

Robert H. Patton
Green Meadows Farm
656 Asbury Street
Hamilton, MA 01982

203-979-1204

bobpatton@greenmeadows.com

April 21, 2018

To: Topsfield Board of Selectmen,
Boyd R. Jackson, Chairman

From: Robert H. Patton,
CEO, Green Meadows Farm, LLC

Re: Update on Patton/Green Meadows Medical Cannabis Proposal

Dear Chairman Jackson,

In advance of the meeting of Topsfield's Board of Selectmen on Monday, April 23, I wish to update you with a summary of developments related to our family's proposal to place a small wholesale greenhouse facility on our Topsfield property to provide medical cannabis products to Registered Medical Dispensaries in Massachusetts.

- We seek to place a glass-topped four-season greenhouse at the farthest edge of our 40-acre Topsfield property on the Hamilton town line. Most of the land is conservation-restricted under Essex County Greenbelt Association; on that land we will continue to farm traditional crops as we have done for thirty years. On the 6.32-acre unrestricted lot remaining (and for which we've applied for the zoning overlay), we will construct a one-story greenhouse facility approximately 19,000 square feet in size—an area 1% of our overall Topsfield property and 6.9% of the unrestricted lot. The structure's size and placement will conform to all environmental restrictions.
- We will use only the safest, most medically pure, and most eco-sensitive methods in our cultivation procedures and in the extraction of cannabis oil, which will be conducted within the greenhouse using, again, the best and safest methods. Strictly a wholesale supplier, we will have no dispensary on Asbury Street or in Topsfield.
- The facility is being designed and its construction managed by the engineering firm, Fuss & O'Neill (<http://www.fando.com>). The company has a top reputation in Massachusetts and throughout New England for construction projects of every kind. They will design and construct a facility to the highest standards of safety, regulation, environmental sensitivity, and visual aesthetics. We will have renderings available for the May 1 Annual Town Meeting and will provide them beforehand to the Planning Board. Needless to say, all matters of permit requirements, setbacks, etc., will be strictly adhered to.
- State regulations, including those concerning air scent filtration, safety and security, personnel vetting and hiring, transportation, product control, data management, and much else will be a priority. We will install a state-of-the-art water retention system to utilize

year-round rainwater to make our facility virtually self-sustaining in its water usage. Our business and regulatory mandate will be: “beyond compliance.”

- This development of the property (costing certainly in excess of \$3 million) will result in a significant increase in property taxes paid to Topsfield. In addition, we support a Host Community Agreement that, starting with our first year of business operation, guarantees either a \$50,000 annual payment to Topsfield or 1.25% of annual gross revenue, whichever is higher. Once our facility is fully up and running, we anticipate that this will easily approach and hopefully grow to a six figure annual HCA contribution to Topsfield.
- Through the early course of our local application process, I’ve met with Fire Chief Jen Collins Brown, Police Chief Evan Haglund, Health Agent John Coulon, Veterans Agent Dick Cullinan, Town Administrator Kellie Hebert and assistants in her office; as well as had some separate individual discussions with members of the Finance Committee, the Planning Board, and the Board of Selectmen. This has been a welcome part of the process, for we view our project as initiating a newly productive partnership with Topsfield, its citizens, and its public officials.
- Following the example of my late father, George Patton IV, and my mother, Joanne Patton, Green Meadows will build on their contributions to the Topsfield community. To us, this means a responsibility to seek local employees and vendors and to be a charitable supporter of worthy town projects. Most especially, it inspires us to put special focus on the needs of military veterans, both as an employer and a supporter of social and health initiatives in their behalf.

In sum, Green Meadows seeks to provide a medical product that has proven benefit in the treatment of many illnesses and has recently shown exciting promise in treating PTSD and in replacing dangerous opioids in the management of chronic pain. At the same time, we look forward to partnering financially with Topsfield in a way that’s positive and without adverse impact or strain on the town.

I look forward to attending the Monday BoS meeting and answering further questions if need be—and later to attending, as a guest, the May 1 Annual Town Meeting with my mother Joanne, a proud Topsfield resident and participant in our new enterprise at Green Meadows Farm.

Thanks again, Chairman Jackson, for your time and consideration.

Sincerely,

Robert H. Patton

Our Ethos

Vision

Improve the lives of veterans, their families and the local communities they live in.

Mission

To be an industry leader providing the highest quality, safest and most sustainable organic medicinal cannabis products and business practices.

Values

Integrity Quality
Responsive Empathy
Think Globally. Act Locally.

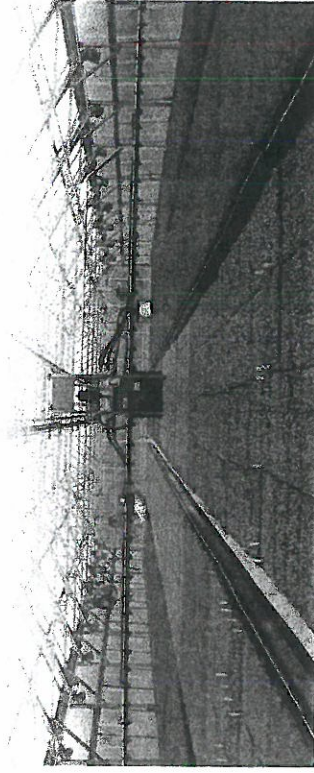


#1: Cultivation Coverage and Estimated Building Costs

What is the total cultivation acreage? Total Sq. Ft. of cultivation greenhouses? What is the projected building cost? Do you have a projected cost you'd be willing to share?

Phase I: 3 Acres of Cultivation

- ◉ Total facility: 37,750 sq. ft.
- ◉ Total flowering canopy 22,000 sq. ft.
- ◉ Total auxiliary: 12,000 sq. ft.
- ◉ Total parking: 12,000 sq. ft.



PHASE I: CULTIVATION COSTS/ELEMENT	ESTIMATED COST
Architecture & Engineering	\$ 98,220
Pre-Construction Planning & Prep	\$ 465,696
Construction	\$ 1,636,993
General Contractor	\$ 171,579
Contingency	\$ 237,249
Furnishings, Fixtures and Equipment	\$ 813,854
Compliance & Organic Principles	\$ 36,000
TOTAL ESTIMATED COSTS:	\$ 3,459,591

** please note the coverage, size, and costs are estimates and will change with additional research and planning.



GREEN MEADOWS

#1: Green Meadows Phase I Cultivation Estimated Revenue

GMF CULTIVATION OPERATING GROSS REVENUE				
	YEAR 0 2018	YEAR 1 2019	YEAR 2 2020	YEAR 3 2021
<i>Land for Cultivation (Acres)</i>				
Greenhouse Pads per Acre	1	2	3	3
Total # of Greenhouse Pads	0.33	0.33	0.33	0.33
# of Rooms per Greenhouse Pad	0.33	0.67	1.00	1.00
Total # of Rooms	8	8	8	8
# Plants per Room	3	5	8	8
# of Plants per Greenhouse Pad	115	115	115	115
FLOWER REVENUE	307	613	920	920
lbs. of Flower per Plant per Harvest	2.0	2.0	2.0	2.1
Total lbs. of Flower per Harvest	613	1,227	1,932	1,932
\$ per pound Flower (sold to dispensary)	1,600	1,600	1,600	1,550
Total \$ of Flower per Harvest:	\$ 981,333	\$ 1,962,667	\$ 2,994,600	\$ 2,994,600
RPM REVENUE (raw plant material)				
lbs. of RPM per Plant per Harvest	2.0	2.0	2.0	2.1
Total lbs. of Flower per Harvest	613	1,227	1,932	1,932
\$ per pound RPM (sold to extraction)	250	250	250	245
Total \$ of RPM per Harvest:	\$ 153,333	\$ 306,667	\$ 473,340	\$ 473,340
Harvests per Year	2.0	3.0	4.0	4.0
Total Annual Flower Revenue:	\$ 1,962,667	\$ 5,888,000	\$ 11,978,400	\$ 11,978,400
Total Annual RPM Revenue:	\$ 306,667	\$ 920,000	\$ 1,893,360	\$ 1,893,360
TOTAL ANNUAL CULTIVATION GROSS REVENUE:	\$ 2,269,333	\$ 6,808,000	\$ 13,871,760	\$ 13,871,760

#2: Environmental and Water Usage

Can you provide an environmental overview? Water needs? Public or well? Recycle or vapor recovery systems? How will the plants will be grown? In conditioned earth/earth-like medium rather than hydroponically?

The new Green Meadows Farm will require approximately the same amount of water as the organic farm from the past 30 years. We plan to use some of the same irrigation and watering methods which primarily includes a public water source. Consistent with organic farming principles, we will recycle all appropriate elements, including a rainwater harvesting system.

With state-of-the art rainwater retention systems, we will be water-economic perhaps better than our previous farm. We will draw much of the water we need from rain off the roof of the greenhouses. We will invest appropriately to create the most eco-friendly, efficient irrigation system available to us.

- Flowering Water Usage Per Year: approximately 270,000 Gallons
 - Plants (800) x Watering (1.5 gal) x Days per month (15) x Months per year (12) = 216,000 gallons + Vegetative Water Usage 54,000 gallons
- Cleaning: 150 gal per day, = 54,750 gal per year
- Admin / Personnel: (15 staff average) 15 x 20 gal per staff per day = 109,500 gal per year

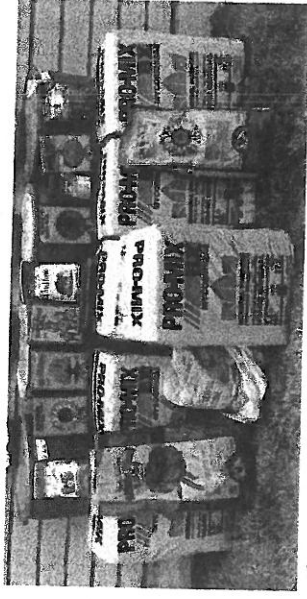
ESTIMATED TOTAL WATER REQUIREMENTS: 400,000-700,000 gallons per year



#2: Environmental and Water Usage

Can you provide an environmental overview? Water needs? Public or well? Recycle or vapor recovery systems? How will the plants will be grown? In conditioned earth / earth-like medium rather than hydroponically?

Green Meadows Farm will use the best grow methodologies to achieve the highest quality, safe and sustainable medicinal marijuana. We have not determined a single grow method and may test many before arriving at a final process.



However, we will follow Organic Growing Principles to grow plants in professionally manufactured "supersoils", enhanced with natural nutrients. We do not plan on hydroponic growth at this time, but may test it if it results in a more effective medical product.



#3: Green Meadows Organic Principles

Will you be maintain the same organic practices and standards as used for the CSA? Given your location, I presume some management of run-off will be part of the picture.

Green Meadows Farm will be a leader in Organic Medicinal Cannabis Cultivation. An organic product is defined as any product that's derived from a recently living organism vs. artificial sources. Organic medicinal cannabis means that we will grow in a medium, and use plant foods / nutrients that result from natural sources, not from synthetic salt compounds created in a lab. Our quality, safety, and effectiveness will be better than a typical indoor facility. Key organic principles vs. indoor approaches include the use of direct sunshine vs. HPS or LED lights, natural living super-soils, fresh air vs. indoor fan ventilation, regulated moisture quality and control, and arrangements of plant "neighborhoods" so they can share beneficial microbes, worms, and interaction.

We will be using Hybrid Greenhouses, therefore there should be no significant water run-off.

