Connor and Valorie Nelson Box 2094 Sitka, Ak 6/22/18

RECEIVED JUN 2 2 2018 MIS PODD

Michael Scarcelli Planning Director City of Sitka Sitka, Ak

Re: Violations of Restriction CUP 16-31 Your May 24<sup>th</sup> Letter

Dear Michael,

Green leaf's Marijuana Retail has a number of violations on both the City level and State level (AMCO). I have a hard time keeping track of two papers at once, so I'll just address one issue, Parking.

I hope the following will explain how we came to your board asking for a CUP, assuring the board we had a plan for parking and now, I'm asking that CUP be revoked.

To control parking requires the control of the premises, part or all. I believe the application for CUP was filed in Nov. 2016. I attached letters A, B and C. The significant of these letters is that they all show intent on Green Leafs part to purchase Units B&C on lot 4614 H.P.R. Up to 10 months before we made application for CUP. Purchasing the unit would give Greenleaf control of another 5-6 parking spaces.

Also attached is letter D. Aaron and his side kick were going to rent unit B, next to the dispensary. Given control of unit B, gives 30' of parking, unit A dispensary has 23' and 10' to ROW, for a total of 63' or 7 parking spots. I'd need one for top floor, leaving Green Leaf with a total of say 12 spaces combined.

Using 1 space per 300 S.F. Green Leaf would need 7 spaces plus 1 for loading. Green Leafs area 1<sup>st</sup> and 2<sup>nd</sup> floor is at 2100S.F.

Letter E is copy of the lease. The original lease had the landlord providing all required parking, etc. With only 23' of frontage at a 3 story building we realized we needed to come up with a holistic parking plan, at least I did and had the parking language changed to read "separate written agreement".

After all my efforts to make things work, Aaron told us in mid March of this year Greenleaf wasn't going to purchase the units 4614 B&C. He told me also he was not going to pay me the \$150,000 he owes me.

Giving up the parking at unit B&C and not renting unit B at 4612, I can't see any parking plan coming up that I could agree to, he's not given me one to even consider. I attached letter F, that clearly states, in item 7 this CUP is abandon for not following SGC. Regarding parking requirements.

Thanks Connor Subject: Re: 4614 Unit 2 HPR

From: Aaron (aaronbean28@gmail.com)

To: keystone99835@yahoo.com;

Date: Saturday, January 23, 2016 7:32 PM

Thanks for the clarification Boss! I appreciate - and recognize- the time and risk you are taking in working with me. I won't let you down. I'll work on a buying these units from you this year. While we're on the subject, would you be apposed to selling the entire building? I would honor any lease you'd like me to keep for as long as you'd like me to keep it. This would give me the write off and you the ease of responsibility- just a thought.

THESE UNITS ARE 4614 BEC

Thanks

-AB

Sent from my iPhone

Morning Aaron - I'm putting out a few things that need to happen, then just some things I think should happen along with some ideas.

Starting Feb. 1st I'd like \$ 800 per month for the unit plus \$40 for taxes. You can mail to Box 2094 if you like.

At a point your starting to raise products I'd like \$950 per month plus tax. (this is standard rate). Hopefully at that time or before we'll have things in order to allow sale of unit to you if you chose.

The terms of the sale will be \$180,000 - 10% - 20% down 15 - 20 years @ 6% simple interest. I'd like a clause, no early payoff prior to 2 yrs.

You'll be in vesting a good amount of monies in the building. I'm not big on leases, however you need some self protection. I feel my words always good, but if I die ( hope it doesn't hurt too much ) the next in line my want you gone in short order. So maybe a renewable lease based on spelled out conditions.

And again we should be able to give the option to purchase in the net few month if you'd chose to do so.

We can do lease anytime and clause it with light penalty, for early termination, if in fact after your best effort you can't get the business off the ground.

All improvement to the unit become property of the owner. In this case, I'll pay you for 70% of your cost for improvements up to the time you begin to make products. The improvements will address the structure only.

If you're looking at 70 degrees then we should retrofit with better insulation. I think about 1500 SF of insulation and wallboard at say \$4-\$6 a SF. I'm certain it'll repay itself in less than 2 years.

Subject: Re: 4612 HPR

From: Connor Nelson (keystone99835@yahoo.com)

To: aaronbean28@gmail.com;

Date: Saturday, February 27, 2016 8:01 AM

Aaron Is there any merit to looking at a temporary stand, something like the coffee stands.

From: Aaron <aaronbean28@gmail.com>

To: keystone99835@yahoo.com

Cc: Eric Vanveen <ericvanveenfvzip@gmail.com>; cathievanveen@gmail.com

Sent: Wednesday, February 24, 2016 6:02 PM

Subject: 4612 HPR

Conner,

After our chat today I thought of a few things. What would you think about applying for a conventional loan for the building -we'd come up with the down payment- as long as we could have part in the design and have a way to recover the money if things go bad. This would keep you from having to pull any equity loans, and hopefully save you interest money.

If this works out, Green Leaf would buy the building and lot under similar terms as the grow so you can make money off the interest and we can have a write off.

THE GROW BE'C

Let me know what you think!

-Aaron

Sent from my iPhone

https://mail.yahoo.com/neo/launch?.src=ym&reason=myc

Connor Nelson PO Box 2094 Sitka, AK 99835 Keystone Associates, Inc.



From: "aaron.bean@greentocifateska. റാന്ന" <രഘവന്ത്രിക്കെയ്യുടെentesfataska. വാന്ന>

To: Connor Nelson < veyorch#09035(0) sincolubri>

Sent: Tuesday, April 25, 2017 1:32 PM

Subject: Green Leaf- valuation

Connor.

I'm working on collecting and creating the documents requested by TruVim - see attached- and I need to know what I should record as debt owed to you on Green Leaf's interim financial statement.

Do you want me to go with the \$148,000 and not list bay 2 and 3 as fixed assets? Or list, \$110,000 owed to you/Keystone for building material and labor?

Hopefully this list won't take me too long to complete. I already have a lot of this stuff written and some doesn't apply to us.

Cheers,

Aaron

--

Sent with Genius Scan for iOS.

BAM ESB ASKETS

ZUSTAS EIXEN ASKETS

ZUSTAS EIXEN ASKETS

Sent from my iPhone



Home > U.S. > Alaska > Sitka

#### S.E.A.K. HYDRO AND GARDEN SUPPLY LLC

Alaska Department Of Commerce, Community, And Economic Development Business Registration · Updated 5/2/2018

Sponsored Links

S.E.A.K. Hydro And Garden Supply LLC is an Alaska Limited-Liability Company filed on October 15, 2017. The company's filing status is listed as Good Standing and its File Number is 10069944.

Upgrade

Claim



The Registered Agent on file for this company is John Hemminger and is located at 205 Cedar Beach Rd, Sitka, AK 99835. The company's principal address is 4612 Halibut Point Road Unit B. Sitka, AK 99835 and its mailing address is 4612 Halibut Point Road Unit B, Sitka, AK 99835.

Yes, get Chrome new

The company has 1 principal on record. The principal is John Hemminger.

Like 28K

Tweet

Write Review

#### Company Information

Company Name: S.E.A.K. HYDRO AND GARDEN SUPPLY LLC

File Number:

10069944

Filing State:

Alaska (AK)

Filing Status:

Good Standing

Filing Date:

October 15, 2017

Company Age:

8 Months

Registered Agent:

John Hemminger 205 Cedar Beach

205 Cedar Beach Rd Sitka, AK 99835

4612 Halibut Point Road Unit B Sitka, AK 99835

Principal Address: Mailing Address:

0

4612 Halibut Point Road Unit B

Sitka, AK 99835

Report Due Date: January 2, 2019

Sponsored Links

### **Public Records Online**

I WILL NOT use this information to stalk anyone

If I see someone I know, I WILL NOT publicize their information or spread gossip

I WILL NOT harass people whose criminal records appear on this site.

If I learn someone close to me is a dangerous criminal, I WILL NOT confront them

Enter

Company Contacts

JOHN HEMMINGER

Organizer

View Nationwide Phone Book Listings For John Hemminger

Sponsored Links



# Sitka, AK: This Unbelievable, Tiny Company Is Disrupting A \$200 Billion Industry

EVER TO

Reviews

Write Review

There are no reviews yet for this company.

NEW ARTICLES THAT MAY INTEREST YOU



#### Agreement to Lease 4612 Halibut Point Road Sitka, Alaska 9985

AGREEMENT TO LEASE 4612 Halibut Point Road Sitka, Alaska 99835 made this day 4th of October 2016, between: Connor Nelson (hereafter referred to as "Landlord") and Green Leaf, Inc., an Alaskan Corporation (hereafter referred to as "Tenant."). Tenant and Landlord collectively referred to as the "Parties." This Agreement to Lease is referred to throughout the Agreement to Lease as "Lease" and/or "Agreement."

In consideration of acts performed and to be performed, mutual promises made and exchange, monies paid and other good and valuable considerations, receipt of which is hereby acknowledged, and parties agree as follows:

#### Section 1. LEASED PREMISES.

Landlord hereby leases to Tenant, and Tenant leases from Landlord, on a NNN basis, approximately 1060 square feet of ground floor retail space, and 1060 feet of onsite consumption on second floor space; at the premises situated in the Sitka Recording District, Third Judicial District, State of Alaska, more particularly described as: 4612 Halibut Point Road Sitka, Alaska 99835. Parking will be addressed by separate written understanding.

#### Section 2. OCCUPANCY DATE

Occupancy date shall be November 1st, 2016.

#### **Section 3. RATE**

For the time period of November 1, 2016 to April, 1<sup>st</sup> 2022, the rental rate of the premises shall be totaling a monthly payment of \$2,400 plus tax paid by Tenants to Landlord no later than the 5<sup>th</sup> day of each month. Thereafter, commencing on April 1<sup>st</sup>\_, 2017. If no prior arrangement is made late fees shall be \$50.00 dollars per day after a grace period of 3 business days.

#### Section 4. LENGTH OF TERM.

The length of the term of this Lease shall be for 5 years from the date of Commencement of Term unless sooner terminated or extended as herein provided.

#### Section 5. TENANT'S OPTION TO RENEW LEASE.

Tenant, at Tenant's option, shall have the option to renew Lease for an additional three (3) year term to be negotiated between landlord and tenant.

#### Section 6. OPTION TO PURCHASE

Tenant's shall have the Option to Purchase the leased space described herein at any time during

RECIEVED 10/4/18

#### Conditions of Approval:2

Standard Regulations. Dimensions, and Setbacks

- 1. Owners, operators, and staff of conditional uses shall comply with all state and municipal licensing regulations.
- 2. All licensed facilities shall comply with all life and safety regulations as promulgated by the municipal Building Official.
- 3. All licensed manufacturing and cultivation uses shall provide a fire safety plan, material / handling plan, and comply with all fire safety regulations that satisfies the Fire Marshal or their designee and the Building Official.
- 4. All licensed facilities and/or uses shall provide screening from public view of any marijuana related commercial, retail, cultivation, or manufacturing use.
- 5. All licensed facilities and/or uses shall establish an active sales account and business registration with the Municipality and shall comply with all standard and required accounting practices.
- 6. It shall be a standard regulation that all conditional uses comply with all applicable state regulations and licensing laws or it shall be deemed to abandon and extinguish an associated municipal license or conditional use permit.
- 7. All approved conditional use permits shall comply with all Sitka General Code requirements or shall be deemed to abandon and extinguish any associated municipal license or conditional use permit.



<sup>&</sup>lt;sup>2</sup> § 22.24.026(C).

Connor and Valorie Nelson Box 2094 Sitka, Ak. 6/22/18

RECEIVED JUN 2 2 2018 MAS PODD

Michael Scarcelli Planning Director City of Sitka Sitka Ak

Re: Violations of Restriction – Odor CUP 16-14 Your Mat 24<sup>th</sup> Letter

Dear Michael,

It's up to Green Leaf to come up with a solution to control Odor. I supported the CUP as the landlord, I had no preparatory information and seen only the same information as presented to the planning board.

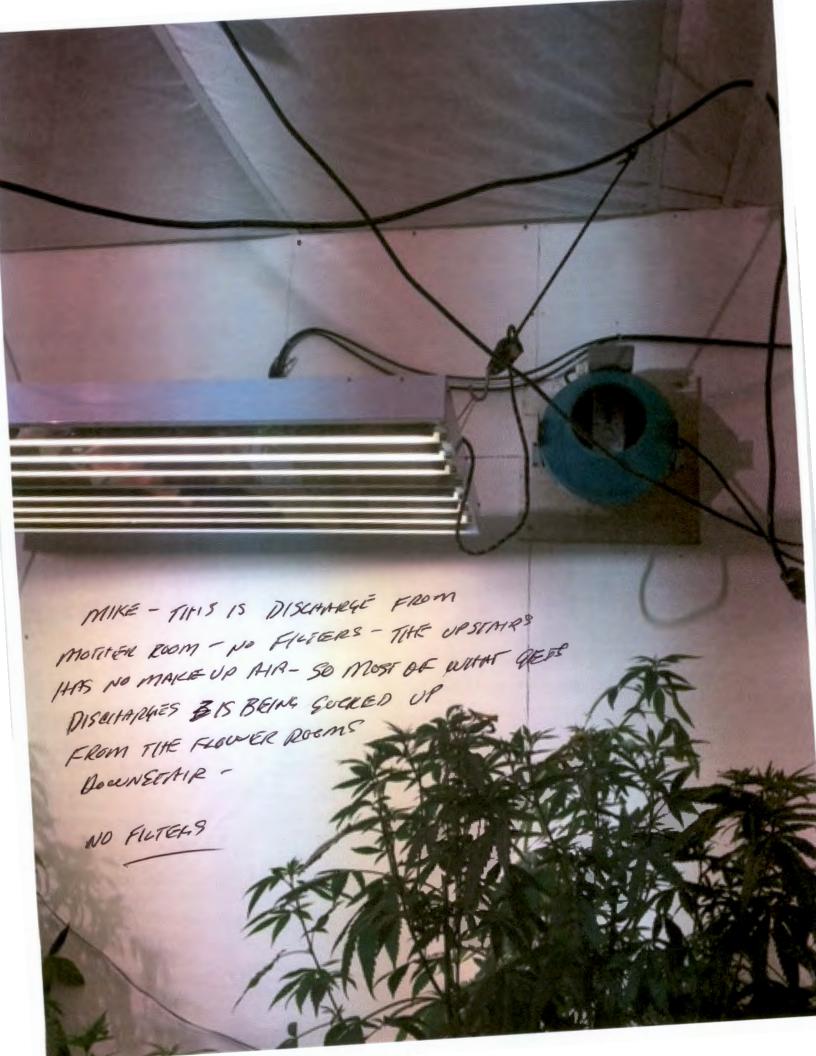
I think anything but a professional design, stamped by a qualified person in the air handling business should be a no starter. Green Leaf included information in their submittal that would lead one to think they had DATA AIRE INC., on board for air handling.

Item J submitted with application would suggest they had the design well under control, I'm certain they didn't do anything along those lines, if so, they should be able to give you that information and show how it was applied.

Item K suggest John Bartlett with SMC was working on the HVAC, I don't believe he was and you'll not find anything in the HVAC system that has his hand print on it. Least that I know of, and again if true, Green Leaf should provide backup paperwork. We'd been pushing well before he run Eric off to get HVAC taken care of, Green Leaf did have one of SMC men out on a couple occasions, but don't think anything become of it.

I think their equipment for the HVAC has about 50% of the capacity required. What they're doing is using outside ambient air temperature for cooling and bring down the relative humidity. With no particular good cooling or dehumidification system, you need to push a lot of air through. Filters are sized for a certain CFM, once you get above that, you lose the efficiency.

Thanks, Connor



#### Samantha Pierson

From:

Michael Scarcelli

Sent:

Thursday, April 28, 2016 8:11 AM

To:

Samantha Pierson

Subject:

FW: Green Leaf Special Use Permit (Sitka)

Attachments:

Sitka Cultivation CUP.docx; deed.tif; plat.TIF; SUP.pdf; Copy of Green Leaf HVAC calculations.pdf; Copy of Greenleaf Floor 2nd Floor Layout.pdf; Green Leaf drying room specs.xlsx; Greenleaf 1st floor layout w jdw camera placement 4.14.16.pdf; JDW camera

notes on 2nd floor cultivatin layout 4.13.2016.pdf

For file .... Meeting with him at 11am.

From: Aaron Bean [mailto:aaron.bean@greenleafalaska.com]

Sent: Wednesday, April 27, 2016 6:21 PM

To: Michael Scarcelli <michael.scarcelli@cityofsitka.org>

Cc: Jana Weltzin <jana@jdwcounsel.com>
Subject: Green Leaf Special Use Permit (Sitka)

Mike,

I've attached supplemental documents for Green Leaf's Special Use Permit. The 'SUP" document contains excerpts from Green Leaf's operational. I put an email into Conner about the 'as built' for the building. I just figured the parking out, and I haven't had a chance to add it to the narrative yet. According to SGC 22.20.100 -Off street parking- I would have five 9'x18' parking spots. We anticipate 4 employees.

on plans for our sprinklers.

Den't BELIEVE THIS

I'm really hoping we won't have publicize any part of Green Leaf's operational plan, and if we can redact some of the grow production, humidity and HVAC information from the floor plans/diagrams I'd feel much better.

Please let me know if I need to have anything else for our meeting.

Thanks for all your help with this!

-Aaron

Aaron Bean
Conditional Use Permit Request
4614 Halibut Point Road



Introducing the gPOD: Precision Cooling and Control for Indoor Growers

# 2014 Colorado

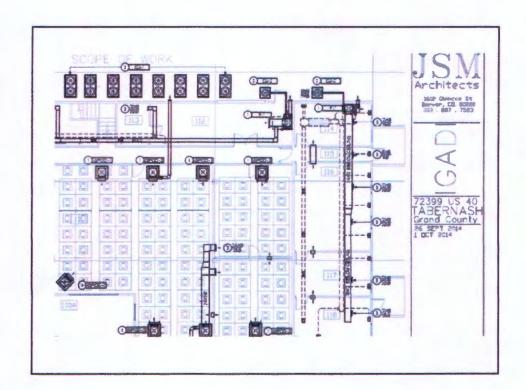
- \$600M in Recreational & Medical Pot
- \$60M in taxes for Colorado
- 300+ licensed dispensaries statewide
- State chartered Fourth Corner Credit Union serving the Cannabis Industry
- 4 states with legal Rec Pot CO, WA, OR, AK
- 23 states with legal Medical Pot

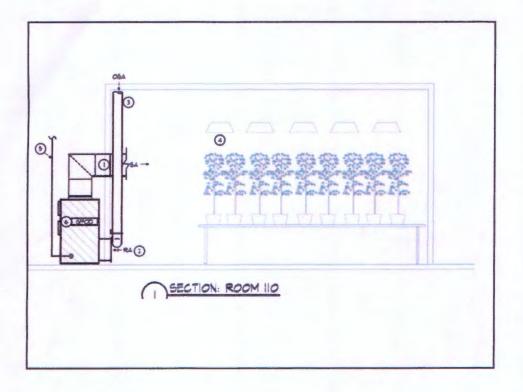


## How to grow indoors - key decisions:

- 1. Medium (soil based or hydroponic)
- 2. Lighting 1,000 watt bulbs
- 3. Water and drainage
- 4. Temperature control
- 5. Humidity control
- 6. Air circulation
- 7. Carbon dioxide
- 8. Security







# **Veg Rooms vs. Flower Rooms**

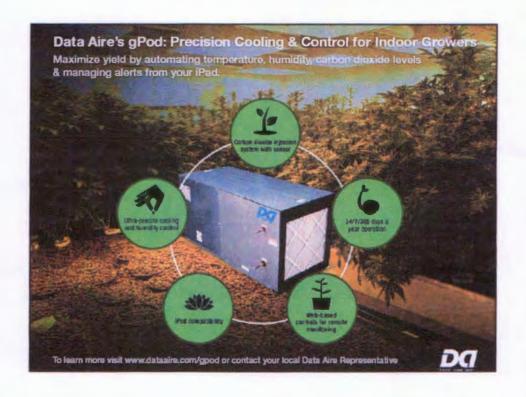
### **Vegetative Stage:**

- Lighting 18-24 Hours
- Temperature
  - Lights ON: 70-85F
  - Lights OFF: 60-70F
- Humidity 50-80% RH
- CO<sub>2</sub> levels 1,200-1,500 ppm

## Flowering Stage:

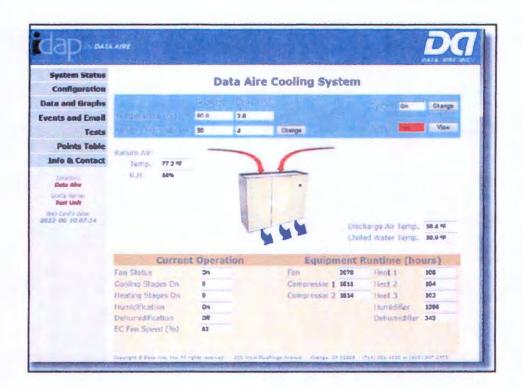
- Lighting 12 Hours
- Temperature 65-80F
- Humidity 40-50% RH
- CO<sub>2</sub> levels 1,200-1,500 ppm

# Temperature + Humidity + CO2



# gPOD Features:

- · Air cooled split system with remote CU
  - Based on Data Aire Mini-Plus, 20 year platform
- · Horizontal or Vertical indoor configuration
- · Horizontal or Vertical outdoor configuration
- · DX cooling coil
- Electric Reheat coil dehumidification/temp
- · iDAP internet based controls interface
- · Remote CO2 sensor & unit mtd. solenoid valve



## Key selling points:

- . PROCESS COOLING vs Comfort Cooling
- Precision cooling based on 24/7/365 operation
  - Ambient operation down -20F
- Humidity control Dept. of Health Inspections
- CO2 distribution & control
  - 5,000 ppm High Limit Alarm per Denver Fire Dept.
- Combine T/H/CO2 with internet based controls
  - iDAP Card: Laptop, iPad, Cell Phone, Email Alerts

# Competition:

- Standard Commercial Cooling Systems
  - DX RTUs & Split Systems
  - Air Cooled Chiller with Fan Coil Units
    - Comfort Cooling units are designed to shut off
    - Redundancy concerns, no CO2 distribution
- SURNA publicly traded company based in Boulder, CO. CEO is the co-founder of Zynga.
  - "Commercial" Chillers & "Commercial" AHUs (10T & 25T CU/HX) & (Fan Coil Units)