



## MEMORANDUM

TO: Chair and Members of the Board      DATE: June 23, 2016  
FROM: Cynthia Franklin      RE: Black Rapids LLC #10027  
Director, Marijuana Control Board

This is an application for a new standard cultivation facility in the Fairbanks North Star Borough by Black Rapids, LLC DBA Black Rapids LLC

Date Application Initiated: 02/29/2016  
Date Under Review: 05/13/2016  
Incomplete Letter(s) Date: 05/23/2016; 06/07/2016  
Date Final Corrections Submitted: 06/09/2014  
Determined Complete/Notices Sent: 06/14/2016 due to residency verification  
Local Government Response/Date: No response; yet  
DEC Response/Date: "No permit needed"-06/14/2016  
Fire Marshal Response/Date: No response; yet  
Objection(s) Received/Date: None  
Staff questions for Board: None

# **APPLICATION DOCUMENTS- FINAL**

# Alcohol & Marijuana Control Office

**License Number:** 10027

**License Status:** New

**License Type:** Standard Marijuana Cultivation Facility

**Doing Business As:** BLACK RAPIDS LLC

**Business License Number:** 1032790

**Designated Owner:** Grant Anderson

**Email Address:** grant.anderson2006@hotmail.com

**Latitude, Longitude:** 64.836712, -147.439420

**Physical Address:** 721 Cloud Road  
North Pole, AK 99701  
UNITED STATES

## Owner #1

**Owner Type:** Entity

**Alaska Entity Number:** 10035364

**Alaska Entity Name:** Black Rapids LLC

**Phone Number:** 253-310-5127

**Email Address:** grant.anderson2006@hotmail.com

**Mailing Address:** 302 Cowles st  
FAIRBANKS, AK 99705  
UNITED STATES

## Affiliate #1

**Owner Type:** Individual

**Name:** Grant Anderson

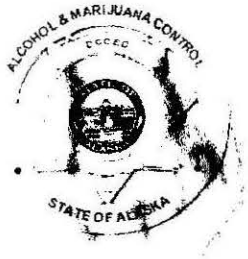
**SSN:** [REDACTED]

**Date of Birth:** [REDACTED]

**Phone Number:** 253-310-5127

**Email Address:** grant.anderson2006@hotmail.com

**Mailing Address:** 302 cowles st  
Fairbanks, AK 99705  
UNITED STATES



## Alaska Marijuana Control Board

**Form MJ-00: Application Certifications****What is this form?**

This application certifications form is required for all marijuana establishment license applications. Each person signing an application for a marijuana establishment license must declare that he/she has read and is familiar with AS 17.38 and 3 AAC 306.

This form must be completed and submitted to AMCO's main office by each proposed licensee (as defined in 3 AAC 306.020(b)(2)) before any license application will be considered complete.

**Section 1 – Establishment Information**

Enter information for the business seeking to be licensed, as identified on the license application.

|                    |   |                 |        |      |       |
|--------------------|---|-----------------|--------|------|-------|
| Licensee:          | Black Rapids LLC                        | License Number: | 10027  |      |       |
| License Type:      | Standard Marijuana Cultivation Facility |                 |        |      |       |
| Doing Business As: | Black Rapids LLC                        |                 |        |      |       |
| Premises Address:  | 721 Cloud Road                          |                 |        |      |       |
| City:              | North Pole                              | State:          | ALASKA | ZIP: | 99705 |

**Section 2 – Individual Information**

Enter information for the individual licensee or affiliate.

|        |                |
|--------|----------------|
| Name:  | Grant Anderson |
| Title: | Owner          |

**Section 3 – Other Licenses**

Ownership and financial interest in other licenses:

Yes No

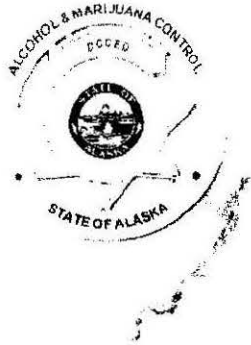
Do you currently have or plan to have an ownership interest in, or a direct or indirect financial interest in another marijuana establishment license?

☒ ☐

If "Yes", which license numbers (for existing licenses) and license types do you own or plan to own?

Planned: Extracts/Concentrates, Retail, Standard/Unlimited Cultivation, Production  
(All plans are for different premises with a time-line of summer 2017)





Alaska Marijuana Control Board

**Form MJ-00: Application Certifications**

**Section 4 – Certifications**

Read each line below, and then sign your initials in the box to the right of each statement:

Initials

I certify that I have not been convicted of a felony in any state or the United States, including a suspended imposition of sentence, for which less than five years have elapsed from the time of the conviction to the date of this application.



I certify that I am not currently on felony probation or felony parole.



I certify that I have not been found guilty of selling alcohol without a license in violation of AS 04.11.010.



I certify that I have not been found guilty of selling alcohol to an individual under 21 years of age in violation of 04.16.051 or AS 04.16.052.



I certify that I have not been convicted of a misdemeanor crime involving a controlled substance, violence against a person, use of a weapon, or dishonesty within the five years preceding this application.



I certify that I have not been convicted of a class A misdemeanor relating to selling, furnishing, or distributing marijuana or operating an establishment where marijuana is consumed within the two years preceding this application.



I certify that my proposed premises is not within 500 feet of a school ground, recreation or youth center, a building in which religious services are regularly conducted, or a correctional facility, as set forth in 3 AAC 306.010(a).



I certify that my proposed premises is not located in a liquor licensed premises.



I certify that I meet the residency requirement under AS 43.23 for a permanent fund dividend in the calendar year in which I am initiating this application.



I certify that all proposed licensees (as defined in 3 AAC 306.020(b)(2)) and affiliates (as defined in 3 AAC 306.990(a)(1)) have been listed on my online marijuana establishment license application.



I certify that all proposed licensees have been listed on my application with the Division of Corporations.



I certify that I understand that providing a false statement on this form, the online application, or any other form provided by AMCO is grounds for denial of my application.





Alcohol and Marijuana Control Office  
550 W 7<sup>th</sup> Avenue, Suite 1600  
Anchorage, AK 99501  
[marijuana.licensing@alaska.gov](mailto:marijuana.licensing@alaska.gov)  
<https://www.commerce.alaska.gov/web/amco>  
Phone: 907.269.0350

Alaska Marijuana Control Board

**Form MJ-00: Application Certifications**

Read each line below, and then sign your initials in the box to the right of only the applicable statement:

Initials

Only initial next to the following statement if this form is accompanying an application for a marijuana testing facility license:

I certify that I do not have an ownership in, or a direct or indirect financial interest in a retail marijuana store, a marijuana cultivation facility, or a marijuana products manufacturing facility.

☐

Only initial next to the following statement if this form is accompanying an application for a retail marijuana store, a marijuana cultivation facility, or a marijuana products manufacturing facility license:

I certify that I do not have an ownership in, or a direct or indirect financial interest in a marijuana testing facility license.

☒

**All marijuana establishment license applicants:**

As an applicant for a marijuana establishment license, I declare under penalty of unsworn falsification that I have read and am familiar with AS 17.38 and 3 AAC 306, and that I have examined the online application and this form, including all accompanying schedules and statements, and to the best of my knowledge and belief find them to be true, correct, and complete.

Signature of licensee

Subscribed and sworn to before me this 20<sup>th</sup> day of April, 2016.



Notary Public in and for the State of Alaska.

My commission expires: 12/14/2019



## Alaska Marijuana Control Board

**Form MJ-01: Marijuana Establishment Operating Plan****What is this form?**

An operating plan is required for all marijuana establishment license applications. Applicants should review **Title 17.38** of **Alaska Statutes** and **Chapter 306** of the **Alaska Administrative Code**. This form will be used to document how an applicant intends to meet the requirements of those statutes and regulations. If your business has a formal operating plan, you may include a copy of that operating plan with your application, but all fields of this form must still be completed per 3 AAC 306.020(c).

**What must be covered in an operating plan?**

Applicants must identify how the proposed premises will comply with applicable statutes and regulations regarding the following:

- Security
- Inventory tracking of all marijuana and marijuana product on the premises
- Employee qualification and training
- Waste disposal
- Transportation and delivery of marijuana and marijuana products
- Signage and advertising
- Control plan for persons under the age of 21

Applicants must also complete the corresponding operating plan supplemental forms (**Form MJ-03**, **Form MJ-04**, **Form MJ-05**, or **Form MJ-06**) to meet the additional operating plan requirements for each license type.

**Section 1 – Establishment Information**

Enter information for the business seeking to be licensed, as identified on the license application.

|                    |                                     |                 |        |      |       |
|--------------------|-------------------------------------|-----------------|--------|------|-------|
| Licensee:          | Black Rapids LLC                    | License Number: |        |      |       |
| License Type:      | Standard Large Cultivation Facility |                 |        |      |       |
| Doing Business As: | Black Rapids                        |                 |        |      |       |
| Premises Address:  | 721 Cloud Road                      |                 |        |      |       |
| City:              | North Pole                          | State:          | ALASKA | ZIP: | 99701 |

|                  |               |        |        |      |       |
|------------------|---------------|--------|--------|------|-------|
| Mailing Address: | 302 Cowles St |        |        |      |       |
| City:            | Fairbanks     | State: | ALASKA | ZIP: | 99701 |

|                  |  |             |              |  |  |
|------------------|--|-------------|--------------|--|--|
| Primary Contact: | Grant Anderson   |             |              |  |  |
| Main Phone:      | 253-310-5127   | Cell Phone: | 907-456-2040 |  |  |
| Email:           | <a href="mailto:grant.anderson2006@hotmail.com">grant.anderson2006@hotmail.com</a> |             |              |  |  |



**Alaska Marijuana Control Board**

**Form MJ-01: Marijuana Establishment Operating Plan**

Alcohol and Marijuana Control Office

550 W 7<sup>th</sup> Avenue, Suite 1600

Anchorage, AK 99501

[marijuana.licensing@alaska.gov](mailto:marijuana.licensing@alaska.gov)

<https://www.commerce.alaska.gov/web/amco>

Phone: 907.269.0350

**Section 2 – Security**

Review the requirements under 3 AAC 306.710 – 3 AAC 306.720 and 3 AAC 306.755, and identify how the proposed premises will meet the listed requirements.

Describe how the proposed premises will comply with each of the following:

**Restricted Access Areas (3 AAC 306.710):**

**Describe how you will prevent unescorted members of the public from entering restricted access areas:**

- o Cordoba IT Solutions has been contracted as a total security provider
- o Unescorted members of the public will not be allowed on the premises under any conditions.
- o If an intruder is found on the property, (intentionally or unintentionally) local authorities will be contacted to handle the situation.
- o A comprehensive security system will be in place to ensure facility doors are secured at all times and that the premises is closely monitored and controlled (Cordoba IT Solutions has been contracted)
- o As a practice, and for security reasons, non employees will not be allowed on to the premises. Certain individuals such as licensed retailers (Given facility tours for the purpose of securing a sale) Contractors, Security Personnel and Consultants will be allowed escorted access to the property by appointment or per-arrangement only.
- o All access points to the facility will remain locked at all times with key code access and logging systems in place
- o The facility is located in a semi remote location. By design the chances of accidental entering of the premises is minimal. Maintaining a very low profile will minimize the risk of intrusion as well as a comprehensive security system (see attachments)

**Describe your processes for admitting visitors into and escorting them through restricted access areas:**

- o All visitors will be required to be validated by the site manager. Scheduled Visitors will be vetted by the site manager beforehand for: authorized purpose of visit, age, and credentials
- o As a general practice, individuals will not be allowed on the premises except to conduct Official business
- o Visitors will never be allowed into quarantine, drying, or curing/warehousing lockers at any time.
- o Upon arriving on site visitors photo ID card will be checked to validate identity and age.
- o The employee checking the visitor in will make a photo copy of the visitors photo ID card and create an official record of the visit in the access roster log book
- o an electronic scanned copy of the visitors id card will be entered into the building security system.
- o Visitors will be issues a "Visitor" badge and clip. (required to be worn at all times)
- o Visitors will be required to be within 5 feet of responsible employee at all times and within eyesight.
- o Responsible employee will escort visitors and do nothing else.
- o Responsible employee to visitor ratio will not exceed 1:2
- o Visitors will conduct business and not remain on premises for longer then required
- o Upon completion of business visitors will be escorted off the premises, visitors tags will be recovered, and an "exit" log will be created.



**Alaska Marijuana Control Board**

**Form MJ-01: Marijuana Establishment Operating Plan**

**Describe your recordkeeping of visitors who are escorted into restricted access areas:**

- o A hard copy record will be maintained with official records that will include a Copy of the visitors photo ID, Purpose of visit, Company/Employer, Date/Time of entry and exit, Responsible Employee Escort, and Age.
- o An electronic copy of the visit will be entered into the buildings security system to include: Copy of the visitors photo ID, Purpose of visit, Company/Employer, Date/Time of entry and exit, Responsible Employee Escort, and Age.
- o All records will be maintained for three years

**Provide a copy of a sample identification badge to be displayed by each licensee, employee, or agent while on the premises:**

See Attachment IV: Identification Badge Design





**Alaska Marijuana Control Board**

**Form MJ-01: Marijuana Establishment Operating Plan**

**Security Alarm Systems and Lock Standards (3 AAC 306.715):**

**Exterior lighting is required to facilitate surveillance. Describe how the exterior lighting will meet this requirement:**

- o Defiant Brand 180° 2-Head White Outdoor Flood Lights (Model # DFI-5936-WH) Will be placed at a high angle above every entrance and at the front of the building.
- o By placing the lighting at a high angle and directing the lights footprint down the lighting will both meet the MCBs requirement of visibility at least 20 feet from building entrances and will minimize light pollution with neighbors, all while ensuring maximum security.
- o Care will be taken to ensure that outdoor lighting does not disturb neighbors.
- o Defiant Brand 180° 2-Head White Outdoor Flood Lights (Model # DFI-5936-WH) will be placed at the front of the building to illuminate employee parking and loading areas.

**An alarm system is required for all license types. Describe the security alarm system for the proposed premises:**

- o The alarms system for Black Rapids will consist of a central IP based unit. (Honeywell NetAXS-123) This system will backup to the cloud and will allow the integration of all door controls including facility access and permissions and logging of any personnel entering or leaving the facility via unique user access codes.
- o Integrated Electronic strikes/door contacts will be utilized at all POE to alert the security system of forced entry and alert authorities and monitors.
- o 4 Integrated PIR motion detectors will be installed around the exterior of the building. These detectors will notify monitors of movement on the property at which time monitors will utilize the facilities camera system to determine the threat level and notify authorities when appropriate.
- o There will be no windows on the building, Doors will be the primary means of emergency egress.
- o Overhead doors will be secured and disabled entirely. Access through overhead doors will not be feasible.

**The alarm system must be activated on all exterior doors and windows when the licensed premises is closed for business. Describe how the security alarm system meets this requirement:**

The security system is contracted through Cordoba IT Solutions. The security system will be a fully integrated system of motion detectors, door Contacts/Strikes on every door, door access control systems, Camera monitoring/recording systems, Audible and silent alarms and continuous electronic monitoring. This will allow a phased threat elevation period from when intruders first enter the premises to when they attempt to force entry. This system will also protect employees while they are operating on the premises by alerting them to movement on the premises while they are working and allowing them to check the exterior via monitors before exiting the premises.



Alaska Marijuana Control Board

**Form MJ-01: Marijuana Establishment Operating Plan**

Describe your policies and procedures for preventing diversion of marijuana or marijuana product:

- o Transporters of marijuana products will not have access to vehicle lock boxes.
- o Authorized site managers will meet transporters at delivery site and will take inventory by weight of delivered product and verify with buyer.
- o Warehoused inventory will be inventoried weekly to ensure security and quantity by weight

Describe your policies and procedures for preventing loitering:

- o "No Trespassing/authorized personnel only." Signs will be posted at entrances to the property
- o Personnel seen on the property without authorization will be reported to the Fairbanks Police Department/Alaska State Troopers.
- o Generally speaking personnel not employed or contracted with Black Rapids LLC will not be allowed on the property.
- o Because of its semi-rural setting the chances of accidental entry onto the property is minimal.

Describe your policies and procedures regarding the use of any additional security device, such as a motion detector, pressure switch, and duress, panic, or hold-up alarm to enhance security of the proposed premises:

- o The outdoor buildings camera system will be broadcast on indoor monitors to ensure that employees inside the building have situational awareness of the building exterior. A Land-line phone and panic buttons will be available to anyone inside to alert authorities of suspicious activities viewed on monitors.
- o A panic switch will be located inside of Cannabis storage areas (most likely target of incursion) so that they can be tripped in case of emergency egress or hostage situation
- o Motion detectors will be located around the exterior of the building to alert monitors of suspicious activities as well as alert working employees of activities around the exterior of the building.



## Alaska Marijuana Control Board

**Form MJ-01: Marijuana Establishment Operating Plan**

Describe your policies and procedures regarding the actions to be taken by a licensee, employee, or agent when any automatic or electronic notification system alerts a local law enforcement agency of an unauthorized breach of security:

Owners will be notified immediately.

- o Site manager or owner will conduct a thorough inventory of all plants and wet, dried or warehoused inventory as soon as possible and before resuming operations. Any discrepancies will be passed on to local authorities and the MCB immediately.
- o Black Rapids and all of its personnel will be prepared to fully cooperate with investigators and to release all camera footage and access logs to authorities or the MCB upon request.

**Video Surveillance (3 AAC 306.720):**

All licensed marijuana establishments must meet minimum standards for surveillance equipment. Applicants should be able to answer "Yes" to all items below.

Video surveillance and camera recording system covers the following areas of the premises:

Yes No

Each restricted access area and each entrance to a restricted access area

☒ ☐

Both the interior and exterior of each entrance to the facility

☒ ☐

Each point of sale area

☒ ☐

Each video surveillance recording:

Yes No

Is preserved for a minimum of 40 days, in a format that can be easily accessed for viewing

☒ ☐

Clearly and accurately displays the time and date

☒ ☐

Is archived in a format that does not permit alteration of the recorded image, so that the images can readily be authenticated

☒ ☐





**Alaska Marijuana Control Board**

**Form MJ-01: Marijuana Establishment Operating Plan**

**Describe how the video cameras will be placed to produce a clear view adequate to identify any individual inside the licensed premises, or within 20 feet of each entrance to the licensed premises:**

- o 4 Exterior video cameras (Vivotek outdoor, 12mm, IR Day/Night model FD836B-HVF) will be placed at high 12ft angles, 20 feet away from the entrance of all exterior doors, allowing the visual identification of any individuals coming or going from the property, an additional camera will monitor the facility parking lot. The large lens and high resolution will make feature identification possible.
- o 12 indoor IR Day/Night Dome Cameras (vivotek Model FSC8169) will be placed throughout the interior of the facility at locations that enable total observance of every action within the facility to include, walkways, interior doors, interior closets, quarantine areas, planting/cloning areas, and all exits to the exterior.
- o Because of the high ceiling relative to floor space all cameras will have significant overlap with other cameras to ensure that no area of the interior is unmonitored.

**Describe the locked and secure area where video surveillance recording equipment and records will be housed and stored and how you will ensure the area is accessible only to authorized personnel, law enforcement, or an agent of the board:**

- o A 6ft by 4ft closet will be built by the access door to the building.
- o Because of the small size of the facility, a secured closet of this size should be sufficient to house both security system servers and hard copy access, and business records.
- o Hard copy records will be moved off-site following 3 years)
- o The security servers will be located so as to maintain proper ventilation, the security closet will be ventilated via a 150 CMF exhaust fan and filtered inlet.

**Location of Surveillance Equipment and Video Surveillance Records:**

|   | Yes                                 | No                                  |
|---|-------------------------------------|-------------------------------------|
| Surveillance room or area is clearly defined on the premises diagram  | <input checked="" type="checkbox"/> | <input type="checkbox"/>            |
| Surveillance recording equipment and video surveillance records are housed in a designated, locked, and secure area or in a lock box, cabinet, closet or other secure area        | <input checked="" type="checkbox"/> | <input type="checkbox"/>            |
| Surveillance recording equipment access is limited to a marijuana establishment licensee or authorized employee, and to law enforcement personnel including an agent of the board | <input checked="" type="checkbox"/> | <input type="checkbox"/>            |
| Video surveillance records are stored off-site  | <input type="checkbox"/>            | <input checked="" type="checkbox"/> |



## Alaska Marijuana Control Board

**Form MJ-01: Marijuana Establishment Operating Plan****Business Records (3 AAC 306.755):**

All licensed marijuana establishments must maintain, in a format that is readily understood by a reasonably prudent business person, certain business records. Applicants should be able to answer "Yes" to all items below.

**Business Records Maintained and Kept on the Licensed Premises:**

Yes

No

All books and records necessary to fully account for each business transaction conducted under its license for the current year and three preceding calendar years; records for the last six months are maintained on the marijuana establishment's licensed premises; older records may be archived on or off-premises

☒☐

A current employee list setting out the full name and marijuana handler permit number of each licensee, employee, and agent who works at the marijuana establishment

☒☐

The business contact information for vendors that maintain video surveillance systems and security alarm systems for the licensed premises

☒☐

Records related to advertising and marketing

☒☐

A current diagram of the licensed premises including each restricted access area

☒☐

A log recording the name, and date and time of entry of each visitor permitted into a restricted access area

☒☐

All records normally retained for tax purposes

☒☐

Accurate and comprehensive inventory tracking records that account for all marijuana inventory activity from seed or immature plant stage until the retail marijuana or retail marijuana product is sold to a consumer, to another marijuana establishment, or destroyed

☒☐

Transportation records for marijuana and marijuana product as required under 3 AAC 306.750(f)

☒☐



**Alaska Marijuana Control Board**

**Form MJ-01: Marijuana Establishment Operating Plan**

A marijuana establishment is required to exercise due diligence in preserving and maintained all required records.

Describe how you will prevent records and data, including electronically maintained records, from being lost or destroyed:

- o Records, both electronic and Hard copy of all buiseness, accounting, and security records will be secured in the building Security room.
- o Security room will be temperature and humidity controled
- o Security Room will be access code locked and will only be made available to the owner of the facility as well as agents of the MCB and maintanance personel with escort.
- o Security Camera Footage will be maintained on site in hard drives for 40 days
- o Security logs such as access logs will be maintaned on site on electronic files for no less then 4 years
- o Electronic buiseness and accounting logs will be maintained in electronic files on site for not less then 4 years.
- o Hard copies of all entity documents, reciepts and accounting documents, transactional logs, building access logs, and other buiseness records will be maintained on location in sealed and tamper proof boxes within the security room for not less then 4 years.



Alaska Marijuana Control Board

## Form MJ-01: Marijuana Establishment Operating Plan

Alcohol and Marijuana Control Office

550 W 7<sup>th</sup> Avenue, Suite 1600

Anchorage, AK 99501

[marijuana.licensing@alaska.gov](mailto:marijuana.licensing@alaska.gov)

<https://www.commerce.alaska.gov/web/amco>

Phone: 907.269.0350

### Section 3 – Inventory Tracking of All Marijuana and Marijuana Product

Review the requirements under 3 AAC 306.730, and identify how the proposed establishment will meet the listed requirements.

All licensed marijuana establishments must use a marijuana inventory tracking system capable of sharing information with the system the board implements to ensure all marijuana cultivated and sold in the state, and each marijuana product processed and sold in the state, is identified and tracked from the time the marijuana propagated from seed or cutting, through transfer to another licensed marijuana establishment, or use in manufacturing a product, to a completed sale of marijuana or marijuana product, or disposal of the harvest batch of marijuana or production lot of marijuana product.

Applicants should be able to answer "Yes" to all items below.

#### Marijuana Tracking and Weighing:

Yes

No

A marijuana inventory tracking system, capable of sharing information with the system the board implements to ensure tracking for the reasons listed above, will be used

☒☐

All marijuana delivered to a marijuana establishment will be weighed on a scale certified in compliance with 3 AAC 306.745

☒☐

Describe the marijuana tracking system that you plan to use and how you will ensure that it is capable of sharing information with the system the board implements:

- o The Franwell METRC suite of software will be used to maintain electronic filings of every plant and transaction.
- o The Franwell METRC system will be used to monitor and control warehousing of product and inventory control.
- o Franwell METRC will be used to input transportation records for product shipment (weight, time, vehicle, personnel, and turn by turn route information)
- o Each plant will be tracked after reaching 8 inches via RFID tagging and METRC software.
- o A fixed IP address will be in place at the premises along with Internet access to ensure total transparency for members/agents of the MCB.



## Alaska Marijuana Control Board

**Form MJ-01: Marijuana Establishment Operating Plan****Section 4 – Employee Qualification and Training**

Review the requirements under 3 AAC 306.700, and identify how the proposed establishment will meet the listed requirements.

A marijuana establishment and each licensee, employee, or agent of the marijuana establishment who sells, cultivates, manufactures, tests, or transports marijuana or a marijuana product, or who checks the identification of a consumer or visitor, shall obtain a marijuana handler permit from the board before being licensed or beginning employment at a marijuana establishment.

Applicants should be able to answer "Yes" to all items below.

**Marijuana Handler Permit:**

Yes No

Each licensee, employee, or agent of the marijuana establishment who sells, cultivates, manufactures, tests, or transports marijuana or marijuana product, or who checks the identification of a consumer or visitor, shall obtain a marijuana handler permit from the board before being licensed or beginning employment at the marijuana establishment

☒ ☐

Each licensee, employee, or agent who is required to have a marijuana handler permit shall keep that person's marijuana handler permit card in that person's immediate possession (or a valid copy on file on the premises of a retail marijuana store, marijuana cultivation facility, or marijuana product manufacturing facility) when on the licensed premises

☒ ☐

Each licensee, employee, or agent who is required to have a marijuana handler permit shall ensure that that person's marijuana handler permit card is valid and has not expired

☒ ☐**Describe how your establishment will meet the requirements for employee qualifications and training:**

- o Black Rapids will conduct thorough background checks and drug screening of all applicants.
- o Black Rapids will limit access to all quarantine and warehousing space to employees that have not earned a management status or a "need to access."
- o Black Rapids is an EOE, Disabled Veteran, employer and will not discriminate for any reason except for fitness and merit.
- o Black Rapids will implement an Apprenticeship program where new employees work under the direct and explicit supervision of a Master level Cultivator until they can handle the cultivation process "From seed to Cured."
- o All employees will be required to maintain a current Marijuana handlers card on their person at all times



**Alaska Marijuana Control Board**

**Form MJ-01: Marijuana Establishment Operating Plan**

**Section 5 – Waste Disposal**

Review the requirements under 3 AAC 306.740, and identify how the proposed establishment will meet the listed requirements.

Applicants should be able to answer "Yes" to the statement below.

**Marijuana Waste Disposal:**

Yes No

The marijuana establishment shall give the board at least 3 days notice in the marijuana inventory tracking system required under 3 AAC 306.730 before making the waste unusable and disposing of it

☒☐

Describe how you will store, manage, and dispose of any solid or liquid waste, including wastewater generated during marijuana cultivation, production, process, testing, or retail sales, in compliance with applicable federal, state, and local laws and regulations:

**Solid Waste:**

o Plant Stems and fan leaves, along with plants or cuttings that must be destroyed for any other reason will be ground in a 21 in. Flowtron, 5-Amp Electronic Mulcher. The waste will then be mixed with potting soil and donated to local NFP or community gardens.

o THC containing trimmings will be sold to licensed product manufacturers. This "Shake" will be treated with the same security and handling precautions as dry flower.

Liquid Waste: Liquid waste will be held in an above ground storage tank and transferred to the Fairbanks Water Treatment Plant periodically.

Describe what material or materials you will mix with the ground marijuana waste to make it unusable:

**When available:**

Yard Waste(Leaves, Grass Clippings, etc)

Sawdust

**When Necessary:**

Planting Soil (Miracle Grow, ETC)

All mixes at a 1:1 ratio





Alaska Marijuana Control Board

## Form MJ-01: Marijuana Establishment Operating Plan

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Anchorage, AK 99501

[marijuana.licensing@alaska.gov](mailto:marijuana.licensing@alaska.gov)

<https://www.commerce.alaska.gov/web/amco>

Phone: 907.269.0350

Marijuana waste must be rendered unusable for any purpose for which it was grown or produced before it leaves the marijuana establishment. Describe the process or processes that you will use to make the marijuana plant waste unusable:

- o Solid Plant waste will be sold for processing into extracts whenever possible or appropriate. When waste is sold for processing it will be processed and tracked the same as flower.
- o If destroyed on site, solid plant waste will be ground in a koboto or similar mulcher/grinder and then rendered at a 1:1 ratio with a benign medium such as potting soil, yard waste, sawdust, etc. The benign soil mix will be composted on site and then donated to local community gardens or sold to greenhouses.
- o Liquid waste will be stored in on-site holding tanks and transferred periodically to the Fairbanks Wastewater Treatment Plant
- o Benign Garbage and trash will be disposed of at the local transfer site.



**Alaska Marijuana Control Board**

**Form MJ-01: Marijuana Establishment Operating Plan**

Alcohol and Marijuana Control Office

550 W 7<sup>th</sup> Avenue, Suite 1600

Anchorage, AK 99501

[marijuana.licensing@alaska.gov](mailto:marijuana.licensing@alaska.gov)

<https://www.commerce.alaska.gov/web/amco>

Phone: 907.269.0350

**Section 6 – Transportation and Delivery of Marijuana and Marijuana Products**

Review the requirements under 3 AAC 306.750, and identify how the proposed establishment will meet the listed requirements.

Applicants should be able to answer “Yes” to all items below.

**Marijuana Transportation:**

Yes

No

The marijuana establishment from which a shipment of marijuana or marijuana product originates will ensure that any individual transporting marijuana shall have a marijuana handler permit required under 3 AAC 306.700

☐☐

The marijuana establishment that originates the transport of any marijuana or marijuana product will use the marijuana inventory tracking system to record the type, amount, and weight of marijuana or marijuana product being transported, the name of the transporter, the time of departure and expected delivery, and the make, model, and license plate number of the transporting vehicle

☐☐

The marijuana establishment that originates the transport of any marijuana or marijuana product will ensure that a complete printed transport manifest on a form prescribed by the board must be kept with the marijuana or marijuana product at all times during transport

☐☐

During transport, any marijuana or marijuana product will be in a sealed package or container in a locked, safe, and secure storage compartment in the vehicle transporting the marijuana or marijuana product, and the sealed package will not be opened during transport

☐☐

Any vehicle transporting marijuana or marijuana product will travel directly from the shipping marijuana establishment to the receiving marijuana establishment, and will not make any unnecessary stops in between except to deliver or pick up marijuana or marijuana product at any other licensed marijuana establishment

☐☐

When the marijuana establishment receives marijuana or marijuana product from another licensed marijuana establishment, the recipient of the shipment will use the marijuana inventory tracking system to report the type, amount, and weight of marijuana or marijuana product received

☐☐

The marijuana establishment will refuse to accept any shipment of marijuana or marijuana product that is not accompanied by the transport manifest

☐☐





**Alaska Marijuana Control Board**

**Form MJ-01: Marijuana Establishment Operating Plan**

**Describe how marijuana or marijuana product will be prepared, packaged, and secured for shipment:**

- o Black Rapids will package its own products for resale at dispensaries.
- o Packaging will comply with MCB regulations concerning difficulty of access for minors, marketing/package markings, labeling for content, and labeling for test results.
- o Individual packages will be aggregated into lots of 1-5 pounds for sale to retailers.
- o Products will be secured in tamper proof boxes for transport with tamper proof seals.
- o Lots will be properly tracked via Franwell RFID tags

**Describe the type of locked, safe, and secure storage compartments that will be used in any vehicles transporting marijuana or marijuana product:**

- o A Ridged (RIDGID Model # 2048-OS) Truck Box will be bolted to the frame of a Ram 2500 Pickup
- o The Ridged Box will be locked with an industry standard (Abus Padlock, KA, 1 In H, 7 Discs, Steel Model: 37/55 KA) pad lock.
- o Within the box containers with tamper proof seals will contain the cannabis products.
- o The key to the lock will be with the site manager who will be in a separate vehicle and will conduct the transfer once at the destination.
- o In the event of a breakdown local authorities will be notified of the vehicles location and that it is stopped for monitoring purposes.
- o No unnecessary stops will be conducted while transporting marijuana.



**Alaska Marijuana Control Board**

**Form MJ-01: Marijuana Establishment Operating Plan**

**Section 7 – Signage and Advertising**

Describe any signs that you intend to post on your establishment with your business name, including quantity and dimensions:

- o No advertising signs will be placed upon the exterior of the premises. This approach will help to enhance the security of the facility by limiting the amount of criminal elements who may be aware of its location.
- o Restricted access signs will be placed at each entrance to the facility. (the entire facility is considered restricted access)

If you are not applying for a retail marijuana store license, you do not need to complete the rest of Section 7, including Page 17.

**Restriction on advertising of marijuana and marijuana products (3 AAC 306.360):**

All licensed retail marijuana stores must meet minimum standards for signage and advertising.

Applicants should be able to answer “Agree” to all items below.

No advertisement for marijuana or marijuana product will contain any statement or illustration that:

Agree Disagree

Is false or misleading

|                                     |                          |
|-------------------------------------|--------------------------|
| <input checked="" type="checkbox"/> | <input type="checkbox"/> |
|-------------------------------------|--------------------------|

Promotes excessive consumption

|                                     |                          |
|-------------------------------------|--------------------------|
| <input checked="" type="checkbox"/> | <input type="checkbox"/> |
|-------------------------------------|--------------------------|

Represents that the use of marijuana has curative or therapeutic effects

|                                     |                          |
|-------------------------------------|--------------------------|
| <input checked="" type="checkbox"/> | <input type="checkbox"/> |
|-------------------------------------|--------------------------|

Depicts a person under the age of 21 consuming marijuana

|                                     |                          |
|-------------------------------------|--------------------------|
| <input checked="" type="checkbox"/> | <input type="checkbox"/> |
|-------------------------------------|--------------------------|

Includes an object or character, including a toy, a cartoon character, or any other depiction designed to appeal to a child or other person under the age of 21, that promotes consumption of marijuana

|                                     |                          |
|-------------------------------------|--------------------------|
| <input checked="" type="checkbox"/> | <input type="checkbox"/> |
|-------------------------------------|--------------------------|



Alaska Marijuana Control Board

## Form MJ-01: Marijuana Establishment Operating Plan

No advertisement for marijuana or marijuana product will be placed:

Agree Disagree

Within one thousand feet of the perimeter of any child-centered facility, including a school, childcare facility, or other facility providing services to children, a playground or recreation center, a public park, a library, or a game arcade that is open to persons under the age of 21

☒ ☐

On or in a public transit vehicle or public transit shelter

☒ ☐

On or in a publicly owned or operated property

☒ ☐

Within 1000 feet of a substance abuse or treatment facility

☒ ☐

On a campus for post-secondary education

☒ ☐

Signage and Promotional Materials:

Agree Disagree

I understand and agree to follow the limitations for signs under 3 AAC 306.360(a)

☒ ☐

The retail marijuana store will not use giveaway coupons as promotional materials, or conduct promotional activities such as games or competitions to encourage sale of marijuana or marijuana products

☒ ☐

All advertising for marijuana or any marijuana product will contain the warnings required under 3 AAC 306.360(e)

☒ ☐



Alaska Marijuana Control Board

## Form MJ-01: Marijuana Establishment Operating Plan

### Section 8 – Control Plan for Persons Under the Age of 21

Describe how the marijuana establishment will prevent persons under the age of 21 from gaining access to any portion of the licensed premises and marijuana items:

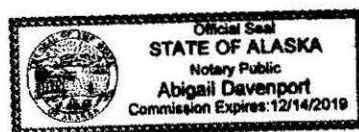
o Any person allowed on the premises will be vetted by the site manager beforehand for security reasons. At no time will persons without specific business on the premises be granted access. Anyone granted access will be logged into the security system and escorted at all times by a responsible employee at a ratio not to exceed 1:2. ID cards will be checked before admittance and a hard copy will be maintained. ID Cards will be checked for age as well as authenticity.

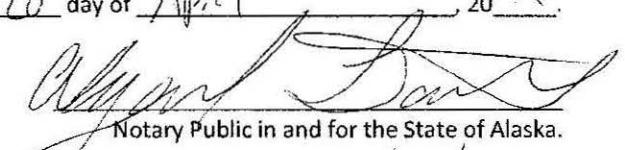
I declare under penalty of perjury that I have examined this form, including all accompanying schedules and statements, and to the best of my knowledge and belief find it to be true, correct, and complete.

  
Signature of licensee

Anderson, Grant  
Printed name

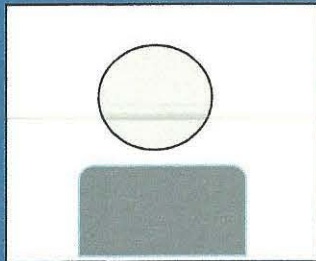
Subscribed and sworn to before me this 20<sup>th</sup> day of April, 2016.



  
Notary Public in and for the State of Alaska.

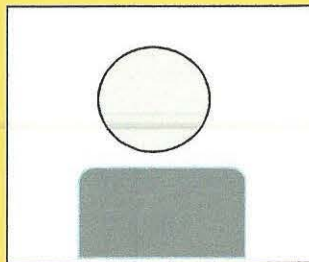
My commission expires: 12/14/2019

**BLACK RAPIDS LLC**



**Name:** John Smith  
**Access level:** All  
**Role:** Site Manager

**BLACK RAPIDS LLC**



**CONTRACTOR**

**Name:** John Smith  
**Access level:** TRIMMING AREA  
**Role:** TRIMMER

**VISITOR**

**Escort Required at all Times**

Name \_\_\_\_\_  
Date \_\_\_\_\_  
Escort \_\_\_\_\_  
Check in/out Time \_\_\_\_\_



Alaska Marijuana Control Board

## **Form MJ-01: Marijuana Establishment Operating Plan**

Alcohol and Marijuana Control Office

550 W 7<sup>th</sup> Avenue, Suite 1600

Anchorage, AK 99501

[marijuana.licensing@alaska.gov](mailto:marijuana.licensing@alaska.gov)

<https://www.commerce.alaska.gov/web/amco>

Phone: 907.269.0350

(Additional Space as Needed):



## Operating Plan Explanations

Black Rapids LLC

Following are explanations to questions raised by the AMCO in regards to the Submitted License Packet by Black Rapids LLC concerning its Operating plan and Local Government Notification.

- Local Government Notice: The date of notification was indeed a typo. I submitted the notice to the FNSB on 24 March 2016 not "24 February 2016." I have included the copy that I furnished to the FNSB that contains their "received," stamp as well as a corrected and initialed form MJ-08.
- Concerning MJ-01 Operating Plan: In regards to page 15, second box. The marijuana will be transported either by myself or another authorized and screened employee of Black Rapids. This employee will have all of the prerequisite Marijuana handling cards and additional background checks by Black Rapids. Either the employee or I will meet the Marijuana at its destination (another authorized and licensed marijuana facility) to conduct the transfer. The marijuana itself will be transported by a second party. (either the employee or myself) This plan is similar to gas station employees not having access to the on-site safe. The idea is to remove the person transporting the product from harm or violent exploitation at the hands of any criminal element who may attempt to interdict the product during transfer. If the person transferring the product does not have access to the lock box then the criminal elements will in theory not violently force him to open the lock box. It will also greatly hinder those criminal elements from gaining entry into the lockbox where the product is held as there only option will be forced entry which will be extremely difficult. In the future the plan is to utilize Professional transfer services (such as Valkyrie) however for the first several months of operation these services will not be feasible. When Black Rapids LLC does begin to use these services the local AMCO agent will be informed and any change of plan documentation will be furnished and fees paid before such services are used. Black Rapids LLC will however do its best to ensure the safety of its employees and owner during transfers as well as lessen the chance that its products will end up in the hands of criminals.
- POC for this document is Grant Anderson at 253-310-5127 or [grant.anderson2006@hotmail.com](mailto:grant.anderson2006@hotmail.com)



Grant Anderson  
OWNER  
Black Rapids LLC



**Alaska Marijuana Control Board**

**Operating Plan Supplemental  
Form MJ-04: Marijuana Cultivation Facility**

Alcohol and Marijuana Control Office

550 W 7<sup>th</sup> Avenue, Suite 1600

Anchorage, AK 99501

[marijuana.licensing@alaska.gov](mailto:marijuana.licensing@alaska.gov)

<https://www.commerce.alaska.gov/web/amco>

Phone: 907.269.0350

**What is this form?**

This operating plan supplemental form is required for all applicants seeking a marijuana cultivation facility license and must accompany the **Marijuana Establishment Operating Plan (Form MJ-01)**, per 3 AAC 306.020(b)(11). Applicants should review **Chapter 306: Article 4** of the **Alaska Administrative Code**. This form will be used to document how an applicant intends to meet the requirements of those regulations. If your business has a formal operating plan, you may include a copy of that operating plan with your application, but all fields of this form must still be completed per 3 AAC 306.020 and 3 AAC 306.420(2).

**What additional information is required for cultivation facilities?**

Applicants must identify how the proposed establishment will comply with applicable regulations regarding the following:

- Prohibitions
- Cultivation plan
- Odor control
- Testing procedure and protocols
- Security

**This form must be submitted to AMCO's main office before any marijuana cultivation facility license application will be considered complete.**

**Section 1 – Establishment Information**

Enter information for the business seeking to be licensed, as identified on the license application.

|                    |   |                 |        |      |       |
|--------------------|---|-----------------|--------|------|-------|
| Licensee:          | Black Rapids LLC                        | License Number: | 10027  |      |       |
| License Type:      | Standard Marijuana Cultivation Facility |                 |        |      |       |
| Doing Business As: | Black Rapids LLC                        |                 |        |      |       |
| Premises Address:  | 721 Cloud Road                          |                 |        |      |       |
| City:              | North Pole                              | State:          | ALASKA | ZIP: | 99705 |





**Alaska Marijuana Control Board**  
**Operating Plan Supplemental**  
**Form MJ-04: Marijuana Cultivation Facility**

Alcohol and Marijuana Control Office  
550 W 7<sup>th</sup> Avenue, Suite 1600  
Anchorage, AK 99501  
[marijuana.licensing@alaska.gov](mailto:marijuana.licensing@alaska.gov)  
<https://www.commerce.alaska.gov/web/amco>  
Phone: 907.269.0350

**Section 2 – Prohibitions**

Applicants should review 3 AAC 306.405 – 3 AAC 306.410 and be able to answer “Agree” to all items below.

The marijuana cultivation facility will not:

Agree Disagree

Sell, distribute, or transfer any marijuana or marijuana product to a consumer, with or without compensation

☒ ☐

Allow any person, including a licensee, employee, or agent, to consume marijuana or marijuana product on its license premises or within 20 feet of the exterior of any building or outdoor cultivation facility

☒ ☐

Treat or otherwise adulterate marijuana with any organic or nonorganic chemical or compound to alter the color, appearance, weight, or odor of the marijuana

☒ ☐

**Section 3 – Cultivation Plan**

Review the requirements under 3 AAC 306.420, and identify how the proposed premises will meet the listed requirements.

Describe the size of the space(s) the marijuana cultivation facility intends to be under cultivation, including dimensions and overall square footage. Provide your calculations below:

- o Flower Space will be in the open area of the facility and will comprise of three rows of 12, 1,000 watt High Pressure Sodium lights covering a 560 sq ft canopy space. (not including walkways)
- o Cloners, Vegetative growth tables, and mother plants will be housed in a 200 sq ft Grow Tent
- o Total Area dedicated to grow space is 760 sq ft
- o total Area dedicated to drying and storage is 80 sq ft (lockers)



**Alaska Marijuana Control Board**

**Operating Plan Supplemental**

**Form MJ-04: Marijuana Cultivation Facility**

Alcohol and Marijuana Control Office

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[marijuana.licensing@alaska.gov](mailto:marijuana.licensing@alaska.gov)

<https://www.commerce.alaska.gov/web/amco>

Phone: 907.269.0350

**Describe the marijuana cultivation facility's growing medium(s) to be used:**

- o There will be no traditional growing mediums.
- o plants will be suspended with neoprene collars.
- o the plants roots system will hang below it and will be exposed to a continues misting/stream of a water/nutrient solution
- o This process is considered a type of advanced medium-less Nutrient Film growing system

**Describe the marijuana cultivation facility's fertilizers, chemicals, gases, and delivery systems, including carbon dioxide management, to be used:**

- o No CO2 systems will be utilized at this time
- o Chemical nutrients will be mixed with water in reservoirs and washed onto the plants root systems.
- o Chemicals include General Hydroponics line of nutrients including Flora Bloom, Flora Micro, and Flora Gro, as well as Bio-root, and Clonex.
- o Generic dish soap will be used for most cleaning, in limited instances bleach will be used for sanitizing. Alcohol will be used to sanitize trimming equipment.
- o At no time will Black Rapids employ pesticides, In the event of infestation plants will be destroyed along MBC guidelines.

**Describe the marijuana cultivation facility's irrigation and waste water systems to be used:**

- o Irrigation will be via an Nutrient Film system that recirculates water and nutrients through the plants root system and back to a central reservoir.
- o Reservoirs will be changed periodically(weekly)
- o when reservoirs are changed they will be drained into a wastewater holding tank and transfered to the Fairbanks Wastewater Treatment Plant via professional wastewater transfer company



Alaska Marijuana Control Board

## Operating Plan Supplemental Form MJ-04: Marijuana Cultivation Facility

Alcohol and Marijuana Control Office

550 W 7<sup>th</sup> Avenue, Suite 1600

Anchorage, AK 99501

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<https://www.commerce.alaska.gov/web/amco>

Phone: 907.269.0350

Describe the marijuana cultivation facility's waste disposal arrangements:

**Solid Waste:**

- o Plant Stems and fan leaves, along with plants or cuttings that must be destroyed for any reason will be ground in a 21 in. Flowtron, 5-Amp Electronic Mulcher. The waste will then be mixed with potting soil and donated to local NFP or community gardens.
- o THC containing trimmings will be sold to licensed product manufacturers. This "Shake" will be treated with the same security and handling precautions as dry flower.
- o "Other," non plant based solid waste will be transfered to the FNSB landfill.

Liquid Waste: Liquid waste will be held in an above ground storage tank and transfered to the Fairbanks Water Treatment Plant periodically.

### Section 4 – Odor Control

Review the requirements under 3 AAC 306.430, and identify how the proposed premises will meet the listed requirement.

Describe the odor control method(s) to be used and how the marijuana cultivation facility will ensure that any marijuana at the facility does not emit an odor that is detectable by the public from outside the facility:

- o Air within the facility will be vented through in-line Active Carbon filters which remove virtually all of the smell of the cannabis. This venting will also minimize the chances of mold within the facility.
- o Access points to The facility will remain closed and secured/sealed at all times.
- o Because of the facilities rural location the chances of public encounters with any smell are minimal



Alaska Marijuana Control Board  
Operating Plan Supplemental  
**Form MJ-04: Marijuana Cultivation Facility**

Alcohol and Marijuana Control Office  
550 W 7<sup>th</sup> Avenue, Suite 1600  
Anchorage, AK 99501  
[marijuana.licensing@alaska.gov](mailto:marijuana.licensing@alaska.gov)  
<https://www.commerce.alaska.gov/web/amco>  
Phone: 907.269.0350

### Section 5 – Testing Procedure and Protocols

Review the requirements under 3 AAC 306.455 and 3 AAC 306.465, and identify how the proposed premises will meet the listed requirements.

Applicants should be able to answer "Agree" to the item below.

I understand and agree that:

Agree Disagree

The board will or the director shall from time to time require the marijuana cultivation facility to provide samples of the growing medium, soil amendments, fertilizers, crop production aids, pesticides, or water for random compliance checks

☒ ☐

Describe the testing procedure and protocols the marijuana cultivation facility will follow:

- o Upon harvest a batch of marijuana (6 HPS Light Sections) will be trimmed and placed into drying enclosures where it will stay for 3-7 days. Each drying enclosure will be a secured quarantine chamber. Batches will not be mixed.
- o Upon completion of drying the plant will be placed into curing containers and placed back into quarantine. During this step 5 grams will be separated randomly for testing. Because the buds will be completely mixed up at this point further segregation is not necessary.
- o Every third batch will have added pesticide testing completed with results posted on the companies website and in the METRC system.
- o When test results are made available the Quarantined cannabis will be moved to warehousing and will continue to cure until sold.



**Alaska Marijuana Control Board**  
**Operating Plan Supplemental**  
**Form MJ-04: Marijuana Cultivation Facility**

Alcohol and Marijuana Control Office  
550 W 7<sup>th</sup> Avenue, Suite 1600  
Anchorage, AK 99501  
[marijuana.licensing@alaska.gov](mailto:marijuana.licensing@alaska.gov)  
<https://www.commerce.alaska.gov/web/amco>  
Phone: 907.269.0350

**Section 6 – Security**

Review the requirements under 3 AAC 306.430 and 3 AAC 306.470 – 3 AAC 306.475, and identify how the proposed premises will meet the listed requirements.

Applicants should be able to answer “Agree” to the two items below.

**The marijuana cultivation facility applicant has:**

Agree Disagree

Read and understands and agrees to the packaging of marijuana requirements under 3 AAC 306.470

☒ ☐

Read and understands and agrees to the labeling of marijuana requirements under 3 AAC 306.475

☒ ☐

**Restricted Access Area (3 AAC 306.430):**

Yes No

Will the marijuana cultivation facility include outdoor production?

☐ ☒

If “Yes”, describe the outdoor structure(s) or the expanse of open or clear ground fully enclosed by a physical barrier:



Alaska Marijuana Control Board

## Operating Plan Supplemental Form MJ-04: Marijuana Cultivation Facility

Alcohol and Marijuana Control Office

550 W 7<sup>th</sup> Avenue, Suite 1600

Anchorage, AK 99501

[marijuana.licensing@alaska.gov](mailto:marijuana.licensing@alaska.gov)

<https://www.commerce.alaska.gov/web/amco>


Phone: 907.269.0350

Describe the method(s) used to ensure that any marijuana at the marijuana cultivation facility cannot be observed by the public from outside the facility:

The production facility is a totally enclosed warehouse without windows. Doors will never be left open. Therefor marijuana will never be visible to the public.

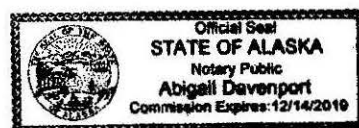
I certify that as a marijuana cultivation facility, I will submit monthly reports to the Department of Revenue and pay the excise tax required under AS 43.61.010 and 43.61.020 on all marijuana sold or provided as a sample to a marijuana establishment, as required under 3 AAC 306.480.


I declare under penalty of perjury that I have examined this form, including all accompanying schedules and statements, and to the best of my knowledge and belief find it to be true, correct, and complete.

  
Signature of licensee

Anderson, Grant  
Printed name

Subscribed and sworn to before me this 20<sup>th</sup> day of April, 2016.



  
Notary Public in and for the State of Alaska.

My commission expires: 12/14/2019



**Alaska Marijuana Control Board**  
**Operating Plan Supplemental**  
**Form MJ-04: Marijuana Cultivation Facility**

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Alcohol and Marijuana Control Office  
550 W 7<sup>th</sup> Avenue, Suite 1600  
Anchorage, AK 99501  
[marijuana.licensing@alaska.gov](mailto:marijuana.licensing@alaska.gov)  
<https://www.commerce.alaska.gov/web/amco>  
Phone: 907.269.0350

(Additional Space as Needed):





Alcohol and Marijuana Control Office  
550 W 7<sup>th</sup> Avenue, Suite 1600  
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<https://www.commerce.alaska.gov/web/amco>  
Phone: 907.269.0350

## Alaska Marijuana Control Board

# Form MJ-07: Public Notice Posting Affidavit

### What is this form?

A public notice posting affidavit is required for all marijuana establishment license applications, per 3 AAC 306.020(b)(10). As soon as practical after initiating a new marijuana establishment license application, an applicant must give notice of the application to the public by posting a copy of the application (produced by the board's application website) for ten (10) days at the location of the proposed licensed premises and one other conspicuous location in the area of the proposed premises, per 3 AAC 306.025(b)(1).

This form must be submitted to AMCO's main office before any license application will be considered complete.

### Section 1 – Establishment Information

Enter information for the business seeking to be licensed, as identified on the license application.

|                    |   |                 |        |      |       |
|--------------------|---|-----------------|--------|------|-------|
| Licensee:          | Black Rapids LLC                        | License Number: | 10027  |      |       |
| License Type:      | Standard Marijuana Cultivation Facility |                 |        |      |       |
| Doing Business As: | Black Rapids LLC                        |                 |        |      |       |
| Premises Address:  | 721 Cloud Road                          |                 |        |      |       |
| City:              | North Pole                              | State:          | ALASKA | ZIP: | 99705 |

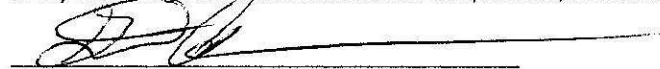
### Section 2 – Certification

I certify that I have met the public notice requirement set forth under 3 AAC 306.025(b)(1) by posting a copy of my application for the following 10-day period at the location of the proposed licensed premises and at the following conspicuous location in the area of the proposed premises:

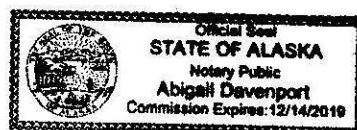
Start Date: 02 March 2016 End Date: 16 March 2016

Other conspicuous location: North Pole Safeway (301 N Santa Claus Ln, North Pole, AK 99705)

I declare under penalty of perjury that I have examined this form, including all accompanying schedules and statements, and to the best of my knowledge and belief find it to be true, correct, and complete.

  
Signature of licensee

Subscribed and sworn to before me this 20<sup>th</sup> day of April, 2016.



  
Notary Public in and for the State of Alaska.

My commission expires: 12/14/2019





## Alaska Marijuana Control Board

**Form MJ-08: Local Government Notice Affidavit****What is this form?**

A local government notice affidavit is required for all marijuana establishment license applications with a proposed premises that is located within a local government, per 3 AAC 306.025(b)(3). As soon as practical after initiating a new marijuana establishment license application, an applicant must give notice of the application to the public by submitting a copy of the application (produced by the board's application website) to the local government and any community council in the area of the proposed licensed premises.

This form must be submitted to AMCO's main office before any license application will be considered complete.

**Section 1 – Establishment Information**

Enter information for the business seeking to be licensed, as identified on the license application.

|                    |                               |                 |        |      |       |
|--------------------|-------------------------------|-----------------|--------|------|-------|
| Licensee:          | Black Rapids LLC              | License Number: | 10027  |      |       |
| License Type:      | Standard Cultivation Facility |                 |        |      |       |
| Doing Business As: | Black Rapids                  |                 |        |      |       |
| Premises Address:  | 721 Cloud Road                |                 |        |      |       |
| City:              | North Pole                    | State:          | ALASKA | ZIP: | 99705 |

**Section 2 – Certification**

I certify that I have met the local government notice requirement set forth under 3 AAC 306.025(b)(3) by submitting a copy of my application to the following local government and community council (if applicable):

Local Government: Faribanks North Star Borough

Date Submitted: MARCH 24 2016

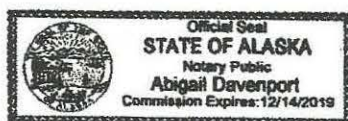
Community Council: \_\_\_\_\_  
(Municipality of Anchorage and Matanuska-Susitna Borough only)

Date Submitted: \_\_\_\_\_

I declare under penalty of perjury that I have examined this form, including all accompanying schedules and statements, and to the best of my knowledge and belief find it to be true, correct, and complete.

[Signature]  
Signature of licensee

Subscribed and sworn to before me this 20<sup>th</sup> day of April, 2016.



[Signature]  
Notary Public in and for the State of Alaska.

My commission expires: 12/14/2019



# Public Notice

## Application for Marijuana Establishment License

**License Number:** 10027

**License Status:** Initiated

**License Type:** Standard Marijuana Cultivation Facility

**Doing Business As:** BLACK RAPIDS LLC

**Business License Number:** 1032790

**Email Address:** grant.anderson2006@hotmail.com

**Latitude, Longitude:** 64.836712, -147.439420

**Physical Address:** 721 Cloud Road  
North Pole, AK 99701  
UNITED STATES

Comm. Planning Dept  
MAR 24 2016 *ES*  
RECEIVED

### Owner #1

**Owner Type:** Entity  
**Alaska Entity Number:** 10035364  
**Alaska Entity Name:** Black Rapids LLC  
**Phone Number:** 253-310-5127  
**Email Address:** grant.anderson2006@hotmail.co  
m  
**Mailing Address:** 302 Cowles st  
FAIRBANKS, AK 99705  
UNITED STATES

### Affiliate #1

**Owner Type:** Individual  
**Name:** Grant Anderson  
**Date of Birth:** [REDACTED]  
**Phone Number:** 253-310-5127  
**Email Address:** grant.anderson2006@hotmail.co  
m  
**Mailing Address:** 302 cowles st  
Fairbanks, AK 99705  
UNITED STATES

Interested persons should submit written comment or objection to their local government, the applicant, and to the Alcohol & Marijuana Control Office at 550 W 7th Ave, Suite 1600, Anchorage, AK 99501 or to [marijuana.licensing@alaska.gov](mailto:marijuana.licensing@alaska.gov) not later than 30 days after this notice of application.

**POSTING DATE** \_\_\_\_\_



## Alaska Marijuana Control Board

**Form MJ-08: Local Government Notice Affidavit****What is this form?**

A local government notice affidavit is required for all marijuana establishment license applications with a proposed premises that is located within a local government, per 3 AAC 306.025(b)(3). As soon as practical after initiating a new marijuana establishment license application, an applicant must give notice of the application to the public by submitting a copy of the application (produced by the board's application website) to the local government and any community council in the area of the proposed licensed premises.

This form must be submitted to AMCO's main office before any license application will be considered complete.

**Section 1 – Establishment Information**

Enter information for the business seeking to be licensed, as identified on the license application.

|                    |                               |                 |        |      |       |
|--------------------|-------------------------------|-----------------|--------|------|-------|
| Licensee:          | Black Rapids LLC              | License Number: | 10027  |      |       |
| License Type:      | Standard Cultivation Facility |                 |        |      |       |
| Doing Business As: | Black Rapids                  |                 |        |      |       |
| Premises Address:  | 721 Cloud Road                |                 |        |      |       |
| City:              | North Pole                    | State:          | ALASKA | ZIP: | 99705 |

**Section 2 – Certification**

I certify that I have met the local government notice requirement set forth under 3 AAC 306.025(b)(3) by submitting a copy of my application to the following local government and community council (if applicable):


Local Government: Faribanks North Star Borough

Date Submitted: 24 February 2016

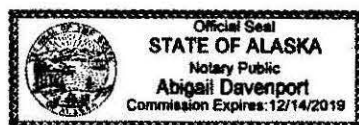
Community Council: \_\_\_\_\_  
(Municipality of Anchorage and Matanuska-Susitna Borough only)

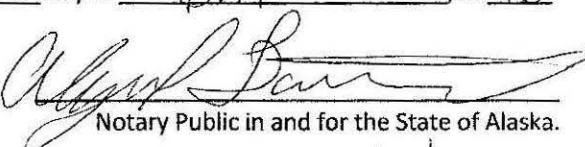
Date Submitted: \_\_\_\_\_

I declare under penalty of perjury that I have examined this form, including all accompanying schedules and statements, and to the best of my knowledge and belief find it to be true, correct, and complete.

  
\_\_\_\_\_  
Signature of licensee

Subscribed and sworn to before me this 20<sup>th</sup> day of April, 2016.



  
\_\_\_\_\_  
Notary Public in and for the State of Alaska.

My commission expires: 12/14/2019



Alaska Marijuana Control Board

## Form MJ-09: Statement of Financial Interest

Alcohol and Marijuana Control Office  
550 W 7<sup>th</sup> Avenue, Suite 1600

Anchorage, AK 99501

[marijuana.licensing@alaska.gov](mailto:marijuana.licensing@alaska.gov)

<https://www.commerce.alaska.gov/web/amco>

Phone: 907.269.0350

### What is this form?

A statement of financial interest completed by each proposed licensee (as defined in 3 AAC 306.020(b)(2)) and affiliate (as defined in 3 AAC 306.990(a)(1)) is required for all marijuana establishment license applications, per 3 AAC 306.020(b)(4). A person other than a licensee may not have direct or indirect financial interest (as defined in 3 AAC 306.015(e)(1)) in the business for which a marijuana establishment license is issued, per 3 AAC 306.015(a).

This form must be completed and submitted to AMCO's main office by each proposed licensee or affiliate before any license application will be considered complete.

### Section 1 – Establishment Information

Enter information for the business seeking to be licensed, as identified on the license application.

|                    |                               |                 |        |      |       |
|--------------------|-------------------------------|-----------------|--------|------|-------|
| Licensee:          | Black Rapids LLC              | License Number: | 10027  |      |       |
| License Type:      | Standard Cultivation Facility |                 |        |      |       |
| Doing Business As: | Black Rapids                  |                 |        |      |       |
| Premises Address:  | 721 Cloud Road                |                 |        |      |       |
| City:              | North Pole                    | State:          | ALASKA | ZIP: | 99705 |

### Section 2 – Individual Information

Enter information for the individual licensee or affiliate.

|        |                |
|--------|----------------|
| Name:  | Grant Anderson |
| Title: | Owner          |
| SSN:   |                |





Alaska Marijuana Control Board

## Form MJ-09: Statement of Financial Interest

Alcohol and Marijuana Control Office

550 W 7<sup>th</sup> Avenue, Suite 1600

Anchorage, AK 99501

[marijuana.licensing@alaska.gov](mailto:marijuana.licensing@alaska.gov)

<https://www.commerce.alaska.gov/web/amco>

Phone: 907.269.0350

### Section 3 – Certifications

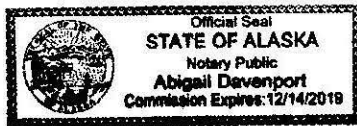
I certify that no person other than a proposed licensee listed on my marijuana establishment license application has a direct or indirect financial interest, as defined in 3 AAC 306.015(e)(1), in the business for which a marijuana establishment license is being applied for.

I further certify that any ownership change shall be reported to the board as required under 3 AAC 306.040.

I declare under penalty of perjury that I have examined this form, including all accompanying schedules and statements, and to the best of my knowledge and belief find it to be true, correct, and complete.

Signature of licensee/affiliate

Subscribed and sworn to before me this 20<sup>th</sup> day of April, 2016



Notary Public in and for the State of Alaska.

My commission expires: 12/14/2019

## COMMERCIAL LEASE AGREEMENT

THIS LEASE AGREEMENT is made and entered into this 21/08/16 day of June, 2016, by and between MYONG SUK NELSON, whose address is PO Box 71244, Fairbanks, AK 99707 (hereinafter referred to as "Landlord"), and Black Rapids LLC (hereinafter referred to as "Tenant"). It is understood that the owner of Black Rapids LLC is GRANT ANDERSON who resides at 302 Cowles Street, Fairbanks, AK 99701 (253-310-5127).

### ARTICLE I – GRANT OF LEASE

Landlord, in consideration of the rents to be paid and the covenants and agreements to be performed and observed by the Tenant, does hereby lease to the Tenant and the Tenant does hereby lease and take from the Landlord the property described below, together with, as part of the parcel, all improvements located thereon:

Lot 7 of CLOUD ESTATES, according to the plat filed July 30, 2004, as Plat Number 2004-96, Records of the Fairbanks Recording District, Fourth Judicial District, State of Alaska; more commonly known as 721 Cloud Road, North Pole, Alaska 99705.

### ARTICLE II – LEASE TERM

Section 1. Total Term of Lease. The term of this Lease shall begin on the commencement date, as defined in Section 2 of this Article II, and shall terminate on

4 June 2017 (6) msr

Section 2. Commencement Date. The "Commencement Date" shall mean the date on which the Tenant shall commence to conduct business on the Leased Premises, so long as such date is not in excess of sixty (60) days subsequent to execution hereof.

### ARTICLE III – EXTENSIONS

The parties hereto may elect to extend this Agreement upon such terms and conditions as may be agreed upon in writing and signed by the parties at the time of any such extension. No verbal extensions will be made or considered valid.

### ARTICLE IV – USE OF PREMISES

The premises shall be used by Tenant to carry out a lawful cannabis cultivation business in accordance with the laws and regulations of the State of Alaska for



purposes thereof for the sole use of cultivation of cannabis plants as set forth in 3AAC 306.400 – 306.480 and 3AAC 306.700 – 306.755, and for no other purposes, including product manufacturing.

Nothing herein shall give the Tenant the right to use the property for any other purpose or to sublease, assign, or license the use of the property to any sublessee, assignee, or licensee, which or who shall use the property for any other purpose.

#### ARTICLE V – COMPLIANCE WITH LAWS

The parties acknowledge that myriad regulations and local, state and federal laws and private persons shall govern the operation of Tenant's use and that Tenant alone will be responsible for compliance with all mandate and requirements of any nature.

#### ARTICLE VI – TENANT'S DUTY TO COMPLY

Tenant's foregoing obligation shall encompass (i) all state and local laws and regulations from any governmental authority with jurisdiction over Tenant's use, including but not limited to 3AAC 306-400 – 306.480 and 3AAC 306.700 – 306.755 and local zoning ordinances; and (ii) all federal laws to the extent those laws are not inconsistent with state and local laws allowing the Tenant to use the Leased Premises for the permitted uses specified in Article IV above. The covenant to comply encompasses all applicable laws that become effective before and during the Lease Term, as may be extended (collectively, the "Mandates"), regardless of the cost of such compliance. Tenant's inability to comply with the Mandates shall be grounds for termination of this Lease.

#### ARTICLE VII – DETERMINATION OF RENT

Monthly rent for the term of the lease shall be one thousand five hundred dollars (\$1,500) paid on the first day of each and every calendar month during the term hereof, and pro rata for the fractional portion of any month, except that on the first day of the calendar month immediately following the Commencement Date the Tenant shall also pay to the Landlord rent at the said rate for any portion of the preceding calendar month included in the term of this Lease. Rent shall be paid in cash.

A late fee in the amount of one hundred and fifty dollars (\$150) shall be assessed if payment is not received by Landlord on or before the tenth day of each month.

## ARTICLE VIII – SECURITY DEPOSIT

The Tenant has deposited with the Landlord the sum of one thousand dollars (\$1,000) as security for the full and faithful performance by the Tenant of all of the terms of this lease required to be performed by the Tenant. Such sum shall be returned to the Tenant after the expiration of this lease, provided the Tenant has fully and faithfully carried out all of its terms. In the event of a bona fide sale of the property of which the Leased Premises are a part, the Landlord shall have the right to transfer the security to the purchaser to be held under the terms of this lease, and the Landlord shall be released from all liability for the return of such security to the Tenant.

## ARTICLE IX – TAXES

The Tenant is solely responsible for payment of all taxes associated with the leasehold interest of the Tenant or personal property and trade fixtures owned or placed by the Tenant in the Leased Premises, including specifically all taxes levied against the cultivated product of Tenant referenced in Article IV herein.

Landlord will be responsible for all property taxes.

## ARTICLE X – UTILITIES

Tenant shall pay for all water, sanitation, sewer, electricity, light, heat, gas, power, fuel, janitorial, and other services incident to Tenant's use of the Leased Premises, whether or not the cost thereof be a charge or imposition against the Leased Premises. Tenant shall be responsible for any other extraordinary expense for building or premises operations resulting from Tenant's permitted use, including without limitation, the cost of evening security guards, alarm systems, security cameras, HVAC system service and periodic maintenance, etc.

## ARTICLE XI – IMPROVEMENTS

The parties acknowledge that the Premises are not currently fit for the permitted use and that alterations will have to be implemented to render the Premises fit and that:

a. Tenant shall at its sole expense but with the good faith and reasonable cooperation of Landlord, secure all licenses, permits, and other approvals required to make such alternations;

b. Tenant is not entitled to reimbursement from Landlord for making any alterations or improvements that are unique to the operation of a cannabis cultivation business and provide no residual value to a subsequent tenant, and



c. Tenant must remove, at its sole expense, any and all alternations that Landlord designates for removal at the end of the lease term.

All alteration plans must be approved by Landlord prior to implementation. During the course of all alterations Tenant must keep in full force and effect, at its sole cost, a policy of builder's risk and liability insurance in a sum equal, from time to time, to three times the amount expended for construction of the alterations. All risk or damage to the alterations during the course of construction shall be on Tenant with the proceeds from insurance thereon payable to Landlord.

Tenant shall cause all contracts for alterations to be fully and completely performed in a good and workmanlike manner, all to the effect that the alterations shall be fully and completely constructed and installed in accordance with good engineering and construction practice and shall ensure no liens exist against such alterations at the time of completion. Tenant shall indemnify and hold the Landlord harmless for all costs and expenses, including attorney's fees, associated with any liens placed against the construction of said alterations and such costs and expenses shall be payable by the Tenant with that month's regular monthly rental as additional reimbursable expenses to the Landlord by the Tenant.

## ARTICLE XII – REPAIRS

Tenant shall repair and maintain the Leased Premises in good order and condition except for reasonable wear and tear. The Tenant shall have the right, at its sole expense, from time to time, to redecorate the Leased Premises and to make such non-structural alterations and changes in such parts thereof as the Tenant shall deem expedient or necessary for its purposes; provided, however, that such alterations and changes shall neither impair the structural soundness nor diminish the value of the leased premises and that such alterations will be removed and the Leased Premises returned to its original state at the time of termination of this lease.

## ARTICLE XIII – DAMAGE TO PROPERTY

Notwithstanding any contrary provisions of this lease, Landlord shall not be responsible for any loss of or damage to property of tenant or of others located on the Leased Premises except where caused by the willful act or omission or negligence of Landlord, or Landlord's agents, employees or contractors

## ARTICLE XIV – INSPECTION OF PREMISES

Landlord shall have the right at any time any portion of the Leased Premises is occupied by Tenant's principals, agents or contractors, to enter the Premises for the purposes of ensuring compliance with the covenants, warranties and representations of



Tenant under this Lease and inspecting any alterations and/or repairs. In accordance with State of Alaska licensing rules, Landlord must be accompanied by authorized Tenant personnel while inspecting limited access areas. Landlord may photograph or video record in any medium the activities of Tenant, subject to privacy restrictions under state laws and so long as visual records are not provided to anyone with an interest in possessing Tenant's trade secrets other than government employees.

#### ARTICLE XV – INSURANCE

With respect to the Leased Premises, Tenant shall maintain at all times and at its sole expense public liability insurance with limits of not less than one million dollars for injury or death from one accident and \$250,000 property damage insurance, insuring landlord and Tenant against injury to persons or damage to property as a result of accident, fire, theft, criminal mischief, etc, on or about leased Premises. A copy of the policy or a certificate of insurance shall be delivered to Landlord on or before the Commencement Date and no such policy shall be cancellable during the term of this Lease.

In the event of any damage to or destruction of the Leased Premises, Tenant shall adjust the loss and settle all claims with the insurance companies issuing such policies. The parties hereto do irrevocably assign the proceeds from such insurance policies for the purposes hereinafter stated to any institutional first mortgagee or to Landlord and Tenant jointly, if no institutional first mortgagee then holds an interest in the Leased Premises. All proceeds of said insurance shall be paid into a trust fund under the control of any institutional first mortgagee or of Landlord and Tenant if no institutional first mortgagee then holds an interest in the Leased Premises, for repair, restoration, rebuilding or replacement, or any combination thereof, of the Leased Premises or of the improvements in the Leased Premises.

#### ARTICLE XVI – REPAIR AND RESTORATION

It shall be solely the Landlord's option to rebuild or restore the Leased Premises should catastrophic damage or destruction occur as the result of an insurance claim event. Should the Landlord elect not to rebuild or restore the Leased Premises, this Lease shall terminate and Tenant shall be entitled to reimbursement of the Security Deposit.

#### ARTICLE XVII – SURRENDER AND DISPOSAL

Tenant's covenant to comply with all applicable Mandates shall apply equally to dismantling Tenant's operations at the end of the term and surrender of the Leased Premises. Tenant hereby covenants to dispose, according to Mandates, all unused inventory, refuse, and scrap materials and thereafter to clean to commercially acceptable standards (including sterilization of impermeable surfaces, wall to wall and ceiling to floor) all floors, walls, immovable fixtures and air ducts serving the Premises.



## ARTICLE XVIII – REMOVAL OF ALTERATIONS

Landlord shall not return the Security Deposit to Tenant until an inspection of the Leased Premises discloses that the above cleaning and disposal and removal of alterations required by Section XVII above have been satisfactorily completed.

## ARTICLE XIX – EARLY TERMINATION

Landlord shall have the right upon Landlord's sole election, upon five days prior written notice to Tenant or, if sooner, upon the effective date of any Court Order, to terminate this Lease in the event any of these causes ("Early Termination Causes") arise:

- The seizure by any governmental authority seeking forfeiture of the building housing the Premises; whether or not the court proceeding has actually commenced;
- The entry of judgment (whether final or not) that has the effect (whether by restraining order, injunction, declaration, or otherwise) of establishing the Tenant's use of the Leased Premises or Common Areas constitutes a public or private nuisance;
- The commencement of an action under any federal, state or local law (ordinance) or regulation seeking remediation of the Leased Premises or any portion of the building housing the Leased Premises as a result of a violation by the Tenant of any mandate pertaining to environmental sensitivity or commission of waste, irrespective of Tenant's intent and course of action following its commencement;
- A final, appealable judgment having the effect of establishing that Tenant's operation violates Landlord's contractual obligations (i) pursuant to any private covenants of record restricting Landlord's building housing the Leased Premises (ii) good faith and fair dealing to any third party, including other tenant's of the building housing the Leased Premises or occupants or owners of any other building within the Project or (iii) pursuant to its obligations under its mortgage agreement with Landlord's bank;
- An event that (i) requires closure of the building for more than 180 consecutive days for remediation of materially adverse circumstances created by Tenant's use of the Leased Premises or for more than 210 nonconsecutive calendar days within a 360 consecutive day period or (ii) causes tenant's insurance carrier to cancel all coverage on the building housing the Leased Premises.

## ARTICLE XX – INDEMNIFICATION

Tenant shall indemnify and hold Landlord harmless from and against any and all claims arising from or in connection with the conduct or management of the Lease Premises or of any business therein, or any work or thing whatsoever done, or any condition created (other than by Landlord) in or about the Lease Premises during the term of this Lease (B) any act, omission or negligence of Tenant or any of its employees or contractors;

(C) any accident, injury or damage whatsoever occurring in, at, upon, or immediately surrounding the Leased Premises; and (D) any breach or default by Tenant in the full and prompt payment and performance of Tenant's obligation under this Lease. Further, Tenant shall indemnify and hold Landlord harmless from any against any Damage done to the building, common areas and other immediately surrounding premises as a result of robberies, break-ins and burglaries; criminal prosecution, forfeiture, seizures and other events caused as a direct result of the Use of Premises outlined in Article IV above.

In addition to the above, Tenant agrees to indemnify and hold Landlord from and against damages or losses Landlord incurs as a result of an Early Termination Event.

#### ARTICLE XXI – ENTIRE AGREEMENT

This instrument contains the entire and only agreement between the parties, and no oral statements or representations or prior written matter not contained in this instrument shall have any force and effect. This Lease shall not be modified in any way except by a writing executed under oath by both parties.

STATE OF ALASKA )

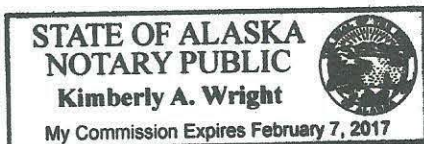
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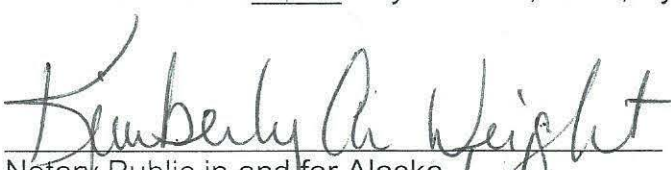
FOURTH JUDICIAL DISTRICT )

THIS IS TO CERTIFY that on the 06/04/16 of June, 2016, before me, the undersigned Notary Public, personally appeared Myong Suk Nelson, known to me to be the identical person mentioned in and who executed the within and foregoing Commercial Lease Agreement, and she acknowledged to me that she signed said instrument freely and voluntarily, for the uses and purposes therein mentioned.

  
Myong Suk Nelson

SUBSCRIBED AND SWORN TO before me this 4 day of June, 2016, by  
Myong Suk Nelson.



  
Notary Public in and for Alaska  
My Commission expires: 2/7/17



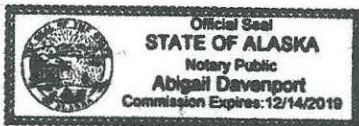
)  
) SS.  
)

)

BLACK RAPIDS, LLC




SUBSCRIBED AND SWORN TO before me this 8<sup>th</sup> day of June, 2016, by Grant Anderson, Owner of Black Rapids, LLC.




Albert B.

Notary Public in and for Alaska

My Commission expires: 12/14/19



myAlaska   My Government   Resident   Business in Alaska   Visiting Alaska   State Employees



Department of Commerce, Community, and Economic Development  
Corporations, Business & Professional Licensing

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CBPL   State of Alaska

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Professional License Download

Guide Use Area Download

NAME(S)

| Type       | Name             |
|------------|------------------|
| Legal Name | Black Rapids LLC |

ENTITY DETAILS

Entity Type: Limited Liability Company

Entity #: 10035364

Status: Good Standing

AK Formed Date: 2/1/2016

Duration/Expiration: Perpetual

Home State: ALASKA

Next Biennial Report Due: 1/2/2018

Entity Mailing Address: 302 COWLES ST, FAIRBANKS, AK 99705

Entity Physical Address: 721 CLOUD ROAD, NORTH POLE, AK 99701

REGISTERED AGENT

Agent Name: Grant Anderson

Registered Mailing Address: 302 COWLES ST, FAIRBANKS, AK 99709

Registered Physical Address: 721 CLOUD ROAD, NORTH POLE, AK 99701

OFFICIALS

Show Former

| AK Entity# | Name           | Titles | Percent Owned |
|------------|----------------|--------|---------------|
|            | Grant Anderson | Member | 100           |


FILED DOCUMENTS

| Date Filed | Type            | Filing                        | Certificate                   |
|------------|-----------------|-------------------------------|-------------------------------|
| 2/1/2016   | Creation Filing | <a href="#">Click to View</a> | <a href="#">Click to View</a> |
| 6/5/2016   | Initial Report  | <a href="#">Click to View</a> |                               |

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https://www.commerce.alaska.gov/cbp/Main/CorporationDetail.aspx?id=10035364[6/7/2016 8:43:30 AM]



THE STATE

of **ALASKA**

Department of Commerce, Community, and Economic Development  
Division of Corporations, Business, and Professional Licensing  
PO Box 110806, Juneau, AK 99811-0806  
(907) 465-2550 • Email: [corporations@alaska.gov](mailto:corporations@alaska.gov)  
Website: [Corporations.Alaska.gov](http://Corporations.Alaska.gov)

AK Entity #: 10035364  
Date Filed: 06/05/2016  
State of Alaska, DCCED

FOR DIVISION USE ONLY

**Limited Liability Company**  
Initial Biennial Report

Web-6/5/2016 12:20:49 PM

**Entity Name:** Black Rapids LLC  
**Entity Number:** 10035364  
**Home Country:** UNITED STATES  
  
**Home State/Province:** ALASKA

**Registered Agent**  
**Name:** Grant Anderson  
**Physical Address:** 721 CLOUD ROAD, NORTH POLE,  
AK 99701  
**Mailing Address:** 302 COWLES ST, FAIRBANKS,  
AK 99709

**Entity Physical Address:** 721 CLOUD ROAD, NORTH POLE, AK 99701

**Entity Mailing Address:** 302 COWLES ST, FAIRBANKS, AK 99705

**Please include all officials.** Check all titles that apply. Must use titles provided. Please list the names and addresses of the members of the domestic limited liability company (LLC). There must be at least one member listed. If the LLC is managed by a manager(s), there must also be at least one manager listed. Please provide the name and address of each manager of the company. You must also list the name and address of each person owning at least 5% interest in the company and the percentage of interest held by that person.

| Name           | Address                               | % Owned | Titles |
|----------------|---------------------------------------|---------|--------|
| Grant Anderson | 302 Cowles st, Fairbanks, AK<br>99705 | 100     | Member |

**NAICS Code:** 111998 - ALL OTHER MISCELLANEOUS CROP FARMING

**New NAICS Code (optional):**

I certify under penalty of perjury under the Uniform Electronic Transaction Act and the laws of the State of Alaska that the information provided in this application is true and correct, and further certify that by submitting this electronic filing I am contractually authorized by the Official(s) listed above to act on behalf of this entity.

**Name:** Grant Anderson

**BLACK RAPIDS LLC**  
**LIMITED LIABILITY COMPANY OPERATING AGREEMENT**  
(Member-Managed Limited Liability Company)

THIS OPERATING AGREEMENT is made and entered into effect on 06 April 2016, by Grant Anderson who is the sole owning member. (Referred to throughout this document as the Owning Member)

**1.**

**THE LIMITED LIABILITY COMPANY**

*1.1 Formation.* Effective 06 April 2016, the Owning Members form a limited liability company under the name Black Rapids L.L.C. (the "Company") on the terms and conditions in this Operating Agreement (the "Agreement") and pursuant to the Limited Liability Company Rules and Laws of the State of Alaska and the Marijuana Control Board. The Owning Member agrees to file with the appropriate agencies within the State of Alaska charged with processing and maintaining such records all documentation required for the formation of the Company. The rights and obligations of the parties are as provided in the rules and laws of the State except as otherwise expressly provided in this Agreement.

*1.2 Name.* The business of the Company will be conducted under the name Black Rapids, L.L.C., or such other name upon which the Owning Member may create for the purpose of marketing and will be registered with, and approved by the MCB.

*1.3 Purpose.* The purpose of the Company is to engage in the Lawful cultivation of Cannabis within the State of Alaska.

*1.4 Office.* The Company will maintain its principal business office within the State of Alaska at the following address: 721 Cloud Road, North Pole, AK, 99709.

*1.5 Registered Agent.* Grant Anderson is the Company's initial registered agent in the State of Alaska, and the registered office is 721 Cloud Road, North Pole, AK, 99709.

*1.6 Term.* The term of the Company commences on 06 April 2016 and shall continue perpetually unless sooner terminated as provided in this Agreement.

*1.7 Names and Addresses of Members.* Grant Anderson is the sole member of the company and can be reached at 302 Cowles st, Fairbanks, AK, 99705. (253)310-5127, grant.anderson2006@hotmail.com

*1.8 Admission of Additional Members.* Admission of additional members will be wholly contingent on the prospective members' ability to pass a criminal background check and there residency status within the state of Alaska. Additionally all prospective members must be approved by the Alaska Marijuana control Board.



## **SECTION 2**

### **CAPITAL CONTRIBUTIONS**

2.1 *Initial Contributions.* The Members initially shall contribute to the Company capital as described in Schedule 2 attached to this Agreement.

## **SECTION 3**

### **ALLOCATION OF PROFITS AND LOSSES; DISTRIBUTIONS**

3.1 *Profits/Losses.* For financial accounting and tax purposes, the Company's net profits or net losses shall be determined on an annual basis and shall be allocated to the Owning Member as amended from time to time in accordance with U.S. Department of the Treasury Regulation 1.704-1.

3.2 *Distributions.* The Owning Member shall determine and distribute available funds annually or at more frequent intervals as he sees fit. Available funds, as referred to herein, shall mean the net cash of the Company available after appropriate provision for expenses and liabilities, as determined by the Owning Manager. To the extent there shall be a negative capital account balance, there shall be a qualified income offset, as set forth in U.S. Department of the Treasury Regulation 1.704.1(b)(2)(ii)(d).

## **SECTION 4**

### **INDEMNIFICATION**

The Company shall indemnify any person who was or is a party defendant or is threatened to be made a party defendant, pending or completed action, suit or proceeding, whether civil, criminal, administrative, or investigative (other than an action by or in the right of the Company) by reason of the fact that he is or was a Member of the Company, Manager, employee or agent of the Company, or is or was serving at the request of the Company, against expenses (including attorney's fees), judgments, fines, and amounts paid in settlement actually and reasonably incurred in connection with such action, suit or proceeding if the Members determine that he acted in good faith and in a manner he reasonably believed to be in or not opposed to the best interest of the Company, and with respect to any criminal action proceeding, has no reasonable cause to believe his/her conduct was unlawful. The termination of any action, suit, or proceeding by judgment, order, settlement, conviction, or upon a plea of "no lo Contendere" or its equivalent, shall not in itself create a presumption that the person did or did not act in good faith and in a manner which he reasonably believed to be in the best interest of the Company, and, with respect to any criminal action or proceeding, had reasonable cause to believe that his/her conduct was lawful.

## **SECTION 5**

### **POWERS AND DUTIES OF MANAGERS**

5.1 *Management of Company.*

5.1.1 The Owning Member, within the authority granted by the Governing rules and regulations of the State of Alaska and the terms of this Agreement shall have the complete power and authority to manage and operate the Company and make all decisions affecting its business and affairs.

## **SECTION 6**

### **SALARIES, REIMBURSEMENT, AND PAYMENT OF EXPENSES**

6.1 *Organization Expenses.* All expenses incurred in connection with organization of the Company will be paid by the Company.

6.2 *Salary.* Salary will be determined by the different between expenses and 30 percent reinvestment profit margin. The hiring of employees will be contingent upon the same and will be incurred as an expense.

6.3 *Legal and Accounting Services.* The Company shall obtain legal and accounting services to the extent reasonably necessary for the conduct of the Company's business.

## **SECTION 7**

### **BOOKS OF ACCOUNT, ACCOUNTING REPORTS, TAX RETURNS, FISCAL YEAR, BANKING**

7.1 *Method of Accounting.* The Company will retain services of professional accounting professionals to maintain its books and records.

7.2 *Fiscal Year; Taxable Year.* The fiscal year and the taxable year of the Company is the calendar year.

7.3 *Capital Holding.* Cash receipts and the costs of doing business will be held at an undisclosed location in a safe that is not attached with the name of the company or its owner.

## **SECTION 8**

### **TRANSFER OF MEMBERSHIP INTEREST**

8.1 *Transfer of Membership.* Transfer of membership will be contingent entirely on the approval of the Owning member. Ownership of the company will be transferred to the owner's daughter (Loretta Anderson) in the case of his death.

## **SECTION 9**

### **DISSOLUTION AND WINDING UP OF THE COMPANY**

9.1 *Dissolution.* The Company will be dissolved on the happening of any of the following events:

- 9.1.1 Sale, transfer, or other disposition of all or substantially all of the property of the Company;
- 9.1.2 By operation of law
- 9.1.3; Decision of the owning member

9.2 *Winding Up.* On the dissolution of the Company (if the Company is not continued), the Members must take full account of the Company's assets and liabilities, and the assets will be liquidated as promptly as is consistent with obtaining their fair value, and the proceeds, to the extent sufficient to pay the Company's obligations with respect to the liquidation, will be applied and distributed, after any gain or loss realized in connection with the liquidation has been allocated in accordance with Section 3 of this Agreement, and the Owning Members' Capital Accounts have been adjusted to reflect the allocation and all other transactions through the date of the distribution, in the following order:



9.2.1 To payment and discharge of the expenses of liquidation and of all the Company's debts and liabilities to persons or organizations other than the Owning Members;

### **Validation**

IN WITNESS WHEREOF, the parties to this Agreement execute this Operating Agreement as of the date and year first above written.



Grant Anderson  
Owning Member  
Black Rapids LLC

### **Schedule 1. List of Members:**

**1.1 Owning Member**

Grant Anderson

302 Cowles st

Fairbanks, AK, 99705

(253)310-5127

[grant.anderson2006@hotmail.com](mailto:grant.anderson2006@hotmail.com)

**1.2 Nothing Follows**

### **Schedule 2. Capital Contributions with Sources**

**1.1 Grant Anderson:**

*(In some cases contributions are estimates)(Some contributions are aggregate over time)*

|                            |        |
|----------------------------|--------|
| Contributions from income: | 12,000 |
|----------------------------|--------|

|                                   |        |
|-----------------------------------|--------|
| Contributions from home refinance | 23,000 |
|-----------------------------------|--------|

|  |        |
|--|--------|
| Contributions from sales of other assets | 10,000 |
|--|--------|

|                              |        |
|------------------------------|--------|
| Total (Estimate),(Aggregate) | 49,000 |
|------------------------------|--------|

**1.2 Nothing Follows**

## Division of Corporations, Business and Professional Licensing

### Name(s)

| Type       | Name             |
|------------|------------------|
| Legal Name | Black Rapids LLC |

### Entity Details

**Entity Type:** Limited Liability Company

**Entity #:** 10035364

**Status:** Good Standing

**AK Formed Date:** 2/1/2016

**Duration/Expiration:** Perpetual

**Home State:** ALASKA

**Next Biennial Report Due:** N/A File Initial Report

**Entity Mailing Address:** 302 COWLES ST, FAIRBANKS, AK 99705

**Entity Physical Address:** 721 CLOUD ROAD, NORTH POLE, AK 99701

### Registered Agent

**Agent Name:** Grant Anderson

**Registered Mailing Address:** 302 COWLES ST, FAIRBANKS, AK 99709

**Registered Physical Address:** 721 CLOUD ROAD, NORTH POLE, AK 99701

### Officials

| AK Entity# | Name           | Titles    | Percent Owned |
|------------|----------------|-----------|---------------|
|            | Grant Anderson | Organizer |               |

### Filed Documents

| Date Filed | Type            | Filing | Certificate |
|------------|-----------------|--------|-------------|
| 2/1/2016   | Creation Filing |        |             |

[Division of Corporations, Business & Professional Licensing]

**State of Alaska**  
**Department of Commerce, Community, and Economic Development**  
**Division of Corporations, Business, and Professional Licensing**

**Confirmation**

**Your filing is complete. Please print and retain this page for your records.**

Important entity responsibility information is available by clicking the following link: [Entity Responsibility](#).

The entity responsibility document should be printed or saved and retained for your records.

**Print certificates and filed documents from the entity's detail page. Click here and scroll down to Filed Documents.**

### Entity Details

**Entity Number:** 10035364

**Legal Name:** Black Rapids LLC

**Filing Type:** Creation Filing - Domestic Limited Liability Company

### Payment Information

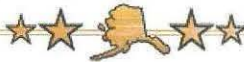
**Receipt Number:** 10534839

**Receipt Date:** 2/1/2016 11:16:25 AM

**Payer Name:** GRANT ANDERSON

**Payment Amount:** \$250.00

Corporations Email [corporations@alaska.gov](mailto:corporations@alaska.gov) Contact Phone (907) 465-2550



AFFP

# AAC 306.400(1)

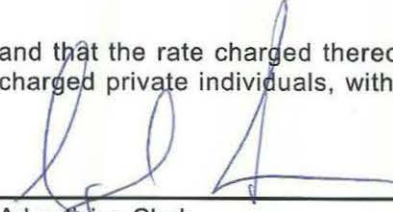
## **Affidavit of Publication**

UNITED STATES OF AMERICA  
STATE OF ALASKA } SS.  
FOURTH DISTRICT

Before me, the undersigned, a notary public, this day personally appeared Magdalena Ibarra, who, being first duly sworn, according to law, says that he/she is an Advertising Clerk of the Fairbanks Daily News-Miner, a newspaper (i) published in newspaper format, (ii) distributed daily more than 50 weeks per year, (iii) with a total circulation of more than 500 and more than 10% of the population of the Fourth Judicial District, (iv) holding a second class mailing permit from the United States Postal Service, (v) not published primarily to distribute advertising, and (vi) not intended for a particular professional or occupational group. The advertisement which is attached is a true copy of the advertisement published in said paper on the following day(s):

February 26, 2016, March 04, 2016, March 11, 2016

and that the rate charged thereon is not excess of the rate charged private individuals, with the usual discounts.

  
\_\_\_\_\_  
Advertising Clerk

Subscribed to and sworn to me this 11th day of March 2016.

  
\_\_\_\_\_  
Marena Burnell, Notary Public in and for the State Alaska.

My commission expires: December 07, 2017

00008347 00033695

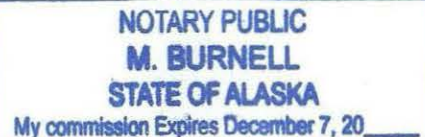
BLACK RAPIDS LLC  
302 COWLES ST  
FAIRBANKS, AK 99709

33695

Black Rapids LLC  
is applying for a new  
Standard Marijuana Cultivation Facility  
License 3 AAC 306.400(1),  
doing business as  
BLACK RAPIDS LLC  
located at  
721 Coud Road,  
North Pole, AK 99701 UNITED STATES.

Interested persons should submit  
comment or  
objection to their local  
government, the  
applicant and to the  
Alcoholic & Marijuana  
Control Office at 550 W 7th Ave. Ste. 1600,  
Anchorage, AK 99501.

Publish: 2/26, 3/4, 3/11/16



# **CORRESPON- DENCE**





THE STATE  
of **ALASKA**  
GOVERNOR BILL WALKER

**Department of Commerce, Community,  
and Economic Development**

ALCOHOL & MARIJUANA CONTROL OFFICE  
550 West 7<sup>th</sup> Avenue, Suite 1600  
Anchorage, AK 99501  
Main: 907.269.0350

May 23, 2016

Black Rapids LLC  
DBA Black Rapids, LLC  
Via email: [grant.anderson2006@hotmail.com](mailto:grant.anderson2006@hotmail.com)

Re: Standard Marijuana Cultivation Facility license application #10027

Dear applicant,

The AMCO Office is reviewing the documents submitted for the proposed marijuana establishment license referenced above. The following items need to be corrected and/or resubmitted.

- MJ-01 Operating Plan
  - On page 15, second box; you stated “The key to the lock will be with the site manager who will be in a separate vehicle and will conduct the transfer once at the destination”. Does this mean that you plan to have a third party transporting the marijuana to another authorized licensed facility?
- MJ-08 Local Government Notice Affidavit
  - This affidavit states that you notified the local government on 2/24/2016, but you initiated your application on 2/29/16. In other words, how were you able to print out a public notice on the 24<sup>th</sup> when you initiated your application on the 29<sup>th</sup>. The only reason that comes to mind is that you probably had our office roll your application back to “new” to make some corrections in which case the local government needs to be notified with the corrected public notice. If this is not the case and you simply entered the incorrect date, then please correct date and initial.
- Proof of Possession for Proposed Premises
  - Please provide a commercial lease in which the applicant of the marijuana establishment license, in this case Black Rapids, LLC is the lessee/tenant. Please make sure the lease is signed by both the lessor and lessee/tenant. The lessee needs to sign as the company and the owner of the company.
- Entity Documents
  - Please file your initial report with Division of Corporations, and provide a copy of the documentation that you submit to them for this to us.



- MJ-18 Residency Verification
  - We were unable to verify your residency through the Permanent Fund Dividend website. Please complete the attached MJ-18 (email attachment) and return to us. This application will be forwarded to our enforcement section to conduct the residency verification.

Please return the incomplete items within two weeks of the date of this letter. Receipt of the items within two weeks will keep your application at the top of our worklist. If we do not receive all of the completed items within two weeks, your application will be moved to the back of the "Under Review" worklist. If we do not receive your completions within 90 days, per 3 AAC 306.025(f), you must file a new application and pay a new fee.

Sincerely,

Cynthia Franklin, Director  
[marijuana.licensing@alaska.gov](mailto:marijuana.licensing@alaska.gov)

**From:** [Marijuana Licensing \(CED sponsored\)](#)  
**To:** [grant anderson](#); [Marijuana Licensing \(CED sponsored\)](#)  
**Subject:** Black Rapids LLC license #10027  
**Date:** Tuesday, June 07, 2016 8:56:58 AM

---

Good morning, Grant;

Thank you for the corrections, I have uploaded them, and have also forward MJ-18 to the enforcement section. They will contact you if necessary.

**One more thing, on the signature line of the lease, please include the name of the tenant in this case Black Rapids, LLC, we know that you are the owner, but the tenant is Black Rapids LLC which is the applicant of the marijuana establishment.**

Thank you

AMCO Staff

---

**From:** grant anderson [mailto:[grant.anderson2006@hotmail.com](mailto:grant.anderson2006@hotmail.com)]  
**Sent:** Sunday, June 05, 2016 3:04 PM  
**To:** Marijuana Licensing (CED sponsored)  
**Subject:** Email 1 of 2 Additional Documentation L/N 10027

# NOTIFICATIONS

**From:** [AMCO Local Government Only \(CED sponsored\)](#)  
**To:** [Krista Major \(KMajor@fnsb.us\)](#); "[mayor@fnsb.us](#)"; [llivingston@fnsb.us](#)  
**Subject:** LG Notification-Black Rapids LLC license # 10027  
**Date:** Tuesday, June 14, 2016 2:51:00 PM  
**Attachments:** [10027 LG Notification.pdf](#)

---

Dear local government officials,

Please find the attached correspondence for a new marijuana establishment license.  
Direct all responses to [amco.localgovernmentonly@alaska.gov](mailto:amco.localgovernmentonly@alaska.gov)

The application and all supporting documentation will be sent to each of you via the State of Alaska Drop Box called ZendTo.

Using the ZendTo drop box. You will receive an email that looks like this

This is an automated message sent to you by the Alaska ZendTo service.  
Naomi Johnston ([naomi.johnston@alaska.gov](mailto:naomi.johnston@alaska.gov)) has dropped-off 55 files for you.

IF YOU TRUST THE SENDER, and are expecting to receive a file from them, you may choose to retrieve the drop-off by clicking the following link (or copying and pasting it into your web browser):

<https://drop.state.ak.us/drop/pickup.php?claimID=GvUTVMNQMb2yJsvp&claimPasscode=bHA9fU6g89H2uK6f&emailAddr=calderjp%40gmail.com>

You have 4 days to retrieve the drop-off; after that the link above will expire. If you wish to contact the sender, just reply to this email.

Full information about the drop-off:

Claim ID: GvUTVMNQMb2yJsvp  
Claim Passcode: bHA9fU6g89H2uK6f  
Date of Drop-Off: 2016-04-22 12:17:49-0400

-- Sender --  
Name: Naomi Johnston  
Organisation: AMCO  
Email Address: [naomi.johnston@alaska.gov](mailto:naomi.johnston@alaska.gov)  
IP Address: 10.3.202.35 (10.3.202.35)

Click the link that is circled in red in the image above. You should be redirected to a page with something similar to this:

**Please prove you are a person**

To confirm that you are a *real* person (and not a computer), please play the quick game below then click "Pickup Files":



**Pickup Files**

Type the text that is displayed in the image and hit enter. In this example you would type "1200" into the field that says "type the text".  
Your Files should appear:

**Drop-Off Summary**

Click on a filename or icon to download that file.

| Filename   | Type            | Size     | Description |
|--|-----------------|----------|-------------|
|  ABCAgenda .pdf | application/pdf | 472.3 KB |             |
|  Tab1 .pdf      | application/pdf | 416.6 KB |             |
|  Tab10 .pdf     | application/pdf | 259.1 KB |             |
|  Tab11 .pdf     | application/pdf | 1.9 MB   |             |
|  Tab12 .pdf     | application/pdf | 1.7 MB   |             |
|  Tab13 .pdf     | application/pdf | 10.0 MB  |             |
|  Tab14 .pdf     | application/pdf | 3.5 MB   |             |
|  Tab15 .pdf     | application/pdf | 1.4 MB   |             |
|  Tab16 .pdf     | application/pdf | 513.9 KB |             |
|  Tab17 .pdf     | application/pdf | 812.2 KB |             |

Click the blue link for each tab. You can download and save them however you wish.

Thank you

AMCO Staff

[amco.localgovernmentonly@alaska.gov](mailto:amco.localgovernmentonly@alaska.gov)





THE STATE  
*of* **ALASKA**  
GOVERNOR BILL WALKER

Department of Commerce, Community,  
and Economic Development

ALCOHOL & MARIJUANA CONTROL OFFICE

550 West 7<sup>th</sup> Avenue, Suite 1600

Anchorage, AK 99501

Main: 907.269.0350

June 14, 2016

Fairbanks North Star Borough

Attn: Krista Major

VIA Email: [kmajor@fnsb.us](mailto:kmajor@fnsb.us)

Cc: [mayor@fnsb.us](mailto:mayor@fnsb.us)

[llivingston@fnsb.us](mailto:llivingston@fnsb.us)

|                             |   |
|-----------------------------|---|
| <b>License Number:</b>      | 10027                                   |
| <b>License Type:</b>        | Standard Marijuana Cultivation Facility |
| <b>Licensee:</b>            | Black Rapids LLC                        |
| <b>Doing Business As:</b>   | BLACK RAPIDS LLC                        |
| <b>Physical Address:</b>    | 721 Cloud Road<br>North Pole, AK 99701  |
| <b>Designated Licensee:</b> | Grant Anderson                          |
| <b>Phone Number:</b>        | 253-310-5127                            |
| <b>Email Address:</b>       | grant.anderson2006@hotmail.com          |

- ☒ **New Application**      ☐ **Transfer of Ownership Application**      ☐ **Renewal Application**  
☐ **Onsite Consumption Endorsement**

We have received a completed application for the above listed license (see attached application documents) within your jurisdiction. This is the notice required under 3 AAC 306.025(d)(2).

A local government may protest the approval of an application(s) pursuant to 3 AAC 306.060 by furnishing the director **and** the applicant with a clear and concise written statement of reasons for the protest within 60 days of the date of this notice. If a protest is filed, the board will deny the application unless the board finds that the protest is arbitrary, capricious, and unreasonable. To protest the application referenced above, please submit your protest within 60 days and show proof of service upon the applicant.

3 AAC 306.010, 3 AAC 306.080, and 3 AAC 306.250 provide that the board will deny an application for a new license if the board finds that the license is prohibited under AS 17.38 as a result of an ordinance or election conducted under AS 17.38 and 3 AAC 306.200.

3 AAC 306.010(c) provides that the board will not issue a license when a local government protests an application on the grounds that the applicant's proposed licensed premises are located in a place within the local government where a local zoning ordinance prohibits the marijuana establishment, unless the local government has approved a variance from the local ordinance.

At this time, the fingerprints submitted by the applicant cannot be submitted for a criminal history report until a date to be determined by the Department of Public Safety and the Federal Bureau of Investigation based upon the effective date of the act containing enabling statutory language for such criminal history report. On April 27, 2016, the Marijuana Control Board directed me to determine applications complete based solely upon the representations made by the applicant in Form MJ-00.

Sincerely,

A handwritten signature in blue ink, appearing to read "C. Franklin", is positioned above the typed name.

Cynthia Franklin, Director

[amco.localgovernmentonly@alaska.gov](mailto:amco.localgovernmentonly@alaska.gov)

**From:** [Marijuana Licensing \(CED sponsored\)](#)  
**To:** [decfsspermit \(DEC sponsored\)](#); [Faulkner, Jessica R \(DPS\)](#); [Parks, Diana C \(DPS\)](#)  
**Cc:** [Marijuana Licensing \(CED sponsored\)](#)  
**Subject:** DEC & Fire Notification-Black Rapids LLC license #10027  
**Date:** Tuesday, June 14, 2016 2:53:00 PM  
**Attachments:** [10027 DEC & Fire Notification.pdf](#)  
[10027 MJ-02 Premises Diagram.pdf](#)  
[10027 Online Application\\_Redacted.pdf](#)

---

Good afternoon;

Please see attached correspondence regarding a marijuana establishment license.

Please direct all correspondence to [marijuana.licensing@alaska.gov](mailto:marijuana.licensing@alaska.gov)

Thank you

AMCO Staff



THE STATE  
of **ALASKA**  
GOVERNOR BILL WALKER

Department of Commerce, Community,  
and Economic Development

ALCOHOL & MARIJUANA CONTROL OFFICE  
550 West 7<sup>th</sup> Avenue, Suite 1600  
Anchorage, AK 99501  
Main: 907.269.0350

June 14, 2016

Department of Environmental Conservation  
Attn: Permitting Division  
State Fire Marshal  
Attn: Jessica Faulkner  
Diana Parks

VIA email: [DEC.FSSPermit@alaska.gov](mailto:DEC.FSSPermit@alaska.gov)  
[jessica.faulkner@alaska.gov](mailto:jessica.faulkner@alaska.gov)  
[diana.parks@alaska.gov](mailto:diana.parks@alaska.gov)

|                      |   |
|----------------------|---|
| License Number:      | 10027                                   |
| License Type:        | Standard Marijuana Cultivation Facility |
| Licensee:            | Black Rapids LLC                        |
| Doing Business As:   | BLACK RAPIDS LLC                        |
| Physical Address:    | 721 Cloud Road<br>North Pole, AK 99701  |
| Designated Licensee: | Grant Anderson                          |
| Phone Number:        | 253-310-5127                            |
| Email Address:       | grant.anderson2006@hotmail.com          |

3 AAC 306.300(a)(2)(B), 3 AAC 306.400(b)(2)(B), 3 AAC 306.500(b)(2)(B), and 3 AAC 306.605(b)(2)(B) require that an applicant for a marijuana establishment license operate in compliance with each applicable public health, fire, safety, and tax code and ordinance of the state and the local government in which the applicant's proposed licensed premises are located.

This letter serves to provide written notice and request for compliance status from the above referenced entities regarding the above application (see attached application documents for more information). **Please complete and return this form to the AMCO office at the email below.**

REVIEWER: \_\_\_\_\_ ☐ DEC ☐ Fire Marshal

DATE: \_\_\_\_\_ PHONE: \_\_\_\_\_

☐ Compliant ☐ Non-compliant

COMMENTS: \_\_\_\_\_

\_\_\_\_\_

---

If you have any questions, please send them to the email address below.

Sincerely,

A handwritten signature in blue ink, appearing to read 'C. Franklin', is positioned above the printed name.

Cynthia Franklin, Director  
[marijuana.licensing@alaska.gov](mailto:marijuana.licensing@alaska.gov)





THE STATE  
of **ALASKA**  
GOVERNOR BILL WALKER

Department of Commerce, Community,  
and Economic Development

ALCOHOL & MARIJUANA CONTROL OFFICE  
550 West 7<sup>th</sup> Avenue, Suite 1600  
Anchorage, AK 99501  
Main: 907.269.0350

June 14, 2016

Department of Environmental Conservation  
Attn: Permitting Division  
State Fire Marshal  
Attn: Jessica Faulkner  
Diana Parks

VIA email: [DEC.FSSPermit@alaska.gov](mailto:DEC.FSSPermit@alaska.gov)  
[jessica.faulkner@alaska.gov](mailto:jessica.faulkner@alaska.gov)  
[diana.parks@alaska.gov](mailto:diana.parks@alaska.gov)

|                      |   |
|----------------------|---|
| License Number:      | 10027                                   |
| License Type:        | Standard Marijuana Cultivation Facility |
| Licensee:            | Black Rapids LLC                        |
| Doing Business As:   | BLACK RAPIDS LLC                        |
| Physical Address:    | 721 Cloud Road<br>North Pole, AK 99701  |
| Designated Licensee: | Grant Anderson                          |
| Phone Number:        | 253-310-5127                            |
| Email Address:       | grant.anderson2006@hotmail.com          |

3 AAC 306.300(a)(2)(B), 3 AAC 306.400(b)(2)(B), 3 AAC 306.500(b)(2)(B), and 3 AAC 306.605(b)(2)(B) require that an applicant for a marijuana establishment license operate in compliance with each applicable public health, fire, safety, and tax code and ordinance of the state and the local government in which the applicant's proposed licensed premises are located.

This letter serves to provide written notice and request for compliance status from the above referenced entities regarding the above application (see attached application documents for more information). Please complete and return this form to the AMCO office at the email below.

REVIEWER: Heidi Thompson ☒ DEC ☐ Fire Marshal

DATE: 6/15/2016 PHONE: (907) 269-6289

☒ Compliant ☐ Non-compliant

COMMENTS: No permit is needed from DEC for this facility.

---

If you have any questions, please send them to the email address below.

Sincerely,

A handwritten signature in black ink, appearing to read 'C. Franklin', written over a faint, illegible background.

Cynthia Franklin, Director  
[marijuana.licensing@alaska.gov](mailto:marijuana.licensing@alaska.gov)

**From:** [Marijuana Licensing \(CED sponsored\)](#)  
**To:** ["grant.anderson2006@hotmail.com"](mailto:grant.anderson2006@hotmail.com)  
**Cc:** [Marijuana Licensing \(CED sponsored\)](#)  
**Subject:** Complete Application-Black Rapids LLC license #10027  
**Date:** Tuesday, June 14, 2016 2:56:00 PM  
**Attachments:** [Applicant Notice.pdf](#)

---

Good afternoon,

Please see attached correspondence regarding your marijuana establishment license.

Thank you  
AMCO Staff



THE STATE  
of **ALASKA**  
GOVERNOR BILL WALKER

**Department of Commerce, Community,  
and Economic Development**

ALCOHOL & MARIJUANA CONTROL OFFICE  
550 West 7<sup>th</sup> Avenue, Suite 1600  
Anchorage, AK 99501  
Main: 907.269.0350

June 14, 2016

Black Rapids, LLC  
DBA Black Rapids LLC  
VIA email: [grant.anderson2006@hotmail.com](mailto:grant.anderson2006@hotmail.com)

Re: Application Status for License # 10027

Dear Applicant:

I have received your application for a Standard Marijuana Cultivation Facility license. Our staff has reviewed your application after receiving your application and required fees. Your application documents appear to be in order, and I have determined that your application is complete for purposes of 3 AAC 306.025(d).

Your application is now considered complete and will be sent electronically, in its entirety, to your local government, your community council if your proposed premises is in Anchorage or certain locations in the Mat-Su Borough, and to any non-profit agencies who have requested notification of applications. The local government will have 60 days to protest the issuance of your license or waive protest.

If you have not yet received all necessary approvals, such as a local license, conditional use permit, site plan review, Fire Marshal approval, or Department of Environmental Conservation approval, you should continue to work with those local or state agencies to get the requirements completed. At this time, at the direction of the Marijuana Control Board, I am determining your application to be complete without sending your fingerprint card(s) to the Department of Public Safety (DPS) for independent verification of your lack of a disqualifying criminal history. The fingerprint card(s) will be forwarded on an as yet undetermined date when DPS and the FBI are ready to receive and process it. Your application status in the application database will be changed to "Complete" today.

Your application may be considered by the board while some approvals are still pending. However, your license will not be finally issued and ready to operate until all necessary approvals are received and a preliminary inspection of your premises by AMCO enforcement staff is completed.

Your application will be scheduled for the July 7th board meeting for Marijuana Control Board consideration. Because July 7, 2016 is less than 60 days from today, the board will not grant or deny your application before August 13, 2016 unless your local government waives its right to protest per 3 AAC 306.075(a)(1). Please feel free to contact us through the [marijuana.licensing@alaska.gov](mailto:marijuana.licensing@alaska.gov) email address if you have any questions.

Sincerely,

A handwritten signature in blue ink, appearing to read "C. Franklin".

Cynthia Franklin  
Director, Marijuana Control Board



**MISC.**

**DOCUMENTS**

(not in any particular  
order)



## Alaska Marijuana Control Board

**Form MJ-08: Local Government Notice Affidavit****What is this form?**

A local government notice affidavit is required for all marijuana establishment license applications with a proposed premises that is located within a local government, per 3 AAC 306.025(b)(3). As soon as practical after initiating a new marijuana establishment license application, an applicant must give notice of the application to the public by submitting a copy of the application (produced by the board's application website) to the local government and any community council in the area of the proposed licensed premises.

This form must be submitted to AMCO's main office before any license application will be considered complete.

**Section 1 – Establishment Information**

Enter information for the business seeking to be licensed, as identified on the license application.

|                    |                               |                 |        |      |       |
|--------------------|-------------------------------|-----------------|--------|------|-------|
| Licensee:          | Black Rapids LLC              | License Number: | 10027  |      |       |
| License Type:      | Standard Cultivation Facility |                 |        |      |       |
| Doing Business As: | Black Rapids                  |                 |        |      |       |
| Premises Address:  | 721 Cloud Road                |                 |        |      |       |
| City:              | North Pole                    | State:          | ALASKA | ZIP: | 99705 |

**Section 2 – Certification**

I certify that I have met the local government notice requirement set forth under 3 AAC 306.025(b)(3) by submitting a copy of my application to the following local government and community council (if applicable):

Local Government: Faribanks North Star Borough

Date Submitted: MARCH 24 2016

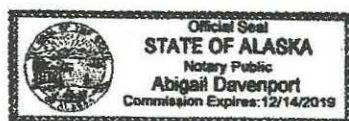
Community Council: \_\_\_\_\_  
(Municipality of Anchorage and Matanuska-Susitna Borough only)

Date Submitted: \_\_\_\_\_

I declare under penalty of perjury that I have examined this form, including all accompanying schedules and statements, and to the best of my knowledge and belief find it to be true, correct, and complete.

Signature of licensee

Subscribed and sworn to before me this 20<sup>th</sup> day of April, 2016.



Signature of Notary Public  
Notary Public in and for the State of Alaska.

My commission expires: 12/14/2019



# Public Notice

## Application for Marijuana Establishment License

**License Number:** 10027

**License Status:** Initiated

**License Type:** Standard Marijuana Cultivation Facility

**Doing Business As:** BLACK RAPIDS LLC

**Business License Number:** 1032790

**Email Address:** grant.anderson2006@hotmail.com

**Latitude, Longitude:** 64.836712, -147.439420

**Physical Address:** 721 Cloud Road  
North Pole, AK 99701  
UNITED STATES

Comm. Planning Dept  
MAR 24 2016 *ES*  
RECEIVED

### Owner #1

**Owner Type:** Entity  
**Alaska Entity Number:** 10035364  
**Alaska Entity Name:** Black Rapids LLC  
**Phone Number:** 253-310-5127  
**Email Address:** grant.anderson2006@hotmail.co  
m  
**Mailing Address:** 302 Cowles st  
FAIRBANKS, AK 99705  
UNITED STATES

### Affiliate #1

**Owner Type:** Individual  
**Name:** Grant Anderson  
**Date of Birth:** [REDACTED]  
**Phone Number:** 253-310-5127  
**Email Address:** grant.anderson2006@hotmail.co  
m  
**Mailing Address:** 302 cowles st  
Fairbanks, AK 99705  
UNITED STATES

Interested persons should submit written comment or objection to their local government, the applicant, and to the Alcohol & Marijuana Control Office at 550 W 7th Ave, Suite 1600, Anchorage, AK 99501 or to [marijuana.licensing@alaska.gov](mailto:marijuana.licensing@alaska.gov) not later than 30 days after this notice of application.

**POSTING DATE** \_\_\_\_\_



THE STATE

of **ALASKA**

Department of Commerce, Community, and Economic Development  
Division of Corporations, Business, and Professional Licensing  
PO Box 110806, Juneau, AK 99811-0806  
(907) 465-2550 • Email: [corporations@alaska.gov](mailto:corporations@alaska.gov)  
Website: [Corporations.Alaska.gov](http://Corporations.Alaska.gov)

AK Entity #: 10035364  
Date Filed: 06/05/2016  
State of Alaska, DCCED

FOR DIVISION USE ONLY

**Limited Liability Company**  
Initial Biennial Report

Web-6/5/2016 12:20:49 PM

**Entity Name:** Black Rapids LLC  
**Entity Number:** 10035364  
**Home Country:** UNITED STATES  
  
**Home State/Province:** ALASKA

**Registered Agent**  
**Name:** Grant Anderson  
**Physical Address:** 721 CLOUD ROAD, NORTH POLE,  
AK 99701  
**Mailing Address:** 302 COWLES ST, FAIRBANKS,  
AK 99709

**Entity Physical Address:** 721 CLOUD ROAD, NORTH POLE, AK 99701

**Entity Mailing Address:** 302 COWLES ST, FAIRBANKS, AK 99705

**Please include all officials.** Check all titles that apply. Must use titles provided. Please list the names and addresses of the members of the domestic limited liability company (LLC). There must be at least one member listed. If the LLC is managed by a manager(s), there must also be at least one manager listed. Please provide the name and address of each manager of the company. You must also list the name and address of each person owning at least 5% interest in the company and the percentage of interest held by that person.

| Name           | Address                               | % Owned | Titles |
|----------------|---------------------------------------|---------|--------|
| Grant Anderson | 302 Cowles st, Fairbanks, AK<br>99705 | 100     | Member |


**NAICS Code:** 111998 - ALL OTHER MISCELLANEOUS CROP FARMING

**New NAICS Code (optional):**


I certify under penalty of perjury under the Uniform Electronic Transaction Act and the laws of the State of Alaska that the information provided in this application is true and correct, and further certify that by submitting this electronic filing I am contractually authorized by the Official(s) listed above to act on behalf of this entity.

**Name:** Grant Anderson





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Department of Commerce, Community, and Economic Development  
**Corporations, Business & Professional Licensing**

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Business License Download

Tobacco Endorsement Download

Professional License Download

Guide Use Area Download

NAME(S)

| Type       | Name             |
|------------|------------------|
| Legal Name | Black Rapids LLC |

ENTITY DETAILS

Entity Type:

Limited Liability Company

Entity #:

10035364

Status:

Good Standing

AK Formed Date:

2/1/2016

Duration/Expiration:

Perpetual

Home State:

ALASKA

Next Biennial Report Due:

1/2/2018

Entity Mailing Address:

302 COWLES ST, FAIRBANKS, AK 99705

Entity Physical Address:

721 CLOUD ROAD, NORTH POLE, AK 99701

REGISTERED AGENT

Agent Name:

Grant Anderson

Registered Mailing Address:

302 COWLES ST, FAIRBANKS, AK 99709

Registered Physical Address:

721 CLOUD ROAD, NORTH POLE, AK 99701

OFFICIALS

Show Former

| AK Entity# | Name           | Titles | Percent Owned |
|------------|----------------|--------|---------------|
|            | Grant Anderson | Member | 100           |


FILED DOCUMENTS

| Date Filed | Type            | Filing                        | Certificate                   |
|------------|-----------------|-------------------------------|-------------------------------|
| 2/1/2016   | Creation Filing | <a href="#">Click to View</a> | <a href="#">Click to View</a> |
| 6/5/2016   | Initial Report  | <a href="#">Click to View</a> |                               |

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# Black Rapids LLC

## Memorandum

**To:** Nelson, Myong S


**From:** Anderson, Grant

**Date:** February 12, 2016

**Re:** Consent to the use of the property and structures at 721 Cloud Road as a Marijuana Cultivation Facility

- 
1. This memorandum is intended to amend the existing verbiage in the rental contract agreement to further clarify that Myong S. Nelson, owner of said property, has given prior consent and continues to consent to the use of the property and all structures at 721 Cloud road for a Large Indoor Marijuana Cultivation Facility.
  2. By signing his signature block Grant Anderson agrees to not operate the facility as a marijuana cultivation facility without a proper license from the State of Alaska for his intended use.
  3. By signing in her signature block Myong S. Nelson agrees to the use of the property for said purposes.
  4. POC for this memorandum is either Grant Anderson at (253)310-5127 or Myong Suk Nelson at (907)490-7001

  
Grant Anderson  
Owner/Lessee  
Black Rapids LLC

  
MYONG SUK NELSON  
Owner/Lessor  
721 Cloud Road

RESIDENTIAL LEASE AGREEMENT

This Agreement dated 01/14/2016 is between Myong S Nelson and

**LANDLORD**

The Landlord is and will be referred to in this Lease as "Landlord."  
(Landlord)

**2. TENANT**

The Tenant(s) is/are Anderson, Grant

And will be referred to in this Lease as "Tenant."

**3. RENTAL PROPERTY**

The Landlord agrees to rent to the Tenant the property described as

121 Cloud Rd North pole Ale 99705

which will be referred to in this Lease as the "Leased Premises."

**4. TERM OF LEASE AGREEMENT**

The Lease will begin 01 Feb 16 and end on 01 Feb 17

**5. USE & OCCUPANCY OF PROPERTY**

A. The only person(s) authorized to live in this property is/are:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

B. Any change in occupancy must be approved in writing and may be subject to an adjustment in rent.

C. The Tenant may use the property only as a residence. for Dny cabin  
And personal use for 40x40 shop

**6. AMOUNT OF RENT**

The amount of rent is \$ 1500.- to be paid monthly.

**7. DATE RENT IS DUE**

A. The rent is due on or before the 1st of month of the month. The rent date




is the date the Landlord must receive the rent.

- B. Rental payments are payable to :
- C. Payment may be hand delivered or mailed to Landlord

8. LATE FEE

- A. If the rent or any other charges are not received by the Landlord on or before 5 days after the due date the Tenant must pay a Late Fee of \$ 25 in addition to the rent.
- B. Payments are always credited to past amounts due before current.

9. RETURNED PAYMENTS

-  A. A returned payment fee of \$30 will be added for all returned payments. A personal check will not be accepted as payment to replace a returned payment.
- B. If there are more than two instances of returned payments, Tenant(s) agree that the Landlord may require all future payments to be made only by Certified Check, Money Order, or Cash.
- C. If your financial institution returns your rental payment and causes the rental payment to be late, a late charge will apply.

10. SECURITY DEPOSIT

- A. The Tenant(s) have paid to the Landlord a Security Deposit of \$ 1000,-.
- B. The security deposit is intended to pay the cost of damages, cleaning, excessive wear and tear, and unreturned keys once the Lease has ended and/or for any unpaid charges.
- C. Under no circumstances can the Security Deposit be used as payment for rent and/or other charges due during the Lease term.
- D. The Leased Premises must be left in good, clean condition with all trash, debris and Tenant's personal property removed and with all appliances and equipment in good working order.
- E. Landlord's recovery of damages will not be limited to the Security Deposit.

11. UTILITIES & SERVICES

- A. Tenant is responsible for the following services: Cable & Telephone and is required to register the utilities and services in Tenant's name.
- B. Landlord is responsible for 0 % of the cost of heating oil and Tenant is responsible for 100 % of the cost of heating fuel.
  - 1. Tenant agrees that Landlord will not be held responsible for the loss of use, or discontinuation or interruption of any utility or extra services beyond the Landlord's control.

2. Tenant shall notify the Landlord of any malfunction of a utility.
  3. Tenant may not be negligent in his/her use of any included utility or service. If by Tenant's negligence the utility bill or service fee dramatically increases, Tenant will be billed for any overages which will then be due and payable by Tenant as additional rent. Due to this we request that heat remain between 50 and 70.
- 69 ✓ C. Tenant shall pay 100 % of the total cost of electricity charged for the building in which the "Leased Premises" is located.

## 12. APPLIANCES

- A. The Landlord supplies and maintains Refrigerator & Oven.
- B.
1. Tenant will keep appliances in good working order and report any malfunctions to the Landlord.
  2. Tenants agree that the above items are the property of the Landlord and will remain with the premises at the end of the Lease.

## 13. MAINTENANCE AND REPAIRS

- 69 ✓ Landlord shall be responsible for repairs in or about the Leased Premises unless caused by the negligence of the Tenant. Tenant will be responsible for any repairs caused by his/her negligence.
- 69 ✓ A. It is the responsibility of the Tenant to promptly notify the Landlord of the need for any such repair of which the Tenant becomes aware.
- 69 ✓ B. If any required repair is caused by the negligence of the Tenant and/or the Tenant's guests, the Tenant will be fully responsible for the cost and/or replacement that may be needed.
- 69 ✓ C. The Tenant must keep the Leased Premises clean and sanitary at all times and remove all rubbish, garbage and other waste.
- D. The Tenant shall properly use and operate all electrical, cooking and plumbing fixtures and keep them clean and sanitary.
- 69 ✓ E. The Tenant is not permitted to paint, make any alterations, improvements, or additions to the premises without first obtaining written permission from the Landlord.
- 69 ✓ F. The Tenant is responsible to remove snow and ice from walkways and parking spaces.

## 14. CONDITION OF PROPERTY

- 69 ✓ A. The Tenant acknowledges that the Tenant has inspected the Leased Premises at the commencement of this Lease, the Interior and Exterior of the Leased Premises, as well as all equipment and any appliances, and they are found to be in an acceptable condition and in good working order.



- ☒ B. The Tenant agrees to return the Leased Premises to Landlord at the end of the Lease in the same condition it was at the beginning of the Lease, ordinary wear and tear excepted.

15. PETS

The Tenant understands that there are No Pets Allowed, unless prior written permission is provided by Landlord.

16. PARKING

Tenant(s) shall park no more than \_\_\_\_ vehicles in the parking area specified by Landlord.

17. SPECIAL TERMS AND CONDITIONS

Tenant agrees to clean and shampoo carpeting at Lease end. If there are stains/discolorations, carpet may need to be replaced and will come out of the security deposit. If the security deposit does not cover replacement cost and installation, Tenant will be billed the additional amount.

In the winter moisture will build up on windows and window jambs may collect water/moisture. These should be wiped dry and kept as clean and dry as possible.

ATV's and Snow Machines are not allowed to be operated on the premises without written consent of the Landlord.

18. RULES AND REGULATIONS

- ☒ A. Late fees are strictly enforced and any unpaid fees will not be waived.
- ☒ B. The Tenant shall abide by all Local, State and Federal laws.
- ☒ C. The Tenant agrees not to use the Leased Premises for any unlawful purpose including, but not limited to the sale, use or possession of illegal drugs on or around the Leased Premises.
- ☒ D. Tenant is responsible for any fine and/or violation that is imposed on Landlord due to Tenant's negligence.
- ☒ E. The Tenant may not interfere with the peaceful enjoyment of the neighbors.
- ☒ F. The Tenant must report any malfunction of smoke detectors immediately to Landlord. The Tenant agrees not to remove, dismantle or take any action to interfere with the operation of any smoke detector(s) installed on the premises.
- ☒ G. Tenant agrees to test smoke detectors monthly as well as maintain operational batteries at all times.
- H. The Landlord has provided fire extinguishers for your safety. The tenant may not misuse, dismantle, block or remove the fire extinguishers. The Tenant must report any use of the Fire Extinguishers to the Landlord.

② I.  
② J.

The Tenant must notify the Landlord of any pest control problems.  
All windows and doors must be kept closed during any inclement weather. They must also be kept closed during temperatures less than 65. Otherwise, it may result in overuse of heating oil.

② ✓ K.

Absolutely no hazardous materials may be in or around the Leased Premises.

② ✓ L.

Tenant may not use Space Heaters, Kerosene or Propane Heaters in or around the Leased Premises without the prior written consent of the Landlord.

M. Waterbeds and Liquid furniture are not allowed in the Leased Premises without written consent of the Landlord.

② ✓ 19. INSURANCE

Tenant agrees to be solely responsible for any damage to or loss of the Tenant's personal property. Accordingly, the Tenant is responsible for obtaining his/her own Renter's Insurance.

② ✓ 20. SECURITY

The Tenant has inspected and acknowledges that all door and widow locks, fire extinguishers, and smoke detectors are in sound working condition.

21. RIGHT OF ENTRY

② ✓ A.

Landlord and/or his agents, with 24 hours written notice have the right during the term of this Lease Agreement to enter during reasonable hours to inspect the premises, make improvements or show prospective buyers and/or tenants the property.

② ✓ B.

In the event of an emergency, Landlord reserves the right to enter premises without notice. It is required that Landlord has a working set of keys to gain access to the Leased Premises.

② ✓ 1.

Tenants will not change or install additional locks, bolts, or security systems without the prior written consent of the Landlord.

② ✓ 2.

Tenant shall be responsible for any and all damages that may occur as a result of forcible entry during an emergency where there is an unauthorized placement of a lock.

22. NOTICES

A. Any notice required by the terms of this Lease shall be in writing.

B. Notices to the Landlord may be sent to the following:

1. Mail to: PO BOX 71244 JEROME AK 89705

2. Phone: 907-590-7001 or 907-456-5744

C. Landlord will give notice to Tenant in person or by mail.



✓ 23. LANDLORD REMEDIES

If Tenant violates any part of this Lease including non-payment of rent, the Tenant is in default of this Lease Agreement. In the event of a default, the Landlord may initiate legal proceedings in accordance with local and state regulations to evict or have Tenant removed from the Lease Premises as well as seek judgment against Tenant for any monies owed to Landlord as a result of Tenant's default.

All rent for the balance of the term of this Lease is immediately due to the Landlord and the Landlord may sue for the entire balance as well as any damages, expenses, legal fees and costs.

✓ 24. ASSIGNMENT OR SUBLEASE

Tenant agrees not to transfer, assign or sub-lease the property without Landlord's prior written consent.

✓ 25. JOINT AND SEVERAL LIABILITY

The Tenant understands and agrees that if there is more than one Tenant that has signed the Lease Agreement, each Tenant is individually and completely responsible for all obligations under the terms of this Lease.

✓ 26. MISREPRESENTATION

If any of the information provided by Tenant in this Lease Agreement is found to be knowingly incorrect, untruthful and/or misleading, it is a breach of this Lease.

✓ 27. SEVERABILITY

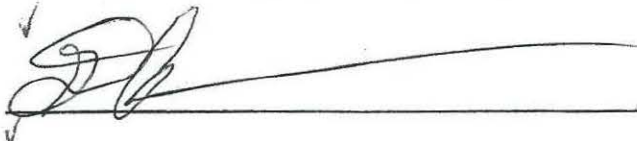
If any part of this Lease is not valid, enforceable, binding or legal, it will not cancel or void the rest of this Lease. The remainder of this Lease will continue to be valid and enforceable by the Landlord to the maximum extent of the Laws and Regulations set forth by Local, State and Federal government.

28. ENTIRE AGREEMENT

Landlord and Tenant agree that this Lease Agreement accurately represents all terms and agreements between the Landlord and Tenant regarding this Leased Premises.

By signing this Lease, the Tenant certifies that he/she has read, understood and agrees to comply with all the terms, conditions, Rules and Regulations of this Lease.

Tenant's Signature

✓ 


Date: 14 Jan 16

✓  
Tenant's Signature

\_\_\_\_\_

Initials of all Tenants

Date: 8/14/16

Landlord's Signature: 

Date: \_\_\_\_\_

# Lease Renewal

Will the tenant have the option to renew the lease?

- ☒ No option specified
- ☐ Yes, same terms except rent renews at market rates
- ☐ Yes, same terms
- ☐ Yes, revise standard clause

Revise the following to suit your needs:



☒ Yes, specify now  
☐ Yes, specify in an attached list  
☐ No

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# Black Rapids LLC

## Memorandum

**To:** Nelson, Myong S


**From:** Anderson, Grant

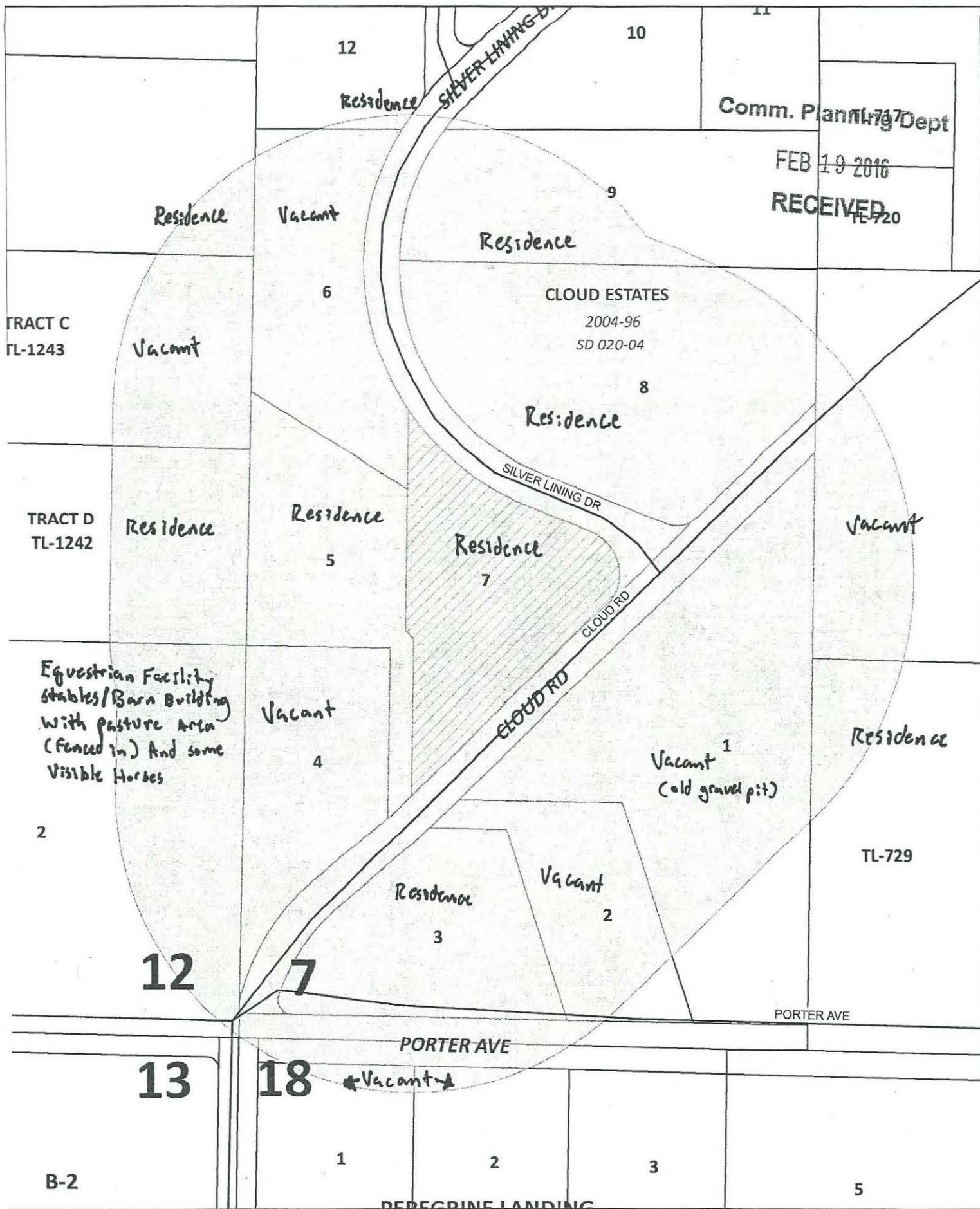
**Date:** February 12, 2016

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  3. By signing in her signature block Myong S. Nelson agrees to the use of the property for said purposes.
  4. POC for this memorandum is either Grant Anderson at (253)310-5127 or Myong Suk Nelson at (907)490-7001

  
Grant Anderson  
Owner/Lessee  
Black Rapids LLC

  
MYONG SUK NELSON  
Owner/Lessor  
721 Cloud Road



0 112.5 225 450 Feet





## COMMERCIAL LEASE AGREEMENT

THIS LEASE AGREEMENT is made and entered into this 11/08/16 day of June, 2016, by and between MYONG SUK NELSON, whose address is PO Box 71244, Fairbanks, AK 99707 (hereinafter referred to as "Landlord"), and Black Rapids LLC (hereinafter referred to as "Tenant"). It is understood that the owner of Black Rapids LLC is GRANT ANDERSON who resides at 302 Cowles Street, Fairbanks, AK 99701 (253-310-5127).

### ARTICLE I – GRANT OF LEASE

Landlord, in consideration of the rents to be paid and the covenants and agreements to be performed and observed by the Tenant, does hereby lease to the Tenant and the Tenant does hereby lease and take from the Landlord the property described below, together with, as part of the parcel, all improvements located thereon:

Lot 7 of CLOUD ESTATES, according to the plat filed July 30, 2004, as Plat Number 2004-96, Records of the Fairbanks Recording District, Fourth Judicial District, State of Alaska; more commonly known as 721 Cloud Road, North Pole, Alaska 99705.

### ARTICLE II – LEASE TERM

Section 1. Total Term of Lease. The term of this Lease shall begin on the commencement date, as defined in Section 2 of this Article II, and shall terminate on

4 June 2017 MSR

Section 2. Commencement Date. The "Commencement Date" shall mean the date on which the Tenant shall commence to conduct business on the Leased Premises, so long as such date is not in excess of sixty (60) days subsequent to execution hereof.

### ARTICLE III – EXTENSIONS

The parties hereto may elect to extend this Agreement upon such terms and conditions as may be agreed upon in writing and signed by the parties at the time of any such extension. No verbal extensions will be made or considered valid.

### ARTICLE IV – USE OF PREMISES

The premises shall be used by Tenant to carry out a lawful cannabis cultivation business in accordance with the laws and regulations of the State of Alaska for



purposes thereof for the sole use of cultivation of cannabis plants as set forth in 3AAC 306.400 – 306.480 and 3AAC 306.700 – 306.755, and for no other purposes, including product manufacturing.

Nothing herein shall give the Tenant the right to use the property for any other purpose or to sublease, assign, or license the use of the property to any sublessee, assignee, or licensee, which or who shall use the property for any other purpose.

#### ARTICLE V – COMPLIANCE WITH LAWS

The parties acknowledge that myriad regulations and local, state and federal laws and private persons shall govern the operation of Tenant's use and that Tenant alone will be responsible for compliance with all mandate and requirements of any nature.

#### ARTICLE VI – TENANT'S DUTY TO COMPLY

Tenant's foregoing obligation shall encompass (i) all state and local laws and regulations from any governmental authority with jurisdiction over Tenant's use, including but not limited to 3AAC 306-400 – 306.480 and 3AAC 306.700 – 306.755 and local zoning ordinances; and (ii) all federal laws to the extent those laws are not inconsistent with state and local laws allowing the Tenant to use the Leased Premises for the permitted uses specified in Article IV above. The covenant to comply encompasses all applicable laws that become effective before and during the Lease Term, as may be extended (collectively, the "Mandates"), regardless of the cost of such compliance. Tenant's inability to comply with the Mandates shall be grounds for termination of this Lease.

#### ARTICLE VII – DETERMINATION OF RENT

Monthly rent for the term of the lease shall be one thousand five hundred dollars (\$1,500) paid on the first day of each and every calendar month during the term hereof, and pro rata for the fractional portion of any month, except that on the first day of the calendar month immediately following the Commencement Date the Tenant shall also pay to the Landlord rent at the said rate for any portion of the preceding calendar month included in the term of this Lease. Rent shall be paid in cash.

A late fee in the amount of one hundred and fifty dollars (\$150) shall be assessed if payment is not received by Landlord on or before the tenth day of each month.

## ARTICLE VIII – SECURITY DEPOSIT

The Tenant has deposited with the Landlord the sum of one thousand dollars (\$1,000) as security for the full and faithful performance by the Tenant of all of the terms of this lease required to be performed by the Tenant. Such sum shall be returned to the Tenant after the expiration of this lease, provided the Tenant has fully and faithfully carried out all of its terms. In the event of a bona fide sale of the property of which the Leased Premises are a part, the Landlord shall have the right to transfer the security to the purchaser to be held under the terms of this lease, and the Landlord shall be released from all liability for the return of such security to the Tenant.

## ARTICLE IX – TAXES

The Tenant is solely responsible for payment of all taxes associated with the leasehold interest of the Tenant or personal property and trade fixtures owned or placed by the Tenant in the Leased Premises, including specifically all taxes levied against the cultivated product of Tenant referenced in Article IV herein.

Landlord will be responsible for all property taxes.

## ARTICLE X – UTILITIES

Tenant shall pay for all water, sanitation, sewer, electricity, light, heat, gas, power, fuel, janitorial, and other services incident to Tenant's use of the Leased Premises, whether or not the cost thereof be a charge or imposition against the Leased Premises. Tenant shall be responsible for any other extraordinary expense for building or premises operations resulting from Tenant's permitted use, including without limitation, the cost of evening security guards, alarm systems, security cameras, HVAC system service and periodic maintenance, etc.

## ARTICLE XI – IMPROVEMENTS

The parties acknowledge that the Premises are not currently fit for the permitted use and that alterations will have to be implemented to render the Premises fit and that:

a. Tenant shall at its sole expense but with the good faith and reasonable cooperation of Landlord, secure all licenses, permits, and other approvals required to make such alternations;

b. Tenant is not entitled to reimbursement from Landlord for making any alterations or improvements that are unique to the operation of a cannabis cultivation business and provide no residual value to a subsequent tenant, and



c. Tenant must remove, at its sole expense, any and all alternations that Landlord designates for removal at the end of the lease term.

All alteration plans must be approved by Landlord prior to implementation. During the course of all alterations Tenant must keep in full force and effect, at its sole cost, a policy of builder's risk and liability insurance in a sum equal, from time to time, to three times the amount expended for construction of the alterations. All risk or damage to the alterations during the course of construction shall be on Tenant with the proceeds from insurance thereon payable to Landlord.

Tenant shall cause all contracts for alterations to be fully and completely performed in a good and workmanlike manner, all to the effect that the alterations shall be fully and completely constructed and installed in accordance with good engineering and construction practice and shall ensure no liens exist against such alterations at the time of completion. Tenant shall indemnify and hold the Landlord harmless for all costs and expenses, including attorney's fees, associated with any liens placed against the construction of said alterations and such costs and expenses shall be payable by the Tenant with that month's regular monthly rental as additional reimbursable expenses to the Landlord by the Tenant.

## ARTICLE XII – REPAIRS

Tenant shall repair and maintain the Leased Premises in good order and condition except for reasonable wear and tear. The Tenant shall have the right, at its sole expense, from time to time, to redecorate the Leased Premises and to make such non-structural alterations and changes in such parts thereof as the Tenant shall deem expedient or necessary for its purposes; provided, however, that such alterations and changes shall neither impair the structural soundness nor diminish the value of the leased premises and that such alterations will be removed and the Leased Premises returned to its original state at the time of termination of this lease.

## ARTICLE XIII – DAMAGE TO PROPERTY

Notwithstanding any contrary provisions of this lease, Landlord shall not be responsible for any loss of or damage to property of tenant or of others located on the Leased Premises except where caused by the willful act or omission or negligence of Landlord, or Landlord's agents, employees or contractors

## ARTICLE XIV – INSPECTION OF PREMISES

Landlord shall have the right at any time any portion of the Leased Premises is occupied by Tenant's principals, agents or contractors, to enter the Premises for the purposes of ensuring compliance with the covenants, warranties and representations of

Tenant under this Lease and inspecting any alterations and/or repairs. In accordance with State of Alaska licensing rules, Landlord must be accompanied by authorized Tenant personnel while inspecting limited access areas. Landlord may photograph or video record in any medium the activities of Tenant, subject to privacy restrictions under state laws and so long as visual records are not provided to anyone with an interest in possessing Tenant's trade secrets other than government employees.

## ARTICLE XV – INSURANCE

With respect to the Leased Premises, Tenant shall maintain at all times and at its sole expense public liability insurance with limits of not less than one million dollars for injury or death from one accident and \$250,000 property damage insurance, insuring landlord and Tenant against injury to persons or damage to property as a result of accident, fire, theft, criminal mischief, etc, on or about leased Premises. A copy of the policy or a certificate of insurance shall be delivered to Landlord on or before the Commencement Date and no such policy shall be cancellable during the term of this Lease.

In the event of any damage to or destruction of the Leased Premises, Tenant shall adjust the loss and settle all claims with the insurance companies issuing such policies. The parties hereto do irrevocably assign the proceeds from such insurance policies for the purposes hereinafter stated to any institutional first mortgagee or to Landlord and Tenant jointly, if no institutional first mortgagee then holds an interest in the Leased Premises. All proceeds of said insurance shall be paid into a trust fund under the control of any institutional first mortgagee or of Landlord and Tenant if no institutional first mortgagee then holds an interest in the Leased Premises, for repair, restoration, rebuilding or replacement, or any combination thereof, of the Leased Premises or of the improvements in the Leased Premises.

## ARTICLE XVI – REPAIR AND RESTORATION

It shall be solely the Landlord's option to rebuild or restore the Leased Premises should catastrophic damage or destruction occur as the result of an insurance claim event. Should the Landlord elect not to rebuild or restore the Leased Premises, this Lease shall terminate and Tenant shall be entitled to reimbursement of the Security Deposit.

## ARTICLE XVII – SURRENDER AND DISPOSAL

Tenant's covenant to comply with all applicable Mandates shall apply equally to dismantling Tenant's operations at the end of the term and surrender of the Leased Premises. Tenant hereby covenants to dispose, according to Mandates, all unused inventory, refuse, and scrap materials and thereafter to clean to commercially acceptable standards (including sterilization of impermeable surfaces, wall to wall and ceiling to floor) all floors, walls, immovable fixtures and air ducts serving the Premises.



## ARTICLE XVIII – REMOVAL OF ALTERATIONS

Landlord shall not return the Security Deposit to Tenant until an inspection of the Leased Premises discloses that the above cleaning and disposal and removal of alterations required by Section XVII above have been satisfactorily completed.

## ARTICLE XIX – EARLY TERMINATION

Landlord shall have the right upon Landlord's sole election, upon five days prior written notice to Tenant or, if sooner, upon the effective date of any Court Order, to terminate this Lease in the event any of these causes ("Early Termination Causes") arise:

- The seizure by any governmental authority seeking forfeiture of the building housing the Premises; whether or not the court proceeding has actually commenced;
- The entry of judgment (whether final or not) that has the effect (whether by restraining order, injunction, declaration, or otherwise) of establishing the Tenant's use of the Leased Premises or Common Areas constitutes a public or private nuisance;
- The commencement of an action under any federal, state or local law (ordinance) or regulation seeking remediation of the Leased Premises or any portion of the building housing the Leased Premises as a result of a violation by the Tenant of any mandate pertaining to environmental sensitivity or commission of waste, irrespective of Tenant's intent and course of action following its commencement;
- A final, appealable judgment having the effect of establishing that Tenant's operation violates Landlord's contractual obligations (i) pursuant to any private covenants of record restricting Landlord's building housing the Leased Premises (ii) good faith and fair dealing to any third party, including other tenant's of the building housing the Leased Premises or occupants or owners of any other building within the Project or (iii) pursuant to its obligations under its mortgage agreement with Landlord's bank;
- An event that (i) requires closure of the building for more than 180 consecutive days for remediation of materially adverse circumstances created by Tenant's use of the Leased Premises or for more than 210 nonconsecutive calendar days within a 360 consecutive day period or (ii) causes tenant's insurance carrier to cancel all coverage on the building housing the Leased Premises.

## ARTICLE XX – INDEMNIFICATION

Tenant shall indemnify and hold Landlord harmless from and against any and all claims arising from or in connection with the conduct or management of the Lease Premises or of any business therein, or any work or thing whatsoever done, or any condition created (other than by Landlord) in or about the Lease Premises during the term of this Lease (B) any act, omission or negligence of Tenant or any of its employees or contractors;

In addition to the above, Tenant agrees to indemnify and hold Landlord from and against damages or losses Landlord incurs as a result of an Early Termination Event.

This instrument contains the entire and only agreement between the parties, and no oral statements or representations or prior written matter not contained in this instrument shall have any force and effect. This Lease shall not be modified in any way except by a writing executed under oath by both parties.

FOURTH JUDICIAL DISTRICT ) SS.  
 )

Myong Suk Nelson

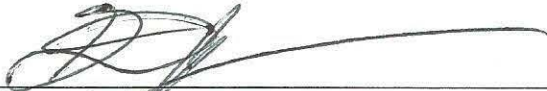
**STATE OF ALASKA**  
**NOTARY PUBLIC**  
**Kimberly A. Wright**  
My Commission Expires February 7, 2017

Kimberly A. Weight  
Notary Public in and for Alaska  
My Commission expires: 2/7/17

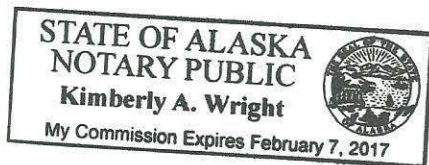


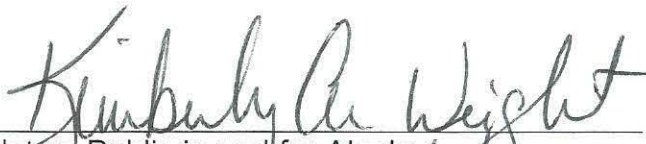
STATE OF ALASKA                    )  
  ) SS.  
FOURTH JUDICIAL DISTRICT        )

THIS IS TO CERTIFY that on the 4<sup>th</sup> day of June, 2016, before me, the undersigned Notary Public, personally appeared Grant Anderson, known to me to be the identical person mentioned in and who executed the within and foregoing Commercial Lease Agreement, and he acknowledged to me that he signed said instrument freely and voluntarily, for the uses and purposes therein mentioned.

  
\_\_\_\_\_  
Grant Anderson

SUBSCRIBED AND SWORN TO before me this 4 day of June, 2016, by Grant Anderson.



  
\_\_\_\_\_  
Notary Public in and for Alaska  
My Commission expires: 2/7/17

## Operating Plan Explanations

Black Rapids LLC

Following are explanations to questions raised by the AMCO in regards to the Submitted License Packet by Black Rapids LLC concerning its Operating plan and Local Government Notification.

- Local Government Notice: The date of notification was indeed a typo. I submitted the notice to the FNSB on 24 March 2016 not "24 February 2016." I have included the copy that I furnished to the FNSB that contains their "received," stamp as well as a corrected and initialed form MJ-08.
- Concerning MJ-01 Operating Plan: In regards to page 15, second box. The marijuana will be transported either by myself or another authorized and screened employee of Black Rapids. This employee will have all of the prerequisite Marijuana handling cards and additional background checks by Black Rapids. Either the employee or I will meet the Marijuana at its destination (another authorized and licensed marijuana facility) to conduct the transfer. The marijuana itself will be transported by a second party. (either the employee or myself) This plan is similar to gas station employees not having access to the on-site safe. The idea is to remove the person transporting the product from harm or violent exploitation at the hands of any criminal element who may attempt to interdict the product during transfer. If the person transferring the product does not have access to the lock box then the criminal elements will in theory not violently force him to open the lock box. It will also greatly hinder those criminal elements from gaining entry into the lockbox where the product is held as there only option will be forced entry which will be extremely difficult. In the future the plan is to utilize Professional transfer services (such as Valkyrie) however for the first several months of operation these services will not be feasible. When Black Rapids LLC does begin to use these services the local AMCO agent will be informed and any change of plan documentation will be furnished and fees paid before such services are used. Black Rapids LLC will however do its best to ensure the safety of its employees and owner during transfers as well as lessen the chance that its products will end up in the hands of criminals.
- POC for this document is Grant Anderson at 253-310-5127 or [grant.anderson2006@hotmail.com](mailto:grant.anderson2006@hotmail.com)



Grant Anderson  
OWNER  
Black Rapids LLC