

City of Holyoke Special Permit

Annual Report

Boston Bud Factory is still operating (2) Cannabis Licenses issued by the Massachusetts Cannabis Control Commission. The Retail Brick and Mortar store has been open since June 17th, 2020, and Product Manufacturing started producing products in 2021. Boston Bud Factory has started ramping up commercial production and now has Boston Bud Factory made Rosin and Vape Cartridges available.

The Boston Bud Factory retail store has been open for 2.5 years and, over time sales have continued to build, but we still have not reached the low sales estimates from our business plan. Boston Bud Factory invested a lot of time and money in Holyoke, and we hope to continue operations in Holyoke though we are concerned about what will happen to sales when more stores open in Holyoke. We appreciate the fact that the city is using some of the impact fees for advertising and we hope that helps bring more customers in the future.

Boston Bud Factory has expressed its concern with the impact fee to town officials, including the mayor. We greatly appreciate the efforts by the Mayor and Planning Department to get the fee reduced to 1%. Boston Bud Factory still believes that impact fees as charged violate MA General Laws Chapter 94G Section 3. Boston Bud Factory doesn't believe it has caused any negative impact, nor has it created any additional costs for the city. Holyoke also has not provided any detailed accounting of the costs as required by state law.

Boston Bud Factory retail store did \$1.04M in sales in 2022. These sales resulted in the payment of \$110,442 in Excise Taxes, \$65,277 in Sales Tax, and \$30,815 in Local Excise Tax. Boston Bud Factory sold \$16,933 worth of accessories which results in a net sales of 1,027,072 as related to the Holyoke Impact Fee as required by our HCA. **Based on the 1% impact fee instituted by the mayor the total impact fee owed by Boston Bud Factory for 2022 is \$10,270.75.**

Boston Bud Factory also maintains a diverse workforce. Currently, 50% of Boston Bud Factory employees reside in Holyoke, and 90% of Boston Bud Factory employees reside in an area of disproportionate impact. Here are Boston Bud Factory's current employee Demographics:

10 Employees Total (9 of the 10 employees reside in an area of disproportionate impact)

3 Minority / 5 Holyoke Residents / 1 LBGTQ / 1 Special Olympian

Boston Bud Factory works hard to stay active in the community, volunteering time supporting programs like the Holyoke EforAll Spark program, the Annual National Expungement drive, and Nueva Esperanza.

Additionally, Boston Bud Factory donates a portion of all proceeds to Meg's Fight for a Cure, a local non-profit that supports education and awareness of Huntington's Disease.

Thank you,

Frank Dailey

Boston Bud Factory

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