MINUTES

1. Roll Call of Committee Members: Meeting began at 5 PM. A quorum of the members was present to conduct business.

2. Review and approval of November 6, 2019. Motion by Nelson Miller to approve minutes of November 6 and seconded by Chief Molis. Motion approved by all members except Jenelle DeVits who abstained as she hadn’t reviewed minutes yet.

3. CLEC Applicant Presentations for Reconsideration.
   a. Craft Cultivation Group, 1130 Eastern Ave., Malden. In attendance were:
      - Nico Varano, President and CFO – will run daily operations; has quality retail/hospitality experience
      - Jamie Crumb, COO – will run daily operations; expert on marijuana – operates a cultivation & extraction facility in Maine. Will move to Boston if license is granted.
      - Heffernan Family: Robert (Property Manager), Laura (administrative, community issues), Robert, III (Chief Information Officer)
      - Scott Jenkins, Security Expert
      - James Donohue, newly added consultant. Former Compliance officer with CCC and MA DOH with Medical marijuana. Expert in Compliance investigations.

They believe they will answer all the areas of concerns of CLEC:
• Have a revised equity structure – each owner is sufficiently invested:
  ▪ QS Private Lending increased credit, lowered rate, with 24 mos. deferred interest, lower commitment fee.
  ▪ Piantedosi family is the largest stakeholder – 40%; has invested $600,000;
  ▪ Heffernan family 7%; Nico Varano 9%; Jamie Crumb 15%; 24% no equity holder – want flexibility.

• Building is in a prime location, they will fix a blighted area. Buildout cost is anticipated to cost $2.3M. Anticipate $350,000 for pre-opening expenses, $250,000 for cultivation costs = $2.7M total.
• Lease status – Family trust will buy the building. Current lease is between Heffernan and the Piantedosi family. When they buy the building, rent expenses will be deferred for 12-24 months.
• Parking – they acknowledged they still have an issue. They are required to have 34 spots but have 12. They have obtained 18 to the left of their site (will supply LOI), have had discussions for 30 spots on the right. Have not locked up parking yet. Once they get licensed, they will aggressively pursue parking for the additional spots. Will encourage employees to take public transportation and participate in ride sharing to ensure more customer parking.
• Plan to have 27 employees and will hire from Malden.
• Will bring in other product until their product is up and running.
• Vertical integration – will cultivate, manufacture and package organically grown product in Malden, a “craft product.” Priority is to serve their own store, if there is a surplus, will sell to other facilities. Self-sustainable, high efficiency techniques, no pesticides and molds; will extract and will make into various types of oils. Clean and sterile environment which means less contamination. Unused parts of the plant will be composted so there will zero waste. Will work to become a certified organic company. Seed to Sale Retail component – will have unique packaging, inventory controlled, coded, labeled, and child-proof. Will create a brand that says: “Grown in Malden.”

4. **New Business.** The next meeting will be to deliberate on the three candidates that were re-interviewed. Kathleen will reach out to Standard Naturals to ask when they plan to have their public meeting.

5. **Next Meeting.** Kathleen will work to schedule a meeting to take place next week.

Motion to adjourn at 6:16 PM by Nelson Miller and seconded by Chief Molis. All in favor, meeting adjourned.