

617 Therapeutic Health Center, Inc.

168 Beacham Street, Everett, MA 02149

BACKGROUND:

On March 22, 2018, 617 Therapeutic Health Center, Inc. (617) submitted a letter of intent to the Millis Board of Selectmen (BOS) relative to siting a Medical Marijuana Treatment Center (MMTC) on the 72+ acre property at 1073 Main Street. Additionally, at the request of the BOS, on April 2, 2018, 617 made an initial presentation and participated in a question and answer session with the BOS before a public audience. Since that initial presentation, 617 or their representatives have participated in or monitored all relevant town meetings related to the future of the marijuana industry in Millis and the proposed warrant articles amending zoning by-laws that will be acted upon by Town Meeting on May 14, 2018.

Based on feedback that 617 has received from Millis officials through this dialogue, 1073 Main Street does not presently appear to be a viable location for a MMTC due to the current Millis zoning by-law for medical marijuana. Understanding the redevelopment opportunity of 1073 Main Street, and the positive economic impact of such redevelopment, the BOS indicated their desire to further the discussion and asked 617 to consider a facility that initially housed wholesale marijuana cultivation and manufacturing only.

Because of 617's commitment to the Town of Millis and the strong potential for this property to meet the long-term real estate requirements that 617 is seeking, 617 is respectfully requesting that the Retail Marijuana Committee and the Finance Committee vote to recommend that Town Meeting support Warrant Article 26. Passage of Warrant Article 26 at Town Meeting is NOT an approval of the project. Passage of Article 26 simply affirms Millis' willingness to continue the discussion and allow 617 to begin discussions with the Town to enter into a Host Agreement and ultimately begin the special permit process which will engage the entire Millis community in a robust dialogue about 617's proposal for 1073 Main Street.

PROPERTY OVERVIEW:

1073 Main Street is an industrial property located in an I-P-2 Industrial Zoning District. The 71,492 sq./ft structure was built in 1960, is set back from RT-109 at the Pleasant Street traffic light and abuts the Prospect Hill Cemetery and Great Black Swamp. The existing structure has remained largely dormant since the GAF Shingle Company used the property to stockpile roof shingles made on Curve Street, before transporting them out of Millis.

617 is proposing to reuse the existing structure to create a facility that would accommodate approximately 50,000 sq./ft of cultivation, 10,000 sq./ft of manufacturing and have the potential to employ **50-65 people at full build-out.**

ECONOMIC IMPACT:

Warrant Article 26, if approved, has the potential to provide a robust economic impact to the Town of Millis. Specifically, the town would benefit from increased property taxes, personal property or equipment taxes, utility usage, community host agreement, permanent job creation and temporary construction jobs. Indirect benefits would include community sponsorships, as well as the employees patronizing local businesses. The following are approximate estimations of potential economic impacts specific to 617's proposal that could benefit the community:

Increased Property Taxes: 1073 Main Street is currently valued at \$3.02M and is currently depreciating at a 15% rate due to being vacant. The property was last assessed a tax of **\$54K**. 617 expects to make some significant capital improvements to the structure and the property including **\$3M-\$5M** to upgrade the environmental controls and energy efficiency. According to the Millis Assessor's Office, these improvements would conservatively return the property to 100% valuation of \$4.6M and would be assessed at a new tax of approximately **\$83K**. Resulting in an additional **\$29K** in annual revenue for the Town based on the current tax rate.

Personal Property Taxes: 617 is planning a state of the art cultivation and manufacturing facility. At full build out, the facility will contain approximately \$1.5M-\$2M of new equipment. This equipment would generate approximately **\$36K** annually in new tax revenue.

Increased Utilities: A 70,000 sq./ft cultivation and manufacturing facility will use a lot of water. While 617 plans to use some of the most environmentally friendly processes on the market, they estimate they will have an annual water and sewer usage rate of **\$36K**.

Host Agreement: Current law requires marijuana establishments to enter into a host agreement with the local community. Fees associated with Host Agreements must be reasonably related to the costs incurred by the community and are valid for a 5-year period. A cultivation and manufacturing facility only, with no retail sales, can be expected to generate between \$100K to \$150K per year, for a total of **\$750K** for a five-year host agreement.

Temporary Employment: 617 estimates a seven to eight-month construction and renovation project that will employ 80-100 people. 617 intends to utilize area contractors as appropriate. Additionally, these workers will patronize local businesses throughout the process.

Permanent Employment: 617 plans a phased build-out approach that will allow the facility to begin cultivation and manufacturing earlier in the process. Initially the facility will employ 15 individuals. Employees will grow as the phases are complete and it is anticipated that this facility will employ **50-65 people at full build out**. Additionally, these employees will patronize local businesses.

Summary: The economic impacts specific to 617's proposal would conservatively result in **\$1M in direct payments to the Town of Millis over a 5-year period**. Indirectly, 617 and its employee's will patronize local businesses such as employee's going out for lunch during the day, local purchases, such as grocery's, etc. 617 will be a good corporate neighbor, support the community and contribute to the overall success of Millis.

ODOR MITIGATION:

Several Town official and residents of Millis have inquired about how 617 plans to mitigate the odor that has the potential to seep into the surrounding area and potentially create a nuisance for abutters and the community as a whole. 617 is very confident in their ability to mitigate any odors and prevent any disturbance to abutters or the community.

Successful odor containment requires an understanding of what can cause mitigation efforts to fail, such as the following: miscalculating the impact of local climate extremes; proper installation, use, and maintenance of environmental equipment; and failure to properly size the environmental controls as a project is phased. The team at 617 has developed a unique hybrid approach that has been utilized and tested in a dozen facilities across the various climates of the country.

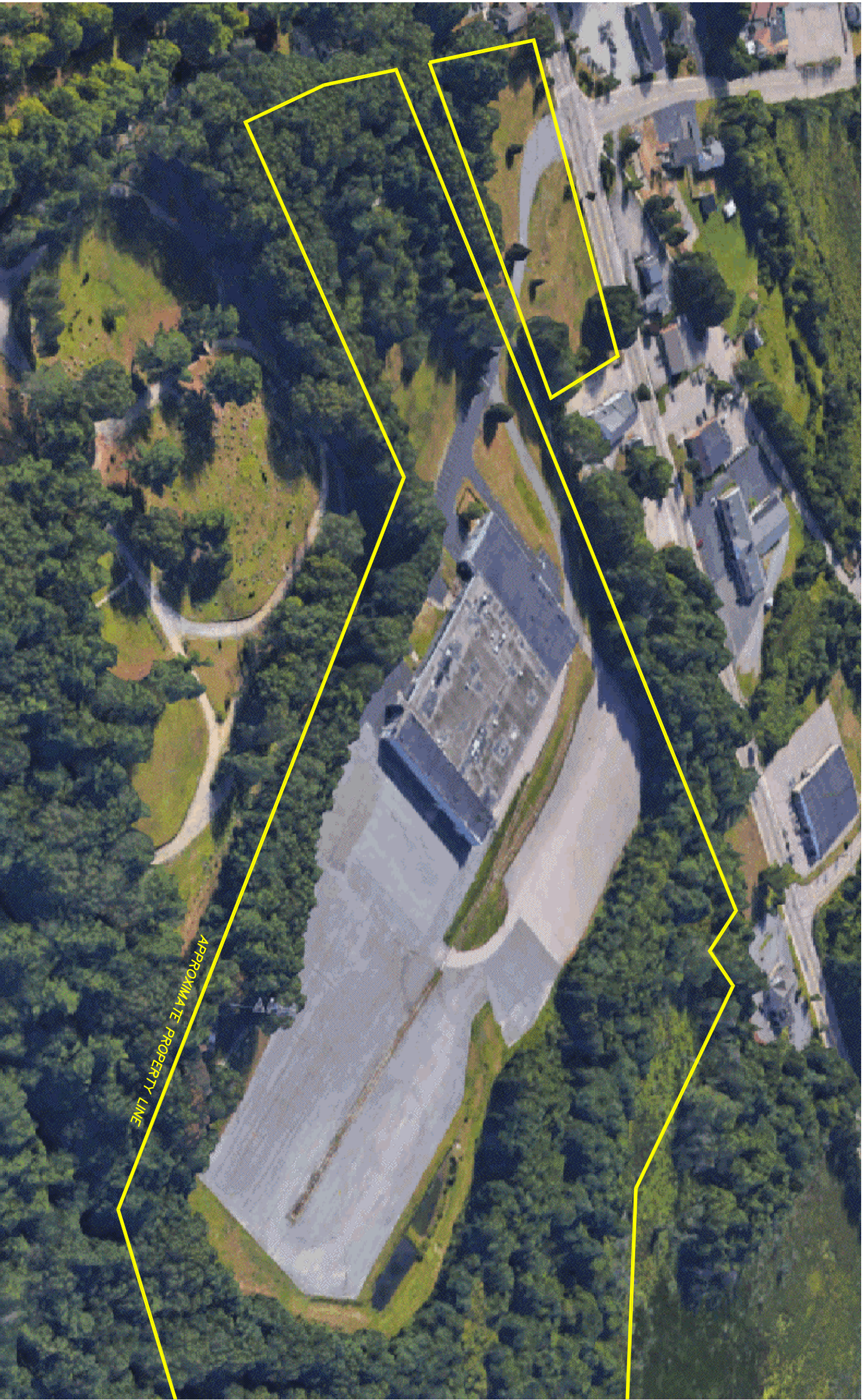
Hybrid-Solution for Odor Prevention and Mitigation

This program combines features of both closed and open climate systems, enabling us to utilize and benefit from the best attributes of each. By creating negative air pressure, the critical component of an open system's advantage in controlling how odor is managed, in an otherwise closed-ecosystem facility, allowing for carbon dioxide enrichment and a more manageable and consistent indoor climate, we are able to head off odor problems as prevention, rather than needing to fix something as a correction. With proper calibration, this small change in air pressure, will drastically reduce the chance that cannabis odor from our facility will ever become a nuisance to the community.

Our *Hybrid-Solution for Odor Prevention and Mitigation* vision includes:

- Closed, looped ecosystem to limit exchange of air with outside
 - Pressure-lock, decontamination double entryways to cultivation zone
 - Intra-garden industrial charcoal scrubbers and with compatible rust and vibration resistant inline fans rated for full function when operating at 80% capacity
 - Inter-room custom negative pressure system to draw air away from garden entryways and direct movement toward centralized Air Estuary for decontamination and purification
 - Odor destroying UV light exposure
 - Post-garden in-line ozone application
 - Stress-climate calculated interplay of cooling, co-gen heating, & dehumidification systems
 - Redundantly zoned, multiple gas-powered chillers
 - Hospital-grade back-up generators
 - Centralized, independent climate monitoring with pre-defined emergency protocol triggers
- Annual climate control equipment maintenance and system audit

Using this hybrid approach, 617 is confident the system will be able to handle the climate extremes of Massachusetts and will successfully mitigate any odors.



APPROXIMATE PROPERTY LINE

NOTE:
LAND MAPPING AS SHOWN WAS
OBTAINED FROM THE MASSACHUSETTS
GIS DEPARTMENT. QUANTITATIVE
INFORMATION SHOWN IS BASED ON
THIS DATA ONLY.
SCALE: N.T.S.

PREPARED FOR:
617 THERAPEUTIC HEALTH CENTER 1073
MAIN STREET
MILLIS, MASSACHUSETTS

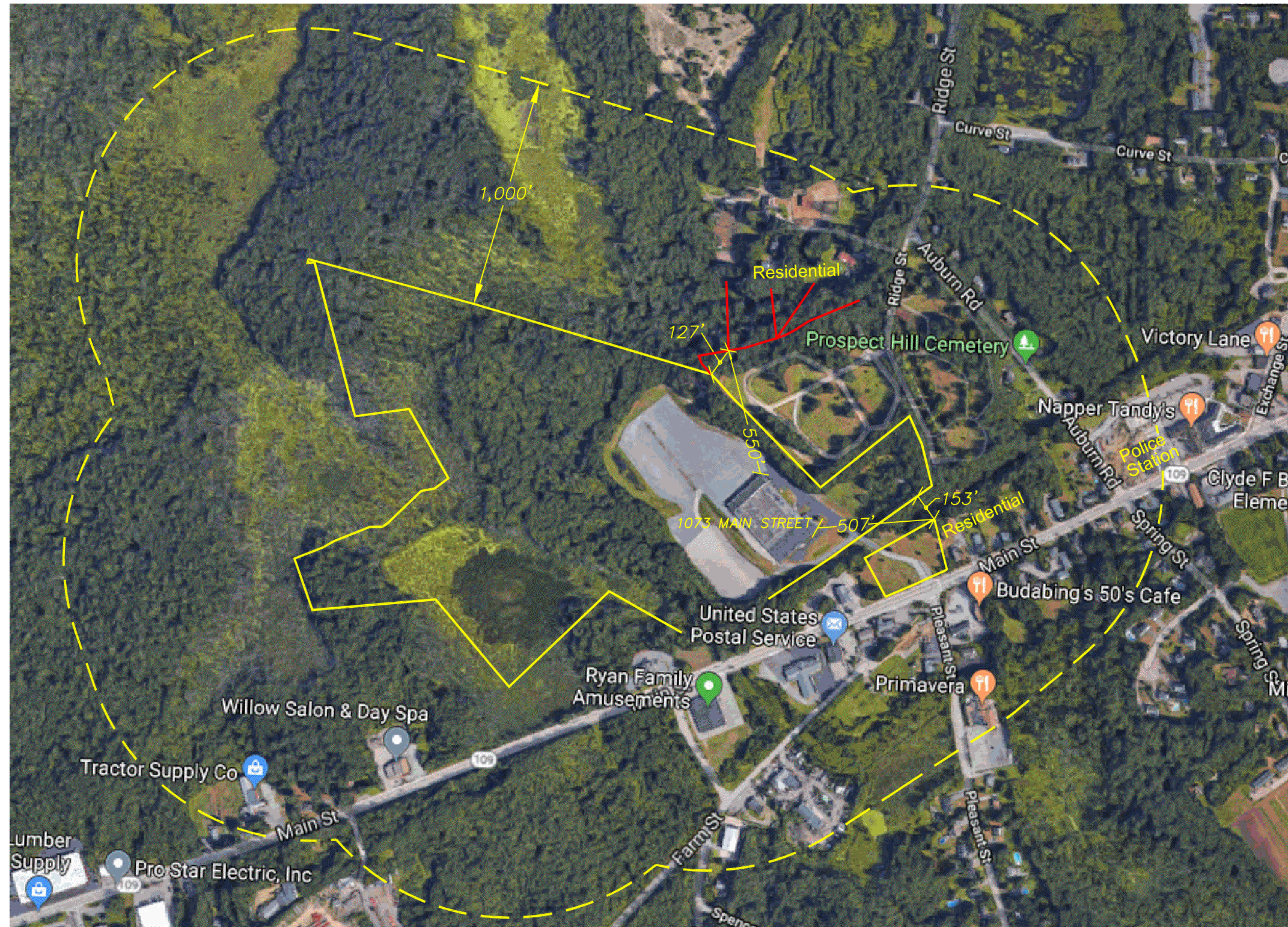
BIRDS EYE (Facing South)
1073 MAIN STREET
MILLIS, MASSACHUSETTS



HARDY + MAN
DESIGN GROUP, PC
CIVIL ENGINEERING &
LAND DEVELOPMENT CONSULTING

1285 WASHINGTON STREET
WEYMOUTH, MA
(781) 335-1464

IMAGE DATE: 4-14-17



NOTE:
LAND MAPPING AS SHOWN WAS
OBTAINED FROM GOOGLE MAPS.

SCALE: 1"=500'

PREPARED FOR:
617 THERAPEUTIC HEALTH CENTER 1073
MAIN STREET
MILLIS, MASSACHUSETTS

SITE CONTEXT PLAN
1073 MAIN STREET
MILLIS, MASSACHUSETTS



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