

This Stinks – What To Know When Leasing Space To Cannabis Growers

white + burke

VERMONT
DEVELOPMENT
CONFERENCE

Efficiency Vermont

Indoor Agriculture

Vermont Market Trends & Case Studies

How to Prepare Your Buildings

Q&A

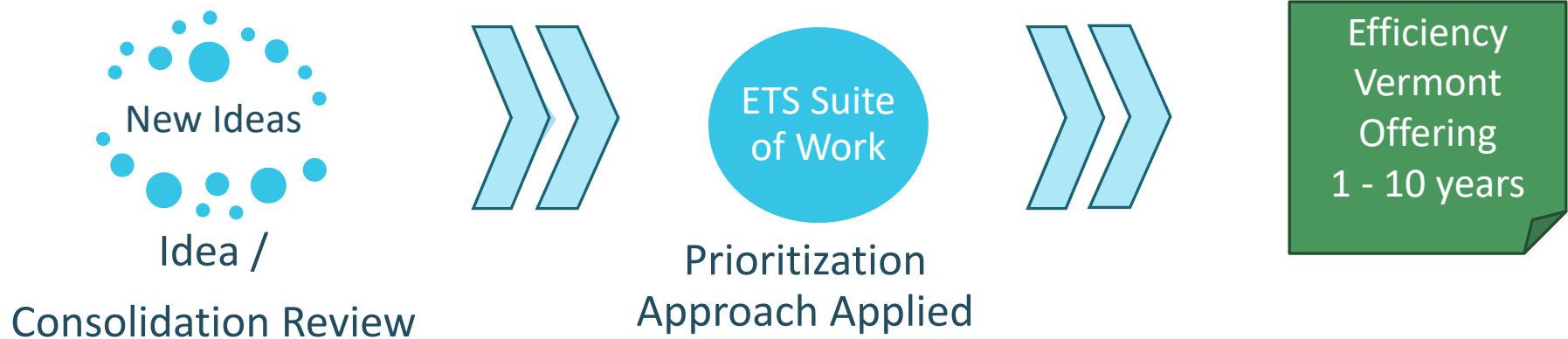
Who is Efficiency Vermont?

- Nations first energy efficiency utility, 2000
- Operated under contract with the State of Vermont by the Vermont Energy Investment Corporation.
- We help all Vermonters live better while spending less on energy bills
 - Homes & Businesses
 - Project management
 - Rebates and financing



Emerging Technologies & Services

Vision: Create a beneficial future with Vermonters by developing significant new technologies and services.



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Indoor Agriculture

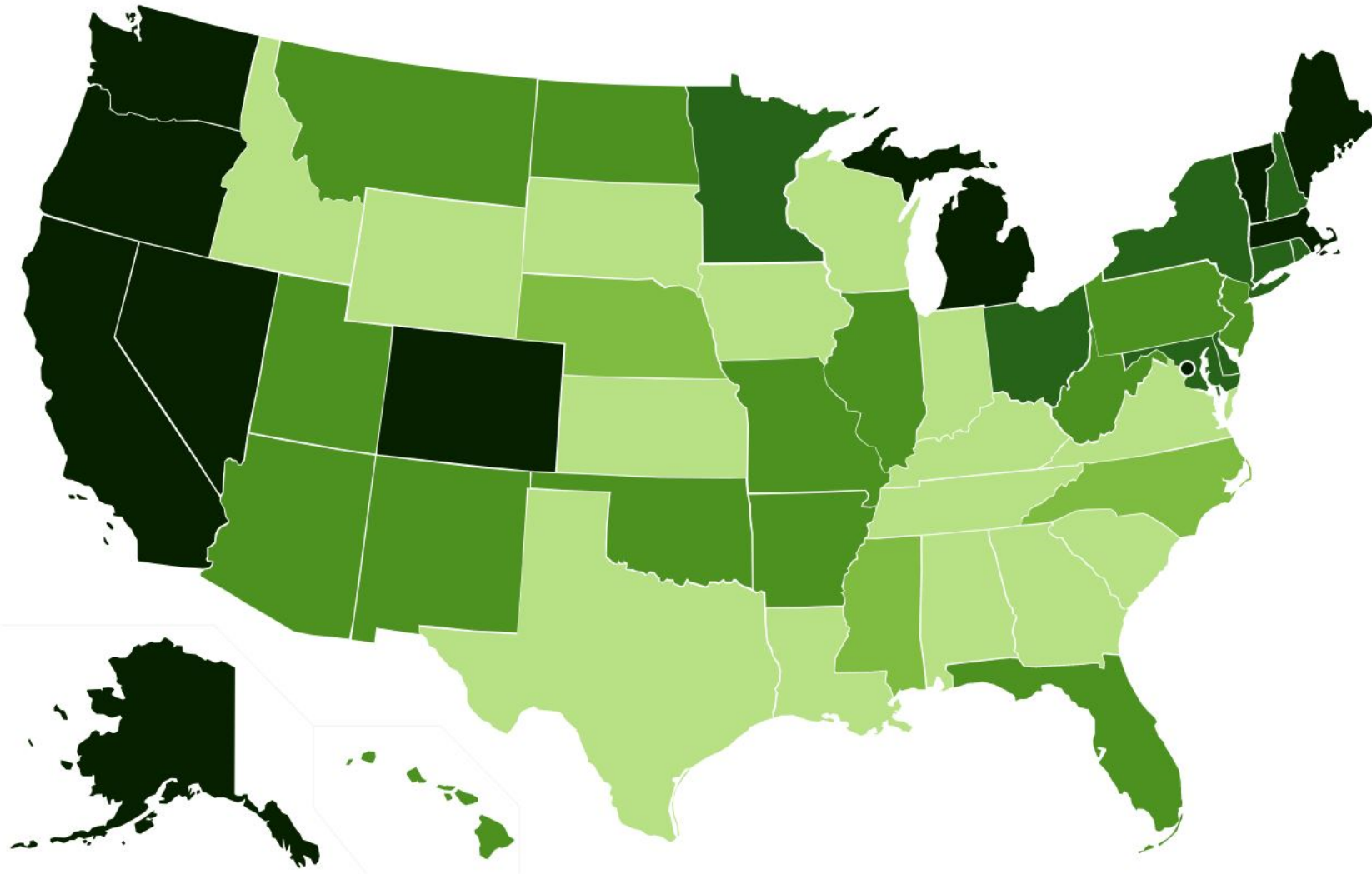
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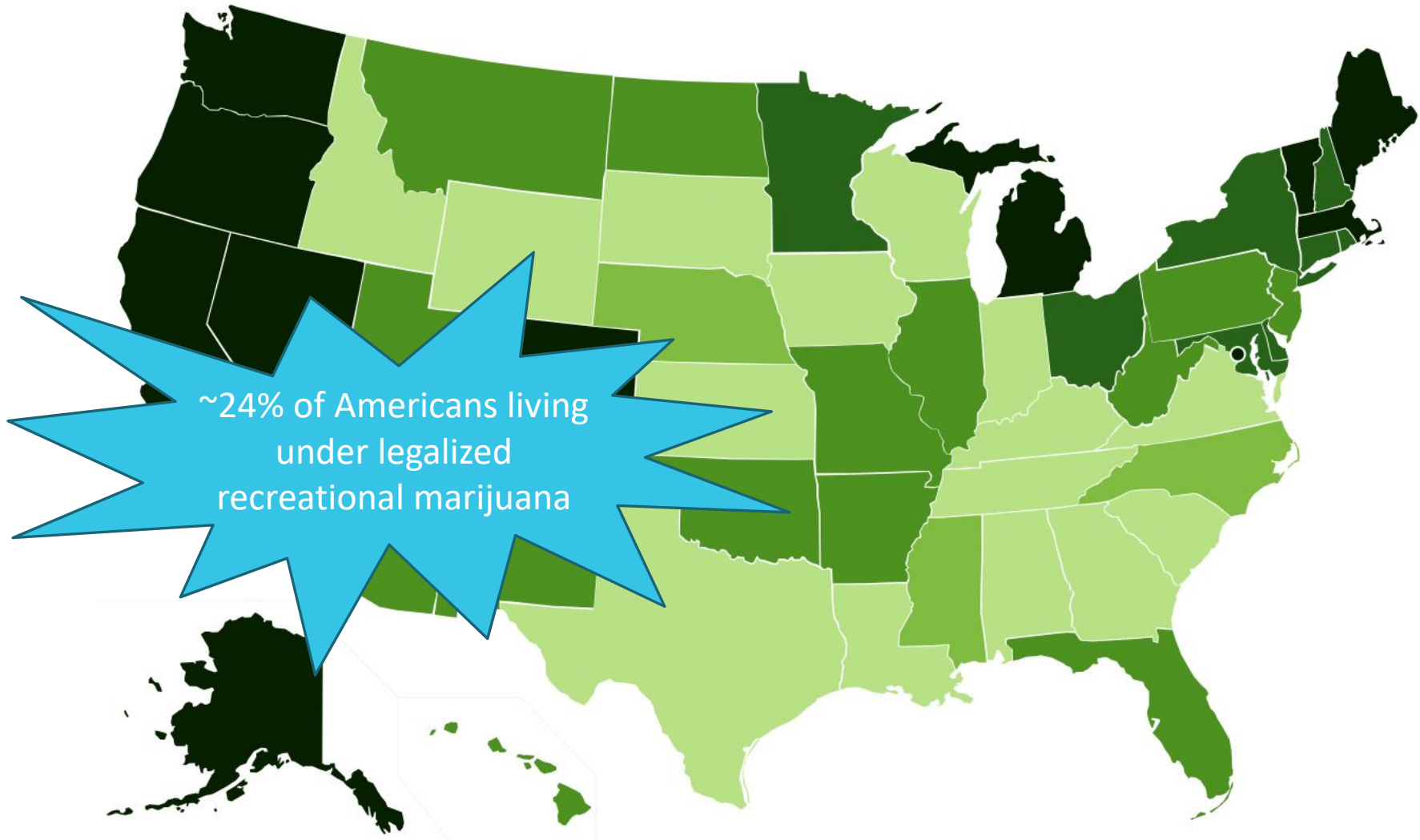
Cannabis Legalization - 2019

Legalized Medical and decriminalized Medical Decriminalized Fully illegal



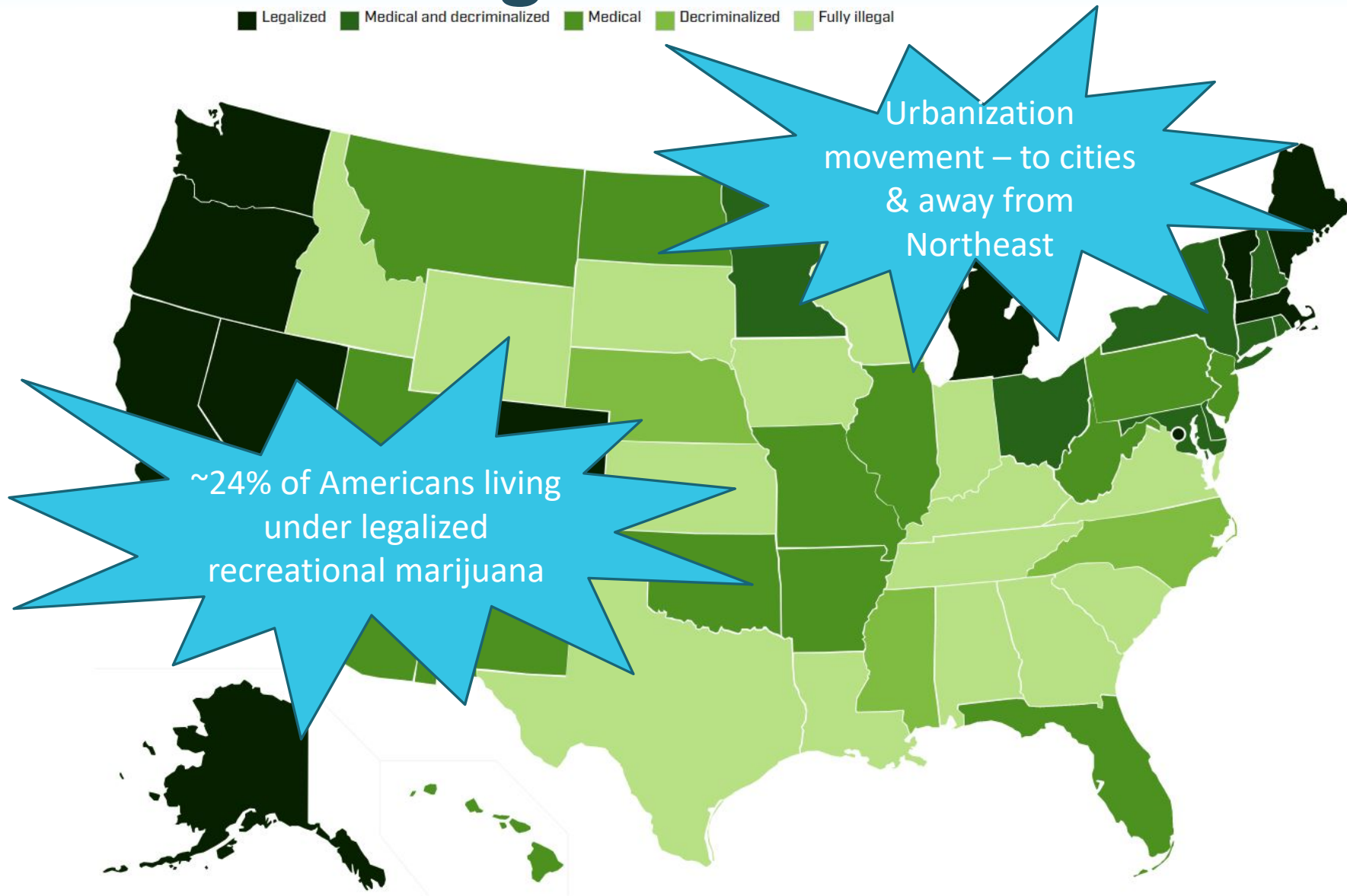
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Food Security – Netherlands Case Study

- 2nd exporter of food globally behind US – 270x less land mass
- By 2050, the Earth will be inhabited by 10 billion people, today = 7.5 billion
- “...more food in the next four decades than all farmers in history have harvested over the past 8,000 years”
- Economies of scale



Do tomatoes grow best when bathed in LED light from above, beside, or some combination? Plant scientist Henk Kalkman is seeking the answer at the Delphy Improvement Centre in Bleiswijk. Collaboration between academics and entrepreneurs is a key driver of Dutch innovation.

Photo by Luca Locatelli on assignment for National Geographic

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Westland



Furrows of artificial light lend an otherworldly aura to Westland, the greenhouse capital of the Netherlands. Climate-controlled farms such as these grow crops around the clock and in every kind of weather.

Photo by Luca Locatelli on assignment for National Geographic

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Climate Resilience



Local Produce

- People want local produce any time of year (out of season)
- Big expansion in greenhouses and warehouse growing



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Farm to Table Movement



 **reluctantpanther** • Follow
The Reluctant Panther Inn and Restaurant

reluctantpanther House made Fettuccine, roasted Cauliflower, Marcona Almonds, Parsley, organic Olive Oil, toasted Bread Crumbs #reluctantpanther #tastemvt #dinnertonight #handmade #locavore #pasta #gourmet @manchestervermont pointlomacoffee 🌱



Vermont Controlled Environment Agriculture - Hemp



- 9,000 acres of hemp grown in VT in 2019
- 650+ unique growers, 200+ processors
- Higher margin business than other agriculture
- Market growing rapidly – 200% year over year
- Indoor crops being proposed
- Greenhouse → Outdoor Growth → Drying → Processing

Grassroots Vermont

- Medical dispensary in Brandon, VT occupying 7,000 sq. ft.
- Growing, processing, production, and dispensing to patients all in one space.
- Building being sold next year and looking for a larger facility (10,000 sq. ft. in Chittenden County)
- New space needs:
 - 3 Phase Power
 - Good water, sewer
 - Well-sealed building
 - Sealed HVAC
 - An impenetrable vault
 - A limited number of entrances/exits
 - Security



Grassroots Vermont

- When leasing a new space, always anticipate having to undertake a significant retrofit
- Willing to pay more to lease a space that is already suited to their specific needs
- Always have paid 100% of retrofit costs



Example of Building Regulations



Boulder, CO Regulations

- (h) Ventilation Required. A medical marijuana business shall be ventilated so that the odor of marijuana cannot be detected by a person with a normal sense of smell at the exterior of the medical marijuana business or at any adjoining use or property.
- (i) Renewable Energy Requirements. A medical marijuana cultivation facility shall directly offset one hundred percent of its electricity consumption through a verified subscription in a Community Solar Garden, or renewable energy generated onsite, or an equivalent that is subject to approval by the city. For medical marijuana businesses licensed by the city on October 22, 2013, this requirement shall apply at the time of renewal of the medical marijuana business license following October 22, 2013.

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Indoor Agriculture

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How to Prepare Your Buildings

Q&A

Create a Roadmap

- Get to know your facilities, establish your foundation
- Optimize existing systems
- Utilize advanced controls
- Efficiency Vermont is here to help!



Step 1 - System Inventory

- System age
- Maintenance history
- Heating and cooling capacity
- System Programming- When is zone occupied? When does setback occur? Do fans cycle?
- Fan system operation,
“ON” vs. “AUTO”



Step 2 - Low Cost Opportunities

Evaluate/establish policies around:

- Fan operation
- Equipment Schedules
- Temperature set points & setbacks
- Equipment maintenance
- Leverage building management systems if existing



Building Envelope

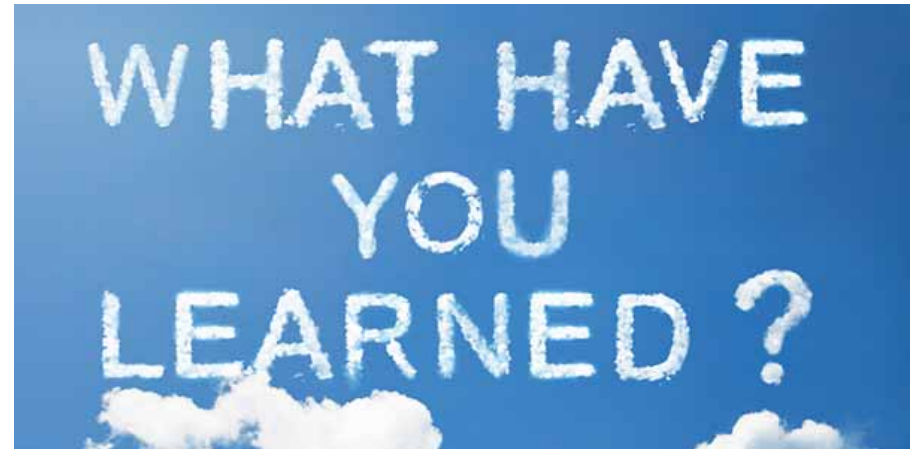
Humidity gets high in indoor grows

- Building envelope is critical so you don't rot your building
- Year round cooling demand
- Dehumidification is critical



Key Take Aways

- Keep your infrastructure system top of mind for this market
- Keep an updated inventory your units and building construction assembly
- Know how your units are operating / metering is available
- Don't get overwhelmed - start with basics and call your Efficiency Vermont representatives



Thank you!

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Questions?

QUESTIONS?

SPEAKER

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