 11
  - Customer Loyalty Programs..... 11
  - Store Interior ..... 11
  - Appointment Scheduling App When Store Opens ..... 12
  - Customer Purchasing Experience ..... 12
  - Online Process ..... 13
- Inventory Sources ..... 13
- Products & Services..... 13
  - Product Line ..... 13
  - Product Quality, Testing and Assurances – Disposal of Bad Product ..... 13
- Plans for Inventory Management..... 14
  - Management of Product Delivery from Suppliers..... 14
  - Secure Storage and Prevention from Diversion..... 14
  - Inventory Quality, Freshness, and Safety ..... 15

Marketing Expectations .....	16
Customer Outreach .....	16
Guest Referral Program .....	16
Financial Resources .....	17
Breakeven Analysis and Financial Projections .....	17
Proposed Timeline to Operations .....	17
Professional Services Relationships .....	18
Revenue and Economic Development for Arlington .....	19
Tax Revenue .....	19
Employment Opportunity .....	19
Economic Spillover .....	19
Network Effects of Development .....	19
Locating in Vacant or Under-Developed Locations .....	19
Local Ownership .....	19
Q5 Human Development: Employee Training Process .....	19
Human Development .....	19
Training Topics .....	20
Q6 Human Safety: Preliminary Security Plan .....	21
Overall Security .....	21
Internal Security .....	21
External Security .....	22
Emergency and Fire Safety .....	22
Impaired Customers .....	22
Cash Handling .....	22
Internal Audits .....	23
Q7 Human Harmony: Preliminary Traffic and Parking Plan and Intended Traffic and Parking Mitigation Measures .....	23
Managing Customer Traffic (Traffic Plan) .....	23
Parking Management .....	23
Q8 Human Education: Commitment to Youth Safety, Abuse Prevention, and Community Education .....	24
Youth Use Prevention and Education Services .....	24
Senior Education Services .....	24

Police DRE (Drug Recognition Expert) Training .....	25
Q9 <b>Human Communication</b> : Educating Customers About Restrictions on Public Consumption and Workplace Use, Second Hand Smoke Risks, and Dangers Of Operating Motor Vehicles While Impaired .....	25
Q10 <b>Human Diversity</b> : Job Creation, Commitment to Local Hiring and Diversity.....	25
Commitment to Diversity & Local Hiring.....	25
General Staffing and Recruitment.....	25
Q11 <b>Human Environment</b> : Supporting the Unique Character, Culture, and History of Our Neighborhood, Maintaining Geographic Balance in the Distribution Of Marijuana Establishments	26
Supporting the Unique Character, Culture, and History of the Neighborhood .....	26
Creating an Attractive Space for the Community .....	26
Avoiding Primarily Residential Districts, Maintaining Neighborhood Character .....	26
Maintaining Geographic Balance in the Distribution of Marijuana Establishments .....	27
Appendix 1: Massachusetts and Arlington Market Sizing .....	29
Appendix 2: Average Ticket Size, Customer Volume, and Throughput.....	32
Average Ticket Size .....	32
Customer Volume.....	33
Customer Throughput.....	33
S7 Proposed Host Community Agreement .....	35
Proof of Group A Priority.....	39
100% Arlington Resident-Owned Entity.....	39

## Overview

The Human Connection, LLC (“THC”) is an Arlington, MA-based business, organized to pursue an adult use marijuana establishment license with the Massachusetts Cannabis Control Commission (“CCC”). THC seeks a Host Community Agreement (“HCA”) with the Town of Arlington as a precursor to completing its license application with the Commission.

The Human Connection’s local leadership team has the requisite direct cannabis business expertise, experience adhering to Massachusetts’ regulatory and compliance standards, and ability to succeed in the Cannabis Control Commission’s application process. Our dispensary will employ local talent and become an integrated small-business community member in Arlington. As the “A-team of A-town,” we prioritize community education, safety, and well-being.

## Why The Human Connection Dispensary is Right for Arlington

1. **Direct experience in the cannabis industry.** THC’s leadership and professional support team has decades of diverse experience in a variety of fields, including direct operation and investment in the Massachusetts cannabis industry, cannabis operations around the country; law; public policy; marketing strategy; real estate; and the organization and funding of start-ups.
2. **Part of this community.** THC leadership are long-standing residents of Arlington, with family in the community, and will set the highest standards for diversion prevention, public safety, team training, customer education and care. Should an incident occur at the dispensary, no owner could be closer to resolve the matter.
3. **Business leadership in Massachusetts.** THC CEO, Jared Glanz-Berger, earned a leadership and equity position (<10%) in Pioneer Valley-based vertically integrated cannabis operator Debilitating Medical Condition Treatment Centers, Inc. (“DMCTC”) through advisory work on the organization, operation, and recapitalization of the business. For 6 years, Jared ran Bright Vision Consulting, an economic development consultancy with 35+ team members and revenue of \$3m+ out of his Arlington, MA office. For 3 years, Jared was previously a strategy consultant, focused on quantitative approaches to marketing strategy in Boston.
4. **Ability to succeed in our application.** THC leadership and professional support team have led dozens of successful applications through the CCC process. The team has the operational and financial wherewithal to successfully navigate the CCC process from Application of Intent to Commencement of Operations.
5. **Ability to succeed in our attractive business plan.** The THC team has the national and local network necessary to enable its dispensary to thrive in Arlington. THC has existing relationships with cannabis producers and processors in Massachusetts and the local recruitment and training muscle to become operational. THC has identified and engaged counsel, suppliers, designers, banking and financial resources, insurance, technology and security, and other critical service providers to ensure smooth operation of the business from day 1.
6. **Strong employee development.** THC is a continuous learning organization with a strong focus on education for clients and employees. THC will embed diverse training topics for managers and associates, relevant to the cannabis business and human

development, into ongoing training programs. THC is committed to training associates to become technical experts in store operations and management, thereby seeding new managers for future stores. Training will be offered in onsite workshops, webinars and videos, and written material.

7. **Focus on security and regulatory compliance plans.** As residents and community members, THC leadership has much at stake beyond finances to ensure security and regulatory compliance. As such, THC combines policies and procedure with technology, training, and common sense: chip-enabled ID cards and biometric access controls to restrict entry to sensitive areas; multiple internal and external cameras, 24x7 monitoring, which record, encrypt, and back up to the cloud; and continuous employee training on the shop's security practices. THC will design for emergency and fire safety, plan for impaired customers, minimize cash handling risk, and conduct monthly audits of our systems, operations, and protocols to ensure all are up to date and secure.
8. **Reasonable traffic and parking plan.** THC is committed to be a good neighbor. For Arlington, minimizing traffic congestion inside and outside the store is front and center. THC has a 9-point set of processes it will proactively implement to ensure smooth customer traffic and parking management (Section 7). THC will look to attract customers from within a 20-minute walk, bike, and drive radius. And, THC has identified a location with significant off-street parking available – not located within primarily residential districts – so as to cause minimal disturbance for residential neighbors during store hours, during delivery, and at rush hour.
9. **Access to therapies for medical marijuana patients.** The current regulatory requirement that medical marijuana licenses be vertically integrated creates challenges for smaller operators to provide treatment for patients through a medical license. THC's attractive pricing and expedited queuing system for medical marijuana patients and veterans is intended to make needed therapies available for these groups, even in the absence of a medical license. It is THC's intent to vertically integrate from retail and address the medical retail cannabis market in the future.
10. **Commitment to youth safety, abuse prevention, and community education.** As parents raising children in the community, THC looks forward to assisting the Town with and participating in community educational programs on public health and drug abuse prevention. THC will focus outreach on the following areas: Youth Use Prevention and Education Services, Senior Education Services, and Police Drug Recognition Expert Training
11. **Commitment to diversity and local hiring.** THC will recruit staff from the local Arlington community. Preference will be given to veterans and individuals with knowledge and/or experience in the therapeutic use of marijuana. It is of utmost importance to THC that we hire a staff that represents the community and customers whom we serve, and is as diverse in age, gender, and race as is Arlington.
12. **Geographic distribution of establishments.** THC has selected a site that adheres to all zoning and buffer requirements, and maintains the geographic distribution of retail marijuana establishments in three evenly sized and populated land areas (Figure 6), avoids primarily residential areas, and minimizes additional traffic for the community.

## Origin

The Human Connection started as a conversation among neighbors in Arlington Heights during the Covid-19 quarantine. During weekly “6 feet at 6 pm” check-ins, neighbors who usually waved to each other began chatting from porches and across fences. This is how Jared Glanz-Berger, THC’s CEO, learned that Arlington had reopened the HCA application process. A seasoned operator and investor in cannabis companies around the country, Jared saw an opportunity to bring his expertise closer to home. Others in the neighborhood were also interested in contributing their skills to a local cannabis business, and quickly realized that the knowledge needed to run a successful dispensary already existed right here in Arlington.

And so, the neighbors became the leadership team, putting economic growth and human connections at the center of our mission. We know that when the winds blow hard, the plants with the deepest roots survive. As our town faces unprecedented challenges due to Covid-19 and an uncertain economic future, we are assembling the “A-Team of A-Town,” with roots firmly planted to weather the storm ahead.

## Mission

Operate a community-focused, safe, and secure adult-use cannabis retail shop that serves as a model to regulatory authorities. Operate as a shop by the community for the community.

## Human-Centered Values

1. **Human Connection:** Personalized, trusted customer education and experience with a focus on safety awareness and appropriate usage
2. **Human Development:** Staff training
3. **Human Safety:** Safety and compliance
4. **Human Harmony:** Traffic management
5. **Human Education:** Youth and abuse prevention
6. **Human Communication:** Informing customers about restrictions, dangers, and risks
7. **Human Diversity:** Team hiring
8. **Human Environment:** Economic and spatial development
9. **Human Roots:** Supporting local communities, especially in the time of Covid-19 and other unforeseen events

## Q1 Direct Experience in the Cannabis Industry

The Human Connection is led by Jared Glanz-Berger, a serial entrepreneur. Jared has extensive experience in the cannabis industry as an active investor, operator, and partner in Massachusetts and around the country, including;

- **Arizona:** New Leaf, Phoenix, AZ. Approximately 35,000 square foot fully outfitted indoor cultivation facility.



- **Oklahoma:** Rose Rock Cannabis, Thackerville, OK. Approximately 3,000 square foot licensed dispensary, located across I-35 from Winstar Casino, the largest casino in the US.



- **Massachusetts** (<10% ownership): Debilitating Medical Condition Treatment Centers, Inc. (“DMCTC”), a vertically integrated Marijuana Treatment Center, headquartered in Springfield. DMCTC holds
  - Provisional medical cultivation, processing, and dispensary licenses in Agawam, MA,
  - A retail application in Springfield, MA, and
  - Pending cultivation and retail applications in Pioneer Valley locations



## Q2 & 3 Human Roots: Business Experience in Arlington and Mass

THC CEO, Jared Glanz-Berger, is a long-time resident of Arlington and the greater Boston Area. Over the past 3 years, Jared has been an investor, operator, and partner in cannabis operations around the country. For 6 years, Jared ran Bright Vision Consulting (“BVC”), an economic development consulting company with projects of 35+ team members, generating \$3m in revenue, and operations at the federal, state, and local-level in Southeast Asia, out of his Arlington, MA office. While running BVC, Jared was also involved in residential real estate development as a bridge lender to developers with extensive portfolios in Arlington, Somerville, and Cambridge. Jared is a graduate of the Harvard Kennedy School, was Fulbright Scholar at Tsinghua University Law School in Beijing, and for 3 years was a management consultant in Boston focused on quantitative approaches to marketing strategy for healthcare companies.

Jared is joined by a strong team of Arlington and Massachusetts-based professionals with decades of experience conducting business in Arlington and Massachusetts, as well as select partners with cannabis-specific expertise located outside the Bay State.

During the time of Covid-19, THC highlights the legacy and strength of local business and talent in Arlington responding to both crisis and opportunity. Although we have access to a national network of experienced professionals, we know that when we invest in the community – by building a leadership, management, and operational team of neighbors and residents, especially those financially impacted by Covid-19 – the community will invest in us. We are by the community, and for the community, our human roots strengthening Arlington soil.

## Q4 Human Connection: Preliminary Business Plan

### Industry Analysis

#### National Overview

Over 65% of Americans, nearly 225 million citizens, live in states that allow cannabis consumption for medical use. Eleven states and the District of Columbia have legalized adult-use marijuana. Even more states allow sales, distribution, and consumption of cannabidiol, or CBD, the non-psychoactive component of the marijuana plant. The northeast, from Maine to New Jersey, is expected to become a solid legalization block as individual state legislatures take up, debate, and finalize legalization details over the coming years.

#### Market Size – Massachusetts

Massachusetts is one of the US's fastest growing adult use cannabis markets, projected to be \$2b by 2023.<sup>1</sup> This would represent a compound annual growth rate of 50% from 2019's base of \$400m, the first full year of adult use retail sales in the state. Medical market sales are projected to grow to \$125m over the same period. The \$2b market would lead the Bay State to be tied for 2<sup>nd</sup> in terms of market size by dollar value with New York, behind only California, representing approximately 10% of the national adult use cannabis market in the mid-term future. Still, Massachusetts remains an emerging market in the industry relative to more established markets, like Colorado, Washington State, and Oregon, with the state's first retail adult use sales occurring in November, 2018.

#### Market Size – Arlington

Based on population, income, municipal zoning in surrounding communities, and other demographics, THC forecasts the Arlington addressable market to be approximately \$20.7m, including excise, sales, municipal taxes, and community impact fee. On average, the town's three licensed stores are projected to generate annual revenue of \$5.6m in pre-tax sales (see Appendix 1). Given zoning in surrounding towns, by the time THC's store is operational, consumers are unlikely to need to drive more than 10-15 minutes to reach a local marijuana retailer, equating to the shaded areas in Figure 1, below. THC's addressable market is the 21-year-old and above segment of the population in the approximately 60,000 residents in Arlington and surrounding communities. Adjoining towns have a mix of zoning ordinances for adult and medical-use cannabis sales (Table 1 below).

---

<sup>1</sup> Brightfield Group research, May 2019

Figure 1: 10 and 15 Minute Drive Time<sup>2</sup>

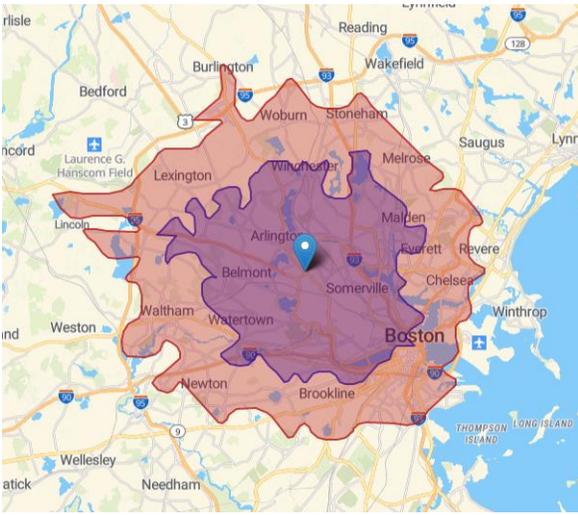


Table 1: Area Municipalities, Population, and Zoning

Cities & Towns	Census Population <sup>3</sup>	Town Status <sup>4</sup>
Arlington	42,844	License cap
Belmont	38,902	License cap
Cambridge	141,405	Zoning in place
Lexington	50,216	Ban in place
Medford	83,403	In planning
Somerville	102,193	Zoning in place
Winchester	21,382	Ban in place

With conservative modeling, based on geography and municipal zoning status, THC estimates that Arlington’s three potential dispensaries will capture 100% of the Arlington market, approximately 30% of the Lexington and 25% of the Winchester markets, where some customers will prefer to visit stores in Medford, Woburn, Somerville, Cambridge, Waltham, Belmont, or elsewhere (see Appendix 1). With Belmont, Cambridge, Medford, and Somerville potentially bringing additional dispensaries online in the future, THC does not include customers in those communities in its market projections.

### Scale of Operation

#### Customer Volume

Based on THC analysis of daily 2019 sales data,<sup>5</sup> Friday-Sunday represents over 50% of sales for the week (Table 2), implying uneven distribution of customers during peak hours. THC expects to serve approximately 250 customers per day on average and 333 customers per day on Saturday, historically the busiest day for sales. THC anticipates 80% of customer sales occurring within a 6-hour peak window, implying 40 customers per hour during baseline peak times and 45 customers on Saturdays. THC estimates it will need 6 check-out stations to ensure smooth operation during peak hours for all days of the week (see Appendix 2).

<sup>2</sup> Oalley.net/app/. Web. Accessed May 12, 2020

<sup>3</sup> United States Census Bureau. 2010 Census.U.S. Census Bureau. 2010. Web.

<sup>4</sup> Massachusetts Cannabis Control Commission. Municipal Zoning Tracker. <https://mass-cannabis-control.com/municipaltracker/> . Web. Accessed May 10, 2020

<sup>5</sup> Massachusetts Cannabis Control Commission. Opendata.mass-cannabis-control.com/Industry-and-Products/Weekly-Sales-Report-Total/ . Web. Accessed May 7, 2020

*Table 2: Average Share of Sales by Day of Week*

Day of Week	Percent of Sales
Monday	12%
Tuesday	12%
Wednesday	12%
Thursday	13%
Friday	18%
Saturday	19%
Sunday	14%
Total	100%

Key:

Busiest Sales Days of the Week, 50% of Total

### Hours of Operation

In determining the Hours of Operation for the THC retail location, we assessed operating hours of the three closest existing package stores in Arlington and Arlington regulations.<sup>6</sup>

*Table 3: Arlington Alcohol Licenses and Regulations and Existing Liquor Establishment Hours of Operation*

Business	Opening and Closing Times						Hours
	Mon-Wed		Thu-Sat		Sun		
Arlington Regulations	8 am	12 am	8 am	12 am	10 am	12 am	110 hrs.
Arlington Liquors	9 am	11 pm	9 am	11 pm	10 am	11 pm	97 hrs.
Mystic Wine Shoppe:	9:30 am	8 pm	9:30 am	8 pm	10 am	7 pm	72 hrs.
Menotomy Beer & Wine	10 am	10 pm	10 am	11 pm	12 pm	9 pm	84 hrs.
THC (proposed hours)	10 am	10 pm	10 am	10 pm	10 am	10 pm	84 hrs.

Anticipated total store hours are the same as Menotomy Beer & Wine, less than Arlington Liquors’.

### Scale of Staffing

With its anticipated customer volumes, workdays, check-out stations, and demanding inventory management, security, and compliance requirements, THC expects to hire the following team members:

Title	Staff	Time			
Manager	1	FT	Sales Associate	8	PT
Compliance & Inventory Manager	1	FT	Administrative Staff	3	PT
Shift Manager	2	FT	Parking Attendants	3	PT
Inventory Associates	2	FT	Security	3	PT
Sales Associate	7	FT	FT = Full Time PT = Part Time		

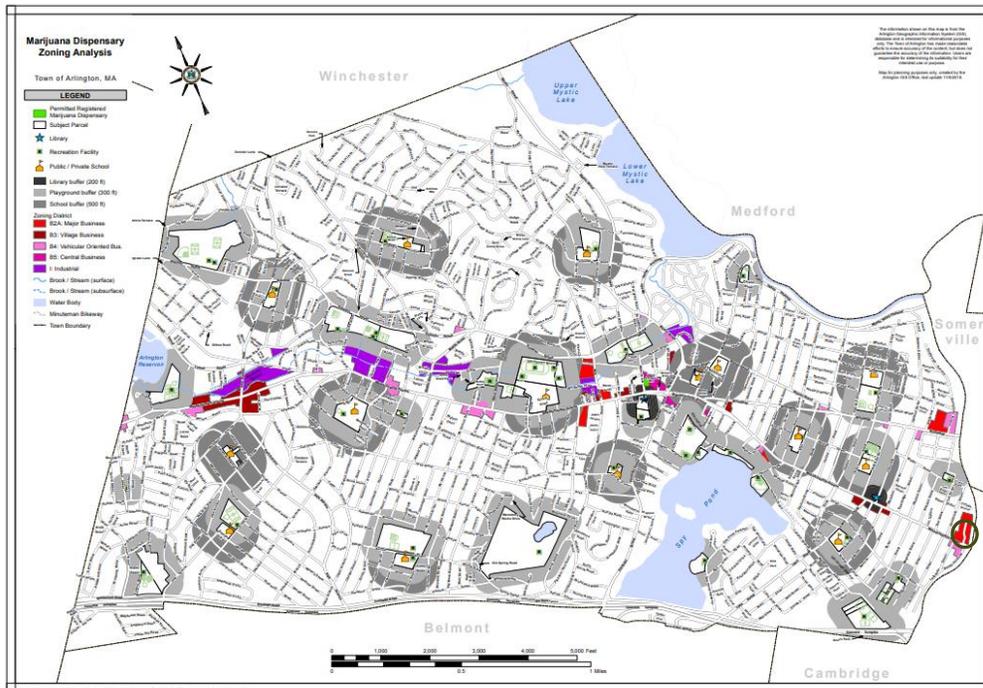
<sup>6</sup> Town of Arlington “Alcohol License and Regulations.” Web. Accessed May 12, 2020 <https://www.arlingtonma.gov/home/showdocument?id=44805>

## Shop Overview

### Location

THC has received Site Authorization from the owners of 23-35 Mass Ave, our first-choice location. The location conforms with Arlington Zoning Bylaws, is not within 500 feet of k-12 schools, within 300 feet of Town playgrounds and recreational facilities, within 200 feet of a public library, and/or within 2,000 feet of another similar Marijuana Establishment,<sup>7</sup> as shown in Figure 2, below. THC additionally received Site Authorization from the owners of 369 Mass Ave, our second choice.

*Figure 2: Composite Mapping Analysis Of Buffer Areas And Detailed Analysis Around Libraries<sup>8</sup>*



In the process of selecting 23-35 Mass Ave, THC identified less attractive potential locations. Comparison is provided below:

<sup>7</sup> Per Town of Arlington Marijuana Establishment Host Community Agreement (HCA) License Application, Section 5, “The Arlington Redevelopment Board *may, but is not required to* grant relief from buffer zone requirements as set forth in section 8.3.B.2 of the Zoning Bylaw”, which refers to the 2,000 foot buffer between similar establishments

<sup>8</sup> Town of Arlington Website. “Composite mapping analysis of buffer areas and detailed analysis around libraries,” last update Nov 9, 2018. Web. Accessed May 11, 2020. <https://www.arlingtonma.gov/home/showdocument?id=44673>

Table 5: Comparison of Potential Dispensary Locations

Address	251 Summer St	369 Mass Ave	23-35 Mass Ave, Arlington
Assessor's Map			
Primarily Residential	Yes – All immediate neighbors are multi-family residential (R2). Neighbors' abutters are also all residential	No – Neighbors are <i>primarily</i> neighborhood offices (B1). Neighbors' abutters are a mix of business and residential	No – The space is a large major business (B2A) with industrial (I) and office (B1) neighbors, and ample set backs from residences
Buffers	Outside of Buffer Zones	Outside of Buffer Zones	Outside of Buffer Zones
Zoning	B4 – Vehicular Oriented	B2 – Neighborhood	B2A – Major
Residential Abutters and Abutters per Acre <sup>9</sup>	13 multi-family (R2) abutters, the location is densely residential with 30+ residential abutters per acre	3 multi-family (R2) abutters, the space is moderately residential with 12+ residential abutters per acre	13 multi-family and single family (R2 and R1) abutters, the location is least residential with 5+ residential abutters per acre
Parking	23 Open <sup>10</sup>	11 Open	107 Open, <sup>11</sup> 3 Handicap
Public Transport Access	67 bus.	77, 79, 350 bus	77, 79, 350 bus; Alewife Greenway Bike Path; 10 minutes' walk from Alewife
Change of Use, Impact on Traffic	Yes. The site currently operates as a Vehicular Oriented Business. Operating as a retail cannabis dispensary may dramatically affect traffic patterns for neighbors	No. The site is already retail-oriented with significant traffic on Mass Ave. The site would add additional terminal stops to existing traffic	No. The site is already retail-oriented with significant traffic on Mass Ave. The site would add additional terminal stops to existing traffic
Available Social Distancing Space	Long lines with social distancing are likely to impact residential neighbors' access to homes or affect traffic	Long lines with social distancing are likely to impact residential neighbors' access to homes or affect traffic	There is ample space on the lot to accommodate long lines with social distancing and not affect traffic or parking

Key	
	Positive
	Challenge

<sup>9</sup> Town of Arlington Geographic Information System (GIS) Interactive Maps. Web. Accessed May 12, 2020. <https://www.mapsonline.net/arlingtonma/> “Find Abutters” Set to 50ft

<sup>10</sup> Spaces estimated, not marked

<sup>11</sup> Excludes 11 additional general spaces and 2 handicap spaces designated for CVS

251 Summer St, adheres to the buffer zones and zoning requirements, but not the spirit of avoiding being located within primarily residential districts,<sup>12</sup> and is relatively near specifically targeted teen and tween youth-related buffers.<sup>13</sup> Given its primarily residential location, it may not have sufficient space to accommodate long lines and parking in the age of social distancing, without impacting access to homes for residential neighbors, increasing traffic, and loitering outside of homes. It is served by a single bus route, making it the least accessible to public transportation of the three locations.

369 Mass Ave, adheres to the buffer zones and avoids being in a primarily residential area, but is zoned B2. B2 locations were eliminated as a class because they might be located within primarily residential districts.<sup>14</sup> 369 Mass Ave, is significantly less residential – with fewer abutters and more non-residential abutters – than B4-zoned 251 Summer St. It has access to three bus routes, making it more accessible to public transportation.

Our top choice, 23-35 Mass Ave, is zoned appropriately on all zoning counts. It has significant space to accommodate lines in the age of social distancing without disturbing residential neighbors, and is served by three bus routes, Alewife Greenway Bike Path, and is a 10-minute walk from the Alewife T Station, making it the most accessible. 23-35 Mass Ave has the additional benefit of being on a terminal node of the Town, consistent in zoning and location with Apothca and Eskar, effectively minimizing potential for spillover to residents, while adhering to all zoning requirements.

While, THC has received site authorization on 23-35 Mass Ave and 369 Mass Ave, and believes these sites to be preferable, we remain open to continue working with the Town to select the right location based on zoning requirements, buffer zones, and business considerations.

### Customer Experience

THC places a high emphasis on providing educational information to enhance customer experience to help choose products appropriately and understand how to use them correctly. We seek to be known within the community as a business that provides accurate product awareness and knowledge. We will achieve this by offering financial incentives to motivate staff to constantly learn and become subject matter experts in specific product and therapeutic uses of cannabis. Based on customer needs, we plan to offer a variety of educational workshops and experiential learning seminars, ranging from pain management to cooking classes.

### Customer Loyalty Programs

THC's customer loyalty program offers discounts, product alerts, and incentives for new customer referrals. We offer special programs for Veterans and current DPH Medical card holders.

### Store Interior

Security regulations provide that a retailer must ensure that all marijuana products are kept out of plain sight and are not visible from a public place without the use of binoculars, optical aids or

---

<sup>12</sup> Town of Arlington. Memorandum Re: Background Information on Proposed Zoning Amendments. October 5, 2018. Web. Accessed May 11, 2020. <https://www.arlingtonma.gov/home/showdocument?id=44721>

<sup>13</sup> Marijuana Study Group, "Meeting Summary." October 17, 2018

<sup>14</sup> Town of Arlington. Memorandum Re: Background Information on Proposed Zoning Amendments. October 5, 2018. Web. Accessed May 11, 2020. <https://www.arlingtonma.gov/home/showdocument?id=44721>

aircraft. To the degree the retail storefront is glass, windows will be tinted or treated with a reflective coating to comply with state regulations and may be decorated or designed appropriately

Customers will enter the store through a vestibule that will house a security screener who will check and verify identification using advanced ID scanning equipment. Customers will only be allowed to enter the second door for entry to the store interior upon confirmation their ID is valid, and they are the person whose ID has been presented. Unlike a liquor store, where a minor may enter but may not purchase, access to retail marijuana establishments are prohibited for anyone under the age of 21 years old.

The premises will be alcohol and smoke-free. Marijuana consumption will not be allowed on the grounds in any area.

The store's interior will feature an open concept design and may include pocket areas for private consultation, like pocket dividers at a pharmacy, where customers can speak privately with a member of our team.

THC will service our customers from behind a counter where the rear wall will have a secure doorway to a restricted area. The restricted area will include a locked and secure inventory room, a separate area for intake of new deliveries, where new deliveries are inspected and checked-in in compliance with state regulations regarding transportation of products between marijuana establishments. The space will also include a secure restricted access surveillance room. The secure inventory room will include vaults, safes, and/or other locked vessels for the storage of marijuana products.

#### Appointment Scheduling App When Store Opens

Given the size of Arlington's addressable market and other store openings scheduled between THC's application and likely timeline to operation, THC projects it will not be overloaded with demand. However, we intend to use QLess appointment-only app to schedule customer visits in the opening weeks. QLess queue management system allows customers to wait in a virtual line rather than a physical line. In the opening weeks, THC will only schedule up to 85% of capacity, to ensure smooth operation of the store and minimize impact on the wider community.

#### Customer Purchasing Experience

THC plans to offer various methods of customer purchasing and payment preferences. Customers will be able to:

- Pre-order from a computer or mobile device and pay at the store,
- Pre-order from a computer or mobile device and prepay, or
- Shop directly in store

THC will have three separate customer service lines:

- Regular in-store transactions
- Express line for pre-order customers
- Walk-in medical card holders and Veterans with a military ID card

Medical card holders and Veterans that pre-order will join the express line.

### Online Process

THC believes most customers will develop regular purchasing behaviors, and many will prefer the convenience of pre-ordering and pre-paying online. This is supported by the success of online ordering platforms in other adult use cannabis retail operations around the country. By providing a convenient way to order, we hope to increase efficiency and decrease cycle times. This will increase our customer capacity while reducing traffic demands. The online process is simple to learn and easy to do:

- Customer selects product, submits on-line order, and indicates pick-up time
- The customer will receive a confirmation text that the order is received
- The order is gathered and placed in a small basket with a bag and seal
- The basket is marked with an order number that is sent to the customer by text
- When the customer arrives, the order is matched and retrieved, and their ID is matched to the order
- The products are laid out on the counter while the order is confirmed. The bag is packed under view of the customer and cameras, the bag is sealed, the customer pays (unless the order was a pre-pay) and leaves the store.

### Inventory Sources

All products will be purchased from established licensed cultivators and manufacturers, as well as local microbusinesses and craft cooperatives. All products will be fully tested by licensed, accredited independent testing laboratories in accordance with State and municipal regulations. State regulations do not allow purchase of products from home growers, off-market sources, or otherwise unlicensed sources.

To the extent possible, THC intends to highlight and provide priority consideration to

- Product cultivated or processed in Arlington
- Product cultivated or processed by independently owned Massachusetts-based operators

As residents, THC acknowledges the importance of Arlington benefiting from our purchase of products and services from locally owned suppliers who employ residents. We support the goal that the money produced stays within the Arlington community whenever possible.

### Products & Services

#### Product Line

Products will include, but not limited to:

Buds (“Flower”)	Infused Preparations
Extracts or Concentrate	Tinctures
Edibles	Topicals
Pre-Rolls (infused and raw)	Accessories

#### Product Quality, Testing and Assurances – Disposal of Bad Product

The store will request appropriate documentation to confirm items were rigorously tested (unless the product labeling is sufficient for this purpose). THC will only offer items which have passed

purity standards, pursuant to State Testing of Marijuana and Marijuana Products requirements. All Massachusetts marijuana is tracked in the state's seed-to-sale software system provided by METRC®. Each plant receives a tag and is tracked through sale, whether packaged as raw flower or converted to an edible product, lotion, etc. THC intends to use the METRC® point of sale ("POS") system.

Any product or marijuana cultivar found to have a quality defect will be removed from sales and segregated to a locked container in the inventory room. The supplier and the Commission, as appropriate, will be notified as required by the regulations. Defective product will be returned to the supplier for proper destruction. As we will not be cultivating or manufacturing, our marijuana-related products will all be purchased from suppliers, and as part of our supplier agreements, out-of-date or defective product will be returned to the supplier for proper destruction.

The store will recycle all other non-marijuana materials (i.e. plastics, paper, etc.) in a conventional fashion. Interior refuse will sit in the store for two days before being transferred to a dumpster and will be inspected by a manager before transfer to the dumpster to assure that no one has intentionally or inadvertently dropped marijuana product into a trash bin (to retrieve from the dumpster after hours).

### Plans for Inventory Management

#### Management of Product Delivery from Suppliers

Products will be delivered by vendor delivery vehicles or licensed marijuana transport operators. Product delivery will be made during pre-operating hours. THC will ensure deliveries arrive after 9 am to minimize disturbance to neighbors. Deliveries will require, at minimum, two THC staff be present. All product intake operations will be fully recorded by video surveillance and completed in accordance with CCC regulations, including re-weighing, re-inventorying, and accounting for, on video, all marijuana products transported within eight hours of arrival; when videotaping the weighing, inventorying, and accounting of marijuana products before transportation or after receipt, the video will show each product being weighed, the weight, and the manifest; and marijuana products must be packaged in sealed, labeled, and tamper or child resistant packaging prior to and during transportation.

All scheduled deliveries will include an estimated delivery window, and a promise that if delivery is delayed, the driver will contact THC. Prior to purchasing product from a new supplier, THC will confirm the supplier is licensed with CCC and that every delivery agent (either the supplier or their delivery service) has an emergency plan detailing how they will respond should the vehicle break down on an Arlington roadway. THC also intends to contract with a local tow operator (likely Mal's) such that if a vendor's delivery vehicle breaks down and the vendor's vehicle breakdown plan fails, THC will be able to step in to provide a remedy.

#### Secure Storage and Prevention from Diversion

THC's inventory management program is designed to prevent diversion or other unlawful activity. THC uses a combination of technology and common-sense management processes to ensure a clear chain of custody and accountability for all aspects of our inventory. All employees will go through an extensive background check prior to employment or access to any THC facility.

Product will be kept in secured display cases or locked cabinets in restricted access employee-only areas, subject to continuous video surveillance. Customers will not be allowed to touch or sample the product before buying. THC uses the Massachusetts METRC® seed-to-sale tracking system to monitor the exact quantities and locations of all product. Once the retail shop manager accepts the arrival of the new, pre-packaged inventory, in sealed, labeled, tamper-resistant packaging, pursuant to state regulations, the inventory will be reflected in METRC®, as part of the retail shop's inventory. Inventory will be tracked through THC's point of sale ("POS") system and transferred to THC on the manifest, pursuant to state regulation. THC's POS system will track this product from sitting in locked safes to customer sale, and product location will be updates in the real-time inventory management system through consummation of sale.

THC augments its storage and software system with daily offline inventory reconciliation procedures. To protect from theft, daily product inventory will be kept locked and secured, behind the counter with the check-out stations. The bulk of inventory will be locked in safes or similar secured vessel within the Limited Access room in the rear of the retail shop. In all cases, marijuana will be stored on the premises, pursuant to state regulations regarding Storage of Marijuana. Inventory will be reconciled daily. Designated employees will be responsible for the inventory in their functional area and be held responsible for diversion prevention or other unlawful activity. Designated accounting staff will be responsible for independently reviewing and confirming inventory reports. All inventory reconciliations which do not zero-out will be logged by a THC inventory associate. Any variance greater than two grams will immediately be reported to THC leadership for investigation into possible diversion and/or theft. All relevant video, inventory logs, and access reports will be reviewed to identify the source of loss. CCC and local law enforcement will be notified as required by law whenever theft or diversion is detected. Additionally, THC's leadership team will discuss these occurrences for possible procedural changes, aimed at preventing similar incidents from repeating.

As members of the community, we take our duty to prevent diversion especially seriously and have included steps to ensure all marijuana is only handled by authorized individuals. We will ensure a clear chain of custody from delivery process to sale and ensure documentation requirements for product and currency are met. All employees will undergo training on state regulations, anti-diversion and inventory procedures. Employees will be required to read and acknowledge THC's anti-diversion policy and sign an acknowledgment of our zero-tolerance policy for diversion, which will include termination and notification of proper authorities. Collectively, THC's Inventory Management procedures ensure product remains onsite and in our custody.

#### Inventory Quality, Freshness, and Safety

To maintain freshness and product quality, packaged marijuana is kept in light-resistant packaging and stored in temperature-controlled areas.

Staff will be trained to understand state regulations on Edible Marijuana Products and specifically prohibitions on edibles shaped in the distinct shape of an animal, fruit, or shapes that bear the likeness or contain characteristics of a realistic or fictional human, including artistic, caricature, or cartoon renderings. Staff will be trained to identify any products that violate these regulations, aided by laminated checklists and wall posters.

Staff will be required to understand and be fluent in state regulations regarding Additional Labeling and Packaging Requirements for Edible marijuana products. Inventory intake staff will be responsible to assure every container holding a marijuana product is properly labeled. Labels for perishable edible marijuana products must state that the product must be refrigerated and include the date it was produced. All products must disclose the total THC (measured in milligrams – mg) of the package, total serving count, THC per serving, and clearly state that these amounts do not exceed legal serving limits (5mg per serving and a maximum of 100mg per container). Inventory intake staff will confirm that packages contain a warning that the impairment effects of edible marijuana may be delayed by two hours or more.

Inventory intake staff will confirm at intake and at time of sale that labels with a use-by date have not been altered, tampered with, or replaced with a new label over a prior label.

Inventory intake staff, familiar with the product, will confirm that each single serving of an edible marijuana product is physically marked so our customers can clearly determine how much of the product constitutes a single serving of active THC. For multiple serving packages of edibles, each serving must be easily separable to allow our customers to physically separate them and each single serving must be marked, stamped, or otherwise imprinted with a symbol or easily recognizable mark issued by the CCC indicating that the package contains marijuana.

Regardless of our suppliers' legal responsibility for product quality, packaging, and labeling, THC will educate staff through rigorous proven training programs and detailed standard operating procedures so that all employees understand that we remain the stewards of our customers and community's safety. Therefore, it is our responsibility to inspect and identify all products to avoid any confusion about the content or servings of our marijuana products.

## Marketing Expectations

### Customer Outreach

Following regulatory marketing guidelines, THC will utilize social and local media to increase awareness about our products and services. Periodic press releases featuring in-store events and educational programs will be sent to appropriate holistic health, community centers, hospice and adult community bulletin boards. By regulation, marketing can only be conducted through mediums or venues where at least 85% of the audience is expected to be 21 years of age or older.

THC will actively work to increase customer base and inspire loyalty by offering promotions. Marketing will be permission-based and feature soft-sales tactics. Communications to members will be tasteful and will be educationally focused. All communications will be designed to respect privacy and strict compliance with Massachusetts laws or regulations. Messaging will include on-site promotional material, as well as occasional emailed communications to members who have specifically opted in.

### Guest Referral Program

Satisfied customers are the most effective means to grow a business. THC will develop a formal Guest Referral Program, giving customers the opportunity to recommend a new customer whom they believe will benefit from our services. Both the current and new customer will receive special rewards and discounts as members of the program.

## Financial Resources

THC estimates a preliminary start-up budget of \$500,000 as follows:

*Table 6: Start-up Financing Budget*

Working capital (fees, professionals)	\$150,000
Store Design and Initial Build Out	\$200,000
Retail Fixtures	\$50,000
Security, Lighting	\$50,000
Misc. and Contingencies	\$50,000
Total	\$500,000

THC team members have resources to fund the costs without need of outside investors or borrowing. However, our intention is to allow investors to participate once we have secured an HCA and completed the Commission application process. All investors will be vetted by the CCC with CORIs completed and submitted.

## Breakeven Analysis and Financial Projections

THC has modeled the following pro forma pre-tax financial projections and break-even analysis, working backwards from costs. THC anticipates the following as a necessary breakeven level of sales, assuming the following gross product margin:

*Table 7: Breakeven Analysis and Financial Projections*

Analysis	Breakeven	Projection
Mark Up on Inventory	150%	
Gross Product Margin	60%	
Revenue	\$4.5m	\$5.6m
Cost of Goods	\$1.8m	\$2.2m
Card Fees (5%)	\$0.2m	\$0.3m
Gross Profit	\$2.5m	\$3.1m
280E Taxes (21%)	\$0.5m	\$0.6m
Fixed Costs	\$2.0m	\$2.0m
Earnings	\$0.0m	\$0.5m

## Proposed Timeline to Operations

THC anticipates the timeline to operation occurring over 12 months as follows. Steps do not necessarily need to occur in the following order:

*Table 8: License Application Process from HCA Negotiation to Commencement of Operations*

Step	Description
0	Secure a Location (Complete)
1	Secure Host Community Agreement approval (Current step)
2	Execute Host Community Agreement document
3	Secure site approval for location
4	Architectural plans completed
5	Finalize application to CCC

Step	Description
6	Receive Provisional License
7	Complete store build-out
8	Apply for Final License
9	CCC site inspection and receive final license
10	Stock the store and enter all data into METRC® system
11	Final CCC inspection
12	Receive Authorization to Commence Operations
13	3-day waiting period from Authorization to Commence Operations to opening

## Professional Services Relationships

### Attorneys

- THC has engaged John Leone of **Leone & Leone** to support THC's engagement with Town of Arlington and local permitting
- THC has engaged Marisa Schell Gregg of **Gregg Hunt Ahern & Embry** to support real estate contracting
- THC has engaged Blake Mensing of **The Mensing Group**, the first, and only, homegrown legal and business advisory firm solely dedicated to marijuana in Massachusetts. Blake represents THC's interests in regulatory affairs

### Design

- THC is in initial discussion with Rachel Zsembery and Eric Kuhn of the design firm **Bergmeyer** regarding branding, design (store, packaging, signage), planning and permitting.

### Banking

- THC has commenced the process to establish a banking relationship with **Northern Bank and Trust**, as part of the banks cannabis pilot program, and **Century Bank**.

### Tax Advisors

- THC will use **BridgeWest**, one of the first accounting firms in the world to focus solely on the cannabis and hemp industries. Bridge West is a one-stop provider of accounting, audit, tax and advisory services tailored to the cannabis industry.

### Insurance

- THC will contract with **Hub International**, the 8<sup>th</sup> largest insurance broker in the country, to source business insurance, risk services and claims management, and employee benefits.

### Security

- THC is in initial discussion with **NetWatch** to provide live, 24/7, interactive video monitoring for the specific needs of the cannabis industry.

### Human Resources & Training

- **Wurk** provides a one-stop payroll, benefits, timekeeping, scheduling HR portal for the cannabis industry.
- **HempStaff** provides recruiting and dispensary agent training for registered cannabis dispensaries.

## Revenue and Economic Development for Arlington

THC understands Arlington is interested in economic development and development of its commercial areas. THC intends to participate strongly in the economic development of the Town in the following capacities:

### Tax Revenue

Arlington is forecast to receive \$1.0m through municipal sales tax and community impact fees, based on \$16.8m in pre-tax revenue across all three dispensaries. THC's share of this projected \$1.0m would be approximately \$333k.

### Employment Opportunity

THC anticipates creating the equivalent of 18 full time associate positions, 4 managerial positions, and opportunities to join the corporate team. While THC has a full complement of professional service and support staff from Massachusetts and around the country (See Professional Services Relationships), THC will look to bring on additional corporate-level team members to support rollout and growth, and is confident Arlington residents have all the skills needed locally.

### Economic Spillover

Leveraging our store traffic may generate additional sales for other neighboring businesses. This could take the form of additional foot traffic, coupons, or other consumer incentives to buy local.

### Network Effects of Development

Encouraging other non-retail cannabis businesses to locate in Arlington. THC is open to assist the Town in attracting other non-retail marijuana businesses and investment to the community.

### Locating in Vacant or Under-Developed Locations

In this challenging economic environment, property owners face steady demand on upkeep for their properties, insurance, utilities, taxes, and mortgages. THC's investment, lease, and build out dollars provide needed income for property owners seeking to maintain their properties or unlock latent space. This form of economic development is critical as more retail space may become available as the full economic impact of Covid-19 filters through the economy and further affects local retail.

### Local Ownership

From an economic development perspective, THC represents the possibility that Arlington residents can participate in this burgeoning industry from top to bottom, as owners, executives, managers, and associates, as well as customers and patients. This means not only tax revenue remaining in town, but potentially significant profits with economic multipliers on each additional dollar retained in the community.

## Q5 Human Development: Employee Training Process

### Human Development

THC strives for best-in-class employees and our vision for staff training and competence is to inspire loyalty in our team. We believe in investing in our employees so they invest in our success, and work with us for years to come.

All employees are required to undergo training specific to their role prior to commencing employment. All staff will complete the state mandated Responsible Vendor Training Program. The

state requires eight hours of annual ongoing job training and THC will seek to significantly exceed state requirements. THC will provide financial incentives for staff to become experts in operational areas, our product features and benefits to better educate and serve our customers. Our training plan will be designed around the following levels of knowledge:

- Associate: The employee understands the subject matter and is sufficiently familiar to participate in basic conversation. These staff members are trainees or assistant budtenders.
- Senior Associate: The employee has a sufficient understanding and grasp of the subject matter such that they can explain it to others, provide examples, and answer questions.
- Product Expert: The employee has read or studied the subject matter to understand the nuances of the subject and is sufficiently understands the material that they can teach it to others. These are our subject matter experts called upon when a customer has a specific technical question.

### Training Topics

THC is a continuous learning organization and will embed diverse, relevant topics into ongoing training programs. Training will be offered in various formats including onsite workshops, webinars and videos, and written material. Training sessions will be offered on multiple occasions to ensure the opportunity for all employees to participate. Topics could include the following categories:

#### Product, Uses, Testing and Safety

- Understanding products, flower strains
- Absorption & effect based upon delivery system (lungs, stomach, skin)
- Cooking with marijuana oils
- Understanding product testing - what do the labs do and why; understanding types of product contaminants

#### Handling, Storage, and Disposal

- Proper storage of marijuana product; procedure for storing and disposing of bad product
- Handling inventory, stocking, intake; managing inventory
- Transportation regulations and challenges
- Preventing diversion (theft)

#### Technology

- Customer facing technology systems (POS and ID scanners)
- Proper record keeping

#### Safety, Security, and Service

- Handling age confirmations, fake IDs, and IDs of another person; provisions for confiscating fraudulent identifications; common mistakes made in ID and age verification; handling awkward customer situations – the law, regulations, and safe solutions
- Managing belligerent or under the influence customers
- Responding to a medical emergency
- General security
- Responding to a robbery

## Management and Administration

- Understanding performance reports from the POS system
- Managing people, estimating staffing levels
- Effective communication skills and handling challenging employee situations

Other subjects as necessary

Staff will be held to a high standard. Violations of security or inventory handling policies will be grounds for termination and all employees will understand THC enforces a zero-tolerance policy for these matters.

## Q6 Human Safety: Preliminary Security Plan

### Overall Security

THC combine policies and procedure with technology, training, and common sense. We use chip-enabled ID cards and biometric access controls to restrict entry to sensitive areas. Access controls are pre-programmed to ensure only authorized individuals can secure access. We employ multiple internal and external cameras, 24x7 monitoring, and record, encrypt, and back up to the cloud.

Employees are continuously trained on the retail shop's security practices. All employees are trained on how to confirm age, identification, how to handle situations with fake IDs and other awkward situations. Training includes role playing scenarios to encourage the staff to anticipate what might go wrong and how to respond. Security extends to customer engagement, ensuring employees are properly trained to handle difficult situations like belligerent or unhappy customers or those who might pose a danger to themselves or others. Training reinforces our overall security, compliance, and diversion prevention programs, including placing all products on sales counters prior to sale, allowing overhead cameras to record all aspects of the transaction. When appropriate, training will be conducted by contracted industry experts. For critical issues, we will run safety drills. THC aims to be prepared for any and all situations.

### Internal Security

Prior to allowing access to the store, a staff member will verify customer's age via a state-issued identification card. When a customer enters the vestibule of the retail shop, the individual is positioned to be fully on-camera. There will be no blind spots in the retail shop. The customer's state or government-issued ID will be scanned at time of entry and again at time of purchase. ID scanners analyze identification cards for fraud, alteration, or counterfeit by utilizing ID technology already deployed in liquor stores.

Access controls will be installed for limited access and employee-only locations, allowing only system-authorized persons to enter, and capturing the movement of all individuals on CCTV. The staff-only and limited access areas will have cameras at appropriate angles as will any employee-only entrance door and external cameras near that door. Further, the access systems can be programmed to allow only certain staff into certain restricted areas (such as the inventory room).

High resolution digital cameras will be present at every entry and exit, check-out stations, throughout all areas (except rest rooms), and at product display counters. All windows and doorways will be equipped with alarm sensors. All limited access areas will be properly signed with

“Authorized Personnel Only” or “Do Not Enter” signs. The Police Department and Fire Department be notified of any security changes.

At each check-out station, we (i) verify the customer’s ID, (ii) capture a picture of the ID, a picture of the person and (iii) connect both items to the purchase in a customer file within the POS system with a date and time stamp.

### External Security

External security includes outdoor motion detection-enabled cameras with two-way speakers. Cameras will be atop and around the outside of the building, in the parking lot, and at entry and exit points, providing additional security to the surrounding community. The exterior will be well lit but with consideration of residential neighbors, if any. If abnormal activity is detected through the monitoring cameras, the diagnostic software along with a fully staffed 24x7 Command Center, can observe any incident and respond accordingly with established security protocols. The two-way speakers allow the command center to listen and talk to trespassers and loiterers, improving accuracy of notifications and information to management and emergency services.

All video is recorded, automatically encrypted, and backed-up to the cloud. A date and time stamp are embedded on all recordings, synchronized, and set correctly, and will not significantly obscure the picture. The retail shop cameras are capable of being monitored on-site from the security room, at the 24x7 Command Center, and from a monitor within Arlington’s police department. In the event of a security incident, the Command Center can “push” a video feed directly to the police department or, with local PD permission, to an officer on scene. We look forward to work with the Arlington police to support improving security at the store and in the neighborhood in any way through full transparent collaboration and access.

### Emergency and Fire Safety

The vestibule will be designed to be large enough so as not to impede movement of an emergency medical service or fire department stretcher through the doorways. If there is a doorway offset between the street entrance and the inner door, all turns will be designed to allow easy movement of life safety equipment. The vestibule will also be equipped with a fire extinguisher and first aid kit in the event of an exterior emergency. The premises will be ADA (Americans with Disabilities Act) compliant and in compliance with all local/state building and fire codes. If necessary, THC will ensure that portable defibrillators will be available and easily accessible on premises.

### Impaired Customers

Staff will undergo training on how to handle impaired customers. We will not sell to or serve (show products, etc.) impaired customers. However, we may interact with an impaired customer if necessary, to delay their departure until local police can arrive to conduct an impairment assessment.

### Cash Handling

By the time THC’s store opens, Congress may have passed banking legislation to allow marijuana companies to access all traditional banking services. If that occurs, it is likely to reduce cash transactions to under 15% of total revenue.

In the meantime, cash will be routinely moved to a locked vault system. There are several systems in the market including some that have an under-counter cash collector where cash is deposited after

each transaction, automatically counted and sorted, and maintained in a locked vessel that can be affixed to the floor. We expect to make daily cash deposits. Until banking services are widespread (or in the event those services are not widespread by the time we open), we expect to utilize an armored car delivery service with an intentionally variable pick-up schedule for bank deposits

### Internal Audits

THC will conduct a monthly analysis of its equipment and sales data to determine that no software has been installed that could be utilized to manipulate or alter sales data, in compliance with state regulations. THC will ensure that no other method has been employed to manipulate or alter its sales data. THC will maintain records that it has performed the monthly analysis and produce it upon request to the Commission. In addition, THC's operating plan provides for:

- Daily inventory audits to reconcile sales receipts against cash collected and inventory
- Weekly inventory audits to be reviewed and scrutinized by store manager for accuracy
- Monthly audit performed by the bookkeeper
- Quarterly third-party audit performed by accountant
- Annual review of financial statements

## Q7 Human Harmony: Preliminary Traffic and Parking Plan and Intended Traffic and Parking Mitigation Measures

### Managing Customer Traffic (Traffic Plan)

THC is committed to being a good neighbor and minimizing traffic congestion inside and outside the store. Providing a positive experience for our customers and the community of Arlington is of paramount concern. THC will proactively implement the following processes:

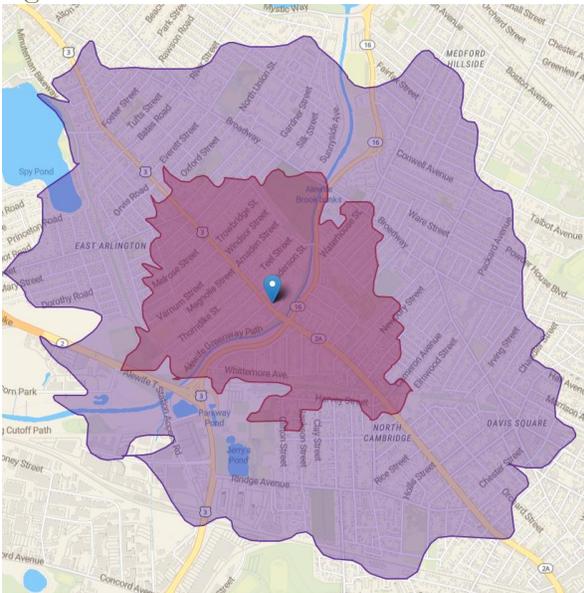
1. Incentivize customers to review the menu before visiting the store to minimize visit time
2. Overstaff the store until customer traffic normalizes
3. Place associates on the floor to discuss menu options with customers in line, reducing counter visit time and increasing customer throughput.
4. Pair counter associates with runners – to gather the order, reducing counter wait times.
5. Add temporary additional check-out stations, if needed.
6. Allow customers to order directly from their phone in store and move to the express line.
7. Offer a discount for customers who pre-order during the opening weeks.
8. Employ the QLess app, when customer traffic is heavy in general or on specific days.
9. Use discounts to direct customers to shop during less congested time periods, during off peak hours and normalize consistent store traffic

### Parking Management

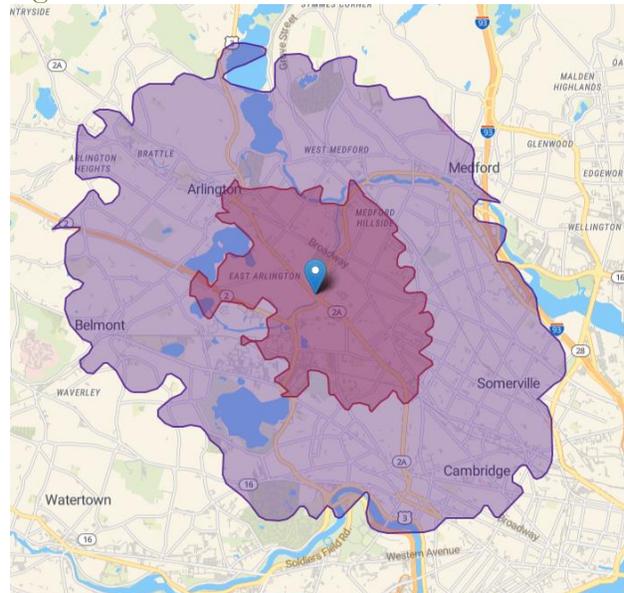
Subject to need, several attendants will manage parking during the opening weeks. THC is in conversation with several businesses and landowners in the area with excess parking to lease additional spaces during operating hours for employee and overflow parking. THC intends to open by appointment-only using the QLess scheduling app in the opening weeks to better gauge traffic and demand patterns.

The strongest Parking Management system is to attract customers within walking, biking, or bus distance who do not require parking. Given the location of other dispensaries in Arlington, THC expects its share of Arlington’s estimated addressable market to be drawn from within a 20-minute walk time radius, and well within a 20-minute bike time radius. Where allowable and if approved by the city, THC will install bike racks to accommodate eco-friendly means of transportation to be used by all. Incentive programs may be developed to encourage customers and patients to use alternative transportation means.

*Figure 3: 10- and 20-Minute Walk Radius*



*Figure 4: 10- and 20-Minute Bike Radius*



Finally, as a last resort, in addition to plentiful off-street parking spaces, THC is in an area with free on-street parking.

## Q8 Human Education: Commitment to Youth Safety, Abuse Prevention, and Community Education

### Youth Use Prevention and Education Services

As local community members and parents raising children in the community, we look forward to assisting the Town with and participating in, community educational programs on public health, drug abuse prevention (including youth use prevention programs).

### Senior Education Services

THC looks forward to work with the town, Council on Aging, Arlington Senior Center, Brightview Arlington, Sunrise of Arlington, and other facilities focused on seniors to support marijuana education programs for seniors and others interested in learning about the benefits of marijuana. This will include information on a variety of ailments including glaucoma, Parkinson’s, Multiple Sclerosis, Crohn’s, Hepatitis C, ALS, cancer, and other diseases.

### Police DRE (Drug Recognition Expert) Training

Massachusetts' Special Commission on Operating Under the Influence and Impaired Driving developed 19 recommendations for state officials to consider. One recommendation calls for the Municipal Police Training Committee to expand training of drug recognition experts. THC would be interested in working with the Arlington Police Department to support DRE training.

## Q9 Human Communication: Educating Customers About Restrictions on Public Consumption and Workplace Use, Second Hand Smoke Risks, and Dangers Of Operating Motor Vehicles While Impaired

THC will develop literature reviewing restrictions on public consumption, workplace use, secondhand smoke risks, and the dangers of operating motor vehicles while impaired to be used in orientation of new customers. Staff will be trained to communicate this information to new customers prior to sale, and this literature will be given to new customers with purchase. While we believe strongly in compassionate care, we also have significant concerns about responsible use.

THC will use vestibule wall space to communicate restrictions on public consumption and workplace use, second hand smoke risks, and dangers of operating motor vehicles while impaired that will be available for customers to read while they wait for entrance to the store interior.

## Q10 Human Diversity: Job Creation, Commitment to Local Hiring and Diversity

### Commitment to Diversity & Local Hiring

THC will recruit staff from the local Arlington community. Preference will be given to veterans and individuals with knowledge and/or experience in the therapeutic use of marijuana. It is of utmost importance to THC that we hire a staff that represents the diversity of the community and customers whom we serve.

New staff will be evaluated for presentation, people skills, communication abilities, and attitude. Restaurant and food service workers, whose livelihoods have been disproportionately impacted by Covid-19, often have the quick task-changing skill set best suited for a position in a retail marijuana shop.

Staff will dress in a common outfit (e.g. pants color and company-supplied shirt in various styles) and will always display a name badge and proper credentialing tags as required by the state.

### General Staffing and Recruitment

The store will be staffed with a manager, compliance and inventory manager, shift managers, senior associates trained and trusted to open or close the store, inventory associates, security professionals, and 15 to 20 full and part-time associates, commonly called "budtenders." We expect to have three administrative positions, one on-site at a time, as well as parking attendants as needed.

Staff will be recruited either directly from local advertising, via job fairs, or through cannabis industry staffing firms. We are committed to hire a diverse staff. We will also recruit through the CCC's social equity connector program. The CCC has a Local Employment Leader rating system that requires 51% or more of the licensee's employees have been a Massachusetts resident for 12

months or more. Our staffing goal is at least 75% of the team from Arlington and surrounding towns. Store staff will report to managers and operations executives.

## Q11 Human Environment: Supporting the Unique Character, Culture, and History of Our Neighborhood, Maintaining Geographic Balance in the Distribution Of Marijuana Establishments

### Supporting the Unique Character, Culture, and History of the Neighborhood

#### Creating an Attractive Space for the Community

As members of the community, THC strives not only to comply with zoning and regulations, but to live up to the spirit of the community and have a positive impact on the character of the neighborhood in which we are situated. For instance, THC anticipates working with Arlington Redevelopment Board, Board of Health, Police Department, and others to ensure its location and exterior pass Environmental Design Review standards, including

- Preservation of Landscape
- Relation of Buildings to Environment
- Open Space
- Circulation
- Surface Water Drainage
- Utility Service
- Advertising Features
- Special Features
- Safety
- Heritage
- Microclimate
- Sustainable Building and Site Design

THC has had initial engagement with design and architecture firms regarding the planning and design of its space. THC anticipates relying on the professional experience of skilled designers and architects to not only support planning and rollout of the built environment but to collaborate in a detailed review of the uses and structures at THC's location which have a substantial impact on the character of the town, traffic, utilities, property values, public health, safety and general welfare.

#### Avoiding Primarily Residential Districts, Maintaining Neighborhood Character

In determining where to allow new cannabis uses in town, Arlington's Planning and Community Development department eliminated businesses and districts that *might be located within primarily residential districts*.<sup>15</sup> The town created a 300- and 500-foot buffer around the public and private K-12 schools in the community. Taking the analysis a step further, the Town applied a density buffer of 2,000 feet to existing Marijuana Establishments and Marijuana Treatment Centers. Subsequent revisions to Zoning required additional buffers of 300 feet from Town playgrounds and recreational facilities and 200 feet from public libraries. Of the above restrictions, the density requirement is the sole restriction with flexibility.<sup>16</sup> THC has identified locations that conform with these requirements.

---

<sup>15</sup> Town of Arlington. Memorandum Re: Background Information on Proposed Zoning Amendments. October 5, 2018. Web. Accessed May 11, 2020. <https://www.arlingtonma.gov/home/showdocument?id=44721>

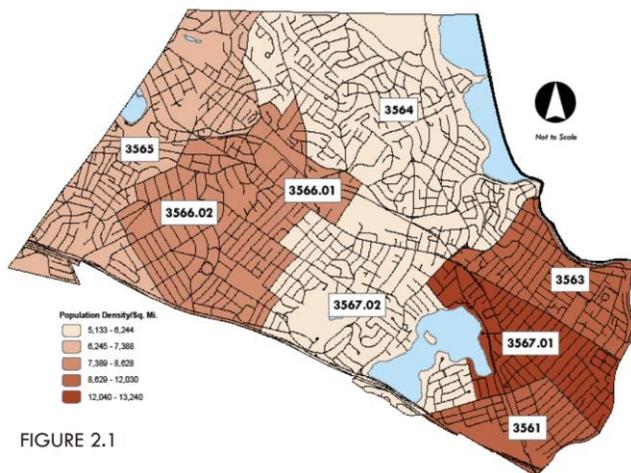
<sup>16</sup> Per Town of Arlington Marijuana Establishment Host Community Agreement (HCA) License Application, Section 5, "The Arlington Redevelopment Board *may, but is not required to* grant relief from buffer zone requirements as set forth in section 8.3.B.2 of the Zoning Bylaw", which refers to the 2,000 foot buffer between similar establishments

## Maintaining Geographic Balance in the Distribution of Marijuana Establishments

Per Town bylaws, Arlington currently has a cap of three on the number of dispensaries permitted. These three dispensaries will be distributed across the town's landmass and the Town seeks geographic balance in the distribution of marijuana establishments.

THC suggests geographic balance should weight landmass and population with the intent of the zoning concerns above, to ensure safe and convenient community access. Per the Arlington Master Plan, Arlington is divided into eight census tracts. These census tracts are small, sub-zip code level areas delineated for statistical purposes to track and report demographic change. Per Figure 5, below, Arlington's population density map shows the town is most densely populated on its Eastern and Western-most poles.

Figure 5: Population Density by Census Tracts



Arlington's existing cannabis dispensaries to-be are located near the polar ends of Town. Apothca is in the current Swifty Printing location, in the Arlington Heights area (Figure 6, below), eliminating much of the appropriately zoned Arlington Heights commercial area for a third potential adult use cannabis dispensary with its 2,000-foot buffer. Eskar is in the former New England Teamsters Federal Credit Union, in the North of Broadway area (Figure 6, below), eliminating much of the appropriately zoned Broadway commercial area for a third potential adult use cannabis dispensary with its 2,000-foot buffer.

While this leaves some appropriately zoned locations in the center of town, much of the area is either *primarily residential*, like the corridor along Summer Street, which runs afoul of the original reason behind eliminating B1 and B2 zoned businesses.<sup>17</sup> Or, locations are close to the High School or Ottoson Middle School, like the Mirak and Dudley Street properties. Teen and tween students were identified as the key audience from which to buffer, making these locations less than ideal.<sup>18</sup>

<sup>17</sup> Town of Arlington. Memorandum Re: Background Information on Proposed Zoning Amendments. October 5, 2018. Web. Accessed May 11, 2020. <https://www.arlingtonma.gov/home/showdocument?id=44721>

<sup>18</sup> Marijuana Study Group, "Meeting Summary." October 17, 2018

Thus, THC asks that the Selectboard consider a North-South division of geography along Mass Ave and Broadway, as well as an East-West division (Figure 6, below). THC’s suggested formulation of Census tracts yields three nearly identical land mass areas and similar populations.

*Figure 6: Suggested Geographic Balance of Landmass and Population*

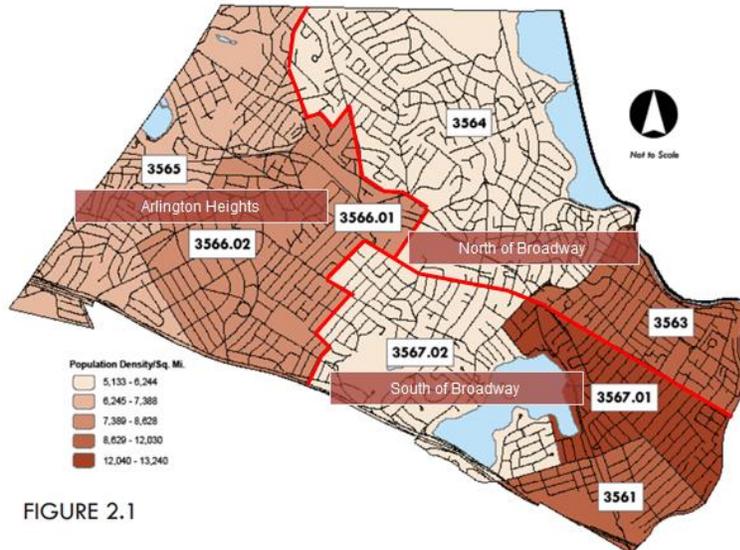


FIGURE 2.1

*Table 9: Geographic Balance of Arlington Dispensary Areas*

Name (Census Tract)	Landmass	Population
Arlington Heights	1.90	14,965
North of Broadway	1.80	12,287
South of Broadway	1.80	15,592

Thus, locating an additional dispensary South of Broadway, along the Mass Ave commercial spine would

- Maintain geographic balance in three evenly sized and populated land areas
- Avoid impacting areas that are primarily residential, per the elimination of B1 and B2 zones
- Minimize changes to traffic patterns, building on main thoroughfares built for capacity
- Monetize vacant or developable properties in town, rather than disturb existing business
- Avoid proximity to the High School and Ottoson Middle School, the main geographic concentration of target populations from a Youth Safety standpoint
- Potentially increase municipal tax income from neighboring communities

## Appendix 1: Massachusetts and Arlington Market Sizing

Based upon population, income, current zoning, and other demographics, THC forecasts the Arlington addressable market to be approximately \$20.7m post-tax with the town’s three licensed stores generating annual pre-tax revenue of \$5.6m on average.

THC uses the developed Washington State market as a benchmark for projected future cannabis expenditure per resident, given the state’s similar population size, wealth, and the economic structure of its cannabis market. Washington State was one of the earliest adult-use marijuana states, voting along with Colorado in 2012 to legalize. Washington has county-level limits to the number of production, processor, and retail licenses allowed, somewhat akin to the varying municipal limits on licenses across Massachusetts. Over the course of the industry’s development, the Washington market experienced strong price compression: An ounce of medium quality cannabis is \$197.72 in Washington, while an equivalent once currently goes for \$282.30 in Massachusetts, more than 40% higher.<sup>19</sup> This makes Washington a robust proxy for where Massachusetts retail prices will trend over time, as additional producers and processors come online and reduce prices in the Bay State.

THC further selected sub-state units with comparable urban centers, income levels, and geographic proximity to state borders to Arlington: King county, anchored by Seattle, WA; Pierce county, anchored by Tacoma, WA; and Thurston county, anchored by Olympia, WA. These counties’ age distributions are like Arlington’s, have similar – though lower – median income levels to Arlington, and do not benefit from cross-border sales traffic like Arlington:

Table 10: Median Income and Age Bracket by County

Geography	Median Income <sup>21</sup>	Age by Decade (% of Population) <sup>20</sup>								
		0-9	10-19	20-29	30-39	40-49	50-59	60-69	70-79	80+
King	~\$95,000	12	11	15	17	14	13	10	6	3
Pierce	~\$75,500	14	12	15	15	12	13	11	6	3
Thurston	~\$72,700	12	12	13	15	12	12	13	7	4
Arlington	~\$107,000	13	10	9	16	15	14	11	7	4

THC assumes a similar pattern of spending on cannabis as a percent of consumers’ basket of goods between Washington and Massachusetts. We normalize expenditure per resident across Washington and Massachusetts’ differing tax regimes and adjusts for Massachusetts’ higher income over cost of living (“COLA”). Based on the latest available month of public data,<sup>22</sup> February, 2020, annual sales expenditure per resident on retail cannabis for each county are estimated as following.

<sup>19</sup> PriceofWeed.com. Web. Accessed May 5, 2020

<sup>20</sup> U.S. Census Bureau (2018). American Community Survey 5-year estimates. Web.

<sup>21</sup> *Ibid*

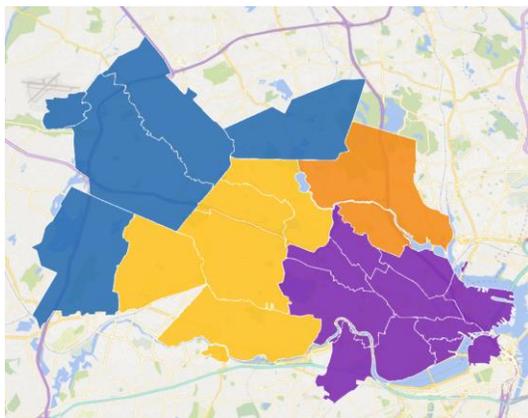
<sup>22</sup> <https://502data.com/counties>. Web. Accessed May 5, 2020

Table 11: Projected Annual Cannabis Expenditure per Resident by County

County	Population	Excise Tax	Retail Sales	Sales and Tax Expenditure per Resident	MA COLA	Net of MA Taxes	Annual
King	2,233,163	\$8,404,141	\$31,118,036	\$17.70	\$19.07	\$15.51	\$228.89
Pierce	891,299	\$4,218,898	\$15,621,326	\$22.26	\$23.99	\$19.51	\$287.90
Thurston	286,419	\$1,524,222	\$5,643,741	\$25.03	\$26.97	\$21.93	\$323.67

Based on geography and municipal zoning status, THC estimates that Arlington’s three potential dispensaries will capture 100% of the Arlington market, approximately 30% of the Lexington market, and 25% of the Winchester market, with some customers preferring to visit stores in Waltham, Woburn, Medford, Belmont, Somerville, Cambridge, or elsewhere. As illustrated in blue (Figure 7 below), Lexington and Winchester have bans on adult use cannabis in place.

Figure 7: Zip Codes by Cannabis Zoning Status



	License cap
	Zoning in place
	Ban in place
	In planning

Table 12: Area Municipalities, Population, and Zoning

Cities & Towns	Census Population <sup>23</sup>	Estimated Market Capture (%)
Arlington	42,844	100%
Belmont	38,902	0%
Cambridge	141,405	0%
Lexington	50,216	30%
Medford	83,403	0%
Somerville	102,193	0%
Winchester	21,382	25%

Given Arlington’s higher median income relative to both Washington State comparators and Massachusetts, THC applies the highest estimated annual expenditure average per resident to Arlington’s estimated 60,000-person market area, and derives its projected addressable market value of \$20.7m, including taxes. To be clear, ‘expenditure per resident’ is used to compare average sales activity in comparable population distributions. THC in no way anticipates selling to *all* residents; only to adults 21-years-old or older.

<sup>23</sup> United States Census Bureau. 2010 Census.U.S. Census Bureau. 2010. Web.

Massachusetts allows up to 23% tax on the sale of adult use cannabis at the retail-level:

*Table 13: Massachusetts State and Municipal Tax on Adult Use Cannabis Sales*



Adjusting gross sales including tax, by the maximum allowable state and municipal taxes yields around \$16.8m in pre-tax sales or approximately \$5.6m revenue for Arlington’s 3 stores. This implies approximately \$1.0m in municipal tax generated from retail adult use cannabis sales for the Town of Arlington.

## Appendix 2: Average Ticket Size, Customer Volume, and Throughput

### Average Ticket Size

Based on the size of the addressable Arlington market (Appendix 1), THC expects to serve approximately 250 customers per day and 333 on Saturdays. THC estimates average pre-tax customer ticket value at the Arlington location at \$60, given Massachusetts’ historical basket of cannabis products purchased over the first year of adult use sales, average costs per unit over the same time period,<sup>24</sup> and Arlington median household income. THC expects adult use customers to pay the maximum allowable 23% in tax.

Over the course of the first year of operation for the adult use cannabis industry in Massachusetts, gross sales for adult-use cannabis retail stores and co-located medical and adult-use stores were \$394m+, excluding taxes.<sup>25</sup> (Table 14 below)

Over the course of the first year, the top three product categories by sales value, which accounted for over 90% of total sales by value, were:

1. Buds or “Flower”, which represented 49% of total sales by value
2. Concentrates, which accounted for 27% of total sales by value
3. Infused Edibles, which represented for 15% of total sales by value

Across all sales, these three product categories obtained the following average cost per unit:

1. Buds: \$40.79
2. Concentrates: \$72.33
3. Infused Edibles: \$38.41

Taking the state of Massachusetts as an individual consumer, the average ticket would be approximately \$45.82, with over 90% of the value of the ticket made up of the top three products.

*Table 14: Sales, Percent of Units and Sales by Product Category November 2018-November 2019*

<b>Product Category</b>	<b>Total Units</b>	<b>Total in Dollars</b>	<b>Units (%)</b>	<b>Sales (%)</b>	<b>Average Cost Per Unit</b>	<b>Value in Average Sale</b>
Buds	4,705,546	\$191,940,288.30	51%	49%	\$40.79	\$19.89
Concentrate	47,688	\$3,449,114.20	1%	1%	\$72.33	\$0.63
Concentrate (Each)	1,782,161	\$107,352,206.40	19%	27%	\$60.24	\$16.43
Infused (edible)	1,564,222	\$60,076,284.20	17%	15%	\$38.41	\$5.86
Infused (non-edible)	241,373	\$14,336,714.10	3%	4%	\$59.40	\$2.16
Infused Pre-Rolls	15,987	\$317,772.50	0%	0%	\$19.88	\$0.02

<sup>24</sup> Massachusetts Cannabis Control Commission. “A Baseline Review and Assessment of the Massachusetts Adult-Use Cannabis Industry: Market Data and Industry Participation.” February, 2020. Web. Accessed May 6, 2020

<sup>25</sup> *Ibid*

Kief	9,017	\$276,511.50	0%	0%	\$30.67	\$0.02
Raw Pre-Rolls	713,747	\$13,873,448.30	8%	4%	\$19.44	\$0.69
Shake/Trim	4,442	\$132,132.00	0%	0%	\$29.75	\$0.01
Shake/Trim (by strain)	83,035	\$1,949,656.00	1%	0%	\$23.48	\$0.12
Suppository	47	\$1,200.00	0%	0%	\$25.53	\$0.00
<b>Total</b>	<b>9,167,265</b>	<b>\$393,705,327.50</b>	<b>100%</b>	<b>100%</b>	<b>\$419.92</b>	<b>\$45.82</b>

### Customer Volume

With median household income in Arlington approximately 33% above state average,<sup>26</sup> THC anticipates a higher than average ticket size at its Arlington location. With pre-tax sales per store expected to be between \$5.6m (Appendix 1), and pro forma average ticket values at \$60, a 33% premium over state average, THC estimates customer volume per day to be approximately 250 on average. (Table 15 below)

<b>Store Sales</b>	\$5.6m
<b>Pre-Tax</b>	\$60.00
<b>Post-Tax</b>	\$73.80
<b>Average Customers per Day</b>	256

### Customer Throughput

As with conventional retail, THC expects its approximately 250 customers per day to arrive during a peak traffic window of 6 hours, which receives 80% of the day's traffic. Average customer cycles – time from arriving at the counter to departure – are projected to range between 7.5-12 minutes for regular offline transactions and 3-5 minutes for pre-pay and pre-order web-based express transactions.

Analyzing daily adult use cannabis retail sales data for Massachusetts for 2019, THC determined the following sales activity shares across days. Carrying through annual store revenue of \$5.6m (see Appendix 1) at the THC store, average ticket size of \$60, 6 peak hours and 80% percent of customers arriving in peak hours, THC projects the following volume of customers during peak hours by day (Table 16 below).

<sup>26</sup> U.S. Census Bureau (2018). American Community Survey 5-year estimates. Web.

*Table 16: Customers at Peak per Day*

<b>Day of Week</b>	<b>Percent of Sales</b>	<b>Customers at Peak</b>
Monday	12%	29
Tuesday	12%	30
Wednesday	12%	30
Thursday	13%	32
Friday	18%	44
Saturday	19%	45
Sunday	14%	33
Total	100%	

**Key:**

Max Customers

To address throughput projections at the store, THC will segregate inbound customers in separate lines between express (online pre-pay and pre-order), regular customers, and medical cardholders and veterans. The medical cardholder and veteran line is expected to move at the same pace as regular offline sales (7.5-12 minutes per transaction). Medical cardholders or veterans that pre-pay or pre-order online will join the express line. Thus, THC anticipates deploying 6 check-out stations, designed to serve up to 58 customers per hour, given a mix of web-based and offline transactions, (Table 17 below).

*Table 17: Customers Served by Station by Station Type, Offline and Online Mix*

<b>Station Number</b>	1	2	3	4	5	6
<b>Type</b>	PP	PO	Reg	Reg	Reg	Reg
<b>Cycle Time</b>	3	5	7.5	7.5	12	12
<b>Customers per Hour</b>	20	12	8	8	5	5
<b>Total Customers per Hour</b>	58					

**Station Types**

- PP = Pre-pay
- PO = Pre-order
- Reg = Offline

With 45 projected maximum customers at peak, based on the conservative expectations of \$5.8m in pre-tax sales and \$60 average ticket projections, THC could be off in its estimations by 25%+ and still satisfy all customers at peak.

## S7 Proposed Host Community Agreement

**HOST COMMUNITY AGREEMENT FOR ADULT-USE RETAIL  
BETWEEN  
THE TOWN OF ARLINGTON  
AND THE HUMAN CONNECTION, LLC**

THIS HOST COMMUNITY AGREEMENT ("Agreement") is entered into pursuant to M.G.L. c.44, §53A this \_\_\_\_\_ day of \_\_\_\_\_, 2020 by and between The Human Connection, LLC, a Massachusetts Limited Liability Corporation with a principal office address of 29 Florence Ave, Arlington, MA ("**OPERATOR**") and the TOWN OF ARLINGTON, a Massachusetts municipal corporation with a principal address of 730 Mass Ave., Arlington, MA 02476 ("**TOWN**").

WHEREAS, OPERATOR seeks to operate a Marijuana Retailer Establishment ("**MRE**"), as defined in M.G.L. c 94G, Section I, for retail sales of marijuana and marijuana products in the TOWN at \_\_\_\_\_, Arlington, MA (the "**Facility**");

WHEREAS, OPERATOR and TOWN agree that if a Final License to operate is granted to OPERATOR by the Cannabis Control Commission ("**CCC**") the OPERATOR'S MRE, will impact TOWN Resources in ways unique to such businesses and will draw upon TOWN resources such as TOWN law enforcement, public health, inspectional, fire protection services as well as TOWN rights-of-way in a manner not shared by the general public and shall cause additional unanticipated impacts upon the TOWN; and

NOW, THEREFORE, in consideration of the above, OPERATOR offers and the TOWN accepts the following Agreement terms in accordance with M.G.L. ch.44 §53A:

1. OPERATOR shall pay to the TOWN 3% of the gross revenue received by OPERATOR from retail sales at the Facility accruing from the date of commencement of sales by OPERATOR in the TOWN ("**Sales Commencement Date**"). The initial payment to the TOWN shall be made on the first day of the seventh month after the Sales Commencement Date ("**Initial Payment Date**") and shall reflect gross revenue for the first quarter of sales. Thereafter payments shall be made every six months, and shall reflect the subsequent six month's sales, with the final three months payment remaining unpaid until three months after the termination of this Agreement. OPERATOR shall notify the TOWN when OPERATOR commences retail sales within the TOWN. OPERATOR's records maintained pursuant to 935 CMR 500.105(8) will be available to the TOWN upon request to verify OPERATOR's payment amounts. The TOWN may notify OPERATOR to delay the initial payment, in which case the initial payment shall be made as specified by the TOWN; however, the timing of subsequent payments shall be made as if the initial payment had been on the Initial Payment Date.
2. The purpose of this Agreement is to assist the TOWN in addressing any public health, safety and other effects or impacts the MRE may have on the TOWN. The TOWN shall use the above-referenced payments in its sole discretion consistent with the purpose of the Agreement.
3. OPERATOR agrees that it is required to obtain all local permits required pursuant to Massachusetts Law and the TOWN's Zoning Bylaws and Regulations. Provided the TOWN acts in accordance with the procedures set forth in G.L. c.44, §530, OPERATOR shall be required to pay the reasonable costs for the employment by the TOWN's boards and/or officials of outside consultants, including without limitation,

engineers, architects, scientists and attorneys required to review the application for such local permits required to operate the MRE.

4. 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 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. Notwithstanding the foregoing, (i) if real or personal property owned, leased or operated by 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 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 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 payments made by OPERATOR under Section 1 of this Agreement.

5. OPERATOR acknowledges that the TOWN has imposed a local sales tax upon the sale or transfer of marijuana or marijuana products by a marijuana retailer operating within the TOWN, pursuant to the provisions of G.L. c.64N. Accordingly OPERATOR, as required by applicable law, shall remit to the Massachusetts Department of Revenue the excise tax rate determined by the Commonwealth of Massachusetts for the sale of adult-use marijuana and adult-use marijuana-infused products, currently at 3.0% of gross annual sales. Pursuant to G.L. c.64N; §3, the excise taxes received by the Department of Revenue "shall at least quarterly be distributed, credited and paid [to the Town] by the state treasurer". Nothing herein shall limit the ability of the TOWN to adjust the local sales tax in the future, should the law be amended to allow for an increase in such allowable sales tax.

6. OPERATOR shall work with the Arlington 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 MRE is located. OPERATOR will maintain a cooperative relationship with the Arlington Police Department, including but not limited to periodic meetings to review operational concerns, cooperation in investigations, and communication to Arlington Police Department of any suspicious activities on the site.

7. OPERATOR 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:

- a. training OPERATOR employees to be aware of, observe, and report any unusual behavior in authorized visitors or other OPERATOR employees that may indicate the potential for diversion; and
- b. utilizing seed-to-sale tracking software to closely track all inventory at the Facility.

8. OPERATOR shall inform and advise the TOWN's Board of Health and Police Department of the results of all inspections, notices to cure, violations, and any other adverse findings by the CCC or other State regulatory authority.

9. Except for senior management positions, OPERATOR commits to hiring local, qualified employees to the extent consistent with law. 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 Arlington area where possible.

10. The OPERATOR shall submit at least annual financial records to the TOWN on or before January 15 of each calendar year, with a certification of the Gross Sales for the respective year. The OPERATOR shall also submit to the TOWN copies of any additional financial records that the OPERATOR is required to submit to the CCC.

11. The 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.

12. The term of this Agreement shall be for five (5) years from the date the MRE first opens to the public ("Term"). All payments required hereunder shall remain in effect for the duration of the term. At the conclusion of the term of this Agreement the parties shall renegotiate a new HCA in accordance with the current prevailing regulations and laws as they may be amended or replaced.

13. This Agreement shall terminate at the time that either of the following occur:

a. the TOWN notifies OPERATOR of the TOWN's termination of this Agreement for "cause", which shall be defined as a failure of the OPERATOR to adhere to the terms of this Agreement or Massachusetts and local laws, ordinances and regulations which is not cured within ten (10) days after written notice thereof; or

b. OPERATOR ceases to operate a MRE in the TOWN; OPERATOR shall provide notice to the City of the date of commencement of operations at least fourteen (14) days prior to such date.

14. In the event the OPERATOR longer does business in the TOWN or in any way loses or has its license revoked by the CCC, this Agreement shall become null and void; however the Company will be responsible for the prorated portion of the quarterly payment due under Section 1 above.

15. The obligations of OPERATOR and the TOWN recited herein are specifically contingent upon the issuance by CCC to OPERATOR of a Final License for the operation of a MRE in the TOWN, and OPERATOR obtaining all required approvals from the TOWN for the OPERATOR to serve customers both from the New Location in Town.

16. OPERATOR shall not assign, sublet or otherwise transfer this Agreement, in whole or in part, without the prior written consent of the TOWN and shall not assign any of the moneys payable under this Agreement, except with the written consent of the TOWN, provided, however, that a pledge or assignment of assets, profits or receivables required in connection with financing the business by OPERATOR shall not be considered an assignment for the purposes of this paragraph.

17. This Agreement is binding upon the parties hereto, their successors, assigns and legal representatives. Neither the TOWN nor OPERATOR shall assign or transfer any interest in the Agreement without the written consent of the other.

18. OPERATOR shall comply with all laws, rules, regulations and orders applicable to the operation of an MRE, such provisions being incorporated herein by reference, and shall be responsible for obtaining all necessary licenses, permits, and approvals required for the operation of an MRE.

19. 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 on Page 1 or 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, 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.

20. 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.

21. 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.

22. 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

TOWN OF ARLINGTON

THE HUMAN CONNECTION

By

By

Its

Its

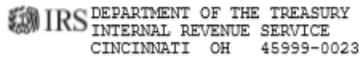
Dated

Dated

# Proof of Group A Priority

## 100% Arlington Resident-Owned Entity

IRS communication showing Jared Glanz-Berger, resident of Arlington, as the sole member of The Human Connection LLC



Date of this notice: 05-13-2020

Employer Identification Number:  
85-1039717

Form: SS-4

Number of this notice: CP 575 G

HUMAN CONNECTION LLC  
JARED GLANZ-BERGER SOLE MBR  
29 FLORENCE AVE  
ARLINGTON, MA 02476

For assistance you may call us at:  
1-800-829-4933

IF YOU WRITE, ATTACH THE  
STUB AT THE END OF THIS NOTICE.

### WE ASSIGNED YOU AN EMPLOYER IDENTIFICATION NUMBER

Thank you for applying for an Employer Identification Number (EIN). We assigned you EIN 85-1039717. This EIN will identify you, your business accounts, tax returns, and documents, even if you have no employees. Please keep this notice in your permanent records.

When filing tax documents, payments, and related correspondence, it is very important that you use your EIN and complete name and address exactly as shown above. Any variation may cause a delay in processing, result in incorrect information in your account, or even cause you to be assigned more than one EIN. If the information is not correct as shown above, please make the correction using the attached tear off stub and return it to us.

A limited liability company (LLC) may file Form 8832, *Entity Classification Election*, and elect to be classified as an association taxable as a corporation. If the LLC is eligible to be treated as a corporation that meets certain tests and it will be electing S corporation status, it must timely file Form 2553, *Election by a Small Business Corporation*. The LLC will be treated as a corporation as of the effective date of the S corporation election and does not need to file Form 8832.

To obtain tax forms and publications, including those referenced in this notice, visit our Web site at [www.irs.gov](http://www.irs.gov). If you do not have access to the Internet, call 1-800-829-3676 (TTY/TDD 1-800-829-4059) or visit your local IRS office.

### IMPORTANT REMINDERS:

- \* Keep a copy of this notice in your permanent records. This notice is issued only one time and the IRS will not be able to generate a duplicate copy for you. You may give a copy of this document to anyone asking for proof of your EIN.
- \* Use this EIN and your name exactly as they appear at the top of this notice on all your federal tax forms.
- \* Refer to this EIN on your tax-related correspondence and documents.

If you have questions about your EIN, you can call us at the phone number or write to us at the address shown at the top of this notice. If you write, please tear off the stub at the bottom of this notice and send it along with your letter. If you do not need to write us, do not complete and return the stub.

Your name control associated with this EIN is HUMA. You will need to provide this information, along with your EIN, if you file your returns electronically.

Thank you for your cooperation.