

# Cannabis (Marijuana) Economic Development Project Referendum Summary

## I. What is the Financial and Job Benefits to the Tribe and Tribal Members?

The projected revenues are based upon actual revenues for similar operations in Colorado and adjusted to the current market in Oregon. The net profit does not include management fees.

YEAR	2017	2018	2019	2020	2021	2022	2023	TOTAL
<b>Net Profit (EBITDA)</b>	<b>\$11.7M</b>	<b>\$26.1M</b>	<b>\$26.6M</b>	<b>\$26.7M</b>	<b>\$27.2M</b>	<b>\$27.6M</b>	<b>\$27.7M</b>	<b>Over 7 years \$173.6M</b>

For comparison, the 2016 total enterprise net profit—from Indian Head Casino, Power and Water, Composite Products, Kah-Nee-Ta, Credit and Ventures—is estimated at \$8.75 million.

### Project 85 new jobs (minimum)

#### Management Level - (\$45k - \$85k/year)

- Operations Manager
- Facilities Manager
- Cultivation Manager
- Extraction Manager
- Production and Packaging Manager
- Accounting Manager
- Compliance Manager
- Store Manager (3)
- Security Manager

#### Mid-Level - (\$15 - \$20/hour)

- BioTrack System Administrator
- Flowering Lead (2)
- Vegetative Lead (2)
- Cloning Lead (2)

- Packaging Lead (2)
- Machine Technician Lead (2)
- Assistant Manager (3)
- Transportation Specialists (3)

#### Entry Level - (\$10 - \$12/hour)

- Flowering Technician (7)
- Vegetative Technician (6)
- Cloning Technician (4)
- Machine Technician (2)
- Packager (5)
- Trimmer (12)
- Cleaning Crew Member (2)
- Transplant Technician (2)
- Budtender (9)
- Front Desk Clerks (3)
- Data Entry Clerks (5)

The Project would be highly limited in scope. It would initially involve a Tribally owned enterprise to own and operate cannabis production (growing), processing, wholesale and retail sales of these products. These activities would also be **highly regulated** through licensing requirements that would **track all of the seeds, plants, and products to ensure they are sold only at approved outlets for OFF RESERVATION USE**. The Referendum is also authorizing the production, sale, wholesale and retail sale of industrial hemp for future development.

### Facility & Cultivation



- 36,000 SF Cultivation Greenhouse Facility (exterior steel walls)
- Secure and controlled access
- Low water use and maximum use of sun for plant growth; reduced electrical requirements
- Location to be determined: not to exceed 5 acres

## 2. Exercise Your Right to Vote – **VOTES MUST BE RECEIVED BY THURSDAY, DECEMBER 17th.**

ALL Tribal members who reside ON and OFF the Reservation are eligible to vote. Eligible voters include:

**Tribal members over the age of 21; and Tribal members under the age of 21 who are legally married.**

- A) There are 3313 total eligible voters, **approximately 1,110 voters MUST VOTE** (either absentee or at the Community Center ballot box) for the referendum to be valid, **and**
- B) **At least a majority (51%) MUST VOTE YES for the project to proceed.** Exercising your right to vote will determine the economic security, stability, and prosperity of the Warm Springs Tribe.
  - Absentee voter, **mail your ballots by Thursday, December 10<sup>th</sup>** to ensure they are received by December 17<sup>th</sup>. *Note: Only 13% of off reservation absentee voters exercised their right to vote on previous referendums. The election code requires that 1/3 of eligible voters cast votes for referendums to be valid.*
  - Tribal members who are residents of the reservation can cast their ballots in person at the Warm Springs Community Center from 8am-8pm or may request an absentee ballot (**if you are unable to vote in person**) from the Warm Springs Vital Statistics Office at (541) 553-3214 before the December 17, 2015 vote.

3. Purpose of Cannabis Economic Development Project - **To produce Tribal jobs and revenues for the Warm Springs Tribe and diversify the Tribal economy.** The Warm Springs Tribe has been facing serious revenue declines and budget cuts over the past 5 years. The Tribe relies on various revenue sources and enterprises to provide services to our members. Reduced revenues impact the Tribe's ability to provide per capita payments, continue tribal elder supplemental payments, build revenue reserves and provide critical services and jobs. **The Cannabis Project will create immediate and significant net profits (\$11M to \$27M per year) in the first five years while creating much needed jobs (85+) on and off the reservation for Tribal members.**

4. Summary of the Cannabis Economic Development Project - **To develop a 100% Tribally owned, operated, and regulated Tribal cannabis cultivation (growing) and extraction (extract oils from plant) facility for medical and recreational cannabis (and hemp) on the reservation with SALES ONLY ALLOWED OFF RESERVATION at tribally owned and operated retail stores within the state of Oregon (Portland & Bend market).** Currently, medical and recreational cannabis is legally sold to adults over the age of 21 throughout the state of Oregon. Our project will be accomplished in a **highly regulated, secure, safe and controlled indoor growing facility.**

5. What this Referendum DOES NOT DO - A YES vote for this referendum

- **DOES NOT** approve or authorize sales of cannabis on the Warm Springs reservation;
- **DOES NOT** authorize individual Tribal members to cultivate or sell cannabis on the reservation; and
- **DOES NOT** legalize cannabis for personal use, whether for medical or recreational purposes, on the reservation.

6. Contact Information – For further information please find additional information posted on our website at [www.wscannabis.com](http://www.wscannabis.com), join our Facebook group “Warm Springs Cannabis Referendum”, or call us at (541) 553-3565.

