

FACTS ABOUT COPPERSTATE FARMS

VOTER APPROVED AND GOVERNMENT REGULATED

- Arizona voters passed Proposition 203 in 2010 that created the state's medical marijuana industry. Like other legal businesses such as the pharmaceutical and liquor industries, the medical marijuana industry is tightly regulated by state and local laws.
- Copperstate Farms planned state-of-the-art, medical marijuana agribusiness is a production-only facility that will meet and exceed all state and locally mandated operating laws and procedures.
- All Copperstate employees will go through a thorough state and federal background check conducted by the Arizona Department of Public Safety, which includes fingerprinting. Employment credentials are issued by the Arizona Department of Health Services.
- Pursuant to federal and state laws, medical marijuana produced in Arizona can only be dispensed in Arizona.

QUALITY JOBS WITH BENEFITS FOR NAVAJO COUNTY RESIDENTS

- Staffing levels needed for a greenhouse medical marijuana agribusiness cultivation facility differ greatly from staffing levels for growing greenhouse tomatoes or cucumbers. Copperstate's projected employment numbers are based on data from comparable Colorado and Canadian greenhouse operations with years of growing experience.
- For every one (1) acre under greenhouse cultivation, Copperstate will need to employ approximately twenty-five (25) crop workers and two (2) mid-level managers. Copperstate will begin production with five (5) acres; that's 100 crop production crop workers and 10 mid-level managers at start-up. Of course, there will be other support personnel and senior executives.
- Crop production workers will be making \$15/hour with a full benefits package.
- Copperstate has committed publicly that they will make every effort to hire locally. And unlike the previous greenhouse operator, they will not use inmate labor. Additionally, Copperstate will utilize the services of local businesses as much as possible, which will support the greater local jobs economy.

COPPERSTATE'S LASTING COMMITMENT TO THE TOWN OF SNOWFLAKE

- In recognition of Copperstate Farm's long-term commitment to the Town of Snowflake and its citizens, Copperstate has agreed to enter into a formal agreement with the Town entitled "Medical Marijuana Cultivation Facilities Agreement."
- This groundbreaking and unique contract between the Town and Copperstate establishes a new "Business License Fee" on Copperstate's operations for the benefit of the citizens of Snowflake.
- The voluntary 'Business License Fee' that Copperstate has contractually agreed to pay is a graduated fee based upon the amount of acreage in production. For example, with the initial 5-acre production, Copperstate will remit to the Town \$50,000 per year.

When the facility reaches its full 40-acre capacity, Copperstate would remit \$800,000 per year to the Town. For comparison purposes, Snowflake received \$994,000 in overall Town Sales Tax in FY 13-14.

- The agreement also prohibits Copperstate from operating any retail medical marijuana facility/dispensary in Snowflake and Taylor.
- And lastly, at the Town's request, Copperstate Farms has agreed to purchase, at significant expense, additional property to the north of the greenhouse in order to resolve, once and for all, floodplain issues in the Town of Snowflake's Industrial Park.

ECONOMIC IMPACT TO SNOWFLAKE AND NAVAJO COUNTY

- In May 2016, Copperstate Farms commissioned an 'Economic and Fiscal Impact Study' prepared by the highly-respected and Arizona-based Elliot D. Pollack and Company to analyze the impacts to the Snowflake and Navajo County economies derived from Copperstate's ongoing operations.
- According to the Pollack study, with the planned initial 5-acres under cultivation, the facility will employ 136 individuals with total annual wages of \$4.9 million. The study further states that the facility has the potential to create 1,227 jobs in the region at full 40-acre capacity, generating over \$41.8 million in wages and over \$217.9 million in economic output each year.
- Regarding tax revenues, Pollack estimates that Navajo County will enjoy about \$42,100 in additional tax revenues from the initial 5-acres of cultivation. And for the Town of Snowflake, the initial operation would generate \$21,418 in new revenues. Additionally, the Snowflake Unified School District and other county districts will see an estimated \$162,400 in annual increased revenues.
- In summary, the Pollack study concludes that with the initial 5-acre production, total tax benefits for the state, Navajo County, Town of Snowflake, school district, and county fire districts each year will total over \$432,618 in new tax revenues. This is on top of the \$50,000 voluntary 'Business License Fee' to the Town of Snowflake that Copperstate has agreed to pay annually for the initial 5-acre production.

ARIZONA OWNED AND OPERATED

- Copperstate Farms is an Arizona-based company operated by native Arizonans. It's manager, Fife Symington IV, has over 20 years of experience in greenhouse vegetable production. Currently, he farms over 850 covered acres of greenhouses and employs well over 3,000 people. Symington has established a reputation for producing premium quality products. Mr. Symington will bring that level of business sophistication and understanding of intensive agribusiness to bear at the Snowflake operation.

ONE LAST THING TO KNOW

- Copperstate Farms will begin accepting job applications on July 18, 2016. The company will be launching a website, copperstatefarms.com, after July 1, 2016. Specific job information will be posted on the site at that time.