

# Project Description Narrative

**Expanding Roots, Inc.  
3499 Industrial Drive, Santa Rosa, CA 95403**

City of Santa Rosa

APR 29 2018

Planning & Economic  
Development Department



**April 19, 2018**

**Project Description and Supplemental Information**

Conditional Use Permit - Medicinal and Adult Use Cannabis Microbusiness  
with Cultivation, Manufacturing, Distribution, and Retail Storefront and Delivery

Applicant: Expanding Roots, Inc.

Applicant Contact Information: Grant Babbitt  
3499 Industrial Dr.  
Santa Rosa, CA 95403

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Applicant Legal Representative: Rogoway Law Group  
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115 4<sup>th</sup> St., 2<sup>nd</sup> Floor, Suite B  
Santa Rosa, CA 95401

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Property Owners: Joseph Cabral & Jill Cabral

Property Owner Contact Information: Joseph and Jill Cabral  
5817 Sharp Rd.,  
Calistoga, CA 94515

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Property Address: 3499 Industrial Drive, Santa Rosa, CA 95403

APN: 015-650-022

Zoning: IL (Light Industrial)

General Plan: Light Industry

Building Size: 9,036 Square Feet

Lot Size: 0.72 Acres

Prior Use of Site: The existing building was formerly the location of Cokas Diko Home Furnishings.



## Project Description

### Introduction

Expanding Roots, Inc., the Applicant, proposes to occupy an existing industrial building located at 3499 Industrial Drive. Applicant seeks to obtain a Conditional Use Permit for a Medicinal and Adult Use Cannabis Microbusiness. According to the City of Santa Rosa's Comprehensive Cannabis Ordinance Section 20-70.020, a Cannabis Microbusiness is a cannabis cultivation business of less than 10,000 square feet in combination with cannabis distribution, manufacturing (level 1), and/or retail and delivery, combined within one State License. Applicant proposes a medicinal and adult use microbusiness made up of cultivation, manufacturing, distribution, and retail storefront with delivery.

On January 11, 2018, the City of Santa Rosa granted to DMCC, Inc., a Conditional Use Permit (via Resolution 11873 and CUP17-042) for cannabis cultivation, manufacturing, and distribution at this same facility. The owner of, and signatory for, DMCC, Inc., Grant Babbitt, is the same owner of, and signatory for, Expanding Roots, Inc., the Applicant hereunder. Applicant now proposes: (i) To add a cannabis retail storefront and delivery use at this facility, in addition to the previously-approved cannabis cultivation, manufacturing, and distribution uses; and (ii) To operate under a medicinal and adult use microbusiness model.

The City of Santa Rosa's Comprehensive Cannabis Ordinance (the "City Ordinance"), passed December 19, 2017, provides regulations for both medical and adult use cannabis activities. This ordinance allows for the permitting of commercial cannabis microbusiness sites in the Light Industrial (IL) and General Industrial (IG) zones (Table 2-10 Allowed Land Uses and Permit Requirements for Industrial Districts). The subject parcel is zoned IL. Applicant proposes a Cannabis Microbusiness with Cultivation, Manufacturing Level 1, Distribution, and Retail components.

### About the Applicant

Expanding Roots prides itself on being a small family run company. Its founders, a father, daughter and son-in-law, are two California natives and one transplant with a deep love of the North Bay. Applicant's team is uniquely qualified to run and effectively manage a cannabis microbusiness that encompasses all aspects of the industry from cultivation to manufacturing to retail, due to their varied backgrounds and prior experiences.

Applicant's management team has transferrable experience in construction, human resources, manufacturing, operations, as well as sales and marketing, which sets a strong foundation for Applicant's organization. With the ability to develop clear processes and procedures, build and effectively manage teams, run and maintain clean, quality-controlled environments, and a true passion for helping others, Applicant can successfully operate a community-focused cannabis business in Santa Rosa.

As will be described in further detail below, Applicant plans to fill full-time and part-time positions by leveraging talent in the surrounding communities. Applicant's advisory board will be composed of individuals with experience in various applicable industries (cannabis, biotech, pharmaceuticals, architectural/design, legal and accounting). In building and operating its business, it is Applicant's full intent to source locally as much as possible and develop a track record of high quality product manufacturing, superior patient/customer therapy, and impactful community building initiatives.

### Applicant's Goals and Objectives

Expanding Roots aims to provide a unique, safe, and enjoyable experience for its patients/customers. Applicant's staff is trained to interact with its patients/customers in a friendly yet professional manner. Applicant aims to exceed expectations so that its patients/customers are not simply satisfied with their experience, but help grow Applicant's business through repeat visits and positive word of mouth. As a young organization, Applicant understands that its goals and objectives will evolve over time, but Applicant will stay true to its core values and roots by focusing on the following:

- **Building Trust:** Applicant will earn its reputation for integrity through clear dosing information, customer education and reliably high-quality, consistent products.
- **Being Farm-to-Kitchen-to-Table:** The same hands that tend Applicant's organically grown cannabis will craft its unique edibles. Ingredients will be sourced locally.

- **Helping People:** Patients/customers will be provided with individual, customized service to help them find the product that best fits their needs. Applicant will devote time and resources to charitable organizations in Santa Rosa and the local communities, as discussed in more detail below.

#### Qualifications and Backgrounds of Principals

A passion for horticulture, cooking, family, and the good that cannabis does in the world inspired the creation of Expanding Roots. Its founders, a father, daughter and son-in-law, each add key ingredients to the small, family-run company. Expanding Roots is supported by their combined decades of restaurant experience, formal business training and ability to holistically grow clean cannabis. Two years ago, a collective dream was launched. Expanding Roots handles every step of production, from cultivation to kitchen to distribution, to ensure its name always stands for quality. Applicant's owners and managers are meticulous, take care of their own, and bring people together. They are driven by sourcing local ingredients and cannabis from local farms. They strive for excellence for themselves and their employees. Applicant's team is dedicated to exceeding expectations of all patients and customers.

#### Grant Babbitt, President

Grant spent the majority of his younger years between Texas and Colorado. His passion for health and wellness began early on as a competitive tennis player. Grant graduated college with a degree in Recreational Management. The desire to educate himself on the medicinal and recreational aspects of the cannabis industry prompted a move further west. With nearly a decade of cannabis cultivation experience, Grant maintains a strong focus on producing the highest quality of cannabis. A love for horticulture continues to fuel his enthusiasm for the staggering growth potential surrounding the cannabis industry and the beneficial components needed to execute its successful rise. As a former tennis pro and real estate agent, Grant has experience teaching, developing a customer base, and understanding the needs of his clients. He brings to Expanding Roots an incredible work ethic, passion for health and wellness, and deep knowledge of the cannabis industry.

#### Jay Hutchison, Vice President of Operations

Jay has spent the last thirty plus years building a career in the food industry. Over that period, positions with MiMi's Cafe ranged from restaurant Assistant Manager to Vice President of Manufacturing and Distribution with equity partnership. He also helped fuel company growth as an integral part of the MiMi's Cafe Senior Leadership team. Jay's responsibilities included: budgeting, annual and long-term planning, P&L analysis and reviews, purchasing, human resources, liaison with Health, Fire/Hazmat, FDA, USDA, etc., and customer support, all while providing fresh soups, sauces, salad dressings, and numerous other products to over 250 restaurants nationwide. After the sale of MiMi's Cafe to LeDuff America in 2013, Jay went to work for Stir Foods, LLC, where he helped design, develop, and implement the process and packaging line for the "Just Mayo" brand of retail and foodservice products, helping Stir become the primary worldwide supplier of this brand. He has worked alongside other volunteers for numerous years for the Wilderness Retreat Ministry of Saddleback Church (Lake Forest, CA), where he led teams of people to feed retreat attendees, averaging 250 hungry men in the middle of nowhere. In early 2016, a relocation to Northern California began Jay's transition into the medical cannabis industry. He has spent the last year learning the intricacies of cultivation, while navigating the legalities of a new and upcoming business venture. Jay is a true believer in the benefits of the medicinal cannabis industry and is excited to promote its positive influence in today's health conscious population.

#### Sara Hutchison-Babbitt, Vice President of Finance and Marketing

Sara, a Southern California native, graduated New York University's Stern School of Business with a degree in Marketing and Management and Organizations. Her eight year stay in New York City encompassed both university studies and post graduate work in the fields of financial and translation services. A love of water (she was a competitive swimmer/coach from 1995-2008 with both the National Nadadores Swim Team out of Mission Viejo, CA and NYU Swim Team) prompted a move back to the west coast and Northern California's San Francisco Bay area. A career in project and program management that lasted more than ten years, on both the east and west coast (China, London, and Spain offices), has Sara geared towards internal structuring and organization on a global level. Her passion for the culinary arts has her excited to take her creative talents into Expanding Roots' kitchen and to develop a line of consumer-friendly cannabis edibles.

#### Compliance with State Licensing Requirements

Applicant recognizes that in order to obtain a State Commercial Cannabis License, Applicant must first obtain local authorization (California Business and Professions Code Section 26050.1 (a)(2) and Bureau of Cannabis Control Regulations Sections 5001 and 5002). Accordingly, Applicant has not yet applied for either a Temporary License or an Annual License from the Bureau of Cannabis Control, which is the department that issues licenses for cannabis microbusinesses, as well as cannabis distributors, retailers, testing labs, and cannabis events. Applicant will apply for a State License after receipt of a Conditional Use Permit from the City of Santa Rosa.

Applicant further recognizes that under California Business and Professions Code Section 26050 (b), all licenses will "bear a clear designation indicating whether the license is for commercial adult-use cannabis activity as distinct from commercial medicinal cannabis activity by prominently affixing an "A" or "M," respectively. However, licensees may hold both an A-license and an M-license for the same commercial cannabis activity; therefore, Applicant proposes to conduct both medicinal and adult-use commercial cannabis activity under the microbusiness model.

Applicant is aware of and prepared to comply with all all Annual State License Application requirements, as outlined in Section 5002 of the Bureau of Cannabis Control Regulations. Such requirements include providing the State with: (i) Business information (including business formation documents, DBAs, funds and a list of all individuals who hold a financial interest in the business, a list of all owners of the business and their contact information, etc.); (ii) Conviction information, if applicable (including a detailed description of each conviction, date of conviction, dates of incarceration, dates of probation or parole, description of the offense, and statements of rehabilitation for each conviction); (iii) A description of any suspension or revocation of a commercial cannabis license, or sanctions for unlicensed commercial cannabis activity; (iv) A premises diagram; (v) Proof of local authorization from Santa Rosa; (vi) A detailed description of transportation procedures, inventory procedures, quality control procedures, and security procedures.

Applicant further recognizes that the Bureau of Cannabis Control Regulations Section 5007 requires landowner approval to operate a commercial cannabis business; therefore, Applicant will provide the State with the lease agreement between itself and the Property Owner, as well as a signed statement from the Property Owner that states that the Applicant has the right to occupy the Subject Property and to use it as an adult use and medicinal cannabis microbusiness. Applicant understands that the State may request additional information and documents from the Applicant and Applicant will provide the information and documents within the allotted time period, in accordance with Bureau of Cannabis Control Regulations Section 5011.

Applicant recognizes that its Annual State License must be renewed each year and that applicable license fees must be paid each year prior to issuance of a renewed license by the State (Bureau of Cannabis Control Regulations Section 5020). Applicant will timely renew its Annual State License, as well as its Local Permit, to ensure that at all times, Applicant is operating its cannabis microbusiness in compliance with both State and Local laws and regulations.

#### Performance Timeline: From CUP to Opening the Facility

As soon as Applicant is granted a Conditional Use Permit for this microbusiness facility, Applicant will begin the building plan check and build-out process. Applicant has separated its performance timeline into 2 phases as DMCC, Inc. has already obtained a Conditional Use Permit for cannabis cultivation, manufacturing, and distribution.

##### *Phase 1 – Cultivation and Manufacturing Build Out*

As previously discussed, Applicant was granted a CUP for cannabis cultivation, manufacturing, and distribution at the Subject Property in January 2018. Therefore, preliminary building plans are currently being finalized to submit to the City for its approval. Applicant will order equipment and begin construction within two months of receiving building permits from the City. Construction is anticipated to be completed two months from the start, with the facility becoming operational within three months.

##### *Phase 2 – Retail Build Out*

Applicant's goal is for the infrastructure of the cultivation, manufacturing, and distribution facilities to be in place prior to beginning the retail buildout process. If approval of a CUP for this Microbusiness is granted, Applicant expects construction for the retail portion of the facility would start between September 2018 and November 2018. Construction is anticipated to be completed two months from start, with the facility becoming

fully operational as a microbusiness within three months. Prior to the grand opening of the microbusiness facility, community outreach, education and staff training will be the primary focus.

Applicant's Dedication to the City of Santa Rosa

Applicant recognizes that one of the Guiding Principles of the City of Santa Rosa's General Plan is to "focus employment development strategies to retain and expand existing businesses and welcome new businesses which reinforce the community identity, exhibit sustainable business practices, and which have a long term, vested interest in Santa Rosa." As will be described in detail within this Project Description, Applicant has a long-term vested interest and dedication to the City of Santa Rosa. Applicant plans to begin operating the microbusiness as soon as reasonably possible after the Local Permit and State License are obtained, which will ensure industrial buildings are not sitting vacant and will contribute to the vitality of the City of Santa Rosa's economy. In accordance with the General Plan's Economic Vitality Goals and Policies, Applicant will utilize sustainable water use practices both inside the cultivation facility and with exterior landscaping, will employ local community members and pay competitive wages, and will ensure the exterior of the building fits into the City's Design Guidelines and the aesthetic of the surrounding businesses and neighborhood.

Expanding Roots plans to give back the City of Santa Rosa and the greater North Bay Area through its investment in locally sourced talent and products, as well as its partnership with the city and local non-profit organizations. Applicant's Community Benefits and Educational Awareness Programs will be created and managed at the highest level of the organization. Senior management will oversee the implementation, development, and allocation of resources to these programs. In addition, Applicant will provide discounts to recognize those who have provided service to others.

Locally Sourced Talent and Products

Applicant plans to purchase wholesale products from permitted and licensed businesses. These products will include, but are not limited to, grow supplies and nutrients, baking ingredients such as chocolate and dairy for its edible line, and general office related supplies. Individuals and businesses in Sonoma County will be considered for all needs related to operating the facility including advertising and marketing, landscaping, legal and accounting, security, and general staffing requirements. These efforts not only cultivate community involvement but direct tax dollars back into Sonoma County and lessen the environmental impact of commuting.

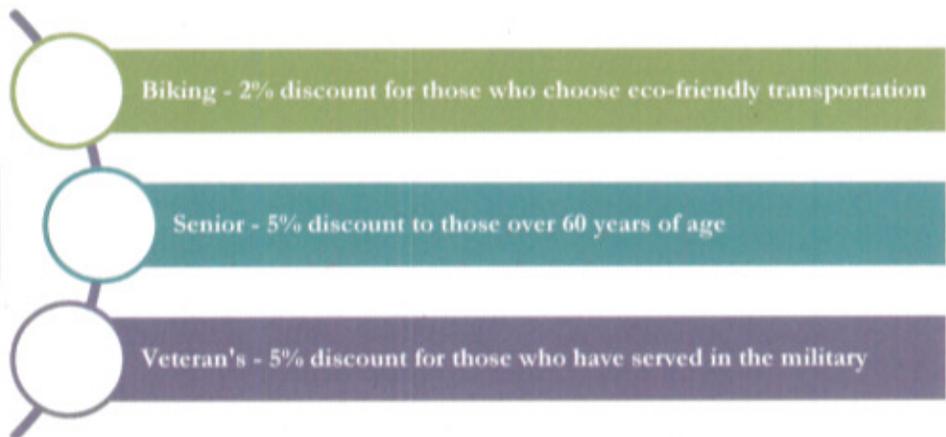
Community Benefit Program and Charitable Contributions

Applicant is committed to donating up to 2% of its quarterly profits to local charities in Santa Rosa and the greater North Bay Area. Applicant will partner with local non-profit organizations and take part in programs directed towards fighting hunger and poverty, providing youth outreach, mental health awareness, and cancer research.

Educational Awareness Program

Applicant intends to provide information/education to local aligned organizations and community groups to promote both cannabis education and sensible dosing.

Reduced Pricing Plan



## Site Management and Staffing Plan

### Risk Mitigation

Applicant understands that there are inherent risks with running a cannabis retail facility; however, Applicant is dedicated to providing comprehensive security measures for itself and its neighbors. Applicant plans to create a "Good Neighbor Policy" that will be communicated to all employees and updated as needed. Applicant will have 24-hour security personnel on site, which will be effective in mitigating risks to the Subject Property, but Applicant also believes that good communication with the residents of the neighborhood, neighboring merchants, the Property Owner, and law enforcement, will be the key to preventing potential nuisance activities at the Subject Property.

In order to prevent such nuisance activities from taking place around the retail facility, Applicant will have vigilant 24-hour security guards and will use security cameras, will be accessible to neighbors to discuss any issues, and will work with the Property Owner to mitigate any issues that do or could arise. Applicant plans to work closely with the City of Santa Rosa Police Department to evaluate and abate any potential public safety issues or nuisances that may arise at the facility.

Applicant will maintain a clean, well-manicured facility by employing a local landscaping company and janitorial staff. Applicant will also educate all employees and staff members about appropriate behaviors in and around the facility. Applicant will respond in a timely manner to any concerns from the local community by creating necessary action plans and following up with concerned neighbors to ensure appropriate resolution has been achieved. Applicant will promote open communication with neighbors and local law enforcement.

Applicant will take reasonable steps to discourage and correct objectionable conditions that constitute a nuisance in the retail facility, the parking areas, sidewalks, alleys and areas surrounding the premises and adjacent properties. These steps will include calling the police in a timely manner and requesting that those engaging in nuisance activities cease the activities, unless the personal safety of Applicant would be jeopardized in making the request. *See attached Confidential Security Plan for further detail on Applicant's security procedures.*

### Staffing Plan

One of the Goals and Policies of the Economic Vitality section of Santa Rosa's General Plan is to "identify industries whose employee needs will utilize the area's existing talent pool and develop strategies to attract such employers." In accordance with this goal, Applicant's employees will be recruited from the local Santa Rosa and Sonoma County labor pool and Applicant will market its hiring campaigns in order to accomplish this. Applicant plans to cover its work schedule with full-time employees eligible for full benefits as much as possible. Starting hourly wage will be approximately \$20, thus supporting Santa Rosa's commitment to the creation of head-of-household jobs and sustainable wages.

In addition to the planned full-time employees, part-time employees will also be required to ensure that all shifts are covered. Shifts will be between the hours of 8:00 A.M. and 10:00 P.M., seven (7) days per week. Applicant's dedication to hiring local citizens and the mix of full-time and part-time jobs will help to maintain diversity in the types of jobs available in Santa Rosa and will help to lessen the impact of economic cycles, which is another stated goal of the Economic Vitality section of the General Plan.

### Job Descriptions

It is essential that all employees are well-trained and knowledgeable in their position. Job descriptions will be used to clearly outline roles and responsibilities. Performance measures will be created to motivate employees and to allow for career progression. While Applicant encourages teamwork and believes it is important to promote from within, Applicant will also leverage the surrounding community talent pool to help its organization thrive.

### Hiring Practices

Applicant believes all people are entitled to equal employment opportunity. Applicant will follow local, state, and federal laws prohibiting discrimination in hiring and employment. Applicant will search for talented and motivated individuals to fill vacant positions. Applicant will also encourage employees to recruit and refer potential applicants.

### Employee Appearance and Dress Code

Employees will be free to wear clothes that reflect their own unique personality subject to a few guidelines to keep the workplace professional, and to guarantee a safe, clean, sanitary environment. Employees who work in cultivation and/or distribution must wear closed toe shoes, scrubs/overalls, and gloves. Employees who work in the commercial kitchen must wear a chef's coat and hair net.

### Estimated Staffing Levels

Applicant estimates that there will be approximately ten (10) full-time and fifteen (15) part-time employees. This staffing includes one General Manager ("GM"), one Office Manager, and up to twenty-three (23) full-time and part-time employees who will participate in and conduct cannabis cultivation, manufacturing, distribution, and retail activities. Shifts will be created to ensure that employees receive adequate breaks. The general manager, Jay Hutchison, will be present five (5) days per week and will be on call for emergencies.

### Employee Security

As a condition of employment, Applicant will require all potential employees to submit fingerprints to an approved Live Scan vendor and pass an electronic background check completed by the DOJ and FBI.

### Employee Training and Education

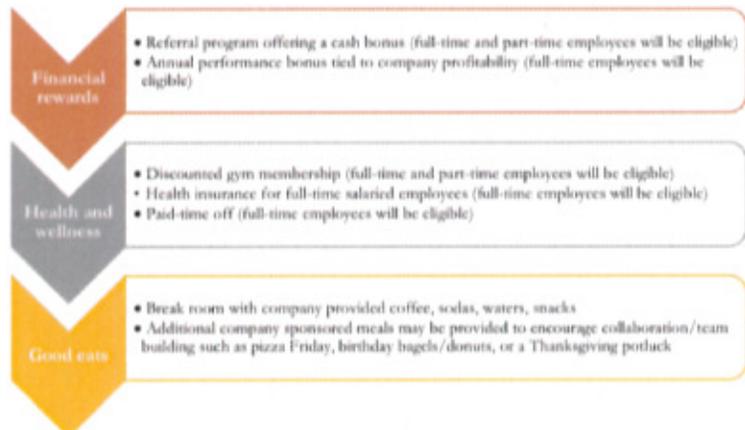
All newly hired employees will receive comprehensive training. Staff training will be ongoing, and will cover topics including safety awareness, emergency procedures, inventory control, cannabis strains, and any other job-specific requirements to ensure employees remain compliant with state and local laws and regulations, and have opportunities for ongoing professional success. Weekly employee training sessions will be conducted, which will cover a review of all security and emergency procedures, compliance with state and local laws and regulations, and address any training deficiencies or necessary clarifications. Employees will meet one-on-one with their manager at least once per month to encourage ongoing conversations related to their roles & responsibilities, training needs, and overall performance.

### Employee Transportation

Applicant recognizes that one of the Transportation Goals and Policies in Santa Rosa's General Plan is to "work with employers and business associations to meet employee transportation needs that will lead to reduction of the use of single occupant vehicles." As will be discussed in detail below, Applicant's facility is located approximately one-half mile from residential areas, is located very close to many bus stops, and has bicycle racks available for employee use. These many attributes allow employees to choose from walking, bicycling, or riding public transportation in order to get to Applicant's facility, which will further the City's goal of a reduction of the use of single occupant vehicles.

### Employee Compensation and Benefits

Employees will clock in and submit time sheets daily. All employees will be paid bi-monthly. If a payday falls on a holiday, paychecks will be issued on the last workday immediately before that scheduled payday. If a payday falls on a weekend, employees will receive their paycheck on the Friday before. Applicant will provide full-time and part-time employees with a variety of benefit programs. Applicant strongly believes that in order to motivate employees, it must show appreciation for hard work and must make a commitment to employee well-being. As stated above, Applicant plans to cover its work schedule with full-time employees eligible for full benefits as much as possible. Starting hourly wage will be approximately \$20, thus supporting Santa Rosa's commitment to the creation of head-of-household jobs and sustainable wages.



## Neighborhood Compatibility and Enhancement

### Applicable Use Permits

Applicant is applying for a Conditional Use Permit for the cannabis microbusiness use proposed on site, which will include cannabis cultivation, cannabis manufacturing, cannabis distribution, and cannabis storefront retail and delivery. The necessary application documents are attached.

### Neighborhood Meeting

The proposed project site is not located within 300 feet of residential uses, and therefore, a Neighborhood Meeting was not required.

### Zoning

The Subject Property is in the Light Industrial (IL) zone. According to the City of Santa Rosa's Zoning Code, "The IL zoning district is applied to areas appropriate for some light industrial uses, as well as commercial service uses and activities that may be incompatible with residential, retail, and/or office uses. Residential uses may also be accommodated as part of work/live projects. The IL zoning district is consistent with the Light Industry land use classification of the General Plan." According to the City of Santa Rosa's General Plan, "uses appropriate to this land use category include auto repair, bulk or warehoused goods, general warehousing, manufacturing/assembly with minor nuisances, home improvement retail, landscape materials retail, freight or bus terminals, research oriented industrial, accessory offices, and employee-serving commercial uses, and services with large space needs, such as health clubs." Not only has the City of Santa Rosa expressly allowed Applicant's proposed use within this zone through its Zoning Ordinance, but Applicant's facility will fit succinctly into this existing description, as it will be not only a cultivation facility, but will conduct activities similar to general warehousing (cannabis distribution), manufacturing (manufacturing of cannabis products), and retail (cannabis retail and delivery). Additionally, Applicant's facility will help to fill a vacancy in the commercial and industrial structures within the City of Santa Rosa, which is a stated goal within the Economic Vitality section of the General Plan.

The Subject Property occupies a corner lot at the northwest corner of the intersection of Industrial Drive and Airway Drive. The area around the Subject Property is industrial and commercial in nature (see attached *Zoning and Vicinity Maps*). The subject parcel is immediately abutted by Light Industrial zoned parcels to the north, south, and west, and to the east lies a Retail and Business Service Zone (see attached *Zoning and Vicinity Maps*).

### Hours of Operation

Applicant's retail facility will be open to the public and will conduct deliveries between 9:00 A.M. and 9:00 P.M. daily. Applicant's employees will work varying shifts between the hours of 8:00 A.M. and 10:00 P.M.; however, Applicant's security personnel will cover shifts to ensure that the Subject Property has security on-site 24 hours per day. Applicant will limit all commercial deliveries to the hours of 9:00 A.M. to 5:00 P.M. Monday through Friday.

### Setbacks

California Business and Professions Code Section 26054 (b) provides that cannabis businesses cannot be located within a 600-foot radius of a school, youth center or day care center. However, this section further provides that "a licensing authority or a local jurisdiction may specify a different radius." The City Ordinance states that the 600-foot setback applies only to retail operations, and the City properly asserts its right to establish its own setbacks pursuant to California Business and Professions Code Section 26054(b) (City Ordinance Section 26-46-040(B)).

The City's Ordinance (as amended and adopted December 19, 2017), states that Cannabis Retail businesses must be 600 feet from a "school," as defined by the Health and Safety Code Section 11362.768 (City Ordinance Section 20-46.080(D)(2)). Health and Safety Code Section 11362.768 (h) defines a school as "any public or private school providing instruction in kindergarten or any of grades 1 to 12, inclusive, but does not include any private school in which education is primarily conducted in private homes." According to the City Ordinance, microbusinesses with a retail component must also comply with this 600-foot setback. Additionally, the City Ordinance states that "a Cannabis Retail use will not be established within 600 feet of any other Cannabis Retail use established within and permitted by the City of Santa Rosa" (City Ordinance Section 20-46.080(D)(2)).

Currently no schools, nor any other cannabis retail establishments are within 600 feet of the Subject Property. The Subject Property is in the Mark West Union Elementary School District and the Santa Rosa Union High School District. Based on the City of Santa Rosa's Public GIS map, the nearest school appears to be Lattice Educational

Services (at 3273 Airway Drive), a private school, at a distance of approximately 1,095 feet from the parcel line of the Subject Property. The Subject Property therefore meets both State of California and City of Santa Rosa requirements for setback from schools.

### **Facility Design, Landscaping Plans, Retail Experience, and Access to the Facility**

#### **Customer Experience at Applicant's Facility**

The interior design of Applicant's facility will provide a cohesive feel from entry to exit. Applicant will utilize a simple, earthy, clean, and unpretentious design scheme. An eclectic interior will offer a delicate balance between rustic charm (reclaimed wood, iron and copper fixtures/accents, red brick walls and polished concrete flooring) and modernity (a color palette of green, yellow, sandy/earth and red). Applicant envisions its facility as a space where the abundance of plant-life (succulents), are complimented by the LED lighting and industrial antique chandeliers overhead.

Patients/customers will be welcomed by friendly, knowledgeable staff. The lobby/waiting area will be comfortable and inviting, yet minimalistic. Comprehensive security measures will be in place, but Applicant will ensure that these measures will not overshadow the positive and rewarding customer experience that Applicant aims to create. While waiting for access to the retail space, patients/customers can browse the menu of product offerings. Once inside, large chalkboards and smaller digital screens will display the current inventory. Applicant's goal is to create an environment that appeals to both the nostalgic and modern cannabis consumer.

Upon arriving at the retail facility, patients/customers are required to present identification (State issued driver's license or passport, etc.) to the security staff before proceeding to reception. The reception staff will verify the individual's identity, and if not already a member, will require the completion of a New Patient/Customer Questionnaire and Agreement. These forms must be completed in their entirety and signed before membership can be granted.

All new patients/customers will be provided with additional information related to the company, entry requirements, general membership guidelines and patient/customer rights, as well as educational materials on cannabis uses, dosing, and methods of consumption. Applicant's staff will also provide a brief tour of the retail space.

Once membership is verified, the patient/customer will be directed to the lobby/waiting area before he/she is allowed access to the retail space. For safety purposes and to allow the best user experience, a number system will be used to control traffic and limit the number of individual's in the retail space at any given time. Retail staff will be present to educate and individually assist patients/customers. With thorough training on the types of cannabis products available, including their potency and effects, Applicant's staff can help patients/customers understand what products may work best based on their individual needs.

Failure to abide by the guidelines set forth in the New Patient/Customer Agreement may result in suspension or termination of patient/customer membership.

#### **General Guidelines for Expanding Roots Members:**

- Picture ID is required to enter the facility (State issued driver's license or passport, etc.);
- Individuals must be at least 21 years of age or at least 18 years of age and possess a valid physician's recommendation;
- No pets (other than service animals) or non-members (children, friends, family) will be permitted in the retail space;
- Loitering is not permitted in the retail space, parking lot, or in the surrounding areas of the facility;
- Consumption of cannabis products onsite is not allowed;
- Smoking, alcohol, illegal drugs, or weapons of any kind are not allowed;
- Patient/customers agree not to sell or distribute cannabis products obtained through the retail space;
- Rude, offensive, or threatening behavior will not be tolerated.

#### **Facility Design**

Applicant is dedicated to ensuring this facility continues to fit succinctly into the Industrial Drive neighborhood. Applicant will do this through attractive facility design, enhanced customer experience, and ease of pedestrian

access to the facility. Applicant's facility is in a well-developed area that does not require extensive improvement or enhancement; therefore, Applicant's changes to the exterior of the facility and the facility ground will be minimal. However, the changes that are made will be done in accordance with the Open Space and Conservation Goals and Policies of the General Plan and with a focus on "green", environmentally-friendly practices that minimize energy and water consumption. Applicant plans to put a gate/fence around the trash area and paint the exterior of the building with a neutral color. Awnings will be added to the front entrance to provide protection against inclement weather and to add visual appeal.

One of the Goals and Policies of the Open Space and Conservation section of the Santa Rosa General Plan is to "Promote the use of site planning, solar orientation, cool roofs, and landscaping to decrease summer cooling and winter heating needs. Encourage the use of recycled content construction materials." Applicant plans to upgrade the HVAC systems and the power systems of the building to accommodate the cannabis cultivation use and to maintain energy-efficiency. The power upgrade will be completed with PG&E approval and oversight. The HVAC upgrades will be in compliance with Title 24, and Cal Green. The internal power distribution will be done according to the CEC. Additionally, Applicant is in correspondence with Simply Solar to determine the feasibility of installing solar panels at the Subject Property (*see attached Solar Proposal*). Once solar panels are feasible, as determined by Applicant's business and financial plans, Applicant plans to install them at the facility, in accordance with all applicable local laws, rules, and regulations.

Similar to its approach in finding local products and services, Applicant's intent is to source materials locally to the maximum extent possible. Applicant's construction and design will incorporate a variety of eco-friendly and water/energy-efficient materials, including but not limited to: low-VOC nontoxic paint, dual flush toilets, LED lighting, reclaimed or recycled wood, stained or polished concrete flooring in high traffic areas, and climate control systems.

#### Landscaping

The current landscaping at the Subject Property is drought tolerant and will not require much improvement. For any improvements Applicant does propose, Applicant will use water-efficient landscaping, in accordance with the City's Water Efficient Landscape Policy," and the Open Space and Conservation Goals and Policies of the General Plan. Applicant plans to hire a local landscaping company to improve and help maintain the landscaping surrounding the building. Applicant's focus will be on drought-tolerant, water and energy efficient landscaping and lighting.

#### Advertising and Signs

Applicant will not advertise or market cannabis or cannabis products on an advertising sign within 1,000 feet of a day care center, school providing instruction in kindergarten or any grades 1 through 12, playground, or youth center.

New signage will be installed at the facility under a separate signage permit. Signage will be added for advertising purposes and visual appeal, and will be in accordance with the City's requirements. No signs will obstruct the entrance or windows. At the front entrance, on the exterior of the building, Applicant's company name and logo will be added for business identification. Additional signage regarding public consumption, security and safety notices will be added to the interior walls. These signs and notices will include the following:

- Signage posted at the entrance and in the lobby will indicate that Expanding Roots has active security camera monitoring;
- Signage posted in the lobby and retail space will educate patients/consumers about the use of cannabis and its potential risks:
  - Smoking, ingesting, or consuming cannabis on or near the retail space is not allowed.
  - Purchasing, smoking, ingesting or consuming cannabis or cannabis products is at your own risk.
  - Cannabis consumption and possession may be prohibited under the laws, regulations, and policies of local, state, and federal entities, including employers, schools and federal visas.
  - Warning: Do not use if pregnant or breastfeeding. Using cannabis during pregnancy may harm your baby and may result in low birth weight.

Interior Building Changes

The interior of Applicant’s facility was previously allocated into several office spaces, a kitchen, and bathrooms. Applicant will modify the interior of the building to accommodate cannabis cultivation, manufacturing, distribution, and retail uses. Each of the four uses under this microbusiness will be contained in separate rooms; for example, cannabis cultivation spaces will not be comingled within the same rooms as cannabis manufacturing or distribution spaces (see attached Floor Plans). Each use will be contained within a separate room or rooms. The space within the building that will accommodate each of the microbusiness uses will be designated as follows: (also see attached Floor Plans)

Use	Room Name	Size (in Square Feet)
<b>Cultivation</b>	Cultivation 1	800
	Cultivation 2	1,543
	Nursery/Clone	640
	Drying	320
	Storage	75
<b>TOTAL CULTIVATION W/O PROCESSING (DRYING &amp; STORAGE): 2,983 SQUARE FEET</b>		
<b>TOTAL CULTIVATION W/O STORAGE: 3,303 SQUARE FEET</b>		
<b>TOTAL CULTIVATION WITH PROCESSING (DRYING &amp; STORAGE): 3,378 SQUARE FEET</b>		
<b>Manufacturing</b>	Commercial Kitchen	650
	Manufacturing	400
<b>TOTAL MANUFACTURING: 1,050 SQUARE FEET</b>		
<b>Distribution</b>	Ship/Rec	720
	G's Office	143
	Vault/Quarantine	64
	Storage/Mech	58
	Storage	49
<b>TOTAL DISTRIBUTION WITHOUT STORAGE AREAS: 927 SQUARE FEET</b>		
<b>TOTAL DISTRIBUTION: 1,034 SQUARE FEET</b>		
<b>Retail</b>	Dispensary	1,331
	Stock Room	120
	Office	100
<b>TOTAL RETAIL WITHOUT STOCK ROOM AND OFFICE: 1,331 SQUARE FEET</b>		
<b>TOTAL RETAIL: 1,551 SQUARE FEET</b>		
<b>Other/Accessory Uses</b>	Break Room	99
	Two Bathrooms	278
<b>TOTAL OTHER/OFFICE: 377 SQUARE FEET</b>		

Compliance with Building and Fire Codes

Applicant recognizes that a Building Permit is required to verify occupancy for this cannabis facility, and that solely obtaining a Conditional Use Permit does not authorize the Applicant to begin to operate its business within this facility. Applicant will submit all construction plans, calculations, and related documentation supporting the Building Permit application to the City in order to begin the process of obtaining a Building Permit and a Certificate of Occupancy after Applicant has obtained discretionary approval in the form of a Conditional Use Permit. Applicant will ensure that all Building Permit design and supporting documentation is prepared by qualified design professionals licensed and registered by the State of California and that all construction and related work is performed by contractors licensed by the State of California for the specific discipline of work to be performed. Moreover, all design and construction will be consistent with the provision of the Santa Rosa City Code and the current edition of the California Building and Fire Codes.

Applicant is committed to installing proper electrical wiring and components for all electrical fixtures within the facility. Applicant understands that all construction or work for which a permit is required is subject to inspection by the Building Division and/or the Fire Department and that such construction or work must remain accessible and

exposed for inspection purposes until approved. Applicant will ensure all City approved plans, specifications, and related documents are kept on the premises for City inspection staff for the required inspections. Applicant will not use or occupy the Subject Property until the Building Official has issued a Certificate of Occupancy.

Applicant also recognizes that many State and local codes regulate cannabis facilities, aside from MAUCRSA, the State Regulations, and the City Ordinance. These many codes include, but are not limited to, the California Building Code, California Electrical Code, California Mechanical Code, California Plumbing Code, California Energy Code, California Fire Code, California Existing Building Code, California Green Building Standards Code, California Existing Building Code, California Health and Safety Code, California Business and Professions Code, National Fire Protection Association Standards, and the Santa Rosa City Code. Applicant will consult with trained, licensed architects, designers, contractors, and other professionals to ensure that all building plans and subsequent construction is in compliance with these codes, including provisions relating to: accessibility and accessible paths of travel; fire-resistance, fire alarm systems, smoke detectors, fire extinguishers, and exit paths; ventilation and exhaust systems; electrical systems; plumbing fixtures, fittings, and systems; lighting controls and energy consumption; and CalGreen Code requirements; among others.

Applicant further recognizes that it may be required to have a key box installed in a location approved by the Fire Department in the event that the Fire Code Official determines that access to or within a structure or area is restricted because of secured openings, or that immediate access may be necessary for life-saving or fire-fighting purposes. In this event, Applicant will install and maintain a key box of an approved type that will contain keys to gain necessary access, as required by the Fire Code Official and the California Fire Code.

Applicant is committed to complying with all provisions of the Fire Code. Accordingly, Applicant will ensure all fire protection equipment, including fire extinguishers, automatic sprinkler systems, and fire alarm systems are maintained in working order and serviced at regular intervals. Applicant will maintain clear access to all such fire protection equipment and will ensure that proper exit widths are appropriate and clear in the event of an emergency. Furthermore, Applicant will ensure that all illuminated "exit" signs are working at all times. Applicant does not propose to keep any hazardous or combustible material on-site, but will ensure that any potentially flammable items or materials are kept out of the utility and mechanical areas at all times.

Odor Mitigation and Air Quality

As required by Section 20-46.050(H) of the City Ordinance, Applicant will have a comprehensive odor mitigation plan. Odor mitigation will be accomplished through the use of carbon filtration throughout the facility, to ensure no cannabis odors escape the facility. Applicant recognizes that the City requires that this odor mitigation plan must be certified by a licensed professional engineer to ensure that all mitigation controls are sufficient to effectively mitigate odors from all odor sources (City Ordinance Section 20-46.050(H)). Applicant will obtain this certification prior to operation of the cannabis facility.

Applicant will install the following fans and activated carbon filtration systems:

<b>Odor Mitigation System Locations</b>				
<b>Key &amp; Type</b>	<b>A: 14-Inch Can-Fan Max Fan with 14-Inch Activated Carbon Filter (1700 CFM)</b>	<b>B: 10-Inch Can-Fan Max Fan with 10-Inch Activated Carbon Filter (1100 CFM)</b>	<b>C: 6-Inch Can-Fan Q-Max Fan (Quiet) with 6-Inch Activated Carbon Filter with HEPA Outlet (400 CFM)</b>	<b>D: 14-Inch Can-Fan Max Fan with 14-Inch Activated Carbon Filter (1700 CFM) Vented to Exterior</b>
<b>Location (Number of Systems)</b>	Grow 1 (2)	Commercial Kitchen (1)	Retail (1)	Ship/Rec (1)
	Grow 2 (2)	Manufacturing (1)	-	-
	Mother/Clone (1)	-	-	-
	Drying (1)	-	-	-

*(see attached Odor Mitigation/Filtration Floor Plan for the location of all filtration units)*

Odor mitigation systems will be operational at all times cannabis is present within the facility. All fans and filters will be sized to exchange air approximately ten (10) times per hour. Carbon filtration systems will be pass-through and will not be vented to the outside of the facility, with the exception of Filtration Unit D within the Distribution Area (see attached *Odor Mitigation/Filtration Floor Plan for the location of all filtration units*).

A carbon filter is a round, hollow device with a membrane that contains activated charcoal (carbon). "Dirty" air passes through the carbon filter and clean, odorless air exits the other side. Carbon filters are the most popular odor control option on the market because they are highly effective, widely available, and low maintenance. Granular Activated Carbon charcoal is so effective because of its high degree of micro-porosity. Carbon filters are low maintenance and with a proper pre-filter, Applicant will only have to change the activated carbon every 12 to 18 months, although this can vary based on variables such as fan speed, hours of use, carbon quality, etc.

*Example of 10-inch Max-Fan with Carbon Filter and Speed Controller*



*Can-Fan  
Can-Fan Max-Fan In-line Mixed Flow Fan, 14-inch 1700  
Cubic Feet Per Minute*



- Up to 1,700 rpm
- Max watts - 253
- 14-inch duct diameter

As stated above, the carbon filters utilized on-site will filter the air in the facility approximately ten (10) times per hour. This will reduce irritants for employees, customers, and neighbors of the facility. Additionally, Applicant will cultivate in several smaller rooms within the facility. This will add an additional layer of odor control, because each small room will have its own carbon filtration and fan systems, as well as insulation to control the spread of odor throughout the facility. Fans within each room at the facility will create air circulation to avoid stagnant areas where odors can collect. Applicant's air filtration system will be properly maintained in accordance with industry standards to ensure appropriate air quality. In addition to the Odor Mitigation fans and carbon filtration systems, Applicant will utilize "Element Air" air purification systems, which reduce airborne and surface microbial contaminants, as well as reduce cannabis terpenoids and other odors (see attached *Element Air Brochures for further information*).

#### Waste Management and Recycling

An onsite dumpster is located at the north-east area of the lot, closest to the northern property line. Applicant will ensure this dumpster is locked at all times. Packaging and product waste will be recycled and composted to the maximum extent possible. Cannabis and cannabis products will only be placed into the dumpster for disposal at such time that these items are rendered completely destroyed.

In order to minimize water waste, Applicant will implement a system allowing for the re-use of treated water, as will be described in detail below. All waste management techniques will ensure cannabis products and associated product waste is stored and secured in a manner that prevents diversion, theft, loss, hazards, and nuisance, in accordance with Section 20-46.050(G) of the City Ordinance.

#### Lighting

At Applicant's facility, all external lighting will be installed and operated in accordance with the City of Santa Rosa codes and ordinances to offer safety to customers and employees, while minimizing the impact on surrounding businesses. All exterior lighting systems will be provided for security purposes in a manner sufficient to provide illumination and clear visibility to all outdoor areas of the premises, including all points of ingress and egress, in accordance with Section 20-46.050(I) of the City Ordinance.

Exterior lights will be installed to the edge of the building and surrounding perimeters (minimum of 500 lux) including driveways, parking lots, landscaped areas, trash areas, walkways and entry areas to sufficiently illuminate

the external property and enable the security cameras to capture clear images. Exterior lighting will be stationary, fully shielded, directed away from adjacent properties and public rights of way, and of an intensity compatible with the neighborhood. LED lamps with full cutoff fixtures limit glare and light trespass. Motion activated sensors will reduce the amount of energy used while allowing for proper video surveillance.

Applicant will be utilizing LED down-lighting on all exterior exits and in the interior cultivation canopy areas. Motion activated lighting will illuminate exterior doors and windows. Exit door lighting will be on a photo voltaic sensor actuating the lighting when it gets dark. The canopy lighting above the front entrance will be on a photo voltaic sensor during non-open hours and will be on during all business hours. Applicant is working with an architect to ensure all lighting within and outside the facility complies with the City Code. Applicant does not intend to install light poles unless otherwise recommended by the City.

Notable goals of the Open Space and Conservation section of the Santa Rosa General Plan are to (1) to “reduce energy use in existing and new commercial, industrial, and public structures,” and (2) to “identify opportunities for decreasing energy use through installation of energy efficient lighting, reduced thermostat settings, and elimination of unnecessary lighting in public facilities.” In accordance with this goal, all exterior lighting at Applicant’s facility will be limited to a maximum height of 14 feet, will use energy efficient fixtures and lamps, and will not include lighting that will blink, flash, or be of unusually high intensity or brightness. All exterior lighting will be Building Code compliant and will comply with Section 20-30.080 of the City of Santa Rosa Municipal Code. Interior light systems will be fully shielded, including adequate coverings on windows, to confine light and glare to the interior of the structure.

#### Noise

Moderate noise may occur during construction of the facility; however, this noise will be temporary and will be minimized to the extent possible. Once operational, the facility will be heavily insulated, and the noise impacts will be minimal. Potentially noise-creating activities will include HVAC, fans, manufacturing and baking equipment, packaging equipment, and soft music in the retail area; these activities should not have any impact on the surrounding businesses, because windows and doors will remain closed at all hours. Applicant recognizes that according to the Santa Rosa City Code (Chapter 17-16) it is unlawful for any person to willfully make or continue, or cause to be made or continued, any loud, unnecessary, or unusual noise which disturbs the peace or quiet of any neighborhood or which causes discomfort or annoyance to any reasonable person of normal sensitiveness residing in the area. Accordingly, Applicant will ensure all noise from Applicant’s facility does not violate the provisions of Chapter 17-16, including by: (i) ensuring the operation of machinery, equipment, pumps, fans, air-conditioning apparatus, or similar mechanical devices do not cause the noise level at the property line of the property to exceed the ambient base noise level by more than five decibels; (ii) not operating a pandemoniac motor vehicle or operating a motor vehicle in any way that a reasonable person of normal hearing sensitivity is caused discomfort or annoyance; and (iii) not utilizing any sound-amplifying equipment.

#### Pedestrian Access to the Facility

Some of the goals of the Transportation section of Santa Rosa’s General Plan are to “orient building plans and pedestrian facilities to allow for easy pedestrian access from street sidewalks, transit stops, and other pedestrian facilities, in addition to access from parking lots” and to “require construction of attractive pedestrian walkways and areas in new residential, commercial, office, and industrial developments. Provide landscaping or other appropriate buffers between sidewalks and heavily traveled vehicular traffic lanes, as well as through and to parking lots. Include pedestrian amenities to encourage and facilitate walking.”

Applicant’s facility is at the corner of Industrial Drive and Airway Drive, and the façade of Applicant’s facility faces toward Industrial Drive. Both Airway Drive and Industrial Drive have sidewalks with ample street lighting and landscaping buffers to separate vehicles on streets and in parking lots from pedestrians. These attributes will help to encourage pedestrian traffic to Applicant’s facility, rather than solely vehicle traffic. Additionally, Applicant’s facility is located in close proximity to many bus stations, as will be discussed in detail below. These many attributes will help to facilitate both pedestrian and bicyclist traffic, rather than sole reliance on single-occupancy vehicles.

#### Parking

One of the Goals and Policies of the Land Use and Livability section of Santa Rosa’s General Plan is to “provide a range of commercial service that are easily accessible and attractive, that satisfies the needs of people who live and

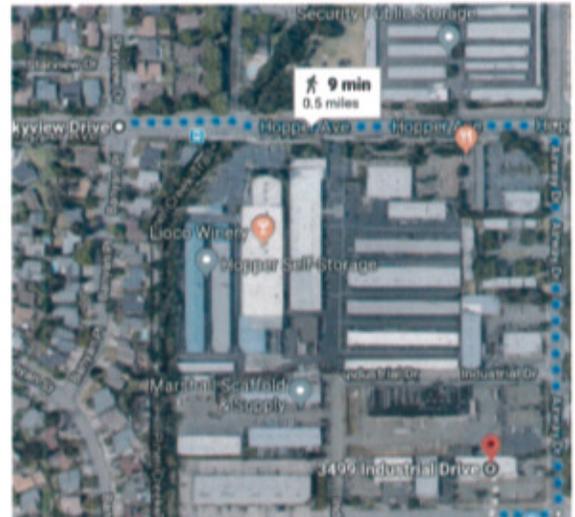
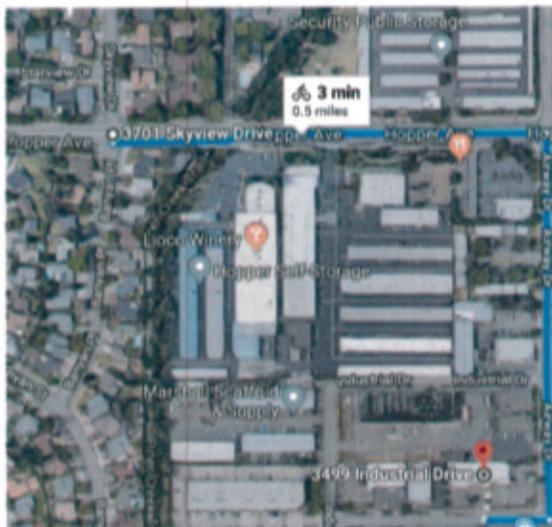
work in Santa Rosa and that also attracts a regional clientele.” The existing building was formerly the location of Cokas Diko Home Furnishings, a large retail store. Accordingly, the Subject Property currently has many parking spaces on-site. The large amount of vehicle parking spaces on-site will contribute to attracting a regional clientele, while bicycle parking will contribute to allowing people who live and work in Santa Rosa, who may not drive, to have easy access to Applicant’s retail facility.

Use	Parking Required	Total Square Footage	Parking Spaces Required
<b>Cultivation</b>	1 vehicle parking space per 1,000 sf; 1 bicycle space per 14,000 sf	3,303	Vehicle: 4 Bicycle: 1
<b>Manufacturing</b>	1 vehicle parking space per 350 sf; 1 bicycle space per 7,000 sf	1,050	Vehicle: 3 Bicycle: 1
<b>Distribution</b>	1 vehicle parking space per 1,000 sf; 1 bicycle space per 14,000 sf	927	Vehicle: 1 Bicycle: 1
<b>Retail</b>	1 vehicle parking space per 250 sf; 1 bicycle space per 5,000 sf	1,331	Vehicle: 6 Bicycle: 1
<b>Total Parking Spaces Required</b>			<b>Vehicle: 16 Bicycle: 4</b>

The facility’s site plan demonstrates compliance with the City of Santa Rosa’s Design Guidelines for vehicle and bicycle parking. The revised plan will contain twenty-six (26) total parking spaces, including three (3) ADA-compliant spaces, and one (1) parking space inside the building (*see attached Site Plans*). An ADA-accessible path of travel will be located along the western edge of the parking lot (*see attached Site Plans*).

Transportation to the Facility: Driving, Bicycling, Walking, and Public Transit

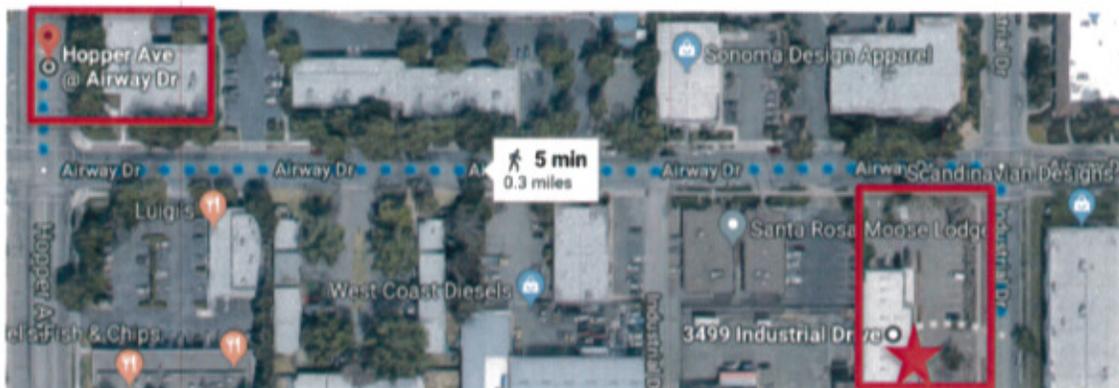
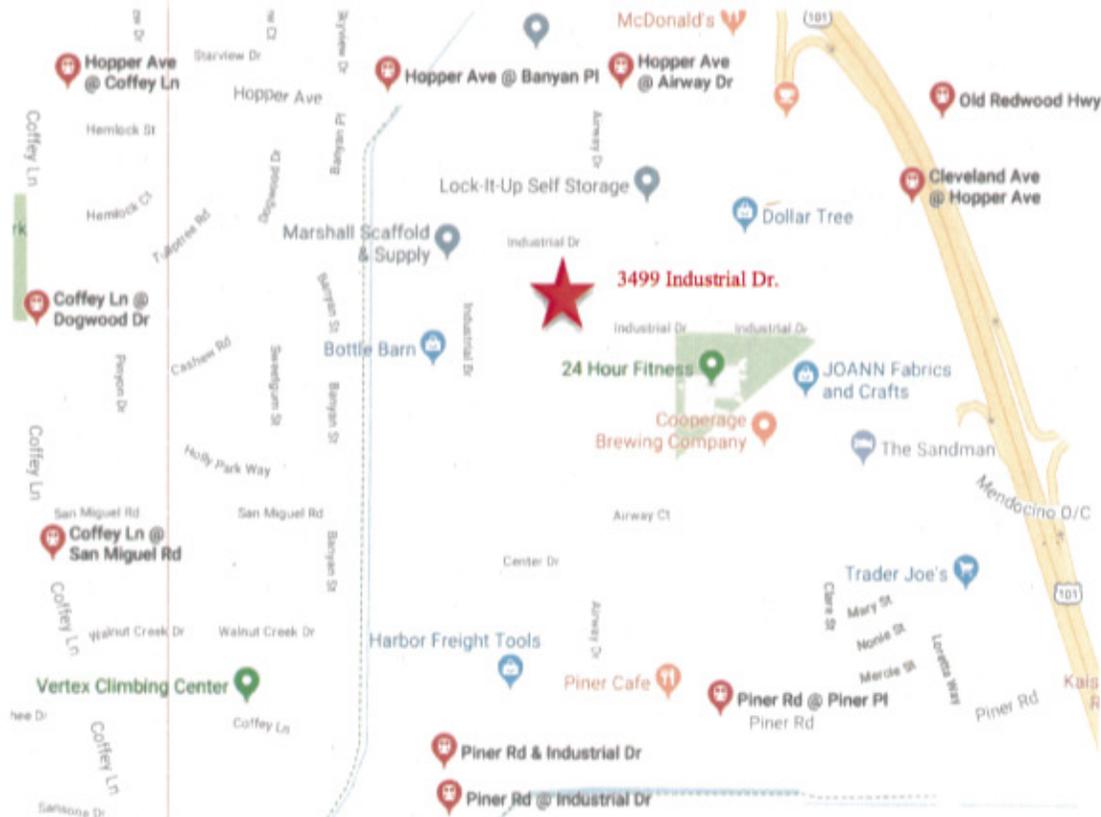
Applicant understands that one of the Guiding Principles of the City of Santa Rosa’s General Plan is to “Reduce dependence on the automobile by improving pedestrian, bicycle, and transit alternatives and by locating essential commercial services in proximity to housing.” In furtherance of reducing dependence on the automobile while also attracting a regional clientele, and in accordance with the City of Santa Rosa’s Design Guidelines for parking, bicycle parking will be provided both (i) under the canopy at the entrance to the retail space, and (ii) at the southern edge of the parking lot (*see attached Site Plans*).



Moreover, in furtherance of the goal of locating essential commercial services in proximity to housing, Applicant’s facility is approximately one-half mile walking or biking distance from the nearest residential neighborhood, Coffey Park. This close proximity would allow residents of this community to walk to Applicant’s retail space within

approximately ten (10) minutes and would allow a bicyclist to bike to Applicant's facility within approximately three (3) minutes (*see figures below*).

Part of Santa Rosa's vision for 2035 is that "frequent, convenient transit service allows local residents to use transit as an alternative to driving." The Subject Property is located conveniently close to many bus stations, which will allow bicyclists and pedestrians who do not live nearby to enjoy easy access to applicant's retail space. This will help to reduce automobile traffic associated with the facility. The map below shows the many bus stations surrounding Applicant's facility. The closest bus station at Hopper Ave. and Airway Dr. is 0.3 miles from Applicant's facility. It would take a pedestrian approximately five (5) minutes to walk from this bus station to Applicant's facility (*see figures below*).



Traffic

Standard staffing at the facility will be approximately ten (10) full-time and fifteen (15) part-time employees who will arrive and leave daily for work shifts between the hours of 8:00 A.M. to 10:00 P.M. Applicant proposes to

operate a delivery service and anticipates having at least two (2) delivery drivers making between two (2) and five (5) deliveries per day.

Deliveries to and shipments from the facility by vendors will occur approximately two (2) to three (3) times per week. These deliveries and shipments will generally be by van-sized vehicles, but occasionally, larger box trucks will be used. Trucks will enter the facility on Airway Drive and will exit onto Industrial Drive, heading east, whenever possible. Trucks will exit onto Airway Drive as infrequently as possible. Deliveries and shipments will take place through the roll up door as delivery vehicles can enter into the loading area to conduct shipments and deliveries outside of public view.

### **Cannabis Microbusiness Details**

According to City Ordinance Section 20-70.020, a Cannabis Microbusiness is a medical or adult use cannabis cultivation business of less than 10,000 square feet in combination with cannabis distribution, cannabis manufacturing – level 1, and/or cannabis retail (dispensary) and delivery, combined within one State License. Applicant proposes a microbusiness made up of cultivation, manufacturing, distribution, and retail storefront with delivery. The City Ordinance, passed December 19, 2017, and effective January 19, 2018, allows for the permitting of commercial cannabis microbusiness sites in the Light Industrial (IL) and General Industrial (IG) zones. The subject parcel is zoned IL. Applicant proposes a Cannabis Microbusiness with Cultivation, Manufacturing Level 1, Distribution, and Retail components.

On January 11, 2018, the City of Santa Rosa granted to DMCC, Inc., a Conditional Use Permit (via Resolution 11873 and CUP17-042) for cultivation, manufacturing, and distribution at this same facility. The owner of, and signatory for, DMCC, Inc., Grant Babbitt, is the same owner of, and signatory for, Expanding Roots, Inc., the Applicant under this current microbusiness application. Applicant now proposes to add a retail storefront with delivery at this facility, which would make the facility a medicinal and adult use cannabis microbusiness with cultivation, manufacturing, distribution, and retail with delivery.

According to the City Ordinance, in addition to compliance with all permit and operating requirements set forth for Cannabis Cultivation, a Cannabis Microbusiness must comply with all permit and operating requirements set forth for Cannabis Manufacturing, Distribution, and/or Retail and Delivery, as applicable to the combination of uses within the license. Applicant has described its compliance with each of these uses below.

### **Track and Trace Compliance**

The State's track and trace system is designed to record the movement of cannabis and cannabis products through the supply chain, from cultivation to sale. This will help ensure that if a public safety concern arises, the source will be identifiable. In accordance with Bureau of Cannabis Control Regulations Section 5049, Applicant will report in the track and trace system the disposition of all commercial cannabis activities within 24 hours of occurrence, including the receipt or transfer of cannabis goods from one licensee to another, processing, packaging, and any other activity required to be recorded into the track and trace system under Section 5049. Applicant will ensure all data entered into the track and trace system is correct and that any information entered in error is corrected immediately upon discovery of the error. If at any time Applicant loses access to the track and trace system, Applicant will prepare and maintain comprehensive records detailing all required inventory tracking activities conducted during the loss of access (Bureau of Cannabis Control Regulations Section 5049). Once access is restored, Applicant will immediately enter all commercial cannabis activity that occurred during the loss of access (Bureau of Cannabis Control Regulations Section 5050).

Applicant will designate at least one owner to be the track and trace system account manager, in accordance with Bureau of Cannabis Control Regulations Section 5048; such owner will have the responsibility (i) to designate authorized track and trace system users (employees) and require proper training of these users; (ii) to maintain an accurate and complete list of all track and trace system account managers and users and update the list and individual access credentials immediately upon any change; (iii) obtain UID tags from the Department of Food and Agriculture and ensure a sufficient supply is available at all times; (iv) ensure all inventory is tagged and entered into the track and trace system; (v) correct any information that is incorrectly entered into the system upon discovery of the error; and (vi) monitor all notifications from the track and trace system and resolve all issues identified in the notification.

According to Bureau of Cannabis Control Regulations Section 5052, while Applicant operates under a temporary State License, Applicant will not be required to record commercial cannabis activity in the track and trace system, but must still record all commercial cannabis activity with sales invoices and receipts, in accordance with Bureau

of Cannabis Control Regulations, Department of Public Health Regulations, CalCannabis Regulations, MAUCRSA, and any other applicable laws and regulations.

**a. Cultivation**

Use	Room Name	Size (in Square Feet)
Cultivation	Cultivation 1	800
	Cultivation 2	1,543
	Nursery/Clone	640
	Drying	320
	Storage	75
TOTAL CULTIVATION W/O PROCESSING (DRYING & STORAGE):		2,983 SQUARE FEET
TOTAL CULTIVATION W/O STORAGE:		3,303 SQUARE FEET
TOTAL CULTIVATION WITH PROCESSING (DRYING & STORAGE):		3,378 SQUARE FEET

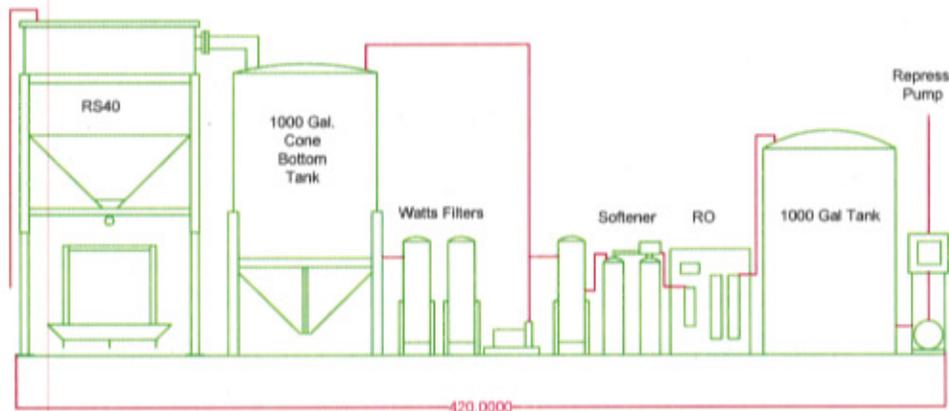
Applicant proposes approximately 2,983 square feet of indoor cultivation at the microbusiness facility, between two cultivation rooms of 800 square feet and 1,543 square feet, and one nursery cultivation room of approximately 640 square feet (*see attached Site Plans*). Applicant will process and store cultivated cannabis on site (*see attached Site Plans*). Including the processing room (Drying) and the Storage room, total space designated to cultivation will be approximately 3,378 square feet. No cultivation will take place outside; Applicant proposes only indoor cannabis cultivation.

**Renewable Energy Requirements and Generators**

Applicant understands that in accordance with State regulations, beginning January 1, 2023, all indoor cultivation facilities must ensure that electrical power used for commercial cannabis activity meets the average electricity greenhouse gas emissions intensity required of the Santa Rosa utility provider, pursuant to the CA Renewables Portfolio Standard Program (CalCannabis Regulations Section 8305). Applicant will comply with all applicable State Laws, which begin in 2022 with Applicant’s State License renewal. Applicant does not plan to use generator power, except in the case of an emergency power outage. In such case, applicant will comply with all local and State requirements for use of generators, including CalCannabis Regulations Section 8306.

**Water Use and Wastewater Treatment Plan in the Hydroponic Farming System**

Applicant appreciates that one of the Land Use and Livability Goals and Policies of the Santa Rosa General Plan is to “encourage commercial properties to be retrofitted for energy efficiency and water conservation.” In keeping with Santa Rosa’s commitment to water conservation, Applicant will utilize a state-of-the-art water recycling system to reduce consumption (*see figure below*). This will allow Applicant to recycle water in a closed loop system, which prevents the water from entering the sewer system and allows Applicant to use the cleaned filtered water multiple times. It is estimated that at full growth, one pound of cannabis needs one gallon of water per day. Thus, Applicant estimates its water consumption will be approximately 500 gallons per day, which can be made up of recycled water.



The closed-loop system can treat up to 1,000 gallons per day. The system will employ a hydrossettler settling system, along with a sludge skid (to capture the heavy solids), bottom drains, isolation tubes, repress pumps, sediment filtration units, water softeners and reverse osmosis. The treated water is then collected in a flat-bottomed tank and repressurized. Overall, the system is designed to process slurry water, capture the majority of solids produced, and to filter and remove dissolved solids, and to allow for reuse.

The amount of water the plants will use varies due to size, temperature, health, and stage of growth. An under-watered plant appears droopy and weak, lacks strength in the leaves, and feels lifeless. Overwatered plants look similar, but the leaf tips will curl as if they are hiding from the water in their pot. Applicant does not want the plants to ever be seen in either condition, but as the cannabis watering schedule changes, it is preferred to underwater than to overwater the plants because the roots need oxygen to survive and thrive. In most hydroponic farming systems, water is recirculated. Run-off water that is not taken up by the plants is recaptured. Nutrients are constantly added by fish waste or fertilizer, and water returns to the plants. Every bit of water is reused over and over again, which is an impossibility in traditional, soil-based agriculture. Since all water is recirculated and recycled, water is never discharged in hydroponics or aquaponics.

#### Cultivation Procedures

All flowering plants will be given a Unique Identifier (UID), in accordance with CalCannabis Regulations Section 8403. Cannabis plants maintained outside of the designated canopy areas will be prohibited from flowering; therefore, if any plant outside the canopy area, such as in the nursery cultivation area, does begin to flower, a UID will be applied, and the plant will be promptly moved to the designated canopy area and reported into the track and trace system. Applicant will process harvested cannabis in the areas designated for processing (CalCannabis Regulations Section 8300), the Drying room (*see attached Site Plans*), and will comply with all packaging and labeling requirements (CalCannabis Regulations Section 8212).

The cultivation rooms will be well sealed and will contain Element Air purification systems to prevent pests and help control odor. Only cultivation employees and management staff will be permitted in the grow rooms. All such employees will be required to be dressed in the appropriate attire, including gloves and facemasks, before access and when handling cannabis intended for direct consumption. Employees will also be required to have a change of clothes, including shoes, which are designated for use in the cultivation site to help avoid bringing in pests and contaminants from outside the cultivation space.

#### Seed production Requirements for the Nursery Area

Applicant will conduct nursery cultivation within the "Nursery/Clone" room (*see attached Site Plans*). Applicant will tag all mature, flowering plants and all plants (or portions of a plant) that are used for seed production with a UID, in accordance with CalCannabis Regulations Sections 8301 and 8403. Applicant understands that all products, except seeds, derived from these plants, are prohibited from entering the commercial distribution chain (CalCannabis Regulations Section 8301).

#### Pesticide Use

Applicant recognizes that Section 8307 of the CalCannabis Regulations requires that Licensees "comply with all pesticide laws and regulations enforced by the Department of Pesticide Regulation." Applicant intends to have a pesticide-free cultivation space in order to create "organic" or natural products to the maximum extent possible. However, in the event that Applicant does use pesticides, Applicant will only use pesticides that are legally approved by the Department of Pesticide Regulation (DPR). Applicant's cultivation manager will have an operator ID (OIN) from the local County Agricultural Commissioner's Office and will only use the safest and most current Integrated Pest Management (IPM) practices on cannabis.

#### Sales Receipts and Records Retention

As required by CalCannabis Regulations Section 8400, Applicant will keep and maintain all records, applications, reports, or other supporting documents for a period of at least seven (7) years from the date the document was created. Applicant will generate and retain sales invoices and receipts with detailed information about the cannabis and non-manufactured cannabis sold (CalCannabis Regulations Section 8401). Applicant will retain all records in a manner that allows the records to be provided at the licensed premises or delivered to the state upon request (CalCannabis Regulations Section 8401).

In accordance with CalCannabis Regulations Section 8400(d), Applicant will maintain the following records at the facility: (i) Cultivation licenses issued by the Department of Food and Agriculture; Cultivation plan; (ii) All records evidencing compliance with the environmental protection measures; (iii) All supporting documentation for data or information input into the track and trace system; (iv) All UIDs assigned to product in inventory and all unassigned UIDs (UIDs assigned to product that has been retired from the track and trace system will be retained for six months after the date the tags were retired); (v) Financial records; (vi) Personnel records; (vii) Records related to employee training for the track and trace system; (viii) Contracts with other state-licensed cannabis businesses; (ix) Permits, licenses and other local authorizations to conduct the commercial cannabis activity; (x) Security records; (xi) Records associated with composting or disposal of cannabis waste; and (xii) Documentation associated with loss of access to the track and trace system.

**b. Manufacturing**

Use	Room Name	Size (in Square Feet)
<b>Manufacturing</b>	Commercial Kitchen	650
	Manufacturing	400
<b>TOTAL MANUFACTURING: 1,050 SQUARE FEET</b>		

According to City Ordinance Section 20-70.020, “Cannabis Manufacturing – Level 1” means “the processing or manufacturing of medical or adult use cannabis products using nonvolatile solvents, or no solvents. The use of post-extraction ethanol “winterization” is allowed within Cannabis Manufacturing Level 1 only to the extent such use is permitted by the State in a Type 6 license.” Applicant proposes approximately 1,050 square feet of non-volatile (Level 1) manufacturing and production of edibles at the microbusiness facility, within two separate rooms of 400 square feet and 650 square feet, respectively.

Applicant will conduct infusion and rosin press extraction, and may conduct CO2 extraction, as will be described below in further detail. All of these processes are solvent-free and will be non-flammable and nontoxic. Applicant will only use extraction equipment that has been listed or otherwise certified by an approved third-party testing agency, or a licensed professional engineer prior to use (City Ordinance Section 20-46.070). Furthermore, all of Applicant’s manufacturing equipment will be approved for the intended uses by the City’s Building Official and Fire Code Official prior to use (City Ordinance Section 20-46.070).

Butter and Oil Infusion Processes

Applicant will conduct infusion utilizing a small self-contained electric kettle. This process requires heating the cannabis with oil or butter to approximately 150 to 160 degrees Fahrenheit for several hours, which allows the cannabinoids to infuse into the oil or butter. Applicant will use a small twenty-gallon self-contained “UL Certified” and “NSF Approved” kettle.

Extraction Processes – Rosin Press Extraction

Rosin (not to be confused with “resin”) is the safest and cleanest way to extract a concentrate from cannabis. The extraction process is achieved using pressure and heat rather than using any type of solvent based process. The product produced does not require additional cleaning, or further processing, as would a solvent-based extraction process. Applicant will use a rosin press to extract resin from cannabis, to create cannabis rosin. The rosin press process involves utilizing pressure and heat to separate the resin (which contains cannabinoids and terpenes) from the plant material, to create a substance called rosin. Dried cannabis is placed into a press, and is then pressed with high pressure and heat, which causes the resin to separate from the plant material. Applicant’s intent is to purchase industrial sized heat presses to process rosin at the facility.

Extraction Processes: CO2 Extraction

Applicant may use CO2 Extraction on-site. CO2 extraction is a non-volatile extraction process which involves changing gaseous CO2 into a liquid and then raising the pressure and temperature of the CO2, which causes the CO2 to become “supercritical.” This means that the CO2 can adopt properties between a gas and a liquid at one time. The supercritical CO2 then passes through cannabis contained in an extractor and pulls the essential trichrome and terpene oils and/or waxes out of the plant material. These oils and

waxes are then sent to an extract receptacle, while the CO2 passes through a condenser and is turned back into a liquid. CO2 extraction allows for extraction of plant oil from the cannabis, while avoiding the use of petroleum particles from butane and other volatile extraction processes.

#### Edible Products and Maximum THC Levels in Cannabis Products

Applicant understands that according to Section 40305 of the Department of Public Health's Regulations, edible products are limited to a maximum of 10mg of THC per serving and 100mg of THC per package. Other cannabis products, such as tinctures, capsules, and topicals, are limited to a maximum of 1,000mg per package for the adult-use market and 2,000mg of THC per package for the medicinal-use market (Department of Public Health Regulations Section 40306). Applicant will ensure all products created at Applicant's facility do not exceed the limits set by State laws and regulations.

#### Food Handler Cards

Applicant recognizes that according to both State and local laws and regulations, all owners, employees, volunteers and any other individual that participates in the production of edible cannabis products at Applicant's facility (collectively referred to as "employees" herein) must be state-certified food handlers. All employees must obtain a food handler card within 30 days after the date they are hired, in accordance with the California Retail Food Code. In order to obtain a food handler card, each employee must complete a food handler training course and examination. These food handler cards will be valid for three years; Applicant will therefore maintain a copy of each employee's food handler card on-site and will ensure records denote the date each employee must renew his or her food handler card. Once Applicant has all food handler cards for all employees who will participate in the creation of edible products, Applicant will provide the valid permit numbers to the City of Santa Rosa.

#### Sonoma County Health Permit

The City Ordinance (Section 20-46.070) states that cannabis businesses that sell or manufacture edible medical cannabis products shall obtain a Sonoma County Health Permit. Therefore, in accordance with local regulations, as well as the California Retail Food Code, Applicant will obtain a Health Permit from Sonoma County prior to operating its microbusiness. Applicant recognizes that no person can operate, either in the County or in any incorporated city in the county, any food facility or any other enterprise or establishment in which food or beverage is offered for sale or sold, without a valid permit or registration issued by the health officer. Therefore, Applicant will ensure its operations meet the specifications of the Sonoma County Retail Food Ordinance, and the provisions of the California Retail Food Code.

In order to begin the process of obtaining the requisite Health Permit, on April 9, 2018, Jay Hutchison met with Mr. Marvin Moskowitz, Environmental Health Program Manager at the Sonoma County Department of Health Services. Mr. Hutchison and Mr. Moskowitz discussed the process of receiving a health permit for Applicant's facility. Applicant's current plans were briefly reviewed, and Mr. Moskowitz said he could schedule a site visit as soon as an Applicant's application and fee were submitted to the County. Mr. Moskowitz explained that the health permit process would take no more than 21 days; however, a final inspection would be required after construction, and before opening of the facility. Once Applicant obtains the permit from Sonoma County, Applicant will post the permit in a conspicuous place within the food facility and will maintain its permit in accordance with local laws and regulations, as well as the California Retail Food Code.

In accordance with this permit and the California Retail Food Code, Applicant (as a permitholder) will designate a person (or persons) in charge and will ensure that a person in charge is present at the food facility during all hours of operation. This person in charge and all food employees will have adequate knowledge of, and will be properly trained in, food safety as it relates to each of their assigned duties. This knowledge will include major food allergens and safe food handling practices.

#### Food Safety Certification Examination

Applicant understands that the California Retail Food Code requires that there be at least one food safety certified owner or employee at every food facility, although this certified owner or employee does not need to be present at the food facility during all hours of operation. Applicant will ensure an owner or employee of Applicant has successfully passed an approved and accredited food safety certification examination. Such food safety certificate will be retained on file at the food facility at all times and will be made available for inspection by the enforcement officer. Furthermore, such certified individuals will be recertified every five years.

#### Standard Operating Procedures

In accordance with Section 40275 of the Department of Public Health's Regulations, Applicant will establish and maintain written standard operating procedures that are easily accessible to onsite personnel and will submit these operating procedures to the state with Applicant's full application submittal. The purpose of these procedures is to ensure production occurs in a sanitary and hazard-free environment, cannabis products are contaminant free, and that THC levels are consistent throughout the product and within required limits (as is discussed below).

These operating procedures will, at a minimum, include the following: (i) policies and procedures developed in accordance with Applicant's security plan (*see attached Confidential Security Plan*); (ii) emergency response procedures (*see attached Confidential Security Plan*); (iii) policies and procedures for Good Manufacturing Practices (*see attached Standard Operating Procedures Documents*); (iv) policies and procedures for Production and Process Control; (v) procedures for complying with all track and trace requirements (*see attached Standard Operating Procedures Documents*); (vi) inventory control procedures (*see attached Standard Operating Procedures Documents*); and (vii) waste management procedures (*see attached Standard Operating Procedures Documents*). Applicant will implement proper training techniques to ensure all personnel present at the facility are provided with adequate information and training that covers the foregoing topics, among others.

#### Quality Control and Facility Cleanliness

In accordance with State laws and regulations, including Section 40250 of the Department of Public Health's Regulations, Applicant will ensure appropriate quality control operations are employed to ensure cannabis and cannabis products are suitable for human consumption or use, and that cannabis product-packaging materials are safe and suitable. Applicant will ensure adequate precautions are taken to prevent cross-contact or contamination from any source (*see attached Standard Operating Procedures Documents*).

In order to establish good manufacturing processes, and in accordance with Section 40232 of the Department of Public Health's Regulations, Applicant will establish and implement written procedures to ensure the following protocols are followed by all personnel: (i) disease control and exclusion of individuals with illness from the manufacturing space; (ii) cleanliness, including wearing appropriate outer garments, maintenance of personal cleanliness and hand washing, removal of unsecured jewelry, maintaining gloves in a clean, sanitary condition, wearing hair nets, beard covers, etc., storing clothes and personal belongings in separate areas, confining eating and drinking to other areas; and (iii) taking any other necessary precautions to protect against allergen cross-contact and against contamination of cannabis products, cannabis product-contact surfaces, or cannabis product-packaging materials by microorganisms or foreign substances (including perspiration, hair, cosmetics, tobacco, chemicals, and medicines applied to the skin) (*see attached Standard Operating Procedures Documents*).

The owner or employee who holds the Food Safety Certification will instruct all employees regarding the relationship between personal hygiene and food safety, including the association of hand contact, personal habits and behaviors, and employee health to foodborne illness. Furthermore, a visible sign or poster will be posted at all handwashing stations that notifies employees to wash their hands.

Applicant will also ensure the grounds of the premises are kept in a condition that prevents the contamination of components and cannabis products, including, but not limited to: (i) proper storage of equipment; (ii) removal of litter and waste; (iii) inspection of the grounds to ensure no pests, dirt or filth are encroaching on the facility; and (iv) cutting of weeds and grass around the property, to ensure the property does not constitute an attractive breeding ground for pests (Department of Public Health's Regulations Section 40234). Applicant will maintain clean, sanitary facilities to ensure cannabis and cannabis products are not contaminated and that all cannabis products produced at the facility are safe for consumption or other appropriate uses.

*See attached Standard Operating Procedures Documents for further detailed information regarding Applicant's Good Manufacturing Practices.*

Packaging and Labeling

In accordance with Section 40415 of the Department of Public Health’s Regulations, Applicant will ensure no product packaging will resemble traditionally available food packages and that it will not be attractive to children. All manufactured cannabis products will be packaged before they are released to a distributor. All packages will be tamper-evident, child-resistant, and re-sealable if the product includes multiple servings.

c. Distribution

Use	Room Name	Size (in Square Feet)
<b>Distribution</b>	Ship/Rec	720
	G’s Office	143
	Vault/Quarantine	64
	Storage/Mech	58
	Storage	49
<b>TOTAL DISTRIBUTION WITHOUT STORAGE AREAS: 927 SQUARE FEET</b>		
<b>TOTAL DISTRIBUTION: 1,034 SQUARE FEET</b>		

According to City Ordinance Section 20-70.020, “Cannabis Distribution” means “the procurement, sale, and transport of Medical or Adult Use Cannabis and Medical or Adult Use Cannabis Products between Cannabis Businesses.” Applicant proposes approximately 822 square feet of cannabis distribution at the microbusiness facility, within one large room of 538 square feet, and three (3) attached vault and storage rooms and one (1) office space (see attached Site Plans). The main distribution room is large enough that a van can pull into the facility through a roll-up door on the east side of the facility, which will allow for secure loading and unloading of cannabis and cannabis products.

Under this Distribution use, Applicant will arrange for testing, check for appropriate packaging and labeling, collect taxes, transport cannabis and cannabis products, and may act as a wholesaler, all in accordance with MAUCRSA, the Bureau of Cannabis Control Regulations, and local law. All transportation will be conducted by Applicant and Applicant’s employees.

Storage of Batches for Testing

In accordance with the Bureau of Cannabis Control Regulations Section 5302, Applicant will ensure all cannabis goods batches are stored separately and distinctly from other cannabis goods batches on the premises. Applicant will ensure a label is attached to each container of each batch that states (i) the manufacturer’s or cultivator’s name and license number who provide the batch; (ii) the date of entry into Applicant’s storage area; (iii) the unique identifiers and batch number associated with the batch; (iv) a description of the cannabis goods with enough detail to easily identify the batch; (v) the weight or quantity of units in the batch; and (vi) the expiration date, if any (Bureau of Cannabis Control Regulations Section 5302).

Testing Arrangements and Quality Assurance

In accordance with Section 5304 of the Bureau of Cannabis Control’s Regulations, after taking possession of a cannabis goods batch, Applicant will contact a testing laboratory and arrange for a laboratory employee to come to the Applicant’s facility to select a representative sample for lab testing. Applicant or an employee of Applicant will be physically present to observe the lab employee obtain the sample of cannabis goods for testing and will ensure that all proper procedures and protocols are followed, as outlined in the Bureau of Cannabis Control Regulations Section 5305.

Once a sample “passes” a lab test, the cannabis goods may be transported to one or more retailers for sale, but if a sample “fails” a lab test, then the batch must not be distributed or transported to retailers for sale, and must instead be remediated or destroyed, in accordance with applicable State laws and Bureau of Cannabis Control Regulations Section 5306.

Prior to transporting any cannabis goods to retailers for sale, Applicant will ensure all labels and packaging are compliant with state laws and regulations, and that the weight or count of the cannabis batch comports with the information in the track and trace system (Bureau of Cannabis Control Regulations Section 5307). Applicant

will ensure all events have been recorded in the track and trace system. (Bureau of Cannabis Control Regulations Section 5307).

#### Packaging and Labeling

In accordance with the Bureau of Cannabis Control Regulations Section 5303(a), Applicant may package, re-package, label, and re-label cannabis for retail sale, but will not package, re-package, label, or re-label manufactured cannabis products, except for when Applicant is packaging, re-packaging, labeling, or re-labeling its own manufactured cannabis products.

#### Inventory Reconciliation

In compliance with Bureau of Cannabis Control Regulations Section 5309, Applicant will reconcile all inventories of cannabis goods at least once every 14 days and will keep an inventory log containing detailed information about each batch. If Applicant finds a discrepancy between the inventory of stock and the inventory log or track and trace system that is outside normal weight loss caused by moisture loss, Applicant will commence a full audit of the batch in which the discrepancy is found (Bureau of Cannabis Control Regulations Section 5309).

#### Records

In addition to any other records that are required to be maintained by the State or local laws and regulations, Applicant will maintain records relating to branding, packaging, and labeling; inventory logs and records; transportation bills of lading and shipping manifests; vehicle and trailer ownership records; quality-assurance records; records relating to destruction of cannabis goods; lab-testing records; warehouse receipts; and records relating to required tax collection and payments (Bureau of Cannabis Control Regulations Section 5310).

#### Transportation

In accordance with Section 5413 of the Bureau of Cannabis Control Regulations, transportation of cannabis goods will only be conducted by Applicant or Applicant's employees in a motor vehicle or trailer. No person under the age of 21 will be allowed inside a commercial vehicle or trailer transporting cannabis goods, and only Applicant or Applicant's employees will be in the vehicle while transporting cannabis goods (Bureau of Cannabis Control Regulations Section 5313). Applicant will only transport cannabis goods between licensees shipping or receiving cannabis goods and its own facility (Bureau of Cannabis Control Regulations Section 5311).

Prior to transporting cannabis goods, Applicant will generate a shipping manifest through the track and trace system and will securely transmit the manifest to the Bureau of Cannabis Control and the licensee that will receive the cannabis goods (Bureau of Cannabis Control Regulations Section 5314). Applicant will ensure and verify that the cannabis goods being taken into possession for transport are as described and are accurately reflected in the shipping manifest.

Applicant plans to transport both medicinal and adult-use cannabis. In accordance with Section 5311 of the Bureau of Cannabis Control Regulations, Applicant may transport multiple shipments of cannabis goods at one time. Furthermore, according to Bureau of Cannabis Control Regulations Section 5311(k), both medicinal and adult-use cannabis goods may be transported in the same vehicle only if the cannabis goods are clearly identified and marked as "A" for adult-use cannabis goods, or "M" for medicinal cannabis goods, both on the physical packaging of the cannabis goods, and on the shipping manifest. Applicant will ensure the medicinal and adult-use cannabis goods will be secured and separated from each other in the vehicle or trailer. Applicant will never transport non-cannabis goods with cannabis goods (Bureau of Cannabis Control Regulations Section 5311(k)).

Applicant will ensure that all cannabis goods are locked in a box, container, or cage that is secured to the inside of the vehicle or trailer, and that no cannabis goods will be visible or identifiable from outside the vehicle or trailer at any time (Bureau of Cannabis Control Regulations Section 5311). Vehicles and trailers will have a vehicle alarm system, and while left unattended, all vehicles and trailers will be locked and secured. Packages or containers holding cannabis goods will never be tampered with or opened during transport by Applicant or Applicant's employees (Bureau of Cannabis Control Regulations Section 5311).

Applicant will provide to the Bureau of Cannabis Control and the City of Santa Rosa all information it requires regarding the vehicles or trailers used for transportation and distribution, including proof of ownership or lease, the year, make, model, license plate number, and numerical VIN for any and all vehicles and trailers that Applicant will use to transport cannabis goods (Bureau of Cannabis Control Regulations Section 5312).

**d. Retail Storefront and Delivery Details**

Use	Room Name	Size (in Square Feet)
Retail	Dispensary	1,331
	Stock Room	120
	Office	100
<b>TOTAL RETAIL WITHOUT STOCK ROOM AND OFFICE: 1,331 SQUARE FEET</b>		
<b>TOTAL RETAIL: 1,551 SQUARE FEET</b>		

According to City Ordinance Section 20-70.020 "Cannabis Retail" means "a facility where Medical or Adult Use Cannabis or Medical or Adult Use Cannabis Products are offered, either individually or in any combination, for retail sale, including an establishment that delivers Cannabis or Cannabis Products as part of a retail sale. Also known as a cannabis 'dispensary'." Applicant proposes a medical and adult-use retail storefront space of approximately 1,660 square feet. Under this retail use, Applicant proposes to sell cannabis and cannabis products to medicinal and adult-use customers. Under Section 5412 of the Bureau of Cannabis Control Regulations, Applicant is not permitted to package or label cannabis or cannabis products on the retail premises. All cannabis or cannabis products sold by Applicant within the retail space will be packaged and labeled prior to arriving at the retail premises.

Access to the Office and the Stock Room is behind the counter in the Dispensary area; only Applicant and Applicant's employees will have access behind this counter (*see attached Site Plans*).

**Retail Storefront Operations and Records**

In accordance with Section 20-46.080 of the City Ordinance, Applicant will maintain a copy of its Local Permit and State License on display during business hours in a conspicuous place so that it can be readily seen by all persons entering the facility. Applicant will maintain all required records including a current register of all current and past employees, and patient and sales records, in accordance with the City Ordinance, as well as State laws and regulations (City Ordinance Section 20-46.080).

**Customer Sales Records**

Applicant will maintain an accurate record of sale for every sale made to a customer, in accordance with Section 5425 of the Bureau of Cannabis Control Regulations. These records will contain the following information: (i) The first name and employee number of the retail employee who processed the sale; (ii) The first name of the customer and a retailer assigned customer number for the person who made the purchase; (iii) The date and time of the transaction; (iv) A list of all the cannabis goods purchased, including the quantity purchased; and (v) The total amount paid for the sale, including the individual prices paid for each cannabis good purchased and any amounts paid for taxes.

**Inventory Documentation**

In accordance with Section 5423 of the Bureau of Cannabis Control Regulations, Applicant will also maintain an accurate record of its inventory and will provide the Bureau of Cannabis Control with this record of inventory upon request. The following information will be included in such inventory records; (i) A description of each item in the inventory, such that the cannabis goods can easily be identified; (ii) An accurate measurement of the quantity of the item; (iii) The date and time the cannabis goods were received; (iv) The sell-by or expiration date on any cannabis goods, if any; (v) The name and license number of the licensee that delivered the cannabis goods; (vi) The name and license number of the distributor that provided the cannabis goods to the Applicant retailer; and (vii) The price the Applicant paid for the cannabis goods, including taxes, delivery costs, or any other costs.

#### Other Records

Applicant will also maintain the following records related to commercial cannabis activity for at least seven years (Bureau of Cannabis Control Regulations Section 5037): (i) Financial records including, but not limited to bank statements, sales invoices, receipts, tax records, and all records required by the CA Department of Tax and Fee Administration under Title 18 of the California Code of Regulations sections 1698 and 4901; (ii) Personnel records, including each employee's full name, social security or individual tax payer identification number, date employment begins, and date of termination of employment, if applicable; (iii) Training records, including, but not limited to, the content of the training provided, and the names of the employees that received the training; (iv) Contracts with other licensees regarding commercial cannabis activity; (v) Permits, licenses, and other local authorizations to conduct the licensee's commercial cannabis activity; (vi) Security records, except for surveillance recordings required under section 5044 of the Bureau of Cannabis Control Regulations; (vii) Records relating to the composting or destruction of cannabis goods; and (viii) Documentation for data or information entered into the track and trace system.

Applicant recognizes that the Bureau of Cannabis Control may make any examination of the books and records of any licensee as it deems necessary (Bureau of Cannabis Control Regulations Section 5037). Applicant will therefore keep records in a manner that allows the records to be produced for the Bureau on-site in either hard copy or electronic form, as requested by the BCC. In accordance with Bureau of Cannabis Control Regulations Section 5037(d), Applicant may choose to contract with a third party to provide custodial or management services of the records, but Applicant also recognizes that this contract will not relieve Applicant of its responsibilities to maintain the records properly.

#### Limited-Access Areas

Applicant will have limited-access areas where only authorized individuals (such as employees, vendors, contractors, or other people with a business-purpose) will be permitted. This limited-access area includes all areas beyond the doors that lead from the Retail area to any other area within the facility (*see attached Site Plans*). Limited-access areas encompass all cultivation, manufacturing, and distribution rooms, and all offices, break rooms, and storage areas.

An individual in the limited-access area who is not employed by Applicant will be escorted by one of Applicant's employees at all times within the limited-access area (Bureau of Cannabis Control Regulations Sections 5042 and 5401). In accordance with Section 5401, any individual within the limited-access area will be at least 21 years old. Applicant will maintain a log of all authorized individuals who are not employees of the Applicant that enter the limited-access area. The logs will be made available to the Bureau of Cannabis Control upon request. Applicant will not receive consideration or compensation for permitting an individual to enter the limited-access area.

#### Secured Products

As was discussed in detail above, the facility is designed to prevent unauthorized entrance into areas containing cannabis or cannabis products. Limited-access areas accessible to only authorized personnel will be established. The facility has secure doors that will separate the Retail area from the cultivation, manufacturing, and distribution areas (*see attached Site Plans*). Customers will not be granted access to the Stock Room, which can only be accessed through the Office attached to the Dispensary area. The door to this Office will only be accessible by Applicant or Applicant's employees who are granted access behind the counter in the Dispensary area. Furthermore, a secure Vault and two Storage areas will be in separate parts of the building from the Retail area (*see attached Site Plans*). Cannabis and cannabis products that are not used for display purposes or immediate sale will be securely stored in the Vault or the Stock Room, and will be stored in a manner reasonably designed to prevent diversion, theft, and loss.

#### Retail Customers

In accordance with Section 5404 of the Bureau of Cannabis Control's Regulations, Applicant will only sell adult-use cannabis goods to individuals who are at least 21 years of age, and will sell medicinal cannabis goods to individuals who are at least 18 years of age and who possess a valid physician's recommendation for his or her self or for a person for whom he or she is a primary caregiver. Applicant will verify the identity and age, and the physician's recommendation if applicable, of a customer prior to selling any cannabis or cannabis products to the customer.

#### Customer Access to the Premises

Applicant plans to allow both medicinal and adult-use customers to enter the retail area. Applicant's employees will be physically present in the retail area at all times when individuals who are not Applicant's employees are in the retail area (Bureau of Cannabis Control Regulations Section 5402). Access to the retail area will be limited to individuals who are either at least 21 years of age, or who are at least 18 years of age with a valid physician's recommendation (Bureau of Cannabis Control Regulations Section 5400).

Applicant will train all employees on proper customer admittance practices, will re-train all employees monthly, and will ensure this protocol is printed and kept in an area that all employees can access to refresh their memories at all times. Access to the retail area will only be granted once (i) Applicant has verified that the individual is at least 21 years of age with valid proof of ID; or (ii) Applicant has verified that the individual is at least 18 years of age, has valid proof of ID, and has a valid physician's recommendation for his or her self or for a person for whom he or she is a primary caregiver (Bureau of Cannabis Control Regulations Section 5402).

#### Retail Entrance Requirements

In accordance with City Ordinance Section 20-46.080, the storefront entrance of the retail facility will be in a visible location that provides an unobstructed view from the public right of way. As was discussed in detail above, no adult-use customer will be permitted to enter the retail space without government issued photo identification and no medical cannabis patient will be permitted to enter the retail space unless the medical patient possesses a valid government-issued photo identification card and a valid physician's recommendation under Section 11362.712 of the Health and Safety Code.

#### Retail Hours of Operation

Applicant will sell and deliver cannabis and cannabis products during the hours of 9:00 A.M. to 9:00 P.M. daily, in accordance with Section 20-46.080 of the City Ordinance. When the retail premises are not open for retail sales, Applicant will ensure (i) the premises are securely locked with commercial-grade, non-residential door locks; (ii) the premises are equipped with an active alarm system which will be activated when the Applicant or Applicant's employees are not on the premises; and (iii) only employees and contractors of the Applicant are allowed to enter the premises (Bureau of Cannabis Control Regulations Section 5403). All security protocols and technologies will be utilized at all times the premises is not open to the public. See *attached Confidential Security Plan for further detail on Applicant's security procedures.*

#### Cannabis Goods Displays

In accordance with Bureau of Cannabis Control Regulations Section 5405, cannabis goods for inspection and sale will only be displayed in the retail area and will not be displayed where they are visible from outside the facility. In accordance with Bureau of Cannabis Control Regulations Section 5405(c), cannabis goods may be removed from their packaging and placed in containers to allow for customer inspection. The containers will not be readily accessible to customers without assistance of Applicant or Applicant's employees, and the container will be provided to the customer by Applicant or Applicant's employee, who will remain with the customer at all times that the container is being inspected by the customer. Cannabis goods that are removed from their packaging for display will not be sold or consumed and will be destroyed when the cannabis goods are no longer used for display.

#### Cannabis Goods for Sale

In accordance with Bureau of Cannabis Control Regulations Section 5406, Applicant will not make any cannabis goods available for sale to a customer unless (i) the cannabis goods were received from a licensed distributor; (ii) Applicant has verified that the cannabis goods have not exceeded their expiration or sell-by date, if one is provided; and (iii) in the case of manufactured cannabis products, the product complies with all requirements of Section 26130 of the California Business and Professions Code and all other relevant laws.

According to Section 26130 of the California Business and Professions Code, edible cannabis products must be (1) designed to not be appealing to children or easily confused with commercially sold candy or foods that do not contain cannabis; (2) produced and sold with a standardized concentration of cannabinoids not to exceed ten (10) milligrams tetrahydrocannabinol (THC) per serving; (3) delineated or scored into standardized serving sizes if the cannabis product contains more than one serving and is an edible cannabis product in solid form;

(4) homogenized to ensure uniform disbursement of cannabinoids throughout the product; (5) manufactured and sold under sanitation standards established by the State Department of Public Health; and (6) provided to customers with sufficient information to enable the informed consumption of the product, including the potential effects of the cannabis product and directions as to how to consume the cannabis product, as necessary.

#### Sale of Non-Cannabis Products

According to Section 5407 of the Bureau of Cannabis Control Regulations, "A retailer may sell non-cannabis products on a licensed premises if the licensee remains in compliance with any city, county, and state laws or regulations related to those products. This provision excludes alcohol and alcohol products and tobacco and tobacco products from sale at any licensed premises." Applicant will not sell any alcohol, alcohol products, tobacco, or tobacco products on the premises.

#### Sale of Cannabis Paraphernalia

Applicant proposes to sell cannabis paraphernalia onsite. Applicant plans to sell vaporizer pens and a small amount of high-quality glass products.

#### Sale of Edible Products

Applicant plans to sell edible products. Applicant will therefore obtain a Sonoma County Health Permit and will comply with California Health and Safety Code Section 113700 et seq. (the California Retail Food Code), and Sonoma County Health Permit requirements, in accordance with City Ordinance Section 20-46.070, as was discussed in detail above under "Manufacturing". Applicant's manager, Jay Hutchison, has been in the restaurant and food manufacturing business for the entirety of his career, as explained above; Applicant is therefore well aware of Health Department requirements and will work closely with the Sonoma County Health Department to ensure the health and safety of Applicant's customers and clients. Applicant understands that these requirements provide a system of prevention and overlapping safeguards designed to minimize foodborne illness, ensure employee health, demonstrate industry manager knowledge, ensure safe food preparation practices and delineate acceptable levels of sanitation for preparation of edible products.

#### Sale of Live Plants

Applicant plans to sell live, immature cannabis plants and seeds. In accordance with Bureau of Cannabis Control Regulations Section 5408, Applicant will only sell such seeds if (i) the plant is not flowering; (ii) the plant or seed was purchased from a nursery that holds a valid Type-4 Nursery Cultivation license under MAUCRSA; and (iii) a label is affixed to the plant or package containing seeds which states, "This product has not been tested pursuant to the Medicinal and Adult-Use Cannabis Regulation and Safety Act." Applicant will not sell any other live plants, nor will applicant apply or use any pesticides on the live plants.

#### Daily Limits

In accordance with Section 5409 of the Bureau of Cannabis Control's Regulations, Applicant will not sell more than the following amounts of cannabis, cannabis products, or cannabis plants to an adult-use cannabis customer:

- 28.5 grams of non-concentrated cannabis in a single day to a single customer;
- 8 grams of concentrated cannabis, including concentrated cannabis contained in cannabis products, in a single day to a single customer;
- 6 immature cannabis plants, in a single day to a single customer.

Furthermore, Applicant will not sell more than the following amounts to a medicinal cannabis customer:

- 8 ounces of medicinal cannabis in a single day to a single medicinal cannabis customer;
- If a valid physician's recommendation contains a different amount than 8 ounces, the medicinal cannabis customer may purchase an amount of medicinal cannabis consistent with the patient's needs as recommended by a physician.

#### Customer Returns of Cannabis Goods

A "customer return" means a customer's return of cannabis goods that were purchased from Applicant, back to the Applicant. In accordance with Bureau of Cannabis Control Regulations Section 5410, Applicant may accept customer returns of cannabis goods that were previously sold to a customer but will not resell cannabis goods that have been returned. Applicant will destroy all cannabis goods that have been returned by a customer.

Applicant will treat any cannabis goods abandoned on the premises as a customer return (Bureau of Cannabis Control Regulations Section 5410).

#### Free Cannabis Goods

In general, Applicant will not provide free cannabis goods to any person and will not allow employees to provide free cannabis goods to any person on the licensed premises. However, in accordance with Bureau of Cannabis Control Regulations Section 5411, in order to provide access to medicinal cannabis to patients who have difficulty accessing medicinal cannabis goods, Applicant may provide free medicinal cannabis to those in need. Applicant will ensure that: (i) free cannabis goods are provided only to a medicinal cannabis patient or primary caregiver for the patient in possession of a valid ID card and physician's recommendation; (ii) the cannabis goods comply with all laboratory testing requirements; (iii) prior to being provided to the patient or primary caregiver, the cannabis goods have been properly recorded in the track and trace system as belonging to the Applicant; (iv) the cannabis goods will not leave the premises unless placed in an opaque package, as required for purchased cannabis goods; (v) the cannabis goods will be applied toward the daily limit purchased by a medicinal cannabis customer; and (vi) the transaction will be properly recorded in Applicant's inventory records and the track and trace system. Applicant may also donate cannabis goods and the use of equipment in compliance with any compassionate use, equality, or other similar program administered by the City of Santa Rosa.

#### On-Site Consumption

Section 26200 of the California Business and Professions Code states that "a local jurisdiction may allow for the smoking, vaporizing, and ingesting of cannabis or cannabis products on the premises of a retailer or microbusiness," however, "access to the area where cannabis consumption is allowed [must be] restricted to persons 21 years of age and older" and "cannabis consumption [must not be] visible from any public place or nonage-restricted area." The City of Santa Rosa allows for on-site consumption (City Ordinance Section 20-46.080(F)); however, the City does not allow the smoking or vaping of cannabis products on-site. Applicant does not plan to allow on-site consumption of cannabis products by employees, patients, or adult use customers. The entrance to Applicant's retail facility will be clearly and legibly posted with a notice indicating that smoking and vaping of cannabis is prohibited on site or in the vicinity of the site except as permitted in accordance with Chapter 9-20 (Smoking Regulations) and State Law.

#### Packaging and Labeling

In accordance with Section 5412 of the Bureau of Cannabis Control Regulations, Applicant will not accept, possess, or sell cannabis goods that are not packaged as they will be sold at final sale. All cannabis goods purchased by a customer will not leave the Applicant's retail premises unless the goods are placed in an opaque exit package (Bureau of Cannabis Control Regulations Section 5413).

#### Site Management

In accordance with Section 20-46.080(F) of the City Ordinance, Applicant will take reasonable steps to discourage and correct objectionable conditions that constitute a nuisance in parking areas, sidewalks, alleys and areas surrounding the premises and adjacent properties during business hours, if such activities or conditions are directly related to the patrons of the subject retailer. These steps will include calling the police in a timely manner and requesting that those engaging in nuisance activities cease the activities, unless the personal safety of Applicant would be jeopardized in making the request.

#### Retail Delivery

Applicant plans to deliver medicinal and adult use cannabis and cannabis products to patients and consumers located outside the Cannabis Retail Space. Applicant intends to offer a mobile delivery service once the dispensary has been operational for a few months.

#### Delivery Process

The process of Applicant's delivery of cannabis to customers will begin when the delivery employee leaves the facility with the cannabis goods meant for delivery and will end when the delivery employee returns to the facility after delivering the cannabis or cannabis goods to one or more customers (Bureau of Cannabis Control Regulations Section 5415). Prior to leaving the facility, delivery staff will enter order details into the tracking system software. A listing of all products being delivered, including weights,

inventory control numbers, locations, and estimated times for delivery will be mandatory fields to complete an order form.

All deliveries will be made to customers in person and will never be made through the use of an unmanned vehicle. Every delivery employee will carry (i) a copy of Applicant's current Local Permit and State License, (ii) their personal California ID card, and (iii) an ID badge provided by Applicant (Bureau of Cannabis Control Regulations Section 5415).

#### Delivery Employees

All deliveries will be performed by a delivery employee of Applicant, who will be at least 21 years of age (Bureau of Cannabis Control Regulations Section 5415). Applicant will maintain a current and accurate list of delivery employees. Applicant plans to have at least two (2) delivery drivers operating at one time. Management will provide specialized training courses for delivery staff to ensure the safety of patients/customers, employees, and the community.

#### Delivery Addresses

Applicant will deliver cannabis goods only to physical addresses on privately-owned land in California, and will never leave the State of California while in possession of cannabis goods (Bureau of Cannabis Control Regulations Section 5416). In accordance with Bureau of Cannabis Control Regulations Section 5416, Applicant will not deliver cannabis goods to an address located on publicly-owned land, nor any address on land or in a building leased by a public agency. This delivery restriction includes land owned by a Native American Tribe or Tribal Member, unless authorized by and consistent with applicable tribal law.

#### Delivery Vehicles

In accordance with Section 5417 of the Bureau of Cannabis Control Regulations, Applicant's delivery employees will only travel in an enclosed motor vehicle operated by the delivery employee. Applicant's delivery vehicles will be energy-efficient models with no markings that would either identify or indicate that the vehicle is being used to transport cannabis related products. The delivery employee will ensure the cannabis goods are not visible to the public inside the vehicle or at any time during delivery of the cannabis goods. Applicant will ensure all cannabis and cannabis products are securely stored within the trunk of the vehicle, or if the vehicle has no dedicated trunk, another secure, discrete location inside the vehicle. Applicant's delivery employee will not leave cannabis goods in an unattended motor vehicle, unless the vehicle is locked and equipped with an active vehicle alarm system (Bureau of Cannabis Control Regulations Section 5417). Should an accident occur during the delivery process, the delivery employee will notify retail facility management immediately.

The vehicles Applicant will use for the delivery of cannabis goods will be outfitted with Global Position System (GPS) devices, for ready identification of the geographic location of each delivery vehicle at any time (Bureau of Cannabis Control Regulations Section 5417). The dedicated GPS device will be owned by Applicant and will be used for delivery only. The device will be affixed to the delivery vehicle and will remain active and inside of the delivery vehicle at all times during delivery. At all times, Applicant will be able to identify the geographic location of all delivery vehicles that are making deliveries and will provide that information to the Bureau of Cannabis Control upon request (Bureau of Cannabis Control Regulations Section 5417).

In accordance with Bureau of Cannabis Control Regulations Section 5417, Applicant is prepared to provide the Bureau of Cannabis Control with information regarding any motor vehicle used for the delivery of cannabis goods, including the vehicle's make, model, color, VIN, license plate number and DMV registration. Applicant understands that any vehicle used to deliver cannabis goods is subject to inspection by the Bureau of Cannabis Control and that the vehicles may be stopped and inspected by the Bureau at the facility or during delivery (Bureau of Cannabis Control Regulations Section 5417).

#### Goods Carried During Delivery

Applicant will make both medicinal and adult use cannabis and cannabis products available for delivery. In accordance with Section 5418 of the Bureau of Cannabis Control Regulations, while making deliveries, Applicant's delivery employee will not carry an amount of cannabis goods worth more than \$3,000 at any

one time. This value will be determined using the current retail price of all cannabis goods carried by the delivery employee.

Delivery Request Receipt

In accordance with Bureau of Cannabis Control Regulations Section 5420, Applicant will prepare a delivery request receipt for each delivery of cannabis good to a customer. The delivery request receipt will contain (i) the name and address of the Applicant retailer; (ii) the first name and employee number of the Applicant's delivery employee who delivered the order; (iii) the first name and employee number of the Applicant's employee who prepared the order for delivery; (iv) the first name of the customer and an assigned customer number for the person who requested the delivery; (v) the date and time the delivery request was made; (vi) the delivery address; (vii) a detailed description of all cannabis goods requested for delivery, which will include the weight, volume, or another accurate measure of the amount of cannabis goods requested; (viii) the total amount paid for the delivery, including taxes, fees, cost of the cannabis goods, and any other charges related to the delivery; and (ix) the date and time the delivery was made, and the signature of the customer who received the delivery. At the time of the delivery, the delivery employee will provide the customer who placed the order a copy of the delivery request receipt and will retain a signed copy of the receipt for Applicant's records.

Delivery Routes

While making deliveries, the delivery employee will only travel from the Applicant's facility to the delivery address; from one delivery address to another delivery address; or from a delivery address back to the Applicant's facility (Bureau of Cannabis Control Regulations Section 5421). In accordance with Bureau of Cannabis Control Regulations Section 5421, delivery employees will not deviate from the delivery path, except for necessary rest, fuel, or vehicle repair stops, or because road conditions make continued use of the route unsafe, impossible, or impracticable.

Attachments

Along with this Project Description Narrative, please find attached:

- Completeness Review Time Extension
- Conditional Use Permit Application
- Indemnification Agreement
- Copyright Materials Release
- Disclosure Form
- Storm Water Determination Worksheet
- Environmental Assessment
- Odor Mitigation Diagram
- Solar Proposal
- Confidential Security Plan
- Standard Operating Procedures
- Vicinity and Neighborhood Context Maps
- Site Plans, Floor Plans, and Elevations

# **Standard Operating Procedures**

**Expanding Roots, Inc.  
3499 Industrial Drive, Santa Rosa, CA 95403**

City of Santa Rosa

APR 20 2018

Planning & Economic  
Development Department

**Standard Operating Procedures: Good Manufacturing Practices**  
**Expanding Roots, Inc.**



<b>GMPS</b>	<b>GENERAL</b>
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General Procedures to follow with regard to working in a food kitchen environment.

- Practice good hygiene upon arriving to work clean. This includes having showered, shaved and taken all precautions to prevent the induction of unsafe articles.
- All personnel entering this facility must be identified by either employee badge/ID, visitor registration, and/or a contractor badge. No one is allowed access into the facility without Expanding Roots documentation. Employees must have a company issued ID badge
- Do not bring outside food or drink into designated GMP/Processing Areas. No eating, drinking, gum chewing, smoking or use of any tobacco product allowed in GMP Areas or processing area.
- Wear proper uniform when reporting to work. This includes, safety shoes, back-braces etc.
- Store personal belongings in allocated space only.
- Employees are issued lockers for their personal belongings. No food or drink is allowed to be stored inside the lockers.
- Wear a hairnet/hair restraint when working in GMP Areas.
- WASH HANDS before entering the processing area. (see details)
- Do not bring any foreign objects (anything not related to job function) into the processing area including cell phones, etc.
- If you are sick notify a supervisor. Sick employees are not permitted to work directly with foods. In some cases supervisor may be able to give you an alternate job function.
- Personal messages, unless an emergency, can be picked up during break periods.
- No spitting of anything into inedible barrels, drains, sinks, or onto the floor in any department.

<b>GMPS</b>	<b>DISEASE CONTROL &amp; SICK POLICY</b>
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Any person who by medical examination or supervisory observation is shown to have an illness, open lesion (boils, sores, infected wounds) or any abnormal source of microbial contamination which could contaminate food, food contact surfaces or food packaging equipment, shall not be allowed to work with these items.

Employees exuding symptoms such as coughing, excessive sneezing, runny/dripping noses, fever diarrhea, or that are known to have an infectious/communicable disease, are not permitted to work. Employees are encouraged to inform supervisors of illnesses. Employees out of work for 3-5 days as a result of illness with the above-mentioned symptoms or after having been diagnosed with certain viruses or infections (Salmonella, Shigella, Sp, Shiga Toxin produced by E-coli, Hepatitis A, or Norovirus) must be cleared by a physician in writing in order to return to work. Additionally, the positive diagnosis must be reported to the local health department and/or CDC. This will be handled by the physician and or DMCC public relation department.

GMPS_1	PERSONNEL
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Standard procedures required for all employees with regard to personal hygiene practices.

#### HEAD AND FACE

- Employees (and visitors) working in processing areas, or directly with foods shall be required to wear approved hairnets, or easily cleanable hats regardless of hair length.
- Hair restraints are to be worn properly so that they are effective (i.e. covering all hair)
- Clean neatly trimmed mustaches may be worn where the length does not exceed 1/8 inch.
- Beards and all other facial hair are permitted only with appropriate hair restraints.
- No bobby pins, needles, clips, barrettes, etc. are to replace the use of hairnets. Additionally, they could contaminate the food.
- Safety hats must be worn in areas where overhead safety hazards exist.
- Approved earplugs are provided for employees who desire to use them.

#### PERSON/CLOTHING

- Smocks/labouratory coats shall be clean. If they become soiled during the shift, they are to be changed immediately. DMCC provides clean laundered lab coats or smocks for employees.
- White smocks are only to be used by food handlers for processing areas within GMP zones and another designated, clearly distinguishable color shall be used for non-processing areas or non food handling employees.
- Personal clothing worn under production smock/laboratory coats shall be clean and unsoiled.
- Only one wedding band is allowed to be worn in the GMP areas. Aside from this no other jewelry, rings, earrings, nose rings, watches, necklaces etc. may be worn in any GMP area.
- No pocket items may be kept in frocks except for personnel who need pens, thermometer, and other items necessary to perform job function. This includes mobile phones.
- Smocks worn by personnel working in processing areas are not to be worn to restrooms or outside of facility (i.e. offsite lunches etc.) Smock, aprons, laboratory coats should be changed if used outside of production area.
- Sweatshirts and sweat pants cannot be worn inside out. No item of clothing may be fuzzy, pilled, piled, pile lined, or flocked.
- No uncovered legs or sleeveless shirts or tank tops are allowed for persons working in direct food contract areas.
- Shoes are to be cleaned daily, and at shifts end changed before leaving the premises. Work shoes should never be worn outdoors.
- All employees will make sure both feet are placed in boot dip solution to adequately saturate the shoe or boot soles. (Employee wearing cleated soles need to make sure that cleats are clear and clean of dirt and debris.)
- Strong or lingering perfume/scents are not allowed.
- No body glitter allowed.

#### HANDS

##### HAND CONDITIONS

- Fingernails must be clean, trimmed and free of polishes.
- No false or acrylic fingernails or studs to be on or in nails.
- No open cuts, sores (dry or oozing), or rashes on hands and/or arms may be exposed. These will be attended to by the proper Health Agency and cleared prior to starting or returning to work.

##### WASHING

- Hands shall be thoroughly washed with One-Step-Sanitizing-Hand-Soap and water at the following times. Dispose of used drying towels in proper waste paper containers.
  - Before starting work;
  - When entering GMP zones;
  - During work as often as needed;
  - After breaks (eating, drinking, smoking chewing gum or tobacco etc.);

- Prior to leaving a RESTROOM;
  - After touching anything that could be a source of contamination: telephone, money, raw foods, meats, dirty utensils or trash, after using cleaners or chemicals, after picking up items off the floor, touching rubber mats on floor, touching face or body parts;
  - After sneezing or touching mouth, nose, eyes, ears, cuts, wounds, human blood, or bodily fluids;
  - After working with raw product and before working with heat processed products; and
  - After working with chemicals or touching anything unsanitary.
- Gloves must be worn over washed hands. Changing or washing gloves will apply under the same circumstances, as you would wash your hands.

GLOVES

- Gloves should never be used to replace or substitute hand washing. Hands should still be washed prior to putting gloves on.
- Employees must use gloves if they have a sore or an open lesion. Employees should apply a bandage and put glove over bandage.
- Employees should change gloves in the following situations:
  - As soon as the gloves become spoiled;
  - Before beginning a new, different task;
  - After handling raw meat;
  - Before handling foods; and
  - At least every 4 hours.

SANITIZING:

- Hands shall be thoroughly washed before spraying or dipping sanitizer on hands.
- Hands must be sanitized every hour on cold fill lines.

<b>GMPS_2</b>	<b>BUILDING AND GROUNDS</b>
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Guidelines for kitchen with regard to inside and outside of building and facility.

GROUND/FACILITY EXTERIOR

1. Maintain grass about the exterior of the facility. This includes pulling weeds along back side of the fence line.
2. Control the amount of vegetation growing along the outside of the building as to prevent place for pest breeding and harborage.
3. Keep parking lot and roadways that provide direct access to Expanding Roots clean and clear of debris.
4. Assure that drains on the exterior of the facility are working properly.
5. Provide a sufficient number of adequately spaced trash receptacles outside of the facility. This discourages the induction of unwanted articles into the kitchen area.
6. Keep outside trash area separated from kitchen area.
7. Personnel working in "outside trash area" should not travel back and forward between food or kitchen areas.
8. Arrange for an adequate number of efficient trash collections by an authorized agency.
9. Trash containers, garbage cans barrels etc. should be cleaned and sanitized (to the extent practical) on a regular basis.
10. "Outside Trash Area" should be cleaned and sanitized (to the extent practical) on a regular basis.
11. Cameras and video surveillance will be in use to aid in controlling the outside parameters for food safety and food security.

FACILITY CONSTRUCTION/DESIGN

1. Avoid clutter! This aids in maintenance and most importantly sanitary operations and above all food safety.
2. Assure that food and/or equipment are properly stored in respective places and only used during processing.
3. Aisles or working space should be provided between equipment and adequately unobstructed so that employees can perform job function while promoting safe operating procedures with regard to food safety.
4. Provide an adequate number of conveniently located hand washing stations.
5. Maintain walkways free of obstruction throughout facility.
6. Provide self-closing doors to processing areas, restrooms, and food prep area.

7. Provide air blowers above doors that lead to kitchen or processing area. Make sure however the air flow is directed away from the kitchen area.
8. Provide a means of "hand and shoe" sanitation at points of entry. These may be mists, sprays, or foamers which are in use upon entering.
9. Use coved basing from floors to walls to allow easy access for cleaning and to discourage flora for microbial growth
10. Walls shall be cleaned and constructed with a white water-resistant paint or other easily cleanable surface material. This helps to eliminate the moisture for microbial growth, as well as to easily identify or spot filth.
11. Lights shall be constructed so that no glass is able to break, therefore adulterating food products.
12. Vents should be used above cooking equipment and throughout the facility to minimize odors and vapors, and to prevent airborne particle from contaminating food.
13. Freezers and refrigeration units should be designed to properly hold food at specified cold temperatures. And a monitoring device should be in place to detect temperature changes, trends, out of specs etc. This may be done by a combination of human observation, digital thermometers, or alarms.
14. Provide locker rooms, changing rooms and toilet facilities for employees and assure that these facilities are kept clean and in good working order.
15. Protect against pests, rodents, insects and varmints (*See Pest Control Program*)

GMPS_3	SANITARY OPERATIONS
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Buildings, fixtures and physical facility of the facility are maintained in sanitary conditions. Cleaning shall be conducted in a way as to prevent contamination (adulteration) of food, food contact surfaces, or packaging materials.

1. Chemicals and substances used in sanitation shall be free of microorganisms and other harmful pests.
2. A licensed qualified chemical supplier shall be used.
3. Chemicals shall be properly labeled and easily identifiable.
4. Chemicals shall be locked away until use by designated personnel only.
5. Toxic substances and other chemicals shall be held under conditions to protect against contaminating food contact surfaces.
6. Measures to prevent pest shall be in place. (*See Pest Control Program*)
7. Sanitizing agents shall be appropriate and safe under the conditions by which they are used.
8. Ultimately personnel and management of the facility shall take every conceivable effort to produce foods under safe conditions.

GMPS_4	SANITARY FACILITIES AND CONTROLS
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Requirements for sanitary facility and accommodations

Water Supply

1. The water supply shall be from a municipal source or tested on regular intervals.
2. The water supply shall be sufficient for operations of the facility.
3. All water that contacts food or food contact surfaces shall be of sanitary quality.
4. Water shall be of adequate temperature and pressure to provide for food safety.
5. Shall be provided in all places needed for food production, processing, packaging, cleaning and sanitizing and employee hygiene.

Plumbing/Sewage disposal

1. Plumbing and sewage shall be adequately designed and maintained to avoid constituting a source of contamination to food sources.
2. Plumbing shall be able to carry sufficient amounts of water to all areas throughout the facility.
3. The facility shall include plumbing that properly transports sewage and disposable liquids from the facility.
4. Plumbing shall include properly designed floor drains, which are easily accessible for cleaning and environmental monitoring.
5. Backflow devices shall be in place to prevent contamination of food, food contact surfaces.

### Toilet Facilities

1. Toilet facilities shall be readily accessible for personnel and shall be maintained in constant sanitary condition.
2. The doors shall not open near or in the direction of kitchen area as to prevent airborne contamination.
3. The doors to toilet facilities shall be self-closing.

### Hand-Washing

1. Hand-washing sinks should be adequately spaced and equipped with running water at appropriate temperature.
2. Sanitary towels and/or hand drying apparatuses shall be in use.
3. Devices shall be in place to minimize contact of hands during the washing stage.

GMPS_5	EQUIPMENT AND UTENSILS
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### Requirements for sanitation of equipment and utensils in food kitchen area.

1. All equipment and utensils shall be designed such that they prevent against adulteration and contamination.
2. All food contact surfaces and food contact surfaces of equipment shall be cleaned frequently and effectively to protect against contamination of foods.
3. All non-food contact surface and equipment shall be cleaned on a regular basis as well.
4. Food-contact surfaces used for manufacturing or holding low-moisture food shall be in a dry, sanitary condition at the time of use. When the surfaces are wet-cleaned, they shall, when necessary, be sanitized and thoroughly dried before subsequent use.
5. In wet processing, when cleaning is necessary to protect against the introduction of microorganisms into food, all food-contact surfaces shall be cleaned and sanitized before use and after any interruption during which the food-contact surfaces may have become contaminated. Where equipment and utensils are used in a continuous production operation, the utensils and food-contact surfaces of the equipment shall be cleaned and sanitized as necessary.
6. Single-service articles (such as utensils intended for one-time use, paper cups, and paper towels) should be stored in appropriate containers and shall be handled, dispensed, used, and disposed of in a manner that protects against contamination of food or food-contact surfaces.
7. Storage and handling of cleaned portable equipment and utensils. Cleaned and sanitized portable equipment with food-contact surfaces and utensils should be stored in a location and manner that protects food-contact surfaces from contamination.
8. CLEAN-AS-YOU-GO approach to sanitation should be followed to reduce the potential build-up of contamination.
9. Clean and sanitized utensils and equipment where possible should be stored away from unclean equipment etc. wherever practical.
10. Seams on food-contact surfaces shall be smoothly bonded or maintained so as to minimize accumulation of food particles, dirt, and organic matter and thus minimize the opportunity for growth of microorganisms.
11. Equipment that is in the manufacturing or food-handling area and that does not come into contact with food shall be so constructed that it can be kept in a clean condition.
12. Holding, conveying, and manufacturing systems, including gravimetric, pneumatic, closed, and automated systems, shall be of a design and construction that enables them to be maintained in an appropriate sanitary condition.
13. Each freezer and cold storage compartment used to store and hold food capable of supporting growth of microorganisms shall be fitted with an indicating thermometer, temperature-measuring device, or temperature-recording device so installed as to show the temperature accurately within the compartment, and should be fitted with an automatic control for regulating temperature or with an automatic alarm system to indicate a significant temperature change in a manual operation.
14. Instruments and controls used for measuring, regulating, or recording temperatures, pH, acidity, water activity, or other conditions that control or prevent the growth of undesirable microorganisms in food shall be accurate and adequately maintained, and adequate in number for their designated uses.
15. Compressed air or other gases mechanically introduced into food or used to clean food-contact surfaces or equipment shall be treated in such a way that food is not contaminated with unlawful indirect food additives.
16. Dishes shall be washed in the dishwasher, though larger pots and pans may need to use the three-compartment sink.

Processes and controls: All operations in the receiving, inspecting, transporting, segregating, preparing, manufacturing, packaging, and storage of food shall be conducted in accordance with adequate sanitation principles. Appropriate quality control operations shall be employed to ensure that food is suitable for human consumption and that food-packaging materials are safe and suitable. Overall sanitation of the facility shall be under the supervision of one or more competent individuals assigned responsibility for this function. All reasonable precautions shall be taken to ensure that kitchen production procedures do not contribute contamination from any source. Chemical, microbial, or extraneous-material testing procedures shall be used where necessary to identify sanitation failures or possible food contamination. All food that has become contaminated to the extent that it is adulterated within the meaning of the act shall be rejected, or if permissible, treated or processed to eliminate the contamination.

#### RAW MATERIALS AND OTHER INGREDIENTS:

1. Raw materials and other ingredients shall be inspected and segregated or otherwise handled as necessary to ascertain that they are clean and suitable for processing into food and shall be stored under conditions that will protect against contamination and minimize deterioration. Raw materials shall be washed or cleaned as necessary to remove soil or other contamination. Water used for washing, rinsing, or conveying food shall be safe and of adequate sanitary quality. Water may be reused for washing, rinsing, or conveying food if it does not increase the level of contamination of the food. Containers and carriers of raw materials should be inspected on receipt to ensure that their condition has not contributed to the contamination or deterioration of food.
2. Raw materials and other ingredients shall either not contain levels of microorganisms that may produce food poisoning or other disease in humans, or they shall be pasteurized or otherwise treated during manufacturing operations so that they no longer contain levels that would cause the product to be adulterated within the meaning of the act. Compliance with this requirement may be verified by any effective means, including purchasing raw materials and other ingredients under a supplier's guarantee or certification.
3. Raw materials and other ingredients susceptible to contamination with aflatoxin or other natural toxins shall comply with current Food and Drug Administration regulations, guidelines, and action levels for poisonous or deleterious substances before these materials or ingredients are incorporated into finished food. Compliance with this requirement may be accomplished by purchasing raw materials and other ingredients under a supplier's guarantee or certification, or may be verified by analyzing these materials and ingredients for aflatoxins and other natural toxins.
4. Raw materials, other ingredients, and rework susceptible to contamination with pests, undesirable microorganisms, or extraneous material shall comply with applicable Food and Drug Administration regulations, guidelines, and defect action levels for natural or unavoidable defects if a manufacturer wishes to use the materials in manufacturing food. Compliance with this requirement may be verified by any effective means, including purchasing the materials under a supplier's guarantee or certification, or examination of these materials for contamination.
5. Raw materials, other ingredients, and rework shall be held in bulk, or in containers designed and constructed so as to protect against contamination and shall be held at such temperature and relative humidity and in such a manner as to prevent the food from becoming adulterated within the meaning of the act. Material scheduled for rework shall be identified as such.
6. Frozen raw materials and other ingredients shall be kept frozen. If thawing is required prior to use, it shall be done in a manner that prevents the raw materials and other ingredients from becoming adulterated within the meaning of the act.
7. Liquid or dry raw materials and other ingredients received and stored in bulk form shall be held in a manner that protects against contamination.

#### KITCHEN MANUFACTURING OPERATIONS:

1. Equipment and utensils and finished food containers shall be maintained in an acceptable condition through appropriate cleaning and sanitizing, as necessary. Insofar as necessary, equipment shall be taken apart for thorough cleaning.
2. All food manufacturing, including packaging and storage, shall be conducted under such conditions and controls as are necessary to minimize the potential for the growth of microorganisms, or for the contamination of food. One way to comply with this requirement is careful monitoring of physical factors such as time, temperature, humidity,  $a_w$ , pH, pressure, flow rate, and manufacturing operations such as freezing, dehydration,

- heat processing, acidification, and refrigeration to ensure that mechanical breakdowns, time delays, temperature fluctuations, and other factors do not contribute to the decomposition or contamination of food.
3. Food that can support the rapid growth of undesirable microorganisms, particularly those of public health significance, shall be held in a manner that prevents the food from becoming adulterated within the meaning of the act. Compliance with this requirement may be accomplished by any effective means, including:
    - a. Maintaining refrigerated foods at 45EF (7.2EC) or below as appropriate for the particular food involved.
    - b. Maintaining frozen foods in a frozen state.
    - c. Maintaining hot foods at 140EF (60EC) or above.
    - d. Heat treating acid or acidified foods to destroy mesophilic microorganisms when those foods are to be held in hermetically sealed containers at ambient temperatures.
  4. Measures such as sterilizing, irradiating, pasteurizing, freezing, refrigerating, controlling pH or controlling  $a_w$  that are taken to destroy or prevent the growth of undesirable microorganisms, particularly those of public health significance, shall be adequate under the conditions of manufacture, handling, and distribution to prevent food from being adulterated within the meaning of the act.
  5. Work-in-process shall be handled in a manner that protects against contamination.
  6. Effective measures shall be taken to protect finished food from contamination by raw materials, other ingredients, or refuse. When raw materials, other ingredients, or refuse are unprotected, they shall not be handled simultaneously in a receiving, loading, or shipping area if that handling could result in contaminated food. Food transported by conveyor shall be protected against contamination as necessary.
  7. Equipment, containers, and utensils used to convey, hold, or store raw materials, work-in-process, rework, or food shall be constructed, handled, and maintained during manufacturing or storage in a manner that protects against contamination.
  8. Effective measures shall be taken to protect against the inclusion of metal or other extraneous material in food. Compliance with this requirement may be accomplished by using sieves, traps, magnets, electronic metal detectors, or other suitable effective means.
  9. Food, raw materials, and other ingredients that are adulterated within the meaning of the act shall be disposed of in a manner that protects against the contamination of other food. If the adulterated food is capable of being reconditioned, it shall be reconditioned using a method that has been proven to be effective or it shall be reexamined and found not to be adulterated within the meaning of the act before being incorporated into other food.
  10. Mechanical manufacturing steps such as washing, peeling, trimming, cutting, sorting and inspecting, mashing, dewatering, cooling, shredding, extruding, drying, whipping, defatting, and forming shall be performed so as to protect food against contamination. Compliance with this requirement may be accomplished by providing adequate physical protection of food from contaminants that may drip, drain, or be drawn into the food. Protection may be provided by adequate cleaning and sanitizing of all food-contact surfaces, and by using time and temperature controls at and between each manufacturing step.
  11. Heat blanching, when required in the preparation of food, should be affected by heating the food to the required temperature, holding it at this temperature for the required time, and then either rapidly cooling the food or passing it to subsequent manufacturing without delay. Thermophilic growth and contamination in blanchers should be minimized by the use of adequate operating temperatures and by periodic cleaning. Where the blanched food is washed prior to filling, water used shall be safe and of adequate sanitary quality.
  12. Batters, breading, sauces, gravies, dressings, and other similar preparations shall be treated or maintained in such a manner that they are protected against contamination. Compliance with this requirement may be accomplished by any effective means, including one or more of the following:
    - a. Using ingredients free of contamination.
    - b. Employing adequate heat processes where applicable.
    - c. Using adequate time and temperature controls.
    - d. Providing adequate physical protection of components from contaminants that may drip, drain, or be drawn into them.
    - e. Cooling to an adequate temperature during manufacturing.
    - f. Disposing of batters at appropriate intervals to protect against the growth of microorganisms.
  13. Filling, assembling, packaging, and other operations shall be performed in such a way that the food is protected against contamination. Compliance with this requirement may be accomplished by any effective means, including:
    - a. Use of a quality control operation in which the critical control points are identified and controlled during manufacturing.

- b. Adequate cleaning and sanitizing of all food-contact surfaces and food containers.
  - c. Using materials for food containers and food- packaging materials that are safe and suitable.
  - d. Providing physical protection from contamination, particularly airborne contamination.
  - e. Using sanitary handling procedures.
14. Food such as, but not limited to, dry mixes, nuts, intermediate moisture food, and dehydrated food, that relies on the control of  $a_w$  for preventing the growth of undesirable microorganisms shall be processed to and maintained at a safe moisture level. Compliance with this requirement may be accomplished by any effective means, including employment of one or more of the following practices:
    - a. Monitoring the  $a_w$  of food.
    - b. Controlling the soluble solids-water ratio in finished food;
    - c. Protecting finished food from moisture pickup, by use of a moisture barrier or by other means, so that the  $a_w$  of the food does not increase to an unsafe level.
  15. Food such as, but not limited to, acid and acidified food, that relies principally on the control of pH for preventing the growth of undesirable microorganisms shall be monitored and maintained at a pH of 4.6 or below. Compliance with this requirement may be accomplished by any effective means, including employment of one or more of the following practices:
    - a. Monitoring the pH of raw materials, food in process, and finished food.
    - b. Controlling the amount of acid or acidified food added to low-acid food.
  16. When ice is used in contact with food, it shall be made from water that is safe and of adequate sanitary quality, and shall be used only if it has been manufactured in accordance with current good manufacturing practice as outlined in this part.
  17. Food-manufacturing areas and equipment used for manufacturing human food should not be used to manufacture nonhuman food-grade animal feed or inedible products, unless there is no reasonable possibility for the contamination of the human food.
  18. Vegetables used in food preparation are to be washed.

#### **Pest Control/Inspection Program**

- Expanding Roots' pest control program is designed such that a sufficient number of rodent traps are located on the facility's interior.
- Traps shall be adequately spaced with visible numbers identifying each.
- There shall also be a sufficient number of properly spaced rodent stations about the outside of the premises.
- Insect light traps should be placed where appropriate throughout the facility.
- Our facility shall provide a map or diagram that depicts the location of each rodent station and insect trap.
- The facility shall maintain copies of the last 6 months of pest control reports
- With regard to the pest control company being used by our facility, the following shall be adhered to:
  - The facility shall contain a copy of the pest control company's business license and ensure that it is current and up-to-date
  - The facility shall possess a copy of the pest control technicians license and ensure that it is current and up-to-date
  - The facility shall possess a copy of the pest control company's Insurance certificate
  - The facility shall possess a copy of MSDS (material safety data sheets) for all pesticides and chemical used in the facility.
- The facility shall be free from "clutter, junk or debris" as to discourage harborage sites for rodents and pests.
- The facility in general shall be kept "rodent-proof", i.e. free from holes or gaps in walls, doors, and docks smaller than ¼ inch.
- Bi-weekly (or as regularly scheduled) inspection of the facility's rodent stations shall be conducted by the pest control company, who shall provide adequate documentation for verification.
- Designated facility personnel shall be responsible for inspecting traps weekly. In any case adequate documentation of traps shall be reported for verification by service tags or sign off sheets.

**Standard Operating Procedures**  
**Track and Trace, Inventory Control, and Waste Management**  
**Expanding Roots, Inc.**



**Procedures for Complying with all Track and Trace Requirements**

Expanding Roots will employ a track and trace system account manager. This manager will have the responsibility to create formal procedures for complying with track and trace. All employees will undergo training regarding track and trace regularly and as regulations are updated. The following guidelines will be set:

- Authorized track and trace system users will be designated.
- Proper training will be conducted for all users.
- An accurate and complete list of all account managers and users will be kept in a secure database.
- Updates will be made to the list of users should any users be added or removed.
- Account manager will obtain UID tags from the Department of Food and Agriculture and ensure sufficient supply is available at all times.
- All inventory will be tagged and entered into the track and trace system.
- Information entered incorrectly will be corrected within 3 business days upon discovery of the area.
- Management will be notified of any major error or unclear data.
- Account manager will monitor all notifications from the track and trace system and resolve all issues identified.

**Inventory Control Procedures**

- Upon receiving new cannabis into the facility, a provider will fill out a Quality Cultivation Report detailing how the cannabis was produced.
  - These records will detail the growth history and provide insight into the production process.
  - The documents will be scanned and recorded electronically and a hard copy will also be kept.
- An intake employee will inspect the cannabis and fill out the Intake Evaluation Form.
  - These records will detail the inspection process and record any possible issues.
  - The documents will be scanned and recorded electronically and a hard copy will also be kept.
- If accepted, the cannabis will be logged manually in the Cannabis Intake Log and entered into the point-of-sale (POS) system by its weight or quantity.
- A Cannabis Tracking report will be kept with the quantities, cost and quality rating.
- After lab confirmation comes back the cannabis will be made available for processing and dispensing, and it will be made available at the counter (for customer preferred packaging) or pre-packaged with all weights recorded in the Cannabis Tracking Report.
- A batch number will be assigned to all incoming cannabis and assigned a profile based on this number in the POS system.
- Attributes and documentation will be attached to the cannabis profile for employee access.
- The Cannabis Intake Log will be highlighted after a cannabis is completely dispensed so it's easy to tell what's in stock and what's no longer available.
- After cannabis is completely dispensed, the Cannabis Tracking Report will be filed in long-term storage.
- All completed Cannabis Intake Log sheets will be filed in long-term storage.

**The following policies apply to inventory staff:**

- Cannabis should never be left unattended.
- The inventory area must always be closed and locked.
- Money should never be left unattended, should be counted twice, and should be secured in a cash box.
- Adjustments in the POS can only be done with prior approval from management.
- Daily Inventory Reports must be completed with beginning and ending totals.

**Duties of the inventory staff:**

- Print a copy of the Daily Inventory Report from the previous day and complete the start of day inventory.
- Restock the dispensary inventory for any items that are lower than the expected daily needs.
- Move inventory from the vault to the sales floor and into the sales display and inventory storage areas.

- Clean all processing areas and calibrate scales.
- Weigh bulk cannabis and record levels.
- Initiate closing duties by securing items, record their end of day levels.
- Clean the inventory control area.
- Work with staff to remove and count items, recording end of day levels.
- Secure all items from the dispensary in the vault or appropriate areas.
- Complete all closing duties and lockdown procedures.

#### **Waste Management Policies and Procedures**

- All employees must complete training on proper waste disposal during initial orientation.
- Reduce waste wherever possible.
- Bring reusable lunch containers and water bottles (if possible).
- Conserve water usage wherever possible.
- Solid and liquid wastes generated during cannabis production and processing must be stored, managed, and disposed of in accordance with applicable state and local laws and regulations.
- Wastewater generated during cannabis production and processing must be disposed of in compliance with applicable state and local laws and regulations.
- Wastes from the production and processing of cannabis plants must be evaluated against the state's regulations for dangerous waste to determine if those wastes qualify. A cannabis plant, usable cannabis, trim and other plant material in itself is not considered dangerous waste unless it has been treated or contaminated with a solvent. Cannabis wastes that are not designated as dangerous shall be managed in accordance with subsection (4) of this section. Wastes that must be evaluated against the dangerous waste regulations include, but are not limited to, the following:
  - Waste from cannabis flowers, trim and solid plant material used to create an extract;
  - Waste solvents used in the cannabis process;
  - Discarded plant waste, spent solvents, and laboratory wastes from any cannabis processing or quality assurance testing; and
  - Cannabis extract that fails to meet quality testing.
- All employees are expected to dispose of waste in the appropriate containers.

# **Odor Mitigation Systems Diagram**

**Expanding Roots, Inc.  
3499 Industrial Drive, Santa Rosa, CA 95403**

City of Santa Rosa

APR 20 2018

Planning & Economic  
Development Department



## Element Air<sup>™</sup>

Air Purification Systems

### PROTECTING YOUR GROW

Our patented Element Air treatment systems are the most practical and effective solutions for airborne and surface microbial contaminants, including powdery mildew, total yeast and mold (TYM) and *Cannabis* odors. Element Air has been independently verified to reduce bacterial and other microbial contaminants by 99+%.

The Element Air technology utilizes broad spectrum, high-intensity UV lights targeted on a hydrated quad-metallic catalyst which utilizes ambient moisture to generate hydro-peroxides and hydroxides that are propelled into the cultivation facility, to provide active microbial and odor mitigation.

As opposed to other units promoted to the *Cannabis* market which utilize a similar technology, Photocatalytic Oxidation (PCO), which only sanitize the air that is passed directly in its path, Element Air is an active purification system. It purifies the ducts and general growing spaces, while also removing odor at the source.

### BENEFITS OF ELEMENT AIR SYSTEMS:

- Several different module types
- Reduce airborne microbes by 99%
- Reduce airborne VOC's, including airborne *Cannabis* terpenoids and other odors
- Helps eliminate airborne bacteria, mold and odors
- Actively "scrubs" ducting, air and surfaces with airborne hydro-peroxides
- Completely safe for workers and plants
- Made for greenhouse and indoor cultivation environments
- Food grade stainless steel construction for years of trouble free service
- 1 year warranty



Tower



Wall Mount



In-Duct Plus

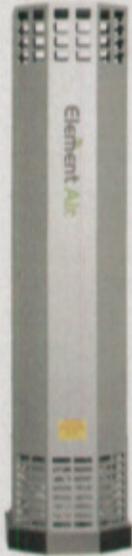


UV



Light Commercial

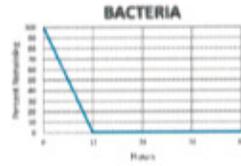
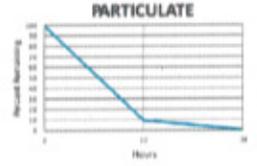
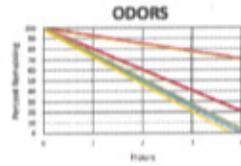
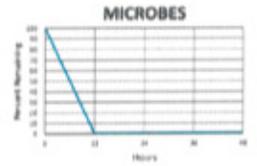
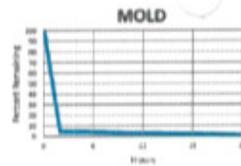




### ELEMENT AIR TOWER

Available in free standing floor units or horizontal/vertical wall mount

- Material:** Stainless Steel
- Depth:** 18"
- Width:** 20"
- Height:** 78"
- Weight:** 70 lbs.
- Electrical:** 110V, 2.8 A



**REDUCES 99+%**

**Element Air**  
Air Purification Systems

### ELEMENT AIR UV

- Dimensions:** 5" probe, 5.5" plate  
9" probe, 5.5" plate  
14" probe, 5.5" plate
- Weight:** 4 lbs.
- Electrical:** 24VAC
- In-duct unit (fixed mount)**



### ELEMENT AIR IN-DUCT

- Dimensions:** 5" probe, 5.5" diameter plate  
9" probe, 5.5" diameter plate  
14" probe, 5.5" diameter plate
- Weight:** 6 lbs.
- Electrical:** 24VAC
- In-duct unit (fixed mount)**



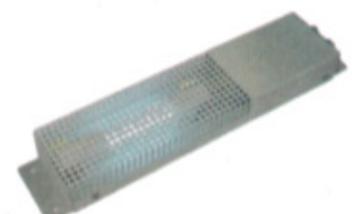
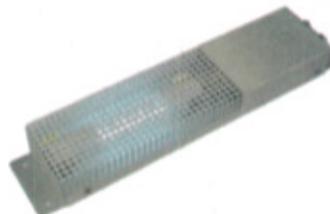
### ELEMENT AIR IN-DUCT PLUS

- Dimensions:** 12" probe, 6.5" x 7.5" plate
- Weight:** 6 lbs.
- Electrical:** 24VAC
- In-duct unit (fixed mount)**



### ELEMENT AIR LIGHT COMMERCIAL

- Dimensions:** 2.25" W x 10.5" L x 1.75" D  
2.25" W x 13.5" L x 1.75" D
- Weight:** 1 lbs.
- Electrical:** 24VAC
- Dimensions:** 2.25" W x 18.5" L x 1.75" D
- Weight:** 2 lbs.
- Electrical:** 24VAC





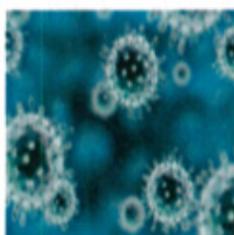
# Element Air™

## ADVANCED OXIDATION TEST RESULTS 2000-2016

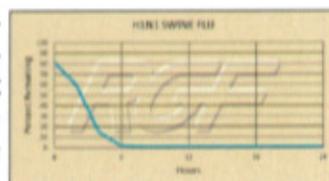
Element Air first developed its Advanced Oxidation Technology over 20 years ago. Over one million Element Air cells are in use around the world. Element Air has licensed its technology to many Fortune 500 companies for use in medical, food, military, residential, commercial, marine, hospitality and government applications. Element Air cells in various products have been tested and/or approved or registered by:

- ETL, TUV, EU, CSA
- U.S. Military
- Electric Power Research Institute
- Chinese Government
- Japanese Government (TV commercials)
- Canadian Government
- U.S. Government
- European Union
- USDA & FSIS

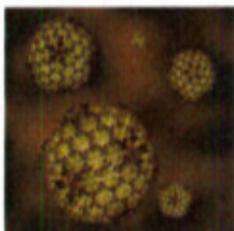
In addition, Element Air cells have been specified in the Norovirus & MRSA protection plans of America's largest restaurant chains, hotel chains, theme parks, cruise lines, public schools and hospitals. The following is a summary of some of the testing and studies performed by third party independent labs and universities. Element Air products are not medical devices and no medical claims are made.



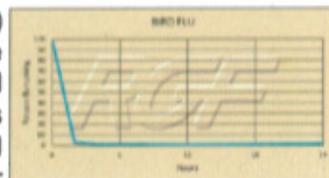
The **H1N1** flu virus, or swine flu, caused a worldwide pandemic in 2009-2010. It is now considered a seasonal flu, which continues to circulate seasonally worldwide. Spread of the H1N1 virus occurs in the same way that seasonal flu spreads. Flu viruses are spread mainly from person to person through coughing or sneezing by people with influenza. Sometimes people may become infected by touching items – such as a surface or object – with flu viruses on it and then touching their mouth or nose. Kansas State University completed preliminary testing on Element Air's Photohydroionization® (PHI-Cell®) and Reflective Electromagnetic Energy (REME® Cell) technologies with 99+% inactivation of H1N1 Swine Flu on a stainless steel surface.



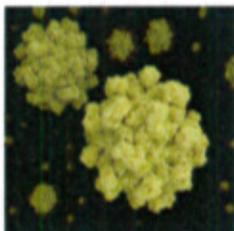
Tested by Kansas State University Inactivation Rate **99+%**



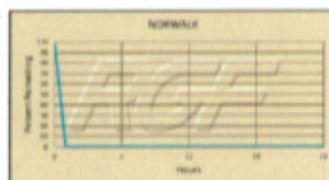
**Avian influenza** is an infection caused by avian (bird) influenza (flu) viruses. Avian influenza is very contagious among birds and can make some domestic birds, including chickens, ducks and turkeys, very sick and kill them. Of the few avian influenza viruses that have crossed the species barrier to infect humans, H5N1 has had the largest number of detected cases of severe disease and death in humans. Source: Centers for Disease Control and Prevention (CDC)



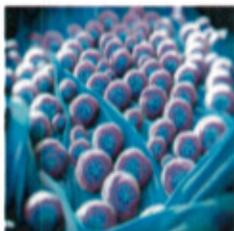
Tested by Kansas State University Inactivation Rate **99+%**



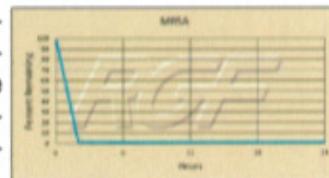
**Norovirus** is a highly contagious virus and as few as 10 viral particles may be sufficient to infect an individual. Infections of the virus can occur by consuming contaminated food or water, by touching contaminated surfaces, or from person-to-person transmission. Norovirus is named after the original strain "Norwalk virus," which caused an outbreak of gastroenteritis in a school in Norwalk, Ohio in 1968. The most common Norovirus outbreak settings include healthcare facilities, restaurants and catered events, on cruise ships and in schools. 50% of all food-borne outbreaks of gastroenteritis can be attributed to norovirus.



Tested by Midwest Research Institute Inactivation Rate **99+%**



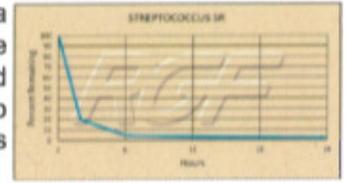
**Methicillin-Resistant Staphylococcus Aureus (MRSA)** is a type of bacterium responsible for difficult to treat infections due to its resistance to certain antibiotics. These antibiotics include methicillin and other more common antibiotics such as oxacillin, penicillin and amoxicillin. Staph infections, including MRSA, occur most frequently among persons in hospitals and healthcare facilities (such as nursing homes and dialysis centers) who have weakened immune systems. In the community, most MRSA infections are skin infections. In medical facilities, MRSA causes life-threatening bloodstream infections, pneumonia and surgical site infections. ELEMENT AIR along with a major hospital participated in a two-year study evaluating PHI technology, which resulted in a 33.4% reduction in infections.



Tested by Kansas State University Inactivation Rate **99+%**



**Streptococcal (strep) infections** are caused by group A streptococcus, a bacterium responsible for a variety of health problems. Most infections are relatively mild illnesses, such as "strep throat". These bacteria spread through direct contact with mucus from the nose or throat of people who are sick with an infection, or through contact with infected wounds or sores on the skin. Source: U.S. Department of Health and Human Services

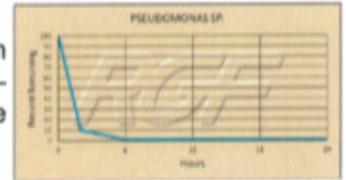


Tested by Kansas State University Inactivation Rate **96+%**



**Pseudomonas Sp.**

The bacterial genus *Pseudomonas* includes plant pathogenic bacteria such as *P. syringae*, the opportunistic human pathogen *P. aeruginosa*, the ubiquitous soil bacterium *P. putida*, and some species that are known to cause spoilage of unpasteurized milk and other dairy products. Source: CDC: Center for Disease Control and Prevention

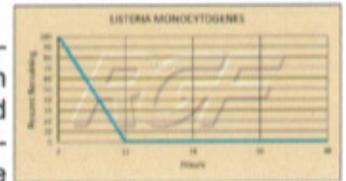


Tested by Kansas State University Inactivation Rate **99+%**

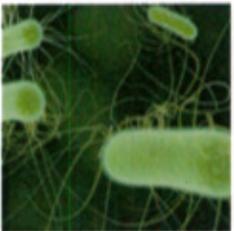


**Listeria Monocytogenes**

*Listeria Monocytogenes* is a bacterium that causes listeriosis. They are commonly found in soil and water. Most human infections follow consumption of contaminated food such as uncooked meats; unpasteurized milk and cheeses, and cooked or processed foods such as ready-to-eat meats. Unlike most bacteria, *Listeria* is able to grow at refrigerated temperatures. The disease primarily affects older adults, pregnant women, newborns, and adults with weakened immune systems. Source: CDC

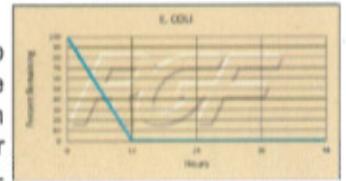


Tested by Kansas State University Inactivation Rate **99+%**



**Escherichia coli**

*Escherichia coli*, usually abbreviated *E. coli*, are a large and diverse group of bacteria, which are found in in the lower intestines of mammals. Some strains such as enterohaemorrhagic *E. coli* (EHEC) that are pathogenic can cause severe foodborne illness. Outbreaks are most often linked to raw or undercooked meat products, raw milk, and fecal contamination of vegetables. Source: CDC: Center for Disease Control and Prevention

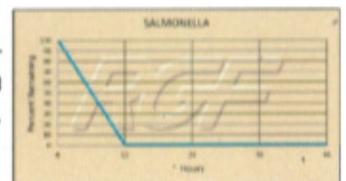


Tested by Kansas State University Inactivation Rate **99+%**

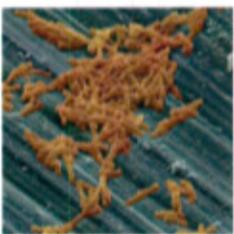


**Salmonella**

Salmonella is the name of a group of bacteria and is one of the most common causes of food poisoning in the United States. Every year one million people are infected, with more than 19,000 hospitalizations and 380 deaths. Source: Food Safety /CDC Center for Disease Control

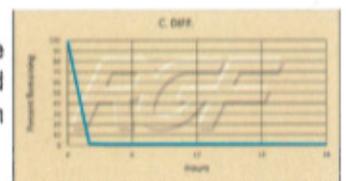


Tested by Kansas State University Inactivation Rate **99+%**



**Clostridium difficile (C-Diff)**

*Clostridium difficile*, also known as C-diff or *C. difficile*, is a gram-positive bacterium that can cause an inflammation known as colitis. It is considered a healthcare-associated infection (HAI). C-Diff infection rates have been on the rise and are becoming more severe and difficult to treat.

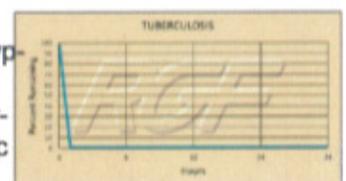


Tested by Kansas State University Inactivation Rate **99+%**



**Tuberculosis**

Tuberculosis is caused by the bacterium *Mycobacterium tuberculosis*. It typically attacks the lungs, but can also affect other parts of the body. It is spread through the air when people with infection cough, sneeze, or otherwise transmit their saliva through the air. Most infections are asymptomatic and latent, but about one in ten latent infections eventually progresses to active disease which, if left untreated, kills more than 50% of those so infected. Source: Centers for Disease Control

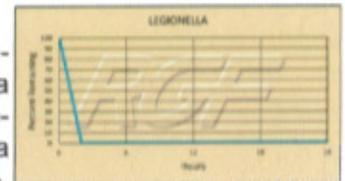


Tested by Kansas State University Inactivation Rate **99+%**



### Legionella

Legionella is a group of pathogenic bacteria that is one of the most frequent causes of waterborne disease in humans. One type of pneumonia caused by Legionella is called legionellosis, or commonly known as Legionnaires' disease. The disease is transmitted when people breathe in a mist or vapor with the bacteria. Source: CDC Centers for Disease Control

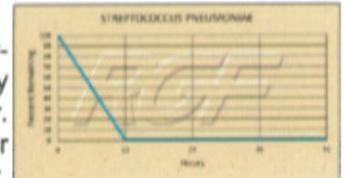


Tested on Pan Saver by Kansas State University Inactivation Rate 99+%



### Streptococcus Pneumoniae

*S. pneumoniae* is an exclusively human pathogen and is spread from person-to-person by respiratory droplets, meaning that transmission generally occurs during coughing or sneezing to others within 6 feet of the carrier. The bacteria can cause many types of illnesses, including meningitis, ear infections, sinus infections, and bacteremia. Health experts estimate that more than 10 million mild infections (throat and skin) like these occur every year.



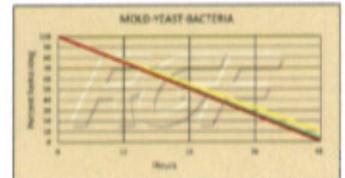
Source: CDC Centers for Disease Control

Tested by Kansas State University Inactivation Rate 99+%



### Bacteria/Mold/Yeast

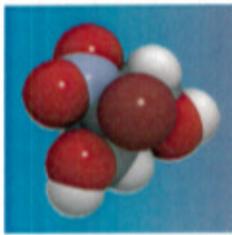
The purpose of these tests was to evaluate the effect Element Air's Advanced Oxidation Technology has on mold, yeast and bacteria (TPC). This test was performed utilizing a standard 2,000 sq. ft. home and 3,000 sq. ft. simulated home.



Reduction %

■ Bacteria 99% ■ Mold 97-98% ■ Yeast 90+%

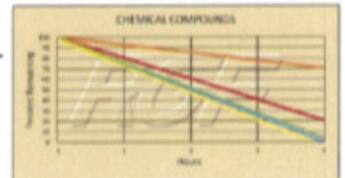
Tested by California Microbiology Center



### Chemical Compounds

Gas Chromatograph/Mass Spectrometer test performed by Nelap Accredited Lab on airborne chemical compound reduction using Element Air's AOT.

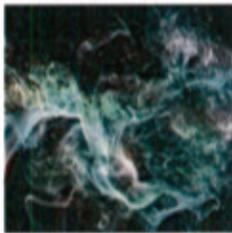
Hydrogen Sulfide - Rotten eggs      Butyl Acetate - Sweet banana  
Methyl mercaptan - Rotten cabbage      Methyl Metharcylene - Plastic  
Carbon Disulfide - Vegetable sulfide



Reduction %

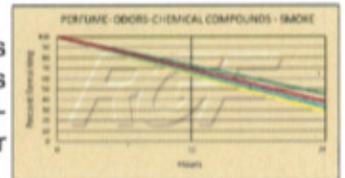
■ Hydrogen Sulfide 80% ■ Methyl mercaptan 100% ■ Carbon Disulfide 30% ■ Butyl Acetate 100% ■ Methyl Metharcylene 100%

Tested by GC/MS Nelap Accredited Independent Lab



### Odors

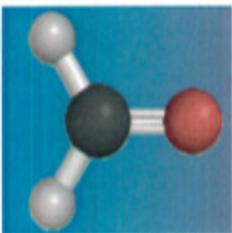
The purpose of this test was to evaluate to what effect the Element Air's AOT unit has on cleaning chemicals, pet odors, and perfume odors. This test was performed utilizing two 500 cubic foot test chambers and a ten-person odor panel. The qualitative assessments of the ten-person odor panel were then used as a means to determine the odor reduction.



Reduction %

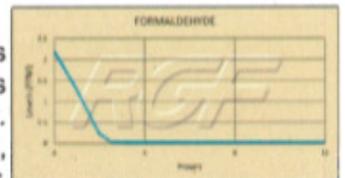
■ Cleaning chemicals 55+% ■ Pet odors 72% ■ Perfume odors 63+% ■ Smoke odors 70%

Tested by C&W Engineering (Independent PE Firm)

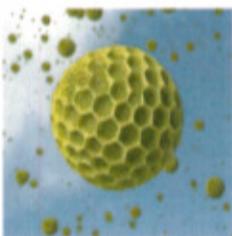


### Formaldehyde

Formaldehyde is a colorless, flammable, strong-smelling chemical that is used in building materials and to produce many household products. It is commonly used as an industrial fungicide, germicide and disinfectant. When formaldehyde is present in the air at levels exceeding 0.1 ppm, some people may experience adverse effects including burning sensations in the eyes, nose, and throat, coughing, nausea, as well as skin irritation. The purpose of this test was to evaluate the effect Element Air's Advanced Oxidation Technology has on formaldehyde.

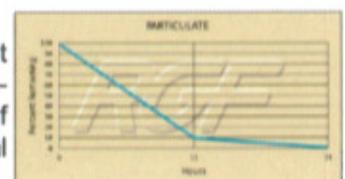


Tests by Kansas State University | Formaldehyde levels less than 0.05 ppm in 4 hours

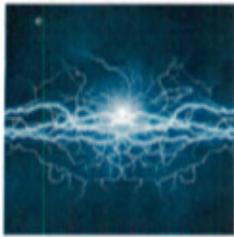


### Suspended Particulate Reduction-REME®

The REME® Cell was evaluated for particulate reduction in a particle test chamber. Particle counts were reduced to ISO Class 4 levels (10,000 – 0.1um) within 12 hours of exposure to the REME® Cell. After 24 hours of treatment, ISO Class 3 levels (1,000 – 0.1um) were achieved. Typical HEPA filtration is effective down to .3um



Tested by Kansas State University Inactivation Rate 99+%



### Electrical / Ozone / EMF

All Element Air A... devices have been thoroughly tested for electrical safety, ozone / EMF - Electro Magnetic Frequency and have passed Federal Safety Standards.

Tested by: TUV, ETL, UL, CSA, NEI China, Element Air Labs. The Japanese Government, GSA, and Electrical Power Research Institute.

Note: Many household appliances emit some ozone and EMF in safe low levels such as fluorescent lights, motors, computers, copy machines, refrigerators, blenders, electronic air filters, air conditioners, electric fans, microwave ovens, etc.

### Sneeze Test - ELEMENT AIR PHI and REME®

A testing protocol concept was used which included a "Sneeze Simulation Machine" and "Sneeze" chamber. A sneeze can travel at up to 100 mph, so lung capacity, sneeze pressure, and liquid volume had to be taken into consideration to properly simulate a human sneeze. This was accomplished and the test proceeded with outstanding results. An average of 99% reduction of sneeze germs was achieved with PHI/REME® in a double-blind test, at three feet from the sneeze source. Simulated Sneeze Lab Test at three feet in a 250 cu ft Bio Test Chamber. An independent PE double blind study.



Tested by: Kansas State University, inactivation 99%

### SAFETY

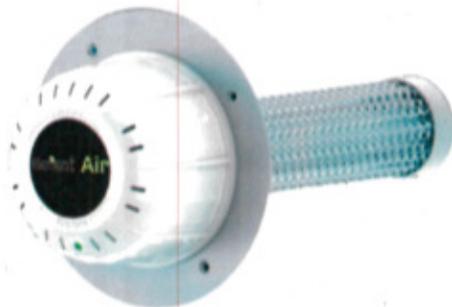
It is a normal reaction to question the long-term safety of any product that is effective and uses new or "breakthrough" technology. This type of question has become common as our litigious society has taught us to question things that significantly outperform existing methods or products.

The ELEMENT AIR *advanced oxidation technologies* that produced the results found on the pages of this report certainly fall into the category of breakthrough technology. This is evident by its outstanding test results across the entire range of microbes.

The breakthrough in the ELEMENT AIR *advanced oxidation technologies* is not found in the final product (hydroperoxides), but rather in the method by which they are produced. The active ingredient created by the ELEMENT AIR products is a group of oxidants known as Hydroperoxides. Hydroperoxides have been a common part of our environment for over 3.5 billion years. Hydroperoxides are created in our atmosphere when- ever three components are present: unstable oxygen molecules, water vapor and energy (electromagnetic).

Hydroperoxides are very effective (as demonstrated by the test results in this book) at destroying harmful microbials. As oxidants, they do this by either destroying the microbe through a process known as cell lysing or by changing its molecular structure and rendering it harmless (which is the case in VOC's and odors). The amount of hydroperoxides required to accomplish this task in a conditioned space is well below the level that is constantly in our outside air. The advanced oxidation technology found in ELEMENT AIR's Guardian Air product family has brought the oxidants found in the outside air into the conditioned space of your home, office, business, etc.

There is no known case of hydroperoxides ever creating a health risk. Considering we have been exposed to hydroperoxides in nature since the day man stepped on the planet, it is a reasonable assumption that hydroperoxides do not constitute a health risk. Over the past 20 plus years ELEMENT AIR has more than one million Advanced Oxidation products successfully used worldwide.



#### Disclaimer:

All the above tests were performed on ELEMENT AIR Advanced Oxidation products with Advanced Oxidation Plasma of less than .02 ppm unless noted otherwise. They were conducted by independent accredited labs and university studies. They were funded and conducted by ELEMENT AIR's major clients to assure third party credibility. ELEMENT AIR products are not medical devices and no medical claims are made.

Distributed by:

# urban-gro®

YOUR SOURCE FOR CULTIVATION PRODUCT SOLUTIONS

urban-gro.com orders@urban-gro.com 720.390.3880



# Element Air™

## Air Purification Systems



### “Protecting Your Grow”

Our patented Element Air treatment systems are the most practical and effective solutions for airborne and surface microbial contaminants, including powdery mildew, total yeast and mold (TYM) and Cannabis odors. Element Air has been independently verified to reduce bacterial and other microbial contaminants by 99+%.

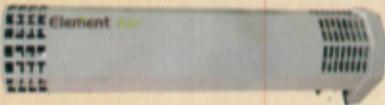
The Element Air technology utilizes broad spectrum, high-intensity UV lights targeted on a hydrated quad-metallic catalyst which utilizes ambient moisture to generate hydro-peroxides and hydroxides that are propelled into the cultivation facility, to provide active microbial and odor mitigation.

As opposed to other units promoted to the Cannabis market, which utilize a similar technology, Photocatalytic Oxidation (PCO), which only sanitize the air that is passed directly in its path, Element Air is an active purification system, purifying the ducts and general growing spaces, while also removing odor at the source.

**urban-gro**  
Providing Product Solutions for the  
Commercial Cannabis Cultivator

urban-gro.com      sales@urban-gro.com      720.390.3880

### ELEMENT AIR TOWER



- APPLICATIONS**
- Cultivation Rooms
  - Large Harvest Rooms
  - Green Houses
  - Processing Rooms

- REDUCES**
- Mold
  - Microbes
  - Bacteria
  - Odors-VOCs

Item #	Replacement Cell	Electrical	Dimensions	Ship Wt
EAT-Gen 1	EAT-GEN1-0000-RC (2)	120 VAC 6 Amps	78" H x 18" D x 20" W	70 lbs.
	EAT-GEN1-0100-RC (1)			
	EAT-GEN1-7525-RC (1)			

\*Available in free standing floor unit or horizontal/vertical wall mount



### ELEMENT AIR RAPID RECOVERY



- APPLICATIONS**
- Cultivation Rooms
  - Large Harvest Rooms
  - Green Houses
  - Processing Rooms

- REDUCES**
- Mold
  - Microbes
  - Bacteria
  - Odors-VOCs

Item #	Replacement Cell	Electrical	Dimensions	Ship Wt
EARR	EARR-RC (2)	120VAC / 1.25 Amp	26"L x 13"W x 15"H	12 lbs.

\*Portable



### ELEMENT AIR RAPID TZO3



- APPLICATIONS**
- Cultivation Rooms
  - Large Harvest Rooms
  - Green Houses
  - Processing Rooms

- REDUCES**
- Mold
  - Microbes
  - Bacteria
  - Odors-VOCs

Item #	Replacement Cell	Electrical	Dimensions	Ship Wt
EATZ03	EARR-RC (2)	120VAC / 1.25 Amp	26"L x 13"W x 15"H	12 lbs.

\*Portable

### ELEMENT AIR WALL UNIT



- APPLICATIONS**
- Cultivation Rooms
  - Large Harvest Rooms
  - Green Houses
  - Processing Rooms

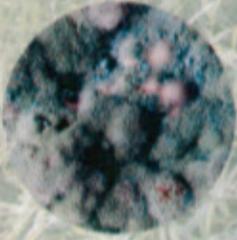
- REDUCES**
- Mold
  - Microbes
  - Bacteria
  - Odors-VOCs

Item #	Replacement Cell	Electrical	Dimensions	Ship Wt
EAWM-12	EAWM-12-RC (1)	100-277 VAC	4" H x 4" D x 14" W	2 lbs.
EAWM-XL	EAWM-XL-RC (1)		6" H x 6" D x 14" W	2 lbs.
EAWM-XLD	EAWM-XLD5-RC (1)		6" H x 6" D x 14" W	2 lbs.
	EAWM-XLD9-RC (1)			

\*Portable



Microbes



Mold

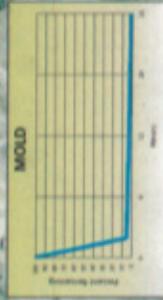
# Reduces 99+%



Bacteria



Particulate



Element Air cells in various products have been tested and/or approved or registered by:

ETL, TUV, EU, CSA  
U.S. Military  
Electric Power Research Institute

Chinese Government  
Japanese Government (TV commercials)  
Canadian Government

U.S. Government  
European Union  
USDA

Tested by Kansas State University Inactivation Rate 99+%

### ELEMENT AIR PLUG IN PLUS



- REDUCES**
- Mold
  - Microbes
  - Bacteria
  - Odors/VOCs

- APPLICATIONS**
- Small Trim Rooms
  - Small Dry Rooms
  - Small Processing Rooms

Item #	Replacement Cell	Electrical	Dimensions	Ship Wt.
EAPIP	EAPIP-RC (1)	120VAC / 50 watts	6.25" w x 3.75" d x 10" h	2 lbs.

\*Portable



### ELEMENT AIR DESKTOP UNIT



- REDUCES**
- Mold
  - Microbes
  - Bacteria
  - Odors/VOCs

- APPLICATIONS**
- Offices
  - Dispensary

Item #	Replacement Cell	Electrical	Dimensions	Ship Wt.
EADT	EADT-RC (1)	120VAC / 11 watts	6" w x 3" d x 12" h	2 lbs.

\*Portable



### ELEMENT AIR ON THE GO



- REDUCES**
- Mold
  - Microbes
  - Bacteria
  - Odors/VOCs

- APPLICATIONS**
- Great at reducing VOCs in
- Vehicles
  - Small Offices

Item #	Replacement Cell	Electrical	Dimensions	Ship Wt.
EAOTG	EAOTG-RC (1)	12 VDC	3" W x 3" D x 9" T	1 lbs.

\*Mobile unit



### ELEMENT AIR COMMERCIAL

- REDUCES**
- Mold
  - Microbes
  - Bacteria
  - Odors/VOCs

- APPLICATIONS**
- Cultivation Rooms
  - Large Harvest Rooms
  - Green Houses
  - Processing Rooms

Item #	Replacement Cell	Electrical	Dimensions	Ship Wt.
EACU	EACU-14-RC EACU-0000-RC EACU-0100-RC EACU-7525-RC	120-277 VAC	NA	

\*Refer to product label for cell sizes and quantity

\*In-duct unit (fixed mount)



### ELEMENT AIR LIGHT COMMERCIAL



- REDUCES**
- Mold
  - Microbes
  - Bacteria
  - Odors/VOCs

- APPLICATIONS**
- Cultivation Rooms
  - Large Harvest Rooms
  - Green Houses
  - Processing Rooms

Item #	Replacement Cell	Electrical	Dimensions	Ship Wt.
EALC-5	EALC-5-RC (1)	24 VAC	2.25"W x 10.5"L x 1.75"D	1 lbs.
EALC-9	EALC-9-RC (1)		2.25"W x 13.5"L x 1.75"D	1 P
EALC-14	EALC-14-RC (1)		2.25"W x 18.5"L x 1.75"D	2

\*Magnetic (fixed mount)



### ELEMENT AIR ATS HO



- REDUCES**
- Mold
  - Microbes
  - Bacteria
  - Odors/VOCs

- APPLICATIONS**
- Cultivation Rooms
  - Large Harvest Rooms
  - Green Houses
  - Processing Rooms

Item #	Replacement Cell	Electrical	Dimensions	Ship Wt.
EA-ATSHO	EAATS-0000-RC (2) EAATS-0100-RC (1) EAATS-7525-RC (1)	24 VAC	18" H x 14.5" D x 5.2" L	65 lbs.

\*Wall mount (fixed mount)



### ELEMENT AIR IN DUCT PLUS



- REDUCES**
- Mold
  - Microbes
  - Bacteria
  - Odors/VOCs
  - Particulate

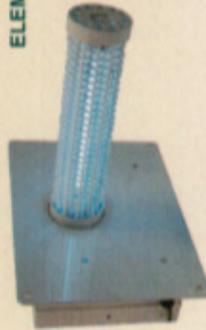
- APPLICATIONS**
- Cultivation Rooms
  - Large Harvest Rooms
  - Green Houses
  - Processing Rooms

Item #	Replacement Cell	Electrical	Dimensions	Ship Wt.
EAIDPLUS	EAIDPLUS-RC (1)	24 VAC	12" probe / 6.5" x 7.5" plate	6 lbs.

\*In-duct unit (fixed mount)



### ELEMENT AIR IN DUCT HO



- REDUCES**
- Mold
  - Microbes
  - Bacteria
  - Odors/VOCs

- APPLICATIONS**
- Cultivation Rooms
  - Large Harvest Rooms
  - Green Houses
  - Processing Rooms

Item #	Replacement Cell	Electrical	Dimensions	Ship Wt.
EAIDPLUS	EAIDHO-14C-RC (1)	24 VAC	12" probe / 6.5" x 7.5" plate	6 lbs.

\*In-duct unit (fixed mount)



### ELEMENT AIR IN DUCT



- REDUCES**
- Mold
  - Microbes
  - Bacteria
  - Odors/VOCs

- APPLICATIONS**
- Cultivation Rooms
  - Large Harvest Rooms
  - Green Houses
  - Processing Rooms

Item #	Replacement Cell	Electrical	Dimensions	Ship Wt.
EAID-5	EAID-5-RC (1)	24 VAC	5" probe / 5.5 Dia." plate	4 lbs.
EAID-9	EAID-9-RC (1)	24 VAC	9" probe / 5.5 Dia." plate	4 lbs.
EAID-14	EAID-14-RC (1)	24 VAC	14" probe / 5.5 Dia." plate	4 lbs.

\*In-duct unit (fixed mount)



### ELEMENT AIR MINI SPLIT



- REDUCES**
- Mold
  - Microbes
  - Bacteria
  - Odors/VOCs

- APPLICATIONS**
- Offices
  - Dry / Cure Rooms

Item	Replacement Cell	Electrical	Dimensions	Ship Wt.
EAMS-230	EAMS-RC (1)	230VAC	30"W x 2.5"D x 1.25"H	
EAMS-110	"	110VAC		

\*Fixed mount



### ELEMENT AIR UV



- REDUCES**
- Mold
  - Microbes
  - Bacteria
  - Odors/VOCs

- APPLICATIONS**
- Great at reducing bacteria mold and microbes living directly on your HVAC coil

Item #	Replacement Cell	Electrical	Dimensions	Ship Wt.
EAUV-1 (1 year lamp)	EAUV-1-RB	24 VAC	3"W x 18"L x 3"D	1 lbs.
EAUV-2 (2 year lamp)	EAUV-2-RB			

\*Magnetic (fixed mount)



### ELEMENT AIR IN DUCT and MINI SPLIT IONIZERS



- REDUCES**
- Particulate

- APPLICATIONS**
- Great add on for reducing particulate on any application

Item #	Electrical	Dimensions	Ship Wt.
EAI-DM	24 VAC	7"L x 2.5"D x 3.5"H	1 lbs.
EAI-MS	100-277 VAC	7"L x 2.5"D x 1.5"H	

\*Magnetic / fixed mount



# **Solar Proposal**

**Expanding Roots, Inc.  
3499 Industrial Drive, Santa Rosa, CA 95403**

City of Santa Rosa

APR 20 2018

Planning & Economic  
Development Department



## Performance & Financial Analysis

### Expanding Roots

Prepared April 17, 2018 for

**Grant Babbitt**

Expanding Roots, 3499 Industrial Dr., Santa Rosa, CA 95403

Phone: 7073964146

Email: [grantbabbitt@gmail.com](mailto:grantbabbitt@gmail.com)



Prepared by **Ben Goldberg**

Phone: 7079539530 | Email: [bgoldberg@simplysolarcalifornia.com](mailto:bgoldberg@simplysolarcalifornia.com)



## Executive Summary

### Expanding Roots

**Electric Utility Savings:** Anticipate a savings of approximately \$43,576 in electric bills (55%) at current utility rates in the first year. Savings will grow as electric utility rates are expected to rise 4.00% a year. The purchase of electric energy (kWh) from your utility is expected to be reduced by 52%. Your electric rate has Time-of-Use attributes, and this project will reduce your average utility electric cost from \$0.22 to \$0.21 per kWh.

Over 25 years, annual utility savings are anticipated to average \$73,224, for a total utility savings of \$1,830,597. After tax effects are applied, savings average \$49,060 annually or \$1,226,503 over the system life.

#### Performance Summary

Solar Electric (PV) System: 130.2 kW DC (128.247 kW AC, 115.712 kW CEC) producing 188,446 kWh/Year.

#### Purchase Price & Net Cost

**Contract Price: \$420,420**

Incentives to Customer: **(\$126,126)**

Net Purchase Cost: \$294,294

MACRS Bonus & Straight Line **(\$117,251)**(P.V.)

Depreciation:

Net-Present Cost: \$177,043

Includes present value (P.V.) of these future cash flows.

#### Financial Ratios

Customer's Profitability Index: 2.5

Cashflow Payback: 5.4 years

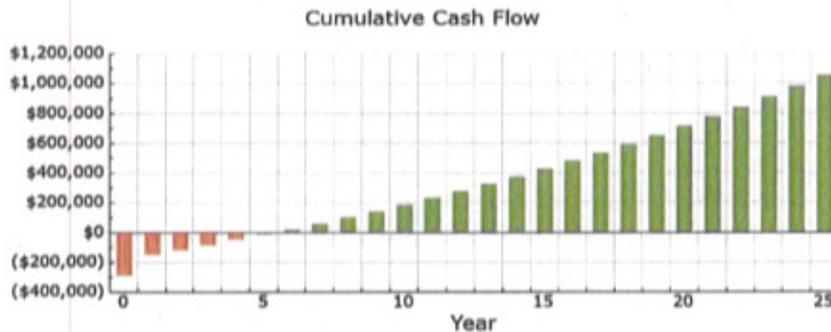
Internal Rate of Return (IRR): 18.7%

Net Present Value (NPV): \$450,352

Cash Gained over Life: \$1,054,882

- CO2 Saved over System Life: 3,863 tons. Equivalent to driving 7,726,000 auto miles

Finance: Cash



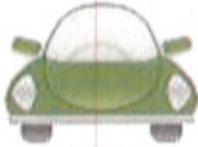


## Carbon Footprint

Your carbon footprint will be reduced. Over the life of your system 3,863 tons of carbon dioxide (CO<sub>2</sub>) will be eliminated from your footprint. Equivalent to:



**Planting 90,008 trees.**



**Driving reduced by 7,726,000 auto miles, or 394,026 gallons of gasoline.**



**Recycling 12,207 tons of waste instead of sending it to landfill.**



**Displacing CO<sub>2</sub> emissions from the annual electric use of 438 homes.**



**3,764,190 pounds (1,882.1 tons) of coal burned.**

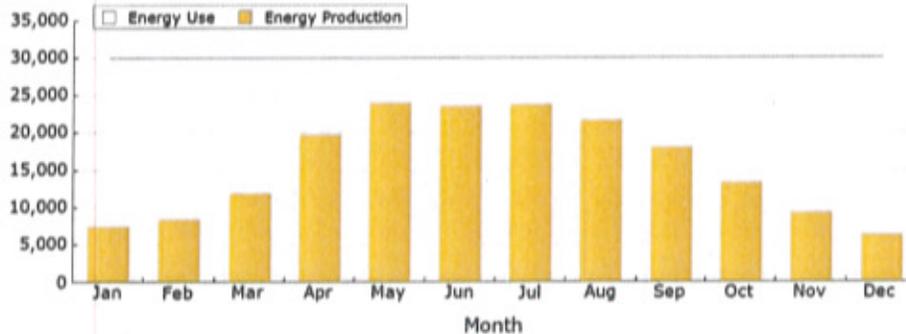


**and you will help avoid the use of up to 94,223,000 gallons of water by Thermoelectric Powerplants.**



## Solar Electric (PV) System Summary

Solar Electric (PV) kWh Production by Month (typical)



### Array #1

Tilt: 10° Azimuth: 180° 3" Air Gap  
Shade reduces production: 3%

PV Panels: 210 x Silfab, Model: SLA310M

Inverters: 1 x SolarEdge Technologies, Model: SE66.6K

### Array #2

Tilt: 10° Azimuth: 180° 3" Air Gap  
Shade reduces production: 3%

210 x Silfab, Model: SLA310M

Total Panel Area: 7,387 sq-ft

System Peak Power: 130.2 kW DC (128.247 kW AC, 115.712 kW CEC)

Annual Production: 188,446 kWh. Supplying 52% of annual electric use

### Contract Price Summary: Solar Electric (PV) System

**Contract Amount: \$420,420** (\$3.23 per watt DC)

#### Incentives available to Customer in 1st Year

Federal Tax Credit (30% of Net Cost at Installation): (\$126,126)

**Net Cost at Install (after incentives): \$294,294**

Net Installed Price per Watt: \$2.26 per watt DC (\$2.29 per watt AC)

Present Value of Depreciation: \$117,251 (in today's dollars)

**Net-Present Cost: \$177,043**

**Complete Letter**  
Expanding Roots, Inc.  
Grant Babbitt



May 31, 2018

Rogoway Law Group  
Lindsay Whyte  
115 4<sup>th</sup> Street, Suite B  
Santa Rosa, CA 95401

**SUBJECT: NOTIFICATION OF COMPLETE APPLICATION**

Project Name: Expanding Roots Dispensary & Microbusiness  
File Number: CUP18-073  
Project Address: 3499 Industrial Dr.  
Application Date: April 20, 2018  
Proposed Use(s): Cannabis Microbusiness with Retail (Dispensary) and Delivery

Dear Applicant:

Thank you for your recent Conditional Use Permit application. Planning staff members have completed an initial COMPLETENESS REVIEW of your application in accordance with Step 3: Completeness Review of the City's [Cannabis Retail Use Application Process](#) and have deemed your application complete.

If you wish to submit additional application materials, you may do so in response to the letter. **Any additional materials must be received by the City no later than three weeks (21 calendar days) from the date of this letter.**

If you have any questions, please feel free to contact me at (707) 543-4692 or by email at [ktoomians@srcity.org](mailto:ktoomians@srcity.org).

Sincerely,

Kristinae Toomians  
Senior Planner

100 Santa Rosa Avenue, Room 3 • Santa Rosa, CA 95404  
Phone: (707) 543-3200 • Fax: (707) 543-3269  
[www.srcity.org](http://www.srcity.org)

**Updated Project Description**

Expanding Roots, Inc.

Grant Babbitt



June 21, 2018

**Updated Project Description with Additional Information**

**Updates Due: June 21, 2018**

Applicant: Expanding Roots, Inc.

Applicant Contact Information: Grant Babbitt  
3499 Industrial Dr.  
Santa Rosa, CA 95403

707-396-4146  
grantbabbitt@gmail.com

Applicant Legal Representative: Rogoway Law Group  
Lindsay Whyte, Esq.  
115 4<sup>th</sup> St., 2<sup>nd</sup> Floor, Suite B  
Santa Rosa, CA 95401

707-526-0420  
lindsaywhyte@rogowaylaw.com

Property Owners: Joseph Cabral & Jill Cabral

Property Owner Contact Information: Joseph and Jill Cabral  
5817 Sharp Rd.,  
Calistoga, CA 94515

707-333-6199  
cabral8102@gmail.com

Property Address: 3499 Industrial Drive, Santa Rosa, CA 95403

APN: 015-650-022

Zoning: IL (Light Industrial)

General Plan: Light Industry

Building Size: 9,036 Square Feet

Lot Size: 0.72 Acres

Prior Use of Site: The existing building was formerly the location of Cokas Diko Home Furnishings.



## Additional Items

Applicant’s application was deemed complete by the letter from Senior Planner Kristinae Toomians dated May 31, 2018, received May 31, 2018. Applicant has chosen to submit additional information in order to bolster its application. Please see this additional information below, and also incorporated into the attached Updated Project Description.

### 1. Odor Mitigation Plan

As required by Section 20-46.050(H) of the City Ordinance, Applicant will have a comprehensive odor mitigation plan. Odor mitigation will be accomplished through the use of carbon filtration throughout the facility, to ensure no cannabis odors escape the facility. Applicant recognizes that the City requires that this odor mitigation plan must be certified by a licensed professional engineer to ensure that all mitigation controls are sufficient to effectively mitigate odors from all odor sources (City Ordinance Section 20-46.050(H)). Applicant contracted with TEP Engineering to ensure that its odor mitigation controls are sufficient to effectively mitigate odors from all odor sources. Please see the attached certified letter from Andy Souza of TEP Engineering.

Applicant will install the following fans and activated carbon filtration systems:

<b>Odor Mitigation System Locations</b>				
<b>Key &amp; Type</b>	<b>A: 14-Inch Can-Fan Max Fan with 14-Inch Activated Carbon Filter (1700 CFM)</b>	<b>B: 10-Inch Can-Fan Max Fan with 10-Inch Activated Carbon Filter (1100 CFM)</b>	<b>C: 6-Inch Can-Fan Q-Max Fan (Quiet) with 6-Inch Activated Carbon Filter with HEPA Outlet (400 CFM)</b>	<b>D: 14-Inch Can-Fan Max Fan with 14-Inch Activated Carbon Filter (1700 CFM) Vented to Exterior</b>
<b>Location (Number of Systems)</b>	Grow 1 (2)	Commercial Kitchen (1)	Retail (1)	Ship/Rec (1)
	Grow 2 (2)	Manufacturing (1)	-	-
	Mother/Clone (1)	-	-	-
	Drying (1)	-	-	-

*(see previously submitted Odor Mitigation/Filtration Floor Plan for the location of all filtration units)*

Odor mitigation systems will be operational at all times cannabis is present within the facility. All fans and filters will be sized to exchange air approximately ten (10) times per hour. Carbon filtration systems will be pass-through and will not be vented to the outside of the facility, with the exception of Filtration Unit D within the Distribution Area *(see previously submitted Odor Mitigation/Filtration Floor Plan for the location of all filtration units)*.

A carbon filter is a round, hollow device with a membrane that contains activated charcoal (carbon). “Dirty” air passes through the carbon filter and clean, odorless air exits the other side. Carbon filters are the most popular odor control option on the market because they are highly effective, widely available, and low maintenance. Granular Activated Carbon charcoal is so effective because of its high degree of micro-porosity. Carbon filters are low maintenance and with a proper pre-filter, Applicant will only have to change the activated carbon every 12 to 18 months, although this can vary based on variables such as fan speed, hours of use, carbon quality, etc.

*Example of 10-inch Max-Fan with Carbon Filter and Speed Controller*



Can Fan  
Can-Fan Max-Fan Inline Mixed Flow Fan, 14-Inch 1700 Cubic Feet Per Minute



As stated above, the carbon filters utilized on-site will filter the air in the facility approximately ten (10) times per hour. This will reduce irritants for employees, customers, and neighbors of the facility. Additionally, Applicant will cultivate in several smaller rooms within the facility. This will add an additional layer of odor control, because each small room will have its own carbon filtration and fan systems, as well as insulation to control the spread of odor throughout the facility. Fans within each room at the facility will create air circulation to avoid stagnant areas where odors can collect. Applicant's air filtration system will be properly maintained in accordance with industry standards to ensure appropriate air quality. In addition to the Odor Mitigation fans and carbon filtration systems, Applicant will utilize "Element Air" air purification systems, which reduce airborne and surface microbial contaminants, as well as reduce cannabis terpenoids and other odors (*see previously submitted Element Air Brochures for further information*).

2. Location Requirement & Setbacks

Please see the attached Vicinity Map Denoting Closest Schools. Please also see attached images denoting visibility of storefront entrance from public right-of-way (Industrial Dr.).

3. Special Events

Applicant does not propose to hold any special events on-site. If applicant does decide to hold a special event at the retail location in the future, Applicant will consult with the City and the State to ensure it acquires all necessary permits and approvals prior to holding a special event.

4. Storefront, Signage, and Window Treatments

In accordance with City Ordinance Section 20-46.080, the storefront entrance of the retail facility will be in a visible location that provides an unobstructed view from the public right of way (*see attached View of Retail Storefront from Public Right-of-Way*).

Please see attached images denoting visibility of storefront entrance from public right-of-way (Industrial Dr.). Also see attached mock-ups of potential signage locations. Although Applicant has submitted these mock-ups with green colors and current logo, Applicant anticipates that it will change the colors and logo and will not use these specific images as the signage on this building. These mock-ups are intended to provide an example of where the signage and logos may go on the building.

5. Operational Plan

1. Maintain an Employee Register

Applicant's employee register will include all important information about employees, including, but not limited to, their names, addresses, telephone numbers, job titles, training records, and shift information. Applicant will store all past and present employee records within secured digital storage devices the Offices. The Offices are under 24-hour surveillance and are only accessible to the business owners and managers and governing agencies, as required in accordance with the Bureau of Cannabis Control Regulations Section 5037.

6. Building and Fire Codes

**Declaration:** In accordance with Section 20-46.050(E) of the Santa Rosa Cannabis Ordinance, Applicant will obtain all necessary building permits, fire permits, and CUPA permits, as necessary for the project and the facility, and will provide a Fire Department lock box for keys to gates and doors.

Signed: Grant Babbitt Date: 06/21/2018

7. Accessory Uses

### Accessory Uses by Zoning

Applicant will only operate a medical and adult use cannabis microbusiness with medical and adult use retail delivery. Applicant will not practice any other accessory use permitted under the city's commercial zoning code.

### Accessory Uses by Room

Applicant will have Limited-Access Areas where only authorized individuals (such as employees, vendors, contractors, or other people with a business-purpose) will be permitted. An individual in the limited-access area who is not employed by Applicant (such as a vendor or distributor) will be escorted by Applicant or one of Applicant's employees at all times while within the limited-access area (Bureau of Cannabis Control Regulations Sections 5042 and 5401). In accordance with Section 5401, any individual within the limited-access area will be at least 21 years old. Applicant will maintain a log of all authorized individuals who are not employees of the Applicant that enter the limited-access area. The logs will be made available to the Bureau of Cannabis Control upon request. Applicant will not receive consideration or compensation for permitting an individual to enter the limited-access area.

*Break Room:* Uses that may be considered accessory uses within the Storage/Break Room include warehousing of janitorial and non-cannabis-related cleaning supplies and stationary items used to maintain a clean retail space and restroom.

*Bathroom and Change Rooms:* No other use. For private/personal use only.

*Offices:* Uses that may be considered accessory uses within the Offices are (i) Storing non-Cannabis related stationary, supplies, and materials; (ii) Conducting meetings with employees, vendors, or others with a business-purpose; (iii) Housing media servers for music; (iv) Securely storing locked cabinets with financial records, tax records, and other sensitive business documents; (v) Securely storing personnel records, including each employee's full name, identification number, date employment begins, and date of termination of employment, if applicable; (vi) Storing training records, including, but not limited to, the content of the training provided, and the names of the employees that received the training; (vii) Storing contracts with other licensees regarding commercial cannabis activity; (viii) Storing copies of permits, licenses, and other local and state authorizations to conduct the licensee's commercial cannabis activity; and (ix) Storing security records.

*Vault/Quarantine:* The vault will be used for secure storage of cannabis, cannabis products, and other sensitive items. Uses that may be considered accessory uses within the Vault are (i) Securely storing cannabis in safes; (ii) Securely storing cannabis related stationary and materials; (iii) Securely storing monetary instruments; (iv) Securely storing records relating to the composting or destruction of cannabis goods; and (v) Securely storing documentation for data or information entered into the track and trace system.



June 21, 2018

**Required Application Materials – Project Description Narrative (Updated)**

**a. Commercial Cannabis Use**

Expanding Roots, Inc., the Applicant, proposes to occupy an existing industrial building located at 3499 Industrial Drive. Applicant seeks to obtain a Conditional Use Permit for a Medicinal and Adult Use Cannabis Microbusiness. According to the City of Santa Rosa’s Comprehensive Cannabis Ordinance Section 20-70.020, a Cannabis Microbusiness is a cannabis cultivation business of less than 10,000 square feet in combination with cannabis distribution, manufacturing (level 1), and/or retail and delivery, combined within one State License. Applicant proposes a medicinal and adult use microbusiness made up of cultivation, manufacturing, distribution, and retail storefront with delivery.

Use	Room Name	Size (in Square Feet)
Cultivation	Cultivation 1	800
	Cultivation 2	1,543
	Nursery/Clone	640
	Drying	320
	Storage	75
<b>TOTAL CULTIVATION W/O PROCESSING (DRYING &amp; STORAGE): 2,983 SQUARE FEET</b> <b>TOTAL CULTIVATION W/O STORAGE: 3,303 SQUARE FEET</b> <b>TOTAL CULTIVATION WITH PROCESSING (DRYING &amp; STORAGE): 3,378 SQUARE FEET</b>		
Manufacturing	Commercial Kitchen	650
	Manufacturing	400
<b>TOTAL MANUFACTURING: 1,050 SQUARE FEET</b>		
Distribution	Ship/Rec	720
	G’s Office	143
	Vault/Quarantine	64
	Storage/Mech	58
	Storage	49
<b>TOTAL DISTRIBUTION WITHOUT STORAGE AREAS: 927 SQUARE FEET</b> <b>TOTAL DISTRIBUTION: 1,034 SQUARE FEET</b>		
Retail	Dispensary	1,331
	Stock Room	120
	Office	100
<b>TOTAL RETAIL WITHOUT STOCK ROOM AND OFFICE: 1,331 SQUARE FEET</b> <b>TOTAL RETAIL: 1,551 SQUARE FEET</b>		
Other/Accessory Uses	Break Room	99
	Two Bathrooms	278
<b>TOTAL OTHER/OFFICE: 377 SQUARE FEET</b>		

On January 11, 2018, the City of Santa Rosa granted to DMCC, Inc., a Conditional Use Permit (via Resolution 11873 and CUP17-042) for cannabis cultivation, manufacturing, and distribution at this same facility. The owner of, and signatory for, DMCC, Inc., Grant Babbitt, is the same owner of, and signatory for, Expanding Roots, Inc., the Applicant hereunder. Applicant now proposes: (i) To add a cannabis retail storefront and delivery use at this facility, in addition to the previously-approved cannabis cultivation, manufacturing, and distribution uses; and (ii) To operate under a medicinal and adult use microbusiness model.

The City of Santa Rosa's Comprehensive Cannabis Ordinance (the "City Ordinance"), passed December 19, 2017, provides regulations for both medical and adult use cannabis activities. This ordinance allows for the permitting of commercial cannabis microbusiness sites in the Light Industrial (IL) and General Industrial (IG) zones (Table 2-10 Allowed Land Uses and Permit Requirements for Industrial Districts). The subject parcel is zoned IL. Applicant proposes a Cannabis Microbusiness with Cultivation, Manufacturing Level 1, Distribution, and Retail components.

## **b. Compliance**

### State Licensing Requirements

Applicant recognizes that in order to obtain a State Commercial Cannabis License, Applicant must first obtain local authorization (California Business and Professions Code Section 26050.1 (a)(2) and Bureau of Cannabis Control Regulations Sections 5001 and 5002). Accordingly, Applicant has not yet applied for either a Temporary License or an Annual License from the Bureau of Cannabis Control, which is the department that issues licenses for cannabis microbusinesses, as well as cannabis distributors, retailers, testing labs, and cannabis events. Applicant will apply for a State License after receipt of a Conditional Use Permit from the City of Santa Rosa.

Applicant further recognizes that under California Business and Professions Code Section 26050 (b), all licenses will "bear a clear designation indicating whether the license is for commercial adult-use cannabis activity as distinct from commercial medicinal cannabis activity by prominently affixing an "A" or "M," respectively. However, licensees may hold both an A-license and an M-license for the same commercial cannabis activity; therefore, Applicant proposes to conduct both medicinal and adult-use commercial cannabis activity under the microbusiness model.

Applicant is aware of and prepared to comply with all Annual State License Application requirements, as outlined in Section 5002 of the Bureau of Cannabis Control Regulations. Such requirements include providing the State with: (i) Business information (including business formation documents, DBAs, funds and a list of all individuals who hold a financial interest in the business, a list of all owners of the business and their contact information, etc.); (ii) Conviction information, if applicable (including a detailed description of each conviction, date of conviction, dates of incarceration, dates of probation or parole, description of the offense, and statements of rehabilitation for each conviction); (iii) A description of any suspension or revocation of a commercial cannabis license, or sanctions for unlicensed commercial cannabis activity; (iv) A premises diagram; (v) Proof of local authorization from Santa Rosa; (vi) A detailed description of transportation procedures, inventory procedures, quality control procedures, and security procedures.

Applicant further recognizes that the Bureau of Cannabis Control Regulations Section 5007 requires landowner approval to operate a commercial cannabis business; therefore, Applicant will provide the State with the lease agreement between itself and the Property Owner, as well as a signed statement from the Property Owner that states that the Applicant has the right to occupy the Subject Property and to use it as an adult use and medicinal cannabis microbusiness. Applicant understands that the State may request additional information and documents from the Applicant and Applicant will provide the information and documents within the allotted time period, in accordance with Bureau of Cannabis Control Regulations Section 5011.

Applicant recognizes that its Annual State License must be renewed each year and that applicable license fees must be paid each year prior to issuance of a renewed license by the State (Bureau of Cannabis Control Regulations Section 5020). Applicant will timely renew its Annual State License, as well as its Local Permit, to ensure that at all times, Applicant is operating its cannabis microbusiness in compliance with both State and Local laws and regulations.

State Operational Standards

Applicant will ensure it is consistently compliant with all state operational requirements. These state operational requirements include, but are not limited to the following: (i) ensuring only individuals who are at least 21 years of age (with valid proof of identification) or who are 18 years of age (with valid proof of identification) and with a valid physician’s recommendation are allowed to access the retail space or arrange for a delivery; (ii) maintaining limited-access areas where only authorized employees, distributors, etc. are allowed to enter; (iii) never operating its retail business outside of the hours of 6:00 A.M. to 10:00 P.M.; (iv) never displaying cannabis goods in a place where they are visible from outside the licensed premises; (v) only receiving cannabis goods from a licensed distributor; (vi) verifying that no products have exceeded their expiration or sell-by date (if provided); (vii) never selling alcohol or tobacco (or any alcohol or tobacco products) at the licensed retail premises; (viii) ensuring it does not sell more than the applicable daily limits of cannabis and cannabis products to each individual; (ix) never reselling any cannabis goods that have been returned; (x) never providing free cannabis goods to any person, unless to a medicinal cannabis patient in compliance with Section 5411 of the BCC Regulations; (xi) recording all inventory and transactions into the track and trace system; (xii) never accepting any cannabis goods from a distributor that are not packaged as they will be sold at final sale; (xiii) always placing cannabis goods purchased by a customer into an opaque exit package before leaving the retail premises; (xiv) only delivering to privately-owned physical addresses through the use of an enclosed motor vehicle; (xv) always preparing a delivery request receipt for each delivery; (xvi) ensuring delivery drivers do not deviate from their designated delivery routes; (xvii) maintaining an accurate record of inventory at all times; (xviii) maintaining an accurate record for every sale made to a customer; and (xix) maintaining all retailer-specific records in accordance with Section 5037 of the BCC Regulations. Applicant will consistently review the Bureau of Cannabis Control’s Regulations to ensure that Applicant is operating in compliance with state laws and regulations at all times.

Locational requirements are discussed under “Location Requirement & Setbacks” on page 20 to 21 below.

**c. Separation of License Types**

Applicant proposes to occupy an existing industrial building located at 3499 Industrial Dr. Applicant seeks to obtain a Conditional Use Permit for a medicinal and adult use Cannabis Microbusiness. Although there will be only one State Microbusiness License granted to Applicant, Applicant will maintain clear separation between all uses on the premises (cannabis cultivation, manufacturing, distribution, and retail) through the use of permanent walls and locked doors (*see previously submitted Floor Plans; also see previously submitted Security Plan*).

**d. Building and Fire Codes**

**Declaration:** In accordance with Section 20-46.050(E) of the Santa Rosa Cannabis Ordinance, Applicant will obtain all necessary building permits, fire permits, and CUPA permits, as necessary for the project and the facility, and will provide a Fire Department lock box for keys to gates and doors.

Signed: Grant Babbitt Date: 06/21/2018

**Description of Compliance with Building and Fire Codes:** Applicant recognizes that a Building Permit is required to verify occupancy for this cannabis facility, and that solely obtaining a Conditional Use Permit does not authorize the Applicant to begin to operate its business within this facility. Applicant will submit all construction plans, calculations, and related documentation supporting the Building Permit application to the City in order to begin the process of obtaining a Building Permit and a Certificate of Occupancy after Applicant has obtained discretionary approval in the form of a Conditional Use Permit. Applicant will ensure that all Building Permit design and supporting documentation is prepared by qualified design professionals licensed and registered by the State of California and that all construction and related work is performed by contractors licensed by the State of California for the specific discipline of work to be performed. Moreover, all design and construction will be consistent with the provision of the Santa Rosa City Code and the current edition of the California Building and Fire Codes.

Applicant is committed to installing proper electrical wiring and components for all electrical fixtures within the facility. Applicant understands that all construction or work for which a permit is required is subject to inspection by the Building Division and/or the Fire Department and that such construction or work must remain accessible and

exposed for inspection purposes until approved. Applicant will ensure all City approved plans, specifications, and related documents are kept on the premises for City inspection staff for the required inspections. Applicant will not use or occupy the Subject Property until the Building Official has issued a Certificate of Occupancy.

Applicant also recognizes that aside from MAUCRSA, the State Regulations, and the City Ordinance, many State and local codes regulate cannabis facilities. These many codes include, but are not limited to, the California Building Code, California Electrical Code, California Mechanical Code, California Plumbing Code, California Energy Code, California Fire Code, California Existing Building Code, California Green Building Standards Code, California Existing Building Code, California Health and Safety Code, California Business and Professions Code, National Fire Protection Association Standards, and the Santa Rosa City Code. Applicant will consult with trained, licensed architects, designers, contractors, and other professionals to ensure that all building plans and subsequent construction is in compliance with these codes, including provisions relating to: accessibility and accessible paths of travel; fire-resistance, fire alarm systems, smoke detectors, fire extinguishers, and exit paths; ventilation and exhaust systems; electrical systems; plumbing fixtures, fittings, and systems; lighting controls and energy consumption; and CalGreen Code requirements; among others.

Applicant further recognizes that it may be required to have a key box installed in a location approved by the Fire Department in the event that the Fire Code Official determines that access to or within a structure or area is restricted because of secured openings, or that immediate access may be necessary for life-saving or fire-fighting purposes. In this event, Applicant will install and maintain a key box of an approved type that will contain keys to gain necessary access, as required by the Fire Code Official and the California Fire Code.

Applicant is committed to complying with all provisions of the Fire Code. Accordingly, Applicant will ensure all fire protection equipment, including fire extinguishers, automatic sprinkler systems, and fire alarm systems are maintained in working order and serviced at regular intervals. Applicant will maintain clear access to all such fire protection equipment and will ensure that proper exit widths are appropriate and clear in the event of an emergency. Furthermore, Applicant will ensure that all illuminated “exit” signs are working at all times. Applicant does not propose to keep any hazardous or combustible material on-site, but will ensure that any potentially flammable items or materials are kept out of the utility and mechanical areas at all times.

According to the CalEPA website, “Californians are protected from hazardous waste and hazardous materials by a Unified Program that ensures consistency throughout the state in regard to administrative requirements, permits, inspections, and enforcement. CalEPA oversees the statewide implementation of the Unified Program and its 81 certified local government agencies, known as Certified Unified Program Agencies (CUPAs), which apply regulatory standards established by five different state agencies. Effective January 1, 2009, all regulated businesses and local government Unified Program Agencies (UPAs) are required to submit Unified Program information electronically, either to the local regulatory agency or to the California Environmental Reporting System (CERS). CERS supports electronic data exchange among businesses, local governments and U.S. EPA.”<sup>1</sup> Applicant does not propose to keep any hazardous waste or hazardous materials on-site but will ensure that any potentially flammable items or materials are stored securely at all times.

**e. Security Plan**

Please see the previously submitted Confidential Security Plan for details on the security equipment and protocols for the premises.

**f. Odor Mitigation Plan**

As required by Section 20-46.050(H) of the City Ordinance, Applicant will have a comprehensive odor mitigation plan. Odor mitigation will be accomplished through the use of carbon filtration throughout the facility, to ensure no cannabis odors escape the facility. Applicant recognizes that the City requires that this odor mitigation plan must be certified by a licensed professional engineer to ensure that all mitigation controls are sufficient to effectively mitigate odors from all odor sources (City Ordinance Section 20-46.050(H)). Applicant contracted with TEP Engineering to

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<sup>1</sup> <https://calepa.ca.gov/cupa/>

ensure that its odor mitigation controls are sufficient to effectively mitigate odors from all odor sources. Please see the attached certified letter from Andy Souza of TEP Engineering.

Applicant will install the following fans and activated carbon filtration systems:

Odor Mitigation System Locations				
<b>Key &amp; Type</b>	<b>A:</b> 14-Inch Can-Fan Max Fan <i>with</i> 14-Inch Activated Carbon Filter (1700 CFM)	<b>B:</b> 10-Inch Can-Fan Max Fan <i>with</i> 10-Inch Activated Carbon Filter (1100 CFM)	<b>C:</b> 6-Inch Can-Fan Q-Max Fan (Quiet) <i>with</i> 6-Inch Activated Carbon Filter with HEPA Outlet (400 CFM)	<b>D:</b> 14-Inch Can-Fan Max Fan <i>with</i> 14-Inch Activated Carbon Filter (1700 CFM) Vented to Exterior
<b>Location (Number of Systems)</b>	Grow 1 (2)	Commercial Kitchen (1)	Retail (1)	Ship/Rec (1)
	Grow 2 (2)	Manufacturing (1)	-	-
	Mother/Clone (1)	-	-	-
	Drying (1)	-	-	-

*(see previously submitted Odor Mitigation/Filtration Floor Plan for the location of all filtration units)*

Odor mitigation systems will be operational at all times cannabis is present within the facility. All fans and filters will be sized to exchange air approximately ten (10) times per hour. Carbon filtration systems will be pass-through and will not be vented to the outside of the facility, with the exception of Filtration Unit D within the Distribution Area *(see previously submitted Odor Mitigation/Filtration Floor Plan for the location of all filtration units)*.

A carbon filter is a round, hollow device with a membrane that contains activated charcoal (carbon). “Dirty” air passes through the carbon filter and clean, odorless air exits the other side. Carbon filters are the most popular odor control option on the market because they are highly effective, widely available, and low maintenance. Granular Activated Carbon charcoal is so effective because of its high degree of micro-porosity. Carbon filters are low maintenance and with a proper pre-filter, Applicant will only have to change the activated carbon every 12 to 18 months, although this can vary based on variables such as fan speed, hours of use, carbon quality, etc.

*Example of 10-inch Max-Fan with Carbon Filter and Speed Controller*



Can Fan  
Can-Fan Max-Fan Inline Mixed Flow Fan, 14-Inch 1700 Cubic Feet Per Minute



As stated above, the carbon filters utilized on-site will filter the air in the facility approximately ten (10) times per hour. This will reduce irritants for employees, customers, and neighbors of the facility. Additionally, Applicant will cultivate in several smaller rooms within the facility. This will add an additional layer of odor control, because each small room will have its own carbon filtration and fan systems, as well as insulation to control the spread of odor throughout the facility. Fans within each room at the facility will create air circulation to avoid stagnant areas where

odors can collect. Applicant's air filtration system will be properly maintained in accordance with industry standards to ensure appropriate air quality. In addition to the Odor Mitigation fans and carbon filtration systems, Applicant will utilize "Element Air" air purification systems, which reduce airborne and surface microbial contaminants, as well as reduce cannabis terpenoids and other odors (*see previously submitted Element Air Brochures for further information*).

**g. Outdoor Lighting**

At Applicant's facility, all external lighting will be installed and operated in accordance with the City of Santa Rosa codes and ordinances to offer safety to customers and employees, while minimizing the impact on surrounding businesses. All exterior lighting systems will be provided for security purposes in a manner sufficient to provide illumination and clear visibility to all outdoor areas of the premises, including all points of ingress and egress, in accordance with Section 20-46.050(I) of the City Ordinance.

Exterior lights will be installed to the edge of the building and surrounding perimeters (minimum of 500 lux) including driveways, parking lots, landscaped areas, trash areas, walkways and entry areas to sufficiently illuminate the external property and enable the security cameras to capture clear images. Exterior lighting will be stationary, fully shielded, directed away from adjacent properties and public rights of way, and of an intensity compatible with the neighborhood. LED lamps with full cutoff fixtures limit glare and light trespass. Motion activated sensors will reduce the amount of energy used while allowing for proper video surveillance.

Applicant will be utilizing LED down-lighting on all exterior exits and in the interior cultivation canopy areas. Motion activated lighting will illuminate exterior doors and windows. Exit door lighting will be on a photo voltaic sensor actuating the lighting when it gets dark. The canopy lighting above the front entrance will be on a photo voltaic sensor during non-open hours and will be on during all business hours. Applicant is working with an architect to ensure all lighting within and outside the facility complies with the City Code. Applicant does not intend to install light poles unless otherwise recommended by the City.

Notable goals of the Open Space and Conservation section of the Santa Rosa General Plan are to (1) to "reduce energy use in existing and new commercial, industrial, and public structures," and (2) to "identify opportunities for decreasing energy use through installation of energy efficient lighting, reduced thermostat settings, and elimination of unnecessary lighting in public facilities." In accordance with this goal, all exterior lighting at Applicant's facility will be limited to a maximum height of 14 feet, will use energy efficient fixtures and lamps, and will not include lighting that will blink, flash, or be of unusually high intensity or brightness. All exterior lighting will be Building Code compliant and will comply with Section 20-30.080 of the City of Santa Rosa Municipal Code. Interior light systems will be fully shielded, including adequate coverings on windows, to confine light and glare to the interior of the structure.

**h. Noise**

Moderate noise may occur during construction of the facility; however, this noise will be temporary and will be minimized to the extent possible. Once operational, the facility will be heavily insulated, and the noise impacts will be minimal. Potentially noise-creating activities will include HVAC, fans, manufacturing and baking equipment, packaging equipment, and soft music in the retail area; these activities should not have any impact on the surrounding businesses, because windows and doors will remain closed at all hours. Applicant recognizes that according to the Santa Rosa City Code (Chapter 17-16) it is unlawful for any person to willfully make or continue, or cause to be made or continued, any loud, unnecessary, or unusual noise which disturbs the peace or quiet of any neighborhood or which causes discomfort or annoyance to any reasonable person of normal sensitiveness residing in the area. Accordingly, Applicant will ensure all noise from Applicant's facility does not violate the provisions of Chapter 17-16, including by: (i) ensuring the operation of machinery, equipment, pumps, fans, air-conditioning apparatus, or similar mechanical devices do not cause the noise level at the property line of the property to exceed the ambient base noise level by more than five decibels; (ii) not operating a pandemoniac motor vehicle or operating a motor vehicle in any way that a reasonable person of normal hearing sensitivity is caused discomfort or annoyance; and (iii) not utilizing any sound-amplifying equipment.

**i. Accessory Uses**

Accessory Uses by Zoning

Applicant will only operate a medical and adult use cannabis microbusiness with medical and adult use retail delivery. Applicant will not practice any other accessory use permitted under the city's commercial zoning code.

Accessory Uses by Room

Applicant will have Limited-Access Areas where only authorized individuals (such as employees, vendors, contractors, or other people with a business-purpose) will be permitted. An individual in the limited-access area who is not employed by Applicant (such as a vendor or distributor) will be escorted by Applicant or one of Applicant's employees at all times while within the limited-access area (Bureau of Cannabis Control Regulations Sections 5042 and 5401). In accordance with Section 5401, any individual within the limited-access area will be at least 21 years old. Applicant will maintain a log of all authorized individuals who are not employees of the Applicant that enter the limited-access area. The logs will be made available to the Bureau of Cannabis Control upon request. Applicant will not receive consideration or compensation for permitting an individual to enter the limited-access area.

*Break Room:* Uses that may be considered accessory uses within the Storage/Break Room include warehousing of janitorial and non-cannabis-related cleaning supplies and stationary items used to maintain a clean retail space and restroom.

*Bathroom and Change Rooms:* No other use. For private/personal use only.

*Offices:* Uses that may be considered accessory uses within the Offices are (i) Storing non-Cannabis related stationary, supplies, and materials; (ii) Conducting meetings with employees, vendors, or others with a business-purpose; (iii) Housing media servers for music; (iv) Securely storing locked cabinets with financial records, tax records, and other sensitive business documents; (v) Securely storing personnel records, including each employee's full name, identification number, date employment begins, and date of termination of employment, if applicable; (vi) Storing training records, including, but not limited to, the content of the training provided, and the names of the employees that received the training; (vii) Storing contracts with other licensees regarding commercial cannabis activity; (viii) Storing copies of permits, licenses, and other local and state authorizations to conduct the licensee's commercial cannabis activity; and (ix) Storing security records.

*Vault/Quarantine:* The vault will be used for secure storage of cannabis, cannabis products, and other sensitive items. Uses that may be considered accessory uses within the Vault are (i) Securely storing cannabis in safes; (ii) Securely storing cannabis related stationary and materials; (iii) Securely storing monetary instruments; (iv) Securely storing records relating to the composting or destruction of cannabis goods; and (v) Securely storing documentation for data or information entered into the track and trace system.

**j. Other/Miscellaneous**

Parking Analysis

One of the Goals and Policies of the Land Use and Livability section of Santa Rosa's General Plan is to "provide a range of commercial service that are easily accessible and attractive, that satisfies the needs of people who live and work in Santa Rosa and that also attracts a regional clientele." The existing building was formerly the location of Cokas Diko Home Furnishings, a large retail store. Accordingly, the Subject Property currently has many parking spaces on-site. The large amount of vehicle parking spaces on-site will contribute to attracting a regional clientele, while bicycle parking will contribute to allowing people who live and work in Santa Rosa, who may not drive, to have easy access to Applicant's retail facility.

Use	Parking Required	Total Square Footage	Parking Spaces Required
<b>Cultivation</b>	1 vehicle parking space per 1,000 sf; 1 bicycle space per 14,000 sf	3,303	Vehicle: 4 Bicycle: 1
<b>Manufacturing</b>	1 vehicle parking space per 350 sf; 1 bicycle space per 7,000 sf	1,050	Vehicle: 3 Bicycle: 1
<b>Distribution</b>	1 vehicle parking space per 1,000 sf; 1 bicycle space per 14,000 sf	927	Vehicle: 1 Bicycle: 1
<b>Retail</b>	1 vehicle parking space per 250 sf; 1 bicycle space per 5,000 sf	1,331	Vehicle: 6 Bicycle: 1
<b>Total Parking Spaces Required</b>			<b>Vehicle: 16 Bicycle: 4</b>

The facility's site plan demonstrates compliance with the City of Santa Rosa's Design Guidelines for vehicle and bicycle parking. The revised plan will contain twenty-six (26) total parking spaces, including three (3) ADA-compliant spaces, and one (1) parking space inside the building (*see previously submitted Site Plans*). An ADA-accessible path of travel will be located along the western edge of the parking lot (*see previously submitted Site Plans*).

#### Hours of Operation

Applicant's retail facility will be open to the public and will conduct deliveries between 9:00 A.M. and 9:00 P.M. daily. Applicant's employees will work varying shifts between the hours of 8:00 A.M. and 10:00 P.M.; however, Applicant's security personnel will cover shifts to ensure that the Subject Property has security on-site 24 hours per day. Applicant will limit all commercial deliveries to the hours of 9:00 A.M. to 5:00 P.M. Monday through Friday.

Applicant will sell and deliver cannabis and cannabis products during the hours of 9:00 A.M. to 9:00 P.M. daily, in accordance with Section 20-46.080 of the City Ordinance. When the retail premises are not open for retail sales, Applicant will ensure (i) the premises are securely locked with commercial-grade, non-residential door locks; (ii) the premises are equipped with an active alarm system which will be activated when the Applicant or Applicant's employees are not on the premises; and (iii) only employees and contractors of the Applicant are allowed to enter the premises (Bureau of Cannabis Control Regulations Section 5403). All security protocols and technologies will be utilized at all times the premises is not open to the public. *See previously submitted Confidential Security Plan for further detail on Applicant's security procedures.*

#### Commercial Cultivation

Use	Room Name	Size (in Square Feet)
<b>Cultivation</b>	Cultivation 1	800
	Cultivation 2	1,543
	Nursery/Clone	640
	Drying	320
	Storage	75
<b>Total Cultivation without Processing (Drying and Storage): 2,983 SQUARE FEET</b>		
<b>Total Cultivation with Processing (Drying &amp; Storage): 3,378 SQUARE FEET</b>		

Applicant proposes approximately 2,983 square feet of indoor cultivation at the microbusiness facility, between two cultivation rooms of 800 square feet and 1,543 square feet, and one nursery cultivation room of approximately 640 square feet (*see previously submitted Site Plans*). Applicant will process and store cultivated cannabis on site (*see previously submitted Site Plans*). Including the processing room (Drying) and the Storage room, total space designated to cultivation will be approximately 3,378 square feet. No cultivation will take place outside; Applicant proposes only indoor cannabis cultivation.

No Outdoor Cultivation

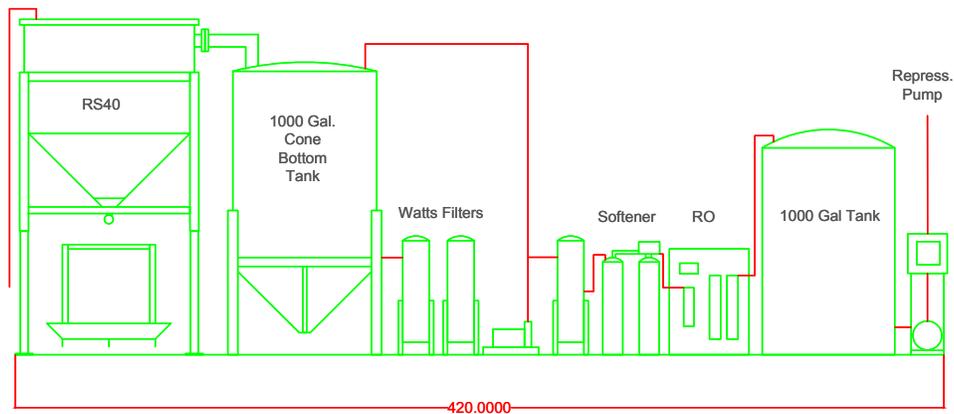
Applicant’s cultivation plan includes only indoor cultivation; Applicant will not conduct any outdoor cultivation.

Renewable Energy Requirements and Generators

Applicant understands that in accordance with State regulations, beginning January 1, 2023, all indoor cultivation facilities must ensure that electrical power used for commercial cannabis activity meets the average electricity greenhouse gas emissions intensity required of the Santa Rosa utility provider, pursuant to the CA Renewables Portfolio Standard Program (CalCannabis Regulations Section 8305). Applicant will comply with all applicable State Laws, which begin in 2022 with Applicant’s State License renewal. Applicant does not plan to use generator power, except in the case of an emergency power outage. In such case, applicant will comply with all local and State requirements for use of generators, including CalCannabis Regulations Section 8306.

Water Use and Wastewater Treatment Plan in the Hydroponic Farming System

Applicant appreciates that one of the Land Use and Livability Goals and Policies of the Santa Rosa General Plan is to “encourage commercial properties to be retrofitted for energy efficiency and water conservation.” In keeping with Santa Rosa’s commitment to water conservation, Applicant will utilize a state-of-the-art water recycling system to reduce consumption (see figure below). This will allow Applicant to recycle water in a closed loop system, which prevents the water from entering the sewer system and allows Applicant to use the cleaned filtered water multiple times. It is estimated that at full growth, one pound of cannabis needs one gallon of water per day. Thus, Applicant estimates its water consumption will be approximately 500 gallons per day, which can be made up of recycled water.



The closed-loop system can treat up to 1,000 gallons per day. The system will employ a hydrosettler settling system, along with a sludge skid (to capture the heavy solids), bottom drains, isolation tubes, repress pumps, sediment filtration units, water softeners and reverse osmosis. The treated water is then collected in a flat-bottomed tank and repressurized. Overall, the system is designed to process slurry water, capture the majority of solids produced, and to filter and remove dissolved solids, and to allow for reuse.

The amount of water the plants will use varies due to size, temperature, health, and stage of growth. An under-watered plant appears droopy and weak, lacks strength in the leaves, and feels lifeless. Overwatered plants look similar, but the leaf tips will curl as if they are hiding from the water in their pot. Applicant does not want the plants to ever be seen in either condition, but as the cannabis watering schedule changes, it is preferred to underwater than to overwater the plants because the roots need oxygen to survive and thrive. In most hydroponic farming systems, water is recirculated. Run-off water that is not taken up by the plants is recaptured. Nutrients are constantly added by fish waste or fertilizer, and water returns to the plants. Every bit of water is reused over and over again, which is an impossibility in traditional, soil-based agriculture. Since all water is recirculated and recycled, water is never discharged in hydroponics or aquaponics.

### Compliance – Cultivation Procedures

All flowering plants will be given a Unique Identifier (UID), in accordance with CalCannabis Regulations Section 8403. Cannabis plants maintained outside of the designated canopy areas will be prohibited from flowering; therefore, if any plant outside the canopy area, such as in the nursery cultivation area, does begin to flower, a UID will be applied, and the plant will be promptly moved to the designated canopy area and reported into the track and trace system. Applicant will process harvested cannabis in the areas designated for processing (CalCannabis Regulations Section 8300), the Drying room (*see previously submitted Site Plans*), and will comply with all packaging and labeling requirements (CalCannabis Regulations Section 8212).

The cultivation rooms will be well sealed and will contain Element Air purification systems to prevent pests and help control odor. Only cultivation employees and management staff will be permitted in the grow rooms. All such employees will be required to be dressed in the appropriate attire, including gloves and facemasks, before access and when handling cannabis intended for direct consumption. Employees will also be required to have a change of clothes, including shoes, which are designated for use in the cultivation site to help avoid bringing in pests and contaminants from outside the cultivation space.

### Compliance – Seed Production Requirements for the Nursery Area

Applicant will conduct nursery cultivation within the “Nursery/Clone” room (*see previously submitted Site Plans*). Applicant will tag all mature, flowering plants and all plants (or portions of a plant) that are used for seed production with a UID, in accordance with CalCannabis Regulations Sections 8301 and 8403. Applicant understands that all products, except seeds, derived from these plants, are prohibited from entering the commercial distribution chain (CalCannabis Regulations Section 8301).

### Compliance – Pesticide Use

Applicant recognizes that Section 8307 of the CalCannabis Regulations requires that Licensees “comply with all pesticide laws and regulations enforced by the Department of Pesticide Regulation.” Applicant intends to have a pesticide-free cultivation space in order to create “organic” or natural products to the maximum extent possible. However, in the event that Applicant does use pesticides, Applicant will only use pesticides that are legally approved by the Department of Pesticide Regulation (DPR). Applicant’s cultivation manager will have an operator ID (OIN) from the local County Agricultural Commissioner’s Office and will only use the safest and most current Integrated Pest Management (IPM) practices on cannabis.

### Compliance – Sales Receipts and Records Retention

As required by CalCannabis Regulations Section 8400, Applicant will keep and maintain all records, applications, reports, or other supporting documents for a period of at least seven (7) years from the date the document was created. Applicant will generate and retain sales invoices and receipts with detailed information about the cannabis and non-manufactured cannabis sold (CalCannabis Regulations Section 8401). Applicant will retain all records in a manner that allows the records to be provided at the licensed premises or delivered to the state upon request (CalCannabis Regulations Section 8401).

In accordance with CalCannabis Regulations Section 8400(d), Applicant will maintain the following records at the facility: (i) Cultivation licenses issued by the Department of Food and Agriculture; Cultivation plan; (ii) All records evidencing compliance with the environmental protection measures; (iii) All supporting documentation for data or information input into the track and trace system; (iv) All UIDs assigned to product in inventory and all unassigned UIDs (UIDs assigned to product that has been retired from the track and trace system will be retained for six months after the date the tags were retired); (v) Financial records; (vi) Personnel records; (vii) Records related to employee training for the track and trace system; (viii) Contracts with other state-licensed cannabis businesses; (ix) Permits, licenses and other local authorizations to conduct the commercial cannabis activity; (x) Security records; (xi) Records associated with composting or disposal of cannabis waste; and (xii) Documentation associated with loss of access to the track and trace system.

Commercial Cannabis Manufacturing

Use	Room Name	Size (in Square Feet)
Manufacturing	Commercial Kitchen	650
	Manufacturing	400
<b>Total Manufacturing: 1,050 SQUARE FEET</b>		

According to City Ordinance Section 20-70.020, “Cannabis Manufacturing – Level 1” means “the processing or manufacturing of medical or adult use cannabis products using nonvolatile solvents, or no solvents. The use of post-extraction ethanol “winterization” is allowed within Cannabis Manufacturing Level 1 only to the extent such use is permitted by the State in a Type 6 license.” Applicant proposes approximately 1,050 square feet of non-volatile (Level 1) manufacturing and production of edibles at the microbusiness facility, within two separate rooms of 400 square feet and 650 square feet, respectively.

Applicant will conduct infusion and rosin press extraction, and may conduct CO2 extraction, as will be described below in further detail. All of these processes are solvent-free and will be non-flammable and nontoxic. Applicant will only use extraction equipment that has been listed or otherwise certified by an approved third-party testing agency, or a licensed professional engineer prior to use (City Ordinance Section 20-46.070). Furthermore, all of Applicant’s manufacturing equipment will be approved for the intended uses by the City’s Building Official and Fire Code Official prior to use (City Ordinance Section 20-46.070).

Butter and Oil Infusion Processes

Applicant will conduct infusion utilizing a small self-contained electric kettle. This process requires heating the cannabis with oil or butter to approximately 150 to 160 degrees Fahrenheit for several hours, which allows the cannabinoids to infuse into the oil or butter. Applicant will use a small twenty-gallon self-contained “UL Certified” and “NSF Approved” kettle.

Extraction Processes – Rosin Press Extraction

Rosin (not to be confused with “resin”) is the safest and cleanest way to extract a concentrate from cannabis. The extraction process is achieved using pressure and heat rather than using any type of solvent based process. The product produced does not require additional cleaning, or further processing, as would a solvent-based extraction process. Applicant will use a rosin press to extract resin from cannabis, to create cannabis rosin. The rosin press process involves utilizing pressure and heat to separate the resin (which contains cannabinoids and terpenes) from the plant material, to create a substance called rosin. Dried cannabis is placed into a press, and is then pressed with high pressure and heat, which causes the resin to separate from the plant material. Applicant’s intent is to purchase industrial sized heat presses to process rosin at the facility.

Extraction Processes: CO2 Extraction

Applicant may use CO2 Extraction on-site. CO2 extraction is a non-volatile extraction process which involves changing gaseous CO2 into a liquid and then raising the pressure and temperature of the CO2, which causes the CO2 to become “supercritical.” This means that the CO2 can adopt properties between a gas and a liquid at one time. The supercritical CO2 then passes through cannabis contained in an extractor and pulls the essential trichrome and terpene oils and/or waxes out of the plant material. These oils and waxes are then sent to an extract receptacle, while the CO2 passes through a condenser and is turned back into a liquid. CO2 extraction allows for extraction of plant oil from the cannabis, while avoiding the use of petroleum particles from butane and other volatile extraction processes.

### Certified Extraction Equipment

Applicant will use only extraction equipment that has been listed or otherwise certified by an approved third-party testing agency or licensed professional engineer and approved for the use by the City's Building Official and Fire Code Official. Additionally, Applicant's operators will have extensive and ongoing training in proper use of all extraction equipment.

### Edible Products and Maximum THC Levels in Cannabis Products

Applicant understands that according to Section 40305 of the Department of Public Health's Regulations, edible products are limited to a maximum of 10mg of THC per serving and 100mg of THC per package. Other cannabis products, such as tinctures, capsules, and topicals, are limited to a maximum of 1,000mg per package for the adult-use market and 2,000mg of THC per package for the medicinal-use market (Department of Public Health Regulations Section 40306). Applicant will ensure all products created at Applicant's facility do not exceed the limits set by State laws and regulations.

### Food Handler Cards

Applicant recognizes that according to both State and local laws and regulations, all owners, employees, volunteers and any other individual that participates in the production of edible cannabis products at Applicant's facility (collectively referred to as "employees" herein) must be state-certified food handlers. All employees must obtain a food handler card within 30 days after the date they are hired, in accordance with the California Retail Food Code. In order to obtain a food handler card, each employee must complete a food handler training course and examination. These food handler cards will be valid for three years; Applicant will therefore maintain a copy of each employee's food handler card on-site and will ensure records denote the date each employee must renew his or her food handler card. Once Applicant has all food handler cards for all employees who will participate in the creation of edible products, Applicant will provide the valid permit numbers to the City of Santa Rosa.

### Sonoma County Health Permit

The City Ordinance (Section 20-46.070) states that cannabis businesses that sell or manufacture edible medical cannabis products shall obtain a Sonoma County Health Permit. Therefore, in accordance with local regulations, as well as the California Retail Food Code, Applicant will obtain a Health Permit from Sonoma County prior to operating its microbusiness. Applicant recognizes that no person can operate, either in the County or in any incorporated city in the county, any food facility or any other enterprise or establishment in which food or beverage is offered for sale or sold, without a valid permit or registration issued by the health officer. Therefore, Applicant will ensure its operations meet the specifications of the Sonoma County Retail Food Ordinance, and the provisions of the California Retail Food Code.

In order to begin the process of obtaining the requisite Health Permit, on April 9, 2018, Jay Hutchison met with Mr. Marvin Moskowitz, Environmental Health Program Manager at the Sonoma County Department of Health Services. Mr. Hutchison and Mr. Moskowitz discussed the process of receiving a health permit for Applicant's facility. Applicant's current plans were briefly reviewed, and Mr. Moscovitz said he could schedule a site visit as soon as an Applicant's application and fee were submitted to the County. Mr. Moscovitz explained that the health permit process would take no more than 21 days; however, a final inspection would be required after construction, and before opening of the facility. Once Applicant obtains the permit from Sonoma County, Applicant will post the permit in a conspicuous place within the food facility and will maintain its permit in accordance with local laws and regulations, as well as the California Retail Food Code.

In accordance with this permit and the California Retail Food Code, Applicant (as a permit holder) will designate a person (or persons) in charge and will ensure that a person in charge is present at the food facility during all hours of operation. This person in charge and all food employees will have adequate knowledge of, and will be properly trained in, food safety as it relates to each of their assigned duties. This knowledge will include major food allergens and safe food handling practices.

### Food Safety Certification Examination

Applicant understands that the California Retail Food Code requires that there be at least one food safety certified owner or employee at every food facility, although this certified owner or employee does not need to be present at the food facility during all hours of operation. Applicant will ensure an owner or employee of Applicant has successfully passed an approved and accredited food safety certification examination. Such food safety certificate will be retained on file at the food facility at all times and will be made available for inspection by the enforcement officer. Furthermore, such certified individuals will be recertified every five years.

### Standard Operating Procedures

In accordance with Section 40275 of the Department of Public Health's Regulations, Applicant will establish and maintain written standard operating procedures that are easily accessible to onsite personnel and will submit these operating procedures to the state with Applicant's full application submittal. The purpose of these procedures is to ensure production occurs in a sanitary and hazard-free environment, cannabis products are contaminant free, and that THC levels are consistent throughout the product and within required limits (as is discussed below).

These operating procedures will, at a minimum, include the following: (i) policies and procedures developed in accordance with Applicant's security plan (*see previously submitted Confidential Security Plan*); (ii) emergency response procedures (*see previously submitted Confidential Security Plan*); (iii) policies and procedures for Good Manufacturing Practices (*see previously submitted Standard Operating Procedures Documents*); (iv) policies and procedures for Production and Process Control; (v) procedures for complying with all track and trace requirements (*see previously submitted Standard Operating Procedures Documents*); (vi) inventory control procedures (*see previously submitted Standard Operating Procedures Documents*); and (vii) waste management procedures (*see previously submitted Standard Operating Procedures Documents*). Applicant will implement proper training techniques to ensure all personnel present at the facility are provided with adequate information and training that covers the foregoing topics, among others.

### Quality Control and Facility Cleanliness

In accordance with State laws and regulations, including Section 40250 of the Department of Public Health's Regulations, Applicant will ensure appropriate quality control operations are employed to ensure cannabis and cannabis products are suitable for human consumption or use, and that cannabis product-packaging materials are safe and suitable. Applicant will ensure adequate precautions are taken to prevent cross-contact or contamination from any source (*see previously submitted Standard Operating Procedures Documents*).

In order to establish good manufacturing processes, and in accordance with Section 40232 of the Department of Public Health's Regulations, Applicant will establish and implement written procedures to ensure the following protocols are followed by all personnel: (i) disease control and exclusion of individuals with illness from the manufacturing space; (ii) cleanliness, including wearing appropriate outer garments, maintenance of personal cleanliness and hand washing, removal of unsecured jewelry, maintaining gloves in a clean, sanitary condition, wearing hair nets, beard covers, etc., storing clothes and personal belongings in separate areas, confining eating and drinking to other areas; and (iii) taking any other necessary precautions to protect against allergen cross-contact and against contamination of cannabis products, cannabis product-contact surfaces, or cannabis product-packaging materials by microorganisms or foreign substances (including perspiration, hair, cosmetics, tobacco, chemicals, and medicines applied to the skin) (*see previously submitted Standard Operating Procedures Documents*).

The owner or employee who holds the Food Safety Certification will instruct all employees regarding the relationship between personal hygiene and food safety, including the association of hand contact, personal habits and behaviors, and employee health to foodborne illness. Furthermore, a visible sign or poster will be posted at all handwashing stations that notifies employees to wash their hands.

Applicant will also ensure the grounds of the premises are kept in a condition that prevents the contamination of components and cannabis products, including, but not limited to: (i) proper storage of equipment; (ii) removal of

litter and waste; (iii) inspection of the grounds to ensure no pests, dirt or filth are encroaching on the facility; and (iv) cutting of weeds and grass around the property, to ensure the property does not constitute an attractive breeding ground for pests (Department of Public Health’s Regulations Section 40234). Applicant will maintain clean, sanitary facilities to ensure cannabis and cannabis products are not contaminated and that all cannabis products produced at the facility are safe for consumption or other appropriate uses.

*See previously submitted Standard Operating Procedures Documents for further detailed information regarding Applicant’s Good Manufacturing Practices.*

Packaging and Labeling

In accordance with Section 40415 of the Department of Public Health’s Regulations, Applicant will ensure no product packaging will resemble traditionally available food packages and that it will not be attractive to children. All manufactured cannabis products will be packaged before they are released to a distributor. All packages will be tamper-evident, child-resistant, and re-sealable if the product includes multiple servings.

Commercial Cannabis Distribution

Use	Room Name	Size (in Square Feet)
<b>Distribution</b>	Ship/Rec	720
	G’s Office	143
	Vault/Quarantine	64
	Storage/Mech	58
	Storage	49
<b>Total Distribution without Storage Areas: 927 SQUARE FEET</b>		
<b>Total Distribution with Storage Areas: 1,034 SQUARE FEET</b>		

According to City Ordinance Section 20-70.020, “Cannabis Distribution” means “the procurement, sale, and transport of Medical or Adult Use Cannabis and Medical or Adult Use Cannabis Products between Cannabis Businesses.” Applicant proposes approximately 822 square feet of cannabis distribution at the microbusiness facility, within one large room of 538 square feet, and three (3) attached vault and storage rooms and one (1) office space (*see previously submitted Site Plans*). The main distribution room is large enough that a van can pull into the facility through a roll-up door on the east side of the facility, which will allow for secure loading and unloading of cannabis and cannabis products.

Under this Distribution use, Applicant will arrange for testing, check for appropriate packaging and labeling, collect taxes, transport cannabis and cannabis products, and may act as a wholesaler, all in accordance with MAUCRSA, the Bureau of Cannabis Control Regulations, and local law. All transportation will be conducted by Applicant and Applicant’s employees.

Storage of Batches for Testing

In accordance with the Bureau of Cannabis Control Regulations Section 5302, Applicant will ensure all cannabis goods batches are stored separately and distinctly from other cannabis goods batches on the premises. Applicant will ensure a label is attached to each container of each batch that states (i) the manufacturer’s or cultivator’s name and license number who provide the batch; (ii) the date of entry into Applicant’s storage area; (iii) the unique identifiers and batch number associated with the batch; (iv) a description of the cannabis goods with enough detail to easily identify the batch; (v) the weight or quantity of units in the batch; and (vi) the expiration date, if any (Bureau of Cannabis Control Regulations Section 5302).

### Testing Arrangements and Quality Assurance

In accordance with Section 5304 of the Bureau of Cannabis Control's Regulations, after taking possession of a cannabis goods batch, Applicant will contact a testing laboratory and arrange for a laboratory employee to come to the Applicant's facility to select a representative sample for lab testing. Applicant or an employee of Applicant will be physically present to observe the lab employee obtain the sample of cannabis goods for testing and will ensure that all proper procedures and protocols are followed, as outlined in the Bureau of Cannabis Control Regulations Section 5305.

Once a sample "passes" a lab test, the cannabis goods may be transported to one or more retailers for sale, but if a sample "fails" a lab test, then the batch must not be distributed or transported to retailers for sale, and must instead be remediated or destroyed, in accordance with applicable State laws and Bureau of Cannabis Control Regulations Section 5306.

Prior to transporting any cannabis goods to retailers for sale, Applicant will ensure all labels and packaging are compliant with state laws and regulations, and that the weight or count of the cannabis batch comports with the information in the track and trace system (Bureau of Cannabis Control Regulations Section 5307). Applicant will ensure all events have been recorded in the track and trace system. (Bureau of Cannabis Control Regulations Section 5307).

### Packaging and Labeling

In accordance with the Bureau of Cannabis Control Regulations Section 5303(a), Applicant may package, re-package, label, and re-label cannabis for retail sale, but will not package, re-package, label, or re-label manufactured cannabis products, except for when Applicant is packaging, re-packaging, labeling, or re-labeling its own manufactured cannabis products.

### Inventory Reconciliation

In compliance with Bureau of Cannabis Control Regulations Section 5309, Applicant will reconcile all inventories of cannabis goods at least once every 14 days and will keep an inventory log containing detailed information about each batch. If Applicant finds a discrepancy between the inventory of stock and the inventory log or track and trace system that is outside normal weight loss caused by moisture loss, Applicant will commence a full audit of the batch in which the discrepancy is found (Bureau of Cannabis Control Regulations Section 5309).

### Records

In addition to any other records that are required to be maintained by the State or local laws and regulations, Applicant will maintain records relating to branding, packaging, and labeling; inventory logs and records; transportation bills of lading and shipping manifests; vehicle and trailer ownership records; quality-assurance records; records relating to destruction of cannabis goods; lab-testing records; warehouse receipts; and records relating to required tax collection and payments (Bureau of Cannabis Control Regulations Section 5310).

### Transportation

In accordance with Section 5413 of the Bureau of Cannabis Control Regulations, transportation of cannabis goods will only be conducted by Applicant or Applicant's employees in a motor vehicle or trailer. No person under the age of 21 will be allowed inside a commercial vehicle or trailer transporting cannabis goods, and only Applicant or Applicant's employees will be in the vehicle while transporting cannabis goods (Bureau of Cannabis Control Regulations Section 5313). Applicant will only transport cannabis goods between licensees shipping or receiving cannabis goods and its own facility (Bureau of Cannabis Control Regulations Section 5311).

Prior to transporting cannabis goods, Applicant will generate a shipping manifest through the track and trace system and will securely transmit the manifest to the Bureau of Cannabis Control and the licensee that will receive

the cannabis goods (Bureau of Cannabis Control Regulations Section 5314). Applicant will ensure and verify that the cannabis goods being taken into possession for transport are as described and are accurately reflected in the shipping manifest.

Applicant plans to transport both medicinal and adult-use cannabis. In accordance with Section 5311 of the Bureau of Cannabis Control Regulations, Applicant may transport multiple shipments of cannabis goods at one time. Furthermore, according to Bureau of Cannabis Control Regulations Section 5311(k), both medicinal and adult-use cannabis goods may be transported in the same vehicle only if the cannabis goods are clearly identified and marked as “A” for adult-use cannabis goods, or “M” for medicinal cannabis goods, both on the physical packaging of the cannabis goods, and on the shipping manifest. Applicant will ensure the medicinal and adult-use cannabis goods will be secured and separated from each other in the vehicle or trailer. Applicant will never transport non-cannabis goods with cannabis goods (Bureau of Cannabis Control Regulations Section 5311(k)).

Applicant will ensure that all cannabis goods are locked in a box, container, or cage that is secured to the inside of the vehicle or trailer, and that no cannabis goods will be visible or identifiable from outside the vehicle or trailer at any time (Bureau of Cannabis Control Regulations Section 5311). Vehicles and trailers will have a vehicle alarm system, and while left unattended, all vehicles and trailers will be locked and secured. Packages or containers holding cannabis goods will never be tampered with or opened during transport by Applicant or Applicant’s employees (Bureau of Cannabis Control Regulations Section 5311).

Applicant will provide to the Bureau of Cannabis Control and the City of Santa Rosa all information it requires regarding the vehicles or trailers used for transportation and distribution, including proof of ownership or lease, the year, make, model, license plate number, and numerical VIN for any and all vehicles and trailers that Applicant will use to transport cannabis goods (Bureau of Cannabis Control Regulations Section 5312).

#### Commercial Cannabis Retail/Dispensary

For details regarding Applicant’s Commercial Retail/Dispensary plans, please see the “Deliveries, On-Site Consumption” section on pages 24 through 26 below; also see the “Retail Storefront and Delivery Details” Section under “Business Plan” beginning on page 30 below.

#### Special Events

Applicant does not propose to hold any special events on-site. If applicant does decide to hold a special event at the retail location in the future, Applicant will consult with the City and the State to ensure it acquires all necessary permits, licenses, and approvals prior to holding a special event.

### **Cannabis Use Application – Retail Use Requirements (Updated)**

#### **a. Location Requirement & Setbacks**

California Business and Professions Code Section 26054 (b) provides that cannabis businesses cannot be located within a 600-foot radius of a school, youth center or day care center. However, this section further provides that “a licensing authority or a local jurisdiction may specify a different radius.” The City Ordinance states that the 600-foot setback applies only to retail operations, and the City properly asserts its right to establish its own setbacks pursuant to California Business and Professions Code Section 26054(b) (City Ordinance Section 26-46-040(B)).

The City’s Ordinance (as amended and adopted December 19, 2017), states that Cannabis Retail businesses must be 600 feet from a “school,” as defined by the Health and Safety Code Section 11362.768 (City Ordinance Section 20-46.080(D)(2)). Health and Safety Code Section 11362.768 (h) defines a school as “any public or private school providing instruction in kindergarten or any of grades 1 to 12, inclusive, but does not include any private school in which education is primarily conducted in private homes.” According to the City Ordinance, microbusinesses with a retail component must also comply with this 600-foot setback. Additionally, the City Ordinance states that “a

Cannabis Retail use will not be established within 600 feet of any other Cannabis Retail use established within and permitted by the City of Santa Rosa” (City Ordinance Section 20-46.080(D)(2)).

Currently no schools, nor any other cannabis retail establishments are within 600 feet of the Subject Property (*see attached Vicinity Map Denoting Closest Schools*). The Subject Property is in the Mark West Union Elementary School District and the Santa Rosa Union High School District. Based on the City of Santa Rosa’s Public GIS map, the nearest school appears to be Lattice Educational Services (at 3273 Airway Drive), a private school, at a distance of approximately 1,097 feet from the parcel line of the Subject Property (*see attached Vicinity Map Denoting Closest Schools*). The Subject Property therefore meets both State of California and City of Santa Rosa requirements for setback from schools.

**b. Medicinal/Adult Use**

Expanding Roots, Inc., the Applicant, proposes to occupy an existing industrial building located at 3499 Industrial Dr. Applicant seeks to obtain a Conditional Use Permit for a medicinal and adult use Cannabis Microbusiness, which includes a medicinal and adult use retail storefront with delivery.

**c. Operational Plan**

**1. Maintain an Employee Register**

Applicant’s employee register will include all important information about employees, including, but not limited to, their names, addresses, telephone numbers, job titles, training records, and shift information. Applicant will store all past and present employee records within secured digital storage devices the Offices. The Offices are under 24-hour surveillance and are only accessible to the business owners and managers and governing agencies, as required in accordance with the Bureau of Cannabis Control Regulations Section 5037.

**2. Keep Proper Records in Compliance with State Law**

**Cultivation Records**

As required by CalCannabis Regulations Section 8400, Applicant will keep and maintain all records, applications, reports, or other supporting documents for a period of at least seven (7) years from the date the document was created. Applicant will generate and retain sales invoices and receipts with detailed information about the cannabis and non-manufactured cannabis sold (CalCannabis Regulations Section 8401). Applicant will retain all records in a manner that allows the records to be provided at the licensed premises or delivered to the state upon request (CalCannabis Regulations Section 8401).

In accordance with CalCannabis Regulations Section 8400(d), Applicant will maintain the following records at the facility: (i) Cultivation licenses issued by the Department of Food and Agriculture; Cultivation plan; (ii) All records evidencing compliance with the environmental protection measures; (iii) All supporting documentation for data or information input into the track and trace system; (iv) All UIDs assigned to product in inventory and all unassigned UIDs (UIDs assigned to product that has been retired from the track and trace system will be retained for six months after the date the tags were retired); (v) Financial records; (vi) Personnel records; (vii) Records related to employee training for the track and trace system; (viii) Contracts with other state-licensed cannabis businesses; (ix) Permits, licenses and other local authorizations to conduct the commercial cannabis activity; (x) Security records; (xi) Records associated with composting or disposal of cannabis waste; and (xii) Documentation associated with loss of access to the track and trace system.

**Distribution Records**

Applicant will maintain records relating to branding, packaging, and labeling; inventory logs and records; transportation bills of lading and shipping manifests; vehicle and trailer ownership records; quality-assurance

records; records relating to destruction of cannabis goods; lab-testing records; warehouse receipts; and records relating to required tax collection and payments (Bureau of Cannabis Control Regulations Section 5310).

#### Customer Sales (Retail) Records

Applicant will maintain an accurate record of sale for every sale made to a customer, in accordance with Section 5425 of the Bureau of Cannabis Control Regulations. These records will contain the following information: (i) The first name and employee number of the retailer employee who processed the sale; (ii) The first name of the customer and a retailer assigned customer number for the person who made the purchase; (iii) The date and time of the transaction; (iv) A list of all the cannabis goods purchased, including the quantity purchased; and (v) The total amount paid for the sale, including the individual prices paid for each cannabis good purchased and any amounts paid for taxes

#### Inventory Documentation

In accordance with Section 5423 of the Bureau of Cannabis Control Regulations, Applicant will also maintain an accurate record of its inventory and will provide the Bureau of Cannabis Control with this record of inventory upon request. The following information will be included in such inventory records; (i) A description of each item in the inventory, such that the cannabis goods can easily be identified; (ii) An accurate measurement of the quantity of the item; (iii) The date and time the cannabis goods were received; (iv) The sell-by or expiration date on any cannabis goods, if any; (v) The name and license number of the licensee that delivered the cannabis goods; (vi) The name and license number of the distributor that provided the cannabis goods to the Applicant retailer; and (vii) The price the Applicant paid for the cannabis goods, including taxes, delivery costs, or any other costs.

#### Other Records

Applicant will also maintain the following records related to commercial cannabis activity for at least seven years (Bureau of Cannabis Control Regulations Section 5037): (i) Financial records including, but not limited to bank statements, sales invoices, receipts, tax records, and all records required by the CA Department of Tax and Fee Administration under Title 18 of the California Code of Regulations Sections 1698 and 4901; (ii) Personnel records, including each employee's full name, social security or individual tax payer identification number, date employment begins, and date of termination of employment, if applicable; (iii) Training records, including, but not limited to, the content of the training provided, and the names of the employees that received the training; (iv) Contracts with other licensees regarding commercial cannabis activity; (v) Permits, licenses, and other local authorizations to conduct the licensee's commercial cannabis activity; (vi) Security records, except for surveillance recordings required under Section 5044 of the Bureau of Cannabis Control Regulations; (vii) Records relating to the composting or destruction of cannabis goods; and (viii) Documentation for data or information entered into the track and trace system.

Applicant recognizes that the Bureau of Cannabis Control may make any examination of the books and records of any licensee as it deems necessary (Bureau of Cannabis Control Regulations Section 5037). Applicant will therefore keep records in a manner that allows the records to be produced for the Bureau on-site in either hard copy or electronic form, as requested by the BCC. In accordance with Bureau of Cannabis Control Regulations Section 5037(d), Applicant may choose to contract with a third party to provide custodial or management services of the records, but Applicant also recognizes that this contract will not relieve Applicant of its responsibilities to maintain the records properly.

### 3. Publish and Implement a Protocol and Requirements for Patients and Persons Entering the Site

Applicant plans to allow both medicinal and adult-use customers to enter the retail area. Applicant's employees will be physically present in the retail area at all times when individuals who are not Applicant's employees are in the retail area (Bureau of Cannabis Control Regulations Section 5402). Access to the retail area will be limited to individuals who are either at least 21 years of age, or who are at least 18 years of age with a valid physician's recommendation (Bureau of Cannabis Control Regulations Section 5400).

Applicant will train all employees on proper customer admittance practices, will re-train all employees monthly, and will ensure this protocol is printed and kept behind the retail sales counter, and in the break room, to allow employees to refresh their memories at all times.

Applicant's employees will be physically present in the retail area at all times when individuals who are not Applicant's employees are in the retail area (Bureau of Cannabis Control Regulations Section 5402). Access to the retail area will be limited to individuals who are either at least 21 years of age, or who are at least 18 years of age with a valid physician's recommendation (Bureau of Cannabis Control Regulations Section 5400).

#### Returning Customer

All persons wishing to enter the premises will be asked for their ID by an associate who will greet them at the door. Returning patients/customers who are 21 or older will present their identification to an associate who will validate their ID. An associate will then accompany the patient/customer the entire time they are within the premises. If the returning patient does not meet the 21 years of age minimum, they will be asked for their doctor's recommendation. Even if the patient has already registered the recommendation, the expiration date will always be visually confirmed. If a person cannot prove they are at least 21 years of age, or 18 years of age with valid identification and valid recommendation, the person will not be allowed to enter the premises. Returning status does not allow entry without valid proof of age and doctor's recommendation (if applicable).

#### New Customer

Persons who are twenty-one and older will be allowed to enter once their identification is verified. New patients who are at least eighteen years old will be asked for their doctor recommendation. The recommendation will be verified through phone numbers listed and/or websites provided on the recommendation, prior to entering retail area. Only after documents have been verified will an 18- to 20-year-old be allowed to enter the retail area.

#### 4. Identify Secured Access and Secured Product Locations

Applicant will have limited-access areas where only authorized individuals (such as employees, vendors, contractors, or other people with a business-purpose) will be permitted. This limited-access area includes all areas beyond the doors that lead from the Retail area to any other area within the facility (*see previously submitted Site Plans*). Limited-access areas encompass all cultivation, manufacturing, and distribution rooms, and all offices, break rooms, and storage areas.

An individual in the limited-access area who is not employed by Applicant will be escorted by one of Applicant's employees at all times within the limited-access area (Bureau of Cannabis Control Regulations Sections 5042 and 5401). In accordance with Section 5401, any individual within the limited-access area will be at least 21 years old. Applicant will maintain a log of all authorized individuals who are not employees of the Applicant that enter the limited-access area. The logs will be made available to the Bureau of Cannabis Control upon request. Applicant will not receive consideration or compensation for permitting an individual to enter the limited-access area.

Applicant's facility is designed to prevent unauthorized entrance into areas containing Cannabis or Cannabis Products. Limited-access areas accessible to only authorized personnel will be established. The facility has secure doors that will separate the retail area from the cultivation, manufacturing, and distribution areas (*see previously submitted Site Plans*). Customers will not be granted access to the Stock Room, which can only be accessed through the Office attached to the Dispensary area. The door to this Office will only be accessible by Applicant or Applicant's employees who are granted access behind the counter in the Dispensary area. Furthermore, a secure Vault and two Storage areas will be in separate parts of the building from the Retail area (*see previously submitted Site Plans*). Cannabis and cannabis Products that are not used for display purposes or immediate sale will be securely stored in the Vault or the Stock Room, and will be stored in a manner reasonably designed to prevent diversion, theft, and loss.

## 5. Display a Copy of Issued State License

In accordance with Section 20-46.080 of the City Ordinance, Applicant will maintain a copy of its Local Permit and State License on display during business hours in a conspicuous place so that it can be readily seen by all persons entering the facility. Applicant will display and maintain a copy of its Local Permit and State License on the retail sales counter or on the wall above the retail sales counter. Maintaining the Permit and License in this location will ensure that all persons who enter the retail facility can readily see Applicant's local and state authorizations.

### **d. Deliveries, On-Site Consumption**

Applicant plans to deliver Cannabis and Cannabis Products to patients and consumers located outside the Cannabis Retail Facility.

#### Retail Deliveries

##### Delivery Process

The process of Applicant's delivery of cannabis to customers will begin when the delivery employee leaves the facility with the cannabis goods meant for delivery and will end when the delivery employee returns to the facility after delivering the cannabis or cannabis goods to one or more customers (Bureau of Cannabis Control Regulations Section 5415). Prior to leaving the facility, delivery staff will enter order details into the tracking system software. A listing of all products being delivered, including weights, inventory control numbers, locations, and estimated times for delivery will be mandatory fields to complete an order form.

All deliveries will be made to customers in person and will never be made through the use of an unmanned vehicle. Every delivery employee will carry (i) a copy of Applicant's current Local Permit and State License, (ii) their personal California ID card, and (iii) an ID badge provided by Applicant (Bureau of Cannabis Control Regulations Section 5415).

##### Delivery Employees

All deliveries will be performed by a delivery employee of Applicant, who will be at least 21 years of age (Bureau of Cannabis Control Regulations Section 5415). Applicant will maintain a current and accurate list of delivery employees. Applicant plans to have at least two (2) delivery drivers operating at one time. Management will provide specialized training courses for delivery staff to ensure the safety of patients/customers, employees, and the community.

##### Delivery Addresses

Applicant will deliver cannabis goods only to physical addresses on privately-owned land in California and will never leave the State of California while in possession of cannabis goods (Bureau of Cannabis Control Regulations Section 5416). In accordance with Bureau of Cannabis Control Regulations Section 5416, Applicant will not deliver cannabis goods to an address located on publicly-owned land, nor any address on land or in a building leased by a public agency. This delivery restriction includes land owned by a Native American Tribe or Tribal Member, unless authorized by and consistent with applicable tribal law.

##### Delivery Vehicles

In accordance with Section 5417 of the Bureau of Cannabis Control Regulations, Applicant's delivery employees will only travel in an enclosed motor vehicle operated by the delivery employee. Applicant's delivery vehicles will be energy-efficient models with no markings that would either identify or indicate that the vehicle is being used to transport cannabis related products. The delivery employee will ensure the cannabis goods are not visible to the public inside the vehicle or at any time during delivery of the cannabis goods. Applicant will ensure all cannabis and cannabis products are securely stored within the trunk of the vehicle, or if the vehicle has no

dedicated trunk, another secure, discrete location inside the vehicle. Applicant's delivery employee will not leave cannabis goods in an unattended motor vehicle unless the vehicle is locked and equipped with an active vehicle alarm system (Bureau of Cannabis Control Regulations Section 5417). Should an accident occur during the delivery process, the delivery employee will notify retail facility management immediately.

The vehicles Applicant will use for the delivery of cannabis goods will be outfitted with Global Position System (GPS) devices, for ready identification of the geographic location of each delivery vehicle at any time (Bureau of Cannabis Control Regulations Section 5417). The dedicated GPS device will be owned by Applicant and will be used for delivery only. The device will be affixed to the delivery vehicle and will remain active and inside of the delivery vehicle at all times during delivery. At all times, Applicant will be able to identify the geographic location of all delivery vehicles that are making deliveries and will provide that information to the Bureau of Cannabis Control upon request (Bureau of Cannabis Control Regulations Section 5417).

In accordance with Bureau of Cannabis Control Regulations Section 5417, Applicant is prepared to provide the Bureau of Cannabis Control with information regarding any motor vehicle used for the delivery of cannabis goods, including the vehicle's make, model, color, VIN, license plate number and DMV registration. Applicant understands that any vehicle used to deliver cannabis goods is subject to inspection by the Bureau of Cannabis Control and that the vehicles may be stopped and inspected by the Bureau at the facility or during delivery (Bureau of Cannabis Control Regulations Section 5417).

#### Goods Carried During Delivery

Applicant will make both medicinal and adult use cannabis and cannabis products available for delivery. In accordance with Section 5418 of the Bureau of Cannabis Control Regulations, while making deliveries, Applicant's delivery employee will not carry an amount of cannabis goods worth more than \$10,000 at any one time. This value will be determined using the current retail price of all cannabis goods carried by the delivery employee.

#### Delivery Request Receipt

In accordance with Bureau of Cannabis Control Regulations Section 5420, Applicant will prepare a delivery request receipt for each delivery of cannabis good to a customer. The delivery request receipt will contain (i) the name and address of the Applicant retailer; (ii) the first name and employee number of the Applicant's delivery employee who delivered the order; (iii) the first name and employee number of the Applicant's employee who prepared the order for delivery; (iv) the first name of the customer and an assigned customer number for the person who requested the delivery; (v) the date and time the delivery request was made; (vi) the delivery address; (vii) a detailed description of all cannabis goods requested for delivery, which will include the weight, volume, or another accurate measure of the amount of cannabis goods requested; (viii) the total amount paid for the delivery, including taxes, fees, cost of the cannabis goods, and any other charges related to the delivery; and (ix) the date and time the delivery was made, and the signature of the customer who received the delivery. At the time of the delivery, the delivery employee will provide the customer who placed the order a copy of the delivery request receipt and will retain a signed copy of the receipt for Applicant's records.

#### Delivery Routes

While making deliveries, the delivery employee will only travel from the Applicant's facility to the delivery address; from one delivery address to another delivery address; or from a delivery address back to the Applicant's facility (Bureau of Cannabis Control Regulations Section 5421). In accordance with Bureau of Cannabis Control Regulations Section 5421, delivery employees will not deviate from the delivery path, except for necessary rest, fuel, or vehicle repair stops, or because road conditions make continued use of the route unsafe, impossible, or impracticable.

### On-Site Consumption

Section 26200 of the California Business and Professions Code states that “a local jurisdiction may allow for the smoking, vaporizing, and ingesting of cannabis or cannabis products on the premises of a retailer or microbusiness,” however, “access to the area where cannabis consumption is allowed [must be] restricted to persons 21 years of age and older” and “cannabis consumption [must not be] visible from any public place or nonage-restricted area.” The City of Santa Rosa allows for on-site consumption (City Ordinance Section 20-46.080(F)); however, the City does not allow the smoking or vaping of cannabis products on-site.

Applicant does not plan to allow on-site consumption of cannabis products by employees, patients, or adult use customers. The entrance to Applicant’s retail facility will be clearly and legibly posted with a notice indicating that smoking and vaping of cannabis is prohibited on site or in the vicinity of the site except as permitted in accordance with Chapter 9-20 (Smoking Regulations) and State Law.

### **e. Special Events**

As stated above, Applicant does not propose to hold any special events on-site. If applicant does decide to hold a special event at the retail location in the future, Applicant will consult with the City and the State to ensure it acquires all necessary permits, licenses, and approvals prior to holding a special event.

### **f. Storefront, Signage, and Window Treatments**

In accordance with City Ordinance Section 20-46.080, the storefront entrance of the retail facility will be in a visible location that provides an unobstructed view from the public right of way (*see attached View of Retail Storefront from Public Right-of-Way*).

Please see attached images denoting visibility of storefront entrance from public right-of-way (Industrial Dr.). Also see attached mock-ups of potential signage locations. Although Applicant has submitted these mock-ups with green colors and current logo, Applicant anticipates that it will change the colors and logo and will not use these specific images as the signage on this building. These mock-ups are intended to provide an example of where the signage and logos may go on the building.

As was discussed in detail above, no adult-use customer will be permitted to enter the retail space without government issued photo identification and no medical cannabis patient will be permitted to enter the retail space unless the medical patient possesses a valid government-issued photo identification card and a valid physician’s recommendation under Section 11362.712 of the Health and Safety Code.

The entrance to Applicant’s retail facility will be clearly and legibly posted with a notice indicating that smoking and vaping of cannabis is prohibited on site or in the vicinity of the site except as permitted in accordance with Chapter 9-20 (Smoking Regulations) and State Law. Applicant will not advertise or market cannabis or cannabis products on an advertising sign within 1,000 feet of a day care center, school providing instruction in kindergarten or any grades 1 through 12, playground, or youth center.

New signage will be installed at the facility under a separate signage permit. Signage will be added for advertising purposes and visual appeal and will be in accordance with the City’s requirements. No signs will obstruct the entrance or windows. At the front entrance, on the exterior of the building, Applicant’s company name and logo will be added for business identification. Additional signage regarding public consumption, security and safety notices will be added to the interior walls. These signs and notices will include the following:

- Signage posted at the entrance and in the lobby will indicate that Expanding Roots has active security camera monitoring;
- Signage posted in the lobby and retail space will educate patients/consumers about the use of cannabis and its potential risks:

- Smoking, ingesting, or consuming cannabis on or near the retail space is not allowed.
- Purchasing, smoking, ingesting or consuming cannabis or cannabis products is at your own risk.
- Cannabis consumption and possession may be prohibited under the laws, regulations, and policies of local, state, and federal entities, including employers, schools and federal visas.
- Warning: Do not use if pregnant or breastfeeding. Using cannabis during pregnancy may harm your baby and may result in low birth weight.

**g. Site Management Plan**

*Please see below for responses to Site Management merit-based review criteria.*

**h. Responses to Merit-Based Review Criteria**

**1. Local and State Compliance (i. State regulations; ii. County/regional permit requirements; iii. Santa Rosa General Plan policies; iv. Santa Rosa City Code locational and operational requirements)**

As has been discussed throughout this Project Narrative, and will be discussed in further detail below, Applicant understands that it must operate in full compliance with state regulations, county/regional permit requirements, Santa Rosa General Plan policies, and Santa Rosa City Code locational and operational requirements. Applicant will go to great lengths to ensure its microbusiness facility remains in compliance with all applicable codes and regulations, including consistent review of both local and state laws and regulations. Throughout this Project Narrative, Applicant has maintained that it will follow the laws outlined in MAUCRSA and the Bureau of Cannabis Control Regulations. Further, Applicant will maintain a Sonoma County Health Permit, Food Handlers Cards and a Food Safety Certification. Applicant has considered General Plan policies in the crafting of this Project Narrative and will ensure its operations maintain these considerations. Applicant has also ensured that its proposed location is properly zoned and is set back in excess of 600 feet from the nearest school.

**2. Site Management**

**i. Qualifications and Backgrounds of Principals**

A passion for horticulture, cooking, family, and the good that cannabis does in the world inspired the creation of Expanding Roots. Its founders, a father, daughter and son-in-law, each add key ingredients to the small, family-run company. Expanding Roots is supported by their combined decades of restaurant experience, formal business training and ability to holistically grow clean cannabis. Two years ago, a collective dream was launched. Expanding Roots handles every step of production, from cultivation to kitchen to distribution, to ensure its name always stands for quality. Applicant’s owners and managers are meticulous, take care of their own, and bring people together. They are driven by sourcing local ingredients and cannabis from local farms. They strive for excellence for themselves and their employees. Applicant’s team is dedicated to exceeding expectations of all patients and customers.

*Grant Babbitt, President*

Grant spent the majority of his younger years between Texas and Colorado. His passion for health and wellness began early on as a competitive tennis player. Grant graduated college with a degree in Recreational Management. The desire to educate himself on the medicinal and recreational aspects of the cannabis industry prompted a move further west. With nearly a decade of cannabis cultivation experience, Grant maintains a strong focus on producing the highest quality of cannabis. A love for horticulture continues to fuel his enthusiasm for the staggering growth potential surrounding the cannabis industry and the beneficial components needed to execute its successful rise. As a former tennis pro and real estate agent, Grant has experience teaching, developing a customer base, and

understanding the needs of his clients. He brings to Expanding Roots an incredible work ethic, passion for health and wellness, and deep knowledge of the cannabis industry.

Jay Hutchison, Vice President of Operations

Jay has spent the last thirty plus years building a career in the food industry. Over that period, positions with MiMi's Cafe ranged from restaurant Assistant Manager to Vice President of Manufacturing and Distribution with equity partnership. He also helped fuel company growth as an integral part of the MiMi's Cafe Senior Leadership team. Jay's responsibilities included: budgeting, annual and long-term planning, P&L analysis and reviews, purchasing, human resources, liaison with Health, Fire/Hazmat, FDA, USDA, etc., and customer support, all while providing fresh soups, sauces, salad dressings, and numerous other products to over 250 restaurants nationwide. After the sale of MiMi's Cafe to LeDuff America in 2013, Jay went to work for Stir Foods, LLC, where he helped design, develop, and implement the process and packaging line for the "Just Mayo" brand of retail and foodservice products, helping Stir become the primary worldwide supplier of this brand. He has worked alongside other volunteers for numerous years for the Wilderness Retreat Ministry of Saddleback Church (Lake Forest, CA), where he led teams of people to feed retreat attendees, averaging 250 hungry men in the middle of nowhere. In early 2016, a relocation to Northern California began Jay's transition into the medical cannabis industry. He has spent the last year learning the intricacies of cultivation, while navigating the legalities of a new and upcoming business venture. Jay is a true believer in the benefits of the medicinal cannabis industry and is excited to promote its positive influence in today's health conscious population.

Sara Hutchison-Babbitt, Vice President of Finance and Marketing

Sara, a Southern California native, graduated New York University's Stern School of Business with a degree in Marketing and Management and Organizations. Her eight year stay in New York City encompassed both university studies and post graduate work in the fields of financial and translation services. A love of water (she was a competitive swimmer/coach from 1995-2008 with both the National Nadadores Swim Team out of Mission Viejo, CA and NYU Swim Team) prompted a move back to the west coast and Northern California's San Francisco Bay area. A career in project and program management that lasted more than ten years, on both the east and west coast (China, London, and Spain offices), has Sara geared towards internal structuring and organization on a global level. Her passion for the culinary arts has her excited to take her creative talents into Expanding Roots' kitchen and to develop a line of consumer-friendly cannabis edibles.

ii. Applicant's Experience in the Cannabis Industry; Applicant's Dedication to the City of Santa Rosa

Expanding Roots prides itself on being a small family run company. Its founders, a father, daughter and son-in-law, are two California natives and one transplant with a deep love of the North Bay. Applicant's team is uniquely qualified to run and effectively manage a cannabis microbusiness that encompasses all aspects of the industry from cultivation to manufacturing to retail, due to their varied backgrounds and prior experiences.

Applicant's management team has transferrable experience in construction, human resources, manufacturing, operations, as well as sales and marketing, which sets a strong foundation for Applicant's organization. With the ability to develop clear processes and procedures, build and effectively manage teams, run and maintain clean, quality-controlled environments, and a true passion for helping others, Applicant can successfully operate a community-focused cannabis business in Santa Rosa.

As will be described in further detail below, Applicant plans to fill full-time and part-time positions by leveraging talent in the surrounding communities. Applicant's advisory board will be composed of individuals with experience in various applicable industries (cannabis, biotech, pharmaceuticals, architectural/design, legal and accounting). In building and operating its business, it is Applicant's full intent to source locally as much as possible and develop a track record of high quality product manufacturing, superior patient/customer therapy, and impactful community building initiatives.

### Applicant's Goals and Objectives

Expanding Roots aims to provide a unique, safe, and enjoyable experience for its patients/customers. Applicant's staff is trained to interact with its patients/customers in a friendly yet professional manner. Applicant aims to exceed expectations so that its patients/customers are not simply satisfied with their experience, but help grow Applicant's business through repeat visits and positive word of mouth. As a young organization, Applicant understands that its goals and objectives will evolve over time, but Applicant will stay true to its core values and roots by focusing on the following:

- **Building Trust:** Applicant will earn its reputation for integrity through clear dosing information, customer education and reliably high-quality, consistent products.
- **Being Farm-to-Kitchen-to-Table:** The same hands that tend Applicant's organically grown cannabis will craft its unique edibles. Ingredients will be sourced locally.
- **Helping People:** Patients/customers will be provided with individual, customized service to help them find the product that best fits their needs. Applicant will devote time and resources to charitable organizations in Santa Rosa and the local communities, as discussed in more detail below.

### iii. Business Plan

According to City Ordinance Section 20-70.020, a Cannabis Microbusiness is a medical or adult use cannabis cultivation business of less than 10,000 square feet in combination with cannabis distribution, cannabis manufacturing – level 1, and/or cannabis retail (dispensary) and delivery, combined within one State License. Applicant proposes a microbusiness made up of cultivation, manufacturing, distribution, and retail storefront with delivery. The City Ordinance, passed December 19, 2017, and effective January 19, 2018, allows for the permitting of commercial cannabis microbusiness sites in the Light Industrial (IL) and General Industrial (IG) zones. The subject parcel is zoned IL. Applicant proposes a Cannabis Microbusiness with Cultivation, Manufacturing Level 1, Distribution, and Retail components.

On January 11, 2018, the City of Santa Rosa granted to DMCC, Inc., a Conditional Use Permit (via Resolution 11873 and CUP17-042) for cultivation, manufacturing, and distribution at this same facility. The owner of, and signatory for, DMCC, Inc., Grant Babbitt, is the same owner of, and signatory for, Expanding Roots, Inc., the Applicant under this current microbusiness application. Applicant now proposes to add a retail storefront with delivery at this facility, which would make the facility a medicinal and adult use cannabis microbusiness with cultivation, manufacturing, distribution, and retail with delivery.

According to the City Ordinance, in addition to compliance with all permit and operating requirements set forth for Cannabis Cultivation, a Cannabis Microbusiness must comply with all permit and operating requirements set forth for Cannabis Manufacturing, Distribution, and/or Retail and Delivery, as applicable to the combination of uses within the license. Aside from track and trace compliance and retail and delivery, Applicant has described each of these uses above.

### Track and Trace Compliance

The State's track and trace system is designed to record the movement of cannabis and cannabis products through the supply chain, from cultivation to sale. This will help ensure that if a public safety concern arises, the source will be identifiable. In accordance with Bureau of Cannabis Control Regulations Section 5049, Applicant will report in the track and trace system the disposition of all commercial cannabis activities within 24 hours of occurrence, including the receipt or transfer of cannabis goods from one licensee to another, processing, packaging, and any other activity required to be recorded into the track and trace system under Section 5049. Applicant will ensure all data entered into the track and trace system is correct and that any information entered in error is corrected immediately upon discovery of the error. If at any time Applicant loses access to the track and trace system, Applicant will prepare and maintain comprehensive records detailing all required inventory tracking activities conducted during the loss of access (Bureau of Cannabis Control Regulations Section 5049). Once

access is restored, Applicant will immediately enter all commercial cannabis activity that occurred during the loss of access (Bureau of Cannabis Control Regulations Section 5050).

Applicant will designate at least one owner to be the track and trace system account manager, in accordance with Bureau of Cannabis Control Regulations Section 5048; such owner will have the responsibility (i) to designate authorized track and trace system users (employees) and require proper training of these users; (ii) to maintain an accurate and complete list of all track and trace system account managers and users and update the list and individual access credentials immediately upon any change; (iii) obtain UID tags from the Department of Food and Agriculture and ensure a sufficient supply is available at all times; (iv) ensure all inventory is tagged and entered into the track and trace system; (v) correct any information that is incorrectly entered into the system upon discovery of the error; and (vi) monitor all notifications from the track and trace system and resolve all issues identified in the notification.

According to Bureau of Cannabis Control Regulations Section 5052, while Applicant operates under a temporary State License, Applicant will not be required to record commercial cannabis activity in the track and trace system, but must still record all commercial cannabis activity with sales invoices and receipts, in accordance with Bureau of Cannabis Control Regulations, Department of Public Health Regulations, CalCannabis Regulations, MAUCRSA, and any other applicable laws and regulations.

***Retail Storefront and Delivery Details***

Use	Room Name	Size (in Square Feet)
<b>Retail</b>	Dispensary	1,331
	Stock Room	120
	Office	100
<b>TOTAL RETAIL WITHOUT STOCK ROOM AND OFFICE: 1,331 SQUARE FEET</b>		
<b>TOTAL RETAIL: 1,551 SQUARE FEET</b>		

According to City Ordinance Section 20-70.020 “Cannabis Retail” means “a facility where Medical or Adult Use Cannabis or Medical or Adult Use Cannabis Products are offered, either individually or in any combination, for retail sale, including an establishment that delivers Cannabis or Cannabis Products as part of a retail sale. Also known as a cannabis ‘dispensary.’” Applicant proposes a medical and adult-use retail storefront space of approximately 1,660 square feet. Under this retail use, Applicant proposes to sell cannabis and cannabis products to medicinal and adult-use customers.

Under Section 5412 of the Bureau of Cannabis Control Regulations, Applicant is not permitted to package or label cannabis or cannabis products on the retail premises. All cannabis or cannabis products sold by Applicant within the retail space will be packaged and labeled prior to arriving at the retail premises.

Access to the Office and the Stock Room for the retail space is behind the counter in the Dispensary area; only Applicant and Applicant’s employees will have access behind this counter (*see previously submitted Site Plans*).

*Retail Records*

Please see page 22 above for details regarding Applicant’s Retail Records under “Customer Sales (Retail) Records”.

*Limited-access Areas*

Please see page 23 above for details regarding Applicant’s Limited-Access Areas under “Identify Secured Access and Secured Product Locations”.

### Retail Customers

Please see pages 22 to 23 above for details regarding Applicant's retail customers and customer access to the premises under "Publish and Implement a Protocol and Requirements for Patients and Persons Entering the Site".

### Retail Hours of Operation

Please see page 12 above for details regarding Applicant's retail hours of operation under "Hours of Operation".

### Retail Entrance Requirements

In accordance with City Ordinance Section 20-46.080, the storefront entrance of the retail facility will be in a visible location that provides an unobstructed view from the public right of way. As was discussed in detail above, no adult-use customer will be permitted to enter the retail space without government issued photo identification and no medical cannabis patient will be permitted to enter the retail space unless the medical patient possesses a valid government-issued photo identification card and a valid physician's recommendation under Section 11362.712 of the Health and Safety Code.

### Retail Experience

The interior design of Applicant's facility will provide a cohesive feel from entry to exit. Applicant will utilize a simple, earthy, clean, and unpretentious design scheme. An eclectic interior will offer a delicate balance between rustic charm (reclaimed wood, iron and copper fixtures/accents, red brick walls and polished concrete flooring) and modernity (a color palette of green, yellow, sandy/earth and red). Applicant envisions its facility as a space where the abundance of plant-life (succulents), are complimented by the LED lighting and industrial antique chandeliers overhead.

Patients/customers will be welcomed by friendly, knowledgeable staff. The lobby/waiting area will be comfortable and inviting, yet minimalistic. Comprehensive security measures will be in place, but Applicant will ensure that these measures will not overshadow the positive and rewarding customer experience that Applicant aims to create. While waiting for access to the retail space, patients/customers can browse the menu of product offerings. Once inside, large chalkboards and smaller digital screens will display the current inventory. Applicant's goal is to create an environment that appeals to both the nostalgic and modern cannabis consumer.

Upon arriving at the retail facility, patients/customers are required to present identification (State issued driver's license or passport, etc.) to the security staff before proceeding to reception. The reception staff will verify the individual's identity, and if not already a member, will require the completion of a New Patient/Customer Questionnaire and Agreement. These forms must be completed in their entirety and signed before membership can be granted.

All new patients/customers will be provided with additional information related to the company, entry requirements, general membership guidelines and patient/customer rights, as well as educational materials on cannabis uses, dosing, and methods of consumption. Applicant's staff will also provide a brief tour of the retail space.

Once membership is verified, the patient/customer will be directed to the lobby/waiting area before he/she is allowed access to the retail space. For safety purposes and to allow the best user experience, a number system will be used to control traffic and limit the number of individual's in the retail space at any given time. Retail staff will be present to educate and individually assist patients/customers. With thorough training on the types of cannabis products available, including their potency and effects, Applicant's staff can help patients/customers understand what products may work best based on their individual needs.

Failure to abide by the guidelines set forth in the New Patient/Customer Agreement may result in suspension or termination of patient/customer membership.

General Guidelines for Expanding Roots Members:

- Picture ID is required to enter the facility (State issued driver's license or passport, etc.);
- Individuals must be at least 21 years of age or at least 18 years of age and possess a valid physician's recommendation;
- No pets (other than service animals) or non-members (children, friends, family) will be permitted in the retail space;
- Loitering is not permitted in the retail space, parking lot, or in the surrounding areas of the facility;
- Consumption of cannabis products is not allowed on-site;
- Smoking, alcohol, illegal drugs, or weapons of any kind are not allowed on-site;
- Patient/customers agree not to resell or distribute cannabis products obtained through the retail space;
- Rude, offensive, or threatening behavior will not be tolerated.

Secured Products

As was discussed in detail above, Applicant's facility is designed to prevent unauthorized entrance into areas containing Cannabis or Cannabis Products. Limited-access areas accessible to only authorized personnel will be established. The facility has secure doors that will separate the retail area from the cultivation, manufacturing, and distribution areas (*see previously submitted Site Plans*). Customers will not be granted access to the Stock Room, which can only be accessed through the Office attached to the Dispensary area. The door to this Office will only be accessible by Applicant or Applicant's employees who are granted access behind the counter in the Dispensary area. Furthermore, a secure Vault and two Storage areas will be in separate parts of the building from the Retail area (*see previously submitted Site Plans*). Cannabis and cannabis Products that are not used for display purposes or immediate sale will be securely stored in the Vault or the Stock Room and will be stored in a manner reasonably designed to prevent diversion, theft, and loss.

Cannabis Goods Displays

In accordance with Bureau of Cannabis Control Regulations Section 5405, cannabis goods for inspection and sale will only be displayed in the retail area and will not be displayed where they are visible from outside the facility. In accordance with Bureau of Cannabis Control Regulations Section 5405(c), cannabis goods may be removed from their packaging and placed in containers to allow for customer inspection. The containers will not be readily accessible to customers without assistance of Applicant or Applicant's employees, and the container will be provided to the customer by Applicant or Applicant's employee, who will remain with the customer at all times that the container is being inspected by the customer. Cannabis goods that are removed from their packaging for display will not be sold or consumed and will be destroyed when the cannabis goods are no longer used for display.

Cannabis Goods for Sale

In accordance with Bureau of Cannabis Control Regulations Section 5406, Applicant will not make any cannabis goods available for sale to a customer unless (i) the cannabis goods were received from a licensed distributor; (ii) Applicant has verified that the cannabis goods have not exceeded their expiration or sell-by date, if one is provided; and (iii) in the case of manufactured cannabis products, the product complies with all requirements of Section 26130 of the California Business and Professions Code and all other relevant laws.

According to Section 26130 of the California Business and Professions Code, edible cannabis products must be (1) designed to not be appealing to children or easily confused with commercially sold candy or foods that do not contain cannabis; (2) produced and sold with a standardized concentration of cannabinoids not to exceed ten (10) milligrams tetrahydrocannabinol (THC) per serving; (3) delineated or scored into

standardized serving sizes if the cannabis product contains more than one serving and is an edible cannabis product in solid form; (4) homogenized to ensure uniform disbursement of cannabinoids throughout the product; (5) manufactured and sold under sanitation standards established by the State Department of Public Health; and (6) provided to customers with sufficient information to enable the informed consumption of the product, including the potential effects of the cannabis product and directions as to how to consume the cannabis product, as necessary.

#### Sale of Non-Cannabis Products

According to Section 5407 of the Bureau of Cannabis Control Regulations, “A retailer may sell non-cannabis products on a licensed premises if the licensee remains in compliance with any city, county, and state laws or regulations related to those products. This provision excludes alcohol and alcohol products and tobacco and tobacco products from sale at any licensed premises.” Applicant will not sell any alcohol, alcohol products, tobacco, or tobacco products on the premises.

#### Sale of Cannabis Paraphernalia

Applicant proposes to sell cannabis paraphernalia onsite. Applicant plans to sell vaporizer pens and a small amount of high-quality glass products.

#### Sale of Edible Products

Applicant plans to sell edible products. Applicant will therefore obtain a Sonoma County Health Permit and will comply with California Health and Safety Code Section 113700 et seq. (the California Retail Food Code), and Sonoma County Health Permit requirements, in accordance with City Ordinance Section 20-46.070, as was discussed in detail above under “Manufacturing”.

Applicant’s manager, Jay Hutchison, has been in the restaurant and food manufacturing business for the entirety of his career, as explained above; Applicant is therefore well aware of Health Department requirements and will work closely with the Sonoma County Health Department to ensure the health and safety of Applicant’s customers and clients. Applicant understands that these requirements provide a system of prevention and overlapping safeguards designed to minimize foodborne illness, ensure employee health, demonstrate industry manager knowledge, ensure safe food preparation practices and delineate acceptable levels of sanitation for preparation of edible products.

#### Sale of Live Plants

Applicant plans to sell live, immature cannabis plants and seeds. In accordance with Bureau of Cannabis Control Regulations Section 5408, Applicant will only sell such seeds if (i) the plant is not flowering; (ii) the plant or seed was purchased from a nursery that holds a valid Type-4 Nursery Cultivation license under MAUCRSA; and (iii) a label is affixed to the plant or package containing seeds which states, “This product has not been tested pursuant to the Medicinal and Adult-Use Cannabis Regulation and Safety Act.” Applicant will not sell any other live plants, nor will applicant apply or use any pesticides on the live plants.

#### Daily Limits

In accordance with Section 5409 of the Bureau of Cannabis Control’s Regulations, Applicant will not sell more than the following amounts of cannabis, cannabis products, or cannabis plants to an adult-use cannabis customer:

- 28.5 grams (approximately 1 ounce) of non-concentrated cannabis in a single day to a single customer;
- 8 grams (slightly more than 1/4 ounce) of concentrated cannabis, including concentrated cannabis contained in cannabis products, in a single day to a single customer;
- 6 immature cannabis plants, in a single day to a single customer.

Furthermore, Applicant will not sell more than the following amounts to a medicinal cannabis customer:

- 8 ounces of medicinal cannabis in a single day to a single medicinal cannabis customer; or
- If a valid physician's recommendation contains a different amount than 8 ounces, the medicinal cannabis customer may purchase an amount of medicinal cannabis consistent with the patient's needs as recommended by a physician.

#### Sonoma County Health Permit and Food Safety Certification Examination

As discussed in detail on pages 16 through 17 above, Applicant will obtain a Sonoma County Health Permit and any Food Safety Certifications, including Food Handlers Cards, as necessary.

#### Customer Returns of Cannabis Goods

A "customer return" means a customer's return of cannabis goods that were purchased from Applicant, back to the Applicant. In accordance with Bureau of Cannabis Control Regulations Section 5410, Applicant may accept customer returns of cannabis goods that were previously sold to a customer but will not resell cannabis goods that have been returned. Applicant will destroy all cannabis goods that have been returned by a customer. Applicant will treat any cannabis goods abandoned on the premises as a customer return (Bureau of Cannabis Control Regulations Section 5410).

#### Free Cannabis Goods

In general, Applicant will not provide free cannabis goods to any person and will not allow employees to provide free cannabis goods to any person on the licensed premises. However, in accordance with Bureau of Cannabis Control Regulations Section 5411, in order to provide access to medicinal cannabis to patients who have difficulty accessing medicinal cannabis goods, Applicant may provide free medicinal cannabis to those in need. Applicant will ensure that: (i) free cannabis goods are provided only to a medicinal cannabis patient or primary caregiver for the patient in possession of a valid ID card and physician's recommendation; (ii) the cannabis goods comply with all laboratory testing requirements; (iii) prior to being provided to the patient or primary caregiver, the cannabis goods have been properly recorded in the track and trace system as belonging to the Applicant; (iv) the cannabis goods will not leave the premises unless placed in an opaque package, as required for purchased cannabis goods; (v) the cannabis goods will be applied toward the daily limit purchased by a medicinal cannabis customer; and (vi) the transaction will be properly recorded in Applicant's inventory records and the track and trace system. Applicant may also donate cannabis goods and the use of equipment in compliance with any compassionate use, equality, or other similar program administered by the City of Santa Rosa.

#### On-Site Consumption

Section 26200 of the California Business and Professions Code states that "a local jurisdiction may allow for the smoking, vaporizing, and ingesting of cannabis or cannabis products on the premises of a retailer or microbusiness," however, "access to the area where cannabis consumption is allowed [must be] restricted to persons 21 years of age and older" and "cannabis consumption [must not be] visible from any public place or nonage-restricted area." The City of Santa Rosa allows for on-site consumption (City Ordinance Section 20-46.080(F)); however, the City does not allow the smoking or vaping of cannabis products on-site.

Applicant does not plan to allow on-site consumption of cannabis products by employees, patients, or adult use customers. The entrance to Applicant's retail facility will be clearly and legibly posted with a notice indicating that smoking and vaping of cannabis is prohibited on site or in the vicinity of the site except as permitted in accordance with Chapter 9-20 (Smoking Regulations) and State Law.

### Packaging and Labeling

In accordance with Section 5412 of the Bureau of Cannabis Control Regulations, Applicant will not accept, possess, or sell cannabis goods that are not packaged as they will be sold at final sale. All cannabis goods purchased by a customer will not leave the Applicant's retail premises unless the goods are placed in an opaque exit package (Bureau of Cannabis Control Regulations Section 5413).

### Retail Delivery

Applicant plans to deliver Cannabis and Cannabis Products to patients and consumers located outside the Cannabis Retail Space. Please see pages 24 through 25 above for details regarding Applicant's retail delivery under "Retail Deliveries".

### iv. Management Plan for Nuisance Impacts

Applicant understands that there are inherent risks with running a cannabis retail facility; however, Applicant is dedicated to providing comprehensive security measures for itself and its neighbors. Applicant plans to create a "Good Neighbor Policy" that will be communicated to all employees and updated as needed. Applicant will have 24-hour security personnel on site, which will be effective in mitigating risks to the Subject Property, but Applicant also believes that good communication with the residents of the neighborhood, neighboring merchants, the Property Owner, and law enforcement, will be the key to preventing potential nuisance activities at the Subject Property.

In order to prevent such nuisance activities from taking place around the retail facility, Applicant will have vigilant 24-hour security guards and will use security cameras, which will be accessible to neighbors to discuss any issues, and will work with the Property Owner to mitigate any issues that do or could arise. Applicant plans to work closely with the City of Santa Rosa Police Department to evaluate and abate any potential public safety issues or nuisances that may arise at the facility.

Applicant will maintain a clean, well-manicured facility by employing a local landscaping company and janitorial staff. Applicant will also educate all employees and staff members about appropriate behaviors in and around the facility. Applicant will respond in a timely manner to any concerns from the local community by creating necessary action plans and following up with concerned neighbors to ensure appropriate resolution has been achieved. Applicant will promote open communication with neighbors and local law enforcement.

Applicant will take reasonable steps to discourage and correct objectionable conditions that constitute a nuisance in the retail facility, the parking areas, sidewalks, alleys and areas surrounding the premises and adjacent properties. These steps will include calling the police in a timely manner and requesting that those engaging in nuisance activities cease the activities unless the personal safety of Applicant would be jeopardized in making the request. *See previously submitted Confidential Security Plan for further detail on Applicant's security procedures.*

### v. Performance Timeline: From Land Use Approval to Opening the Facility

As soon as Applicant is granted a Conditional Use Permit for this microbusiness facility, Applicant will begin the building plan check and build-out process. Applicant has separated its performance timeline into 2 phases as DMCC, Inc. has already obtained a Conditional Use Permit for cannabis cultivation, manufacturing, and distribution.

#### *Phase 1 – Cultivation and Manufacturing Build Out*

As previously discussed, Applicant was granted a CUP for cannabis cultivation, manufacturing, and distribution at the Subject Property in January 2018. Therefore, preliminary building plans are currently being finalized to submit to the City for its approval. Applicant will order equipment and begin construction

within two months of receiving building permits from the City. Construction is anticipated to be completed two months from the start, with the facility becoming operational within three months.

#### *Phase 2 – Retail Build Out*

Applicant’s goal is for the infrastructure of the cultivation, manufacturing, and distribution facilities to be in place prior to beginning the retail buildout process. If approval of a CUP for this Microbusiness is granted, Applicant expects construction for the retail portion of the facility would start between September 2018 and November 2018. Construction is anticipated to be completed two months from start, with the facility becoming fully operational as a microbusiness within three months. Prior to the grand opening of the microbusiness facility, community outreach, education and staff training will be the primary focus.

### **3. Neighborhood Compatibility**

#### i. Description of How the Use will Fit into the Stability and Quality of the Surrounding Neighborhood

The Subject Property is in the Light Industrial (IL) zone. According to the City of Santa Rosa’s Zoning Code, “The IL zoning district is applied to areas appropriate for some light industrial uses, as well as commercial service uses and activities that may be incompatible with residential, retail, and/or office uses. Residential uses may also be accommodated as part of work/live projects. The IL zoning district is consistent with the Light Industry land use classification of the General Plan.” According to the City of Santa Rosa’s General Plan, “uses appropriate to this land use category include auto repair, bulk or warehoused goods, general warehousing, manufacturing/assembly with minor nuisances, home improvement retail, landscape materials retail, freight or bus terminals, research oriented industrial, accessory offices, and employee-serving commercial uses, and services with large space needs, such as health clubs.” Not only has the City of Santa Rosa expressly allowed Applicant’s proposed use within this zone through its Zoning Ordinance, but Applicant’s facility will fit succinctly into this existing description, as it will be not only a cultivation facility, but will conduct activities similar to general warehousing (cannabis distribution), manufacturing (manufacturing of cannabis products), and retail (cannabis retail and delivery). Additionally, Applicant’s facility will help to fill a vacancy in the commercial and industrial structures within the City of Santa Rosa, which is a stated goal within the Economic Vitality section of the General Plan.

The Subject Property occupies a corner lot at the northwest corner of the intersection of Industrial Drive and Airway Drive. The area around the Subject Property is industrial and commercial in nature (see previously submitted *Zoning and Vicinity Maps*). The subject parcel is immediately abutted by Light Industrial zoned parcels to the north, south, and west, and to the east lies a Retail and Business Service Zone (see previously submitted *Zoning and Vicinity Maps*).

The proposed project site is not located within 300 feet of residential uses, and therefore, a Neighborhood Meeting was not required.

#### ii. Description of Odor Control Measures

Odor Mitigation Measures are described in detail on pages 8 to 9 above.

#### iii. Description of Enhanced Retail Experience

##### *Facility Design*

Applicant is dedicated to ensuring this facility continues to fit succinctly into the Industrial Drive neighborhood. Applicant will do this through attractive facility design, enhanced customer experience, and ease of pedestrian access to the facility. Applicant’s facility is in a well-developed area that does not require extensive improvement or enhancement; therefore, Applicant’s changes to the exterior of the facility and the facility ground will be minimal. However, the changes that are made will be done in accordance with the

Open Space and Conservation Goals and Policies of the General Plan and with a focus on “green”, environmentally-friendly practices that minimize energy and water consumption. Applicant plans to put a gate/fence around the trash area and paint the exterior of the building with a neutral color. Awnings will be added to the front entrance to provide protection against inclement weather and to add visual appeal.

One of the Goals and Policies of the Open Space and Conservation section of the Santa Rosa General Plan is to “Promote the use of site planning, solar orientation, cool roofs, and landscaping to decrease summer cooling and winter heating needs. Encourage the use of recycled content construction materials.” Applicant plans to upgrade the HVAC systems and the power systems of the building to accommodate the cannabis cultivation use and to maintain energy-efficiency. The power upgrade will be completed with PG&E approval and oversight. The HVAC upgrades will be in compliance with Title 24. and Cal Green. The internal power distribution will be done according to the CEC. Additionally, Applicant is in correspondence with Simply Solar to determine the feasibility of installing solar panels at the Subject Property (*see previously submitted Solar Proposal*). Once solar panels are feasible, as determined by Applicant’s business and financial plans, Applicant plans to install them at the facility, in accordance with all applicable local laws, rules, and regulations.

Similar to its approach in finding local products and services, Applicant’s intent is to source materials locally to the maximum extent possible. Applicant’s construction and design will incorporate a variety of eco-friendly and water/energy-efficient materials, including but not limited to: low-VOC nontoxic paint, dual flush toilets, LED lighting, reclaimed or recycled wood, stained or polished concrete flooring in high traffic areas, and climate control systems.

Landscaping

The current landscaping at the Subject Property is drought tolerant and will not require much improvement. For any improvements Applicant does propose, Applicant will use water-efficient landscaping, in accordance with the City’s Water Efficient Landscape Policy,” and the Open Space and Conservation Goals and Policies of the General Plan. Applicant plans to hire a local landscaping company to improve and help maintain the landscaping surrounding the building. Applicant’s focus will be on drought-tolerant, water and energy efficient landscaping and lighting.

Interior Building Changes

The interior of Applicant’s facility was previously allocated into several office spaces, a kitchen, and bathrooms. Applicant will modify the interior of the building to accommodate cannabis cultivation, manufacturing, distribution, and retail uses. Each of the four uses under this microbusiness will be contained in separate rooms; for example, cannabis cultivation spaces will not be comingled within the same rooms as cannabis manufacturing or distribution spaces (*see previously submitted Floor Plans*). Each use will be contained within a separate room or rooms. The space within the building that will accommodate each of the microbusiness uses will be designated as follows: (*also see previously submitted Floor Plans*)

Use	Room Name	Size (in Square Feet)
<b>Cultivation</b>	Cultivation 1	800
	Cultivation 2	1,543
	Nursery/Clone	640
	Drying	320
	Storage	75
<b>TOTAL CULTIVATION W/O PROCESSING (DRYING &amp; STORAGE): 2,983 SQUARE FEET</b>		
<b>TOTAL CULTIVATION W/O STORAGE: 3,303 SQUARE FEET</b>		
<b>TOTAL CULTIVATION WITH PROCESSING (DRYING &amp; STORAGE): 3,378 SQUARE FEET</b>		
<b>Manufacturing</b>	Commercial Kitchen	650
	Manufacturing	400

<b>TOTAL MANUFACTURING: 1,050 SQUARE FEET</b>		
<b>Distribution</b>	Ship/Rec	720
	G's Office	143
	Vault/Quarantine	64
	Storage/Mech	58
	Storage	49
<b>TOTAL DISTRIBUTION WITHOUT STORAGE AREAS: 927 SQUARE FEET</b>		
<b>TOTAL DISTRIBUTION: 1,034 SQUARE FEET</b>		
<b>Retail</b>	Dispensary	1,331
	Stock Room	120
	Office	100
<b>TOTAL RETAIL WITHOUT STOCK ROOM AND OFFICE: 1,331 SQUARE FEET</b>		
<b>TOTAL RETAIL: 1,551 SQUARE FEET</b>		
<b>Other/Accessory Uses</b>	Break Room	99
	Two Bathrooms	278
<b>TOTAL OTHER/OFFICE: 377 SQUARE FEET</b>		

iv. Demonstrate a Clear and Attractive Entrance, Pedestrian Orientation, Bike Parking, and Access to Transit

Clear and Attractive Entrance

The entrance to Applicant's facility, including the signage plan, is described on page 26, above. Additionally, both exterior interior changes to Applicant's retail space are discussed above on pages 36 through 38.

Pedestrian Access to the Facility

Some of the goals of the Transportation section of Santa Rosa's General Plan are to "orient building plans and pedestrian facilities to allow for easy pedestrian access from street sidewalks, transit stops, and other pedestrian facilities, in addition to access from parking lots" and to "require construction of attractive pedestrian walkways and areas in new residential, commercial, office, and industrial developments. Provide landscaping or other appropriate buffers between sidewalks and heavily traveled vehicular traffic lanes, as well as through and to parking lots. Include pedestrian amenities to encourage and facilitate walking."

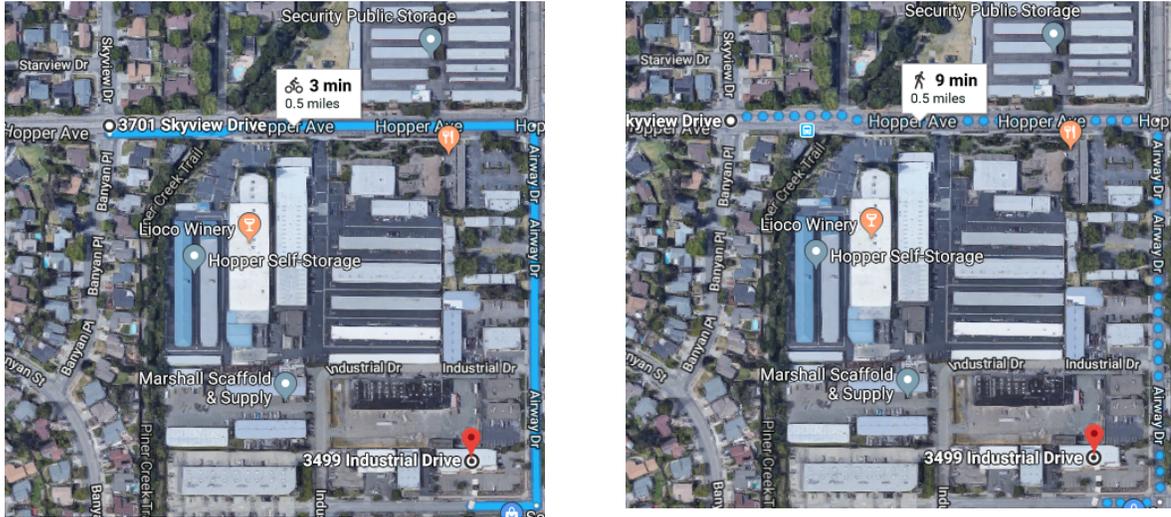
Applicant's facility is at the corner of Industrial Drive and Airway Drive, and the façade of Applicant's facility faces toward Industrial Drive (*see attached View of Retail Entrance from Public Right-of-Way*). Both Airway Drive and Industrial Drive have sidewalks with ample street lighting and landscaping buffers to separate vehicles on streets and in parking lots from pedestrians. These attributes will help to encourage pedestrian traffic to Applicant's facility, rather than solely vehicle traffic. Additionally, Applicant's facility is located in close proximity to many bus stations, as will be discussed in detail below. These many attributes will help to facilitate both pedestrian and bicyclist traffic, rather than sole reliance on single-occupancy vehicles.

Bike Parking

In furtherance of reducing dependence on the automobile while also attracting a regional clientele, and in accordance with the City of Santa Rosa's Design Guidelines for parking, the parking area will have a designated bicycle parking area near the entrance to the retail storefront. Bicycle parking will be provided both (i) under the canopy at the entrance to the retail space, and (ii) at the southern edge of the parking lot (*see previously submitted Site Plans*).

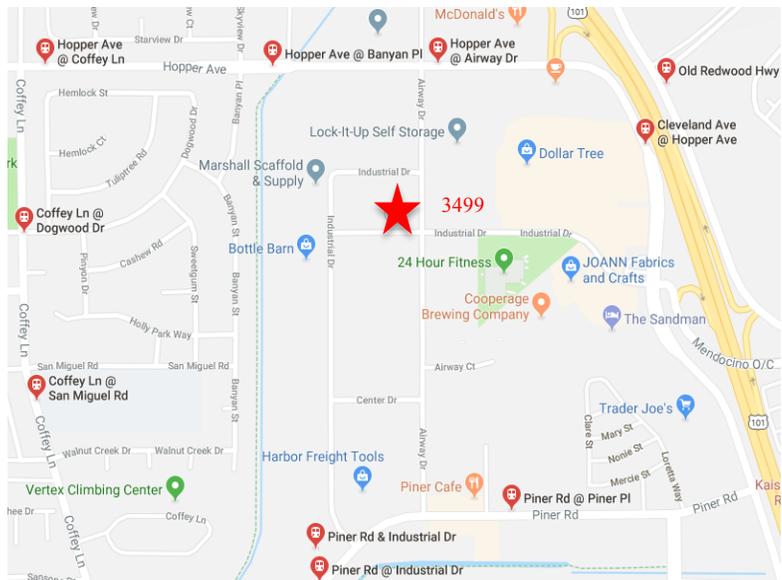
Access to Transit – Transportation to the Facility: Bicycling, Walking & Public Transit

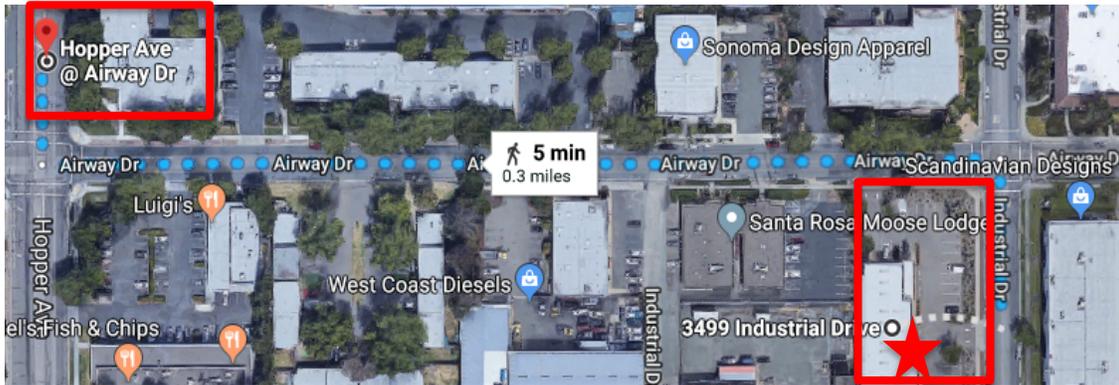
Applicant understands that one of the Guiding Principles of the City of Santa Rosa’s General Plan is to “Reduce dependence on the automobile by improving pedestrian, bicycle, and transit alternatives and by locating essential commercial services in proximity to housing.” In furtherance of reducing dependence on the automobile while also attracting a regional clientele, and in accordance with the City of Santa Rosa’s Design Guidelines for parking, bicycle parking will be provided both (i) under the canopy at the entrance to the retail space, and (ii) at the southern edge of the parking lot (see previously submitted Site Plans).



Moreover, in furtherance of the goal of locating essential commercial services in proximity to housing, Applicant’s facility is approximately one-half mile walking or biking distance from the nearest residential neighborhood, Coffey Park. This close proximity would allow residents of this community to walk to Applicant’s retail space within approximately ten (10) minutes and would allow a bicyclist to bike to Applicant’s facility within approximately three (3) minutes (see figures below).

Part of Santa Rosa’s vision for 2035 is that “frequent, convenient transit service allows local residents to use transit as an alternative to driving.” The Subject Property is located conveniently close to many bus stations, which will allow bicyclists and pedestrians who do not live nearby to enjoy easy access to applicant’s retail space. This will help to reduce automobile traffic associated with the facility. The map below shows the many bus stations surrounding Applicant’s facility. The closest bus station at Hopper Ave. and Airway Dr. is 0.3 miles from Applicant’s facility. It would take a pedestrian approximately five (5) minutes to walk from this bus station to Applicant’s facility (see figures below).





### Traffic

Standard staffing at the facility will be approximately ten (10) full-time and fifteen (15) part-time employees who will arrive and leave daily for work shifts between the hours of 8:00 A.M. to 10:00 P.M. Applicant proposes to operate a delivery service and anticipates having at least two (2) delivery drivers making between two (2) and five (5) deliveries per day.

Deliveries to and shipments from the facility by vendors will occur approximately two (2) to three (3) times per week. These deliveries and shipments will generally be by van-sized vehicles, but occasionally, larger box trucks will be used. Trucks will enter the facility on Airway Drive and will exit onto Industrial Drive, heading east, whenever possible. Trucks will exit onto Airway Drive as infrequently as possible. Deliveries and shipments will take place through the roll up door as delivery vehicles can enter into the loading area to conduct shipments and deliveries outside of public view.

## **4. Neighborhood Enhancement**

### i. Improvements

Site and building improvements are discussed on pages 10, 26, and 36 to 38 above. These include improvements to lighting, signage, and interior and exterior changes.

### ii. Integration of Project

Site and building improvements are discussed on pages 10, 26, and 36 to 38 above. These sections include information on the materials and colors that will be used in the retail space and anticipated landscaping needs. Setbacks are discussed on pages 20 to 21 above (also see *attached Vicinity Map Denoting Closest Schools*). Parking is discussed in detail on pages 11 to 12 above. Access to the retail center will be provided via a driveway on Industrial Dr. Please see previously-submitted site plans for further detail regarding parking, circulation, and driveways.

### iii. Environmental Benefits

As discussed above, Applicant will implement a closed-loop water reuse system, which will significantly reduce Applicant's water use on-site. Moreover, Applicant will design its facility with green practices of high importance.

Applicant's facility is in a well-developed area that does not require extensive improvement or enhancement; therefore, Applicant's changes to the exterior of the facility and the facility ground will be minimal. However, the changes that are made will be done in accordance with the Open Space and Conservation Goals and Policies of

the General Plan and with a focus on “green”, environmentally-friendly practices that minimize energy and water consumption.

One of the Goals and Policies of the Open Space and Conservation section of the Santa Rosa General Plan is to “Promote the use of site planning, solar orientation, cool roofs, and landscaping to decrease summer cooling and winter heating needs. Encourage the use of recycled content construction materials.” Applicant plans to upgrade the HVAC systems and the power systems of the building to accommodate the cannabis cultivation use and to maintain energy-efficiency. The power upgrade will be completed with PG&E approval and oversight. The HVAC upgrades will be in compliance with Title 24. and Cal Green.

Applicant’s construction and design will incorporate a variety of eco-friendly and water/energy-efficient materials, including but not limited to: low-VOC nontoxic paint, dual flush toilets, LED lighting, reclaimed or recycled wood, stained or polished concrete flooring in high traffic areas, and climate control systems. The current landscaping at the Subject Property is drought tolerant and will not require much improvement. For any improvements Applicant does propose, Applicant will use water-efficient landscaping, in accordance with the City’s Water Efficient Landscape Policy,” and the Open Space and Conservation Goals and Policies of the General Plan.

An onsite dumpster is located at the north-east area of the lot, closest to the northern property line. Applicant will ensure this dumpster is locked at all times. Packaging and product waste will be recycled and composted to the maximum extent possible. Cannabis and cannabis products will only be placed into the dumpster for disposal at such time that these items are rendered completely destroyed. All waste management techniques will ensure cannabis products and associated product waste is stored and secured in a manner that prevents diversion, theft, loss, hazards, and nuisance, in accordance with Section 20-46.050(G) of the City Ordinance.

#### iv. Community Benefits

Applicant recognizes that one of the Guiding Principles of the City of Santa Rosa’s General Plan is to “focus employment development strategies to retain and expand existing businesses and welcome new businesses which reinforce the community identity, exhibit sustainable business practices, and which have a long term, vested interest in Santa Rosa.” As will be described in detail within this Project Description, Applicant has a long-term vested interest and dedication to the City of Santa Rosa. Applicant plans to begin operating the microbusiness as soon as reasonably possible after the Local Permit and State License are obtained, which will ensure industrial buildings are not sitting vacant and will contribute to the vitality of the City of Santa Rosa’s economy. In accordance with the General Plan’s Economic Vitality Goals and Policies, Applicant will utilize sustainable water use practices both inside the cultivation facility and with exterior landscaping, will employ local community members and pay competitive wages, and will ensure the exterior of the building fits into the City’s Design Guidelines and the aesthetic of the surrounding businesses and neighborhood.

Expanding Roots plans to give back the City of Santa Rosa and the greater North Bay Area through its investment in locally sourced talent and products, as well as its partnership with the city and local non-profit organizations. Applicant’s Community Benefits and Educational Awareness Programs will be created and managed at the highest level of the organization. Senior management will oversee the implementation, development, and allocation of resources to these programs. In addition, Applicant will provide discounts to recognize those who have provided service to others

#### Locally Sourced Talent and Products

Applicant plans to purchase wholesale products from permitted and licensed businesses. These products will include, but are not limited to, grow supplies and nutrients, baking ingredients such as chocolate and dairy for its edible line, and general office related supplies. Individuals and businesses in Sonoma County will be considered for all needs related to operating the facility including advertising and marketing, landscaping, legal and accounting, security, and general staffing requirements. These efforts not only cultivate community involvement but direct tax dollars back into Sonoma County and lessen the environmental impact of commuting.

Community Benefit Program and Charitable Contributions

Applicant is committed to donating up to 2% of its quarterly profits to local charities in Santa Rosa and the greater North Bay Area. Applicant will partner with local non-profit organizations and take part in programs directed towards fighting hunger and poverty, providing youth outreach, mental health awareness, and cancer research.

Educational Awareness Program

Applicant intends to provide information/education to local aligned organizations and community groups to promote both cannabis education and sensible dosing.

Reduced Pricing Plan



Staffing

One of the Goals and Policies of the Economic Vitality section of Santa Rosa’s General Plan is to “identify industries whose employee needs will utilize the area’s existing talent pool and develop strategies to attract such employers.” In accordance with this goal, Applicant’s employees will be recruited from the local Santa Rosa and Sonoma County labor pool and Applicant will market its hiring campaigns in order to accomplish this. Applicant plans to cover its work schedule with full-time employees eligible for full benefits as much as possible. Starting hourly wage will be approximately \$20, thus supporting Santa Rosa’s commitment to the creation of head-of-household jobs and sustainable wages.

In addition to the planned full-time employees, part-time employees will also be required to ensure that all shifts are covered. Shifts will be between the hours of 8:00 A.M. and 10:00 P.M., seven (7) days per week. Applicant’s dedication to hiring local citizens and the mix of full-time and part-time jobs will help to maintain diversity in the types of jobs available in Santa Rosa and will help to lessen the impact of economic cycles, which is another stated goal of the Economic Vitality section of the General Plan.

Job Descriptions

It is essential that all employees are well-trained and knowledgeable in their position. Job descriptions will be used to clearly outline roles and responsibilities. Performance measures will be created to motivate employees and to allow for career progression. While Applicant encourages teamwork and believes it is important to promote from within, Applicant will also leverage the surrounding community talent pool to help its organization thrive.

Hiring Practices

Applicant believes all people are entitled to equal employment opportunity. Applicant will follow local, state, and federal laws prohibiting discrimination in hiring and employment. Applicant will search for

talented and motivated individuals to fill vacant positions. Applicant will also encourage employees to recruit and refer potential applicants.

#### Employee Appearance and Dress Code

Employees will be free to wear clothes that reflect their own unique personality subject to a few guidelines to keep the workplace professional, and to guarantee a safe, clean, sanitary environment. Employees who work in cultivation and/or distribution must wear closed toe shoes, scrubs/overalls, and gloves. Employees who work in the commercial kitchen must wear a chef's coat and hair net.

#### Estimated Staffing Levels

Applicant estimates that there will be approximately ten (10) full-time and fifteen (15) part-time employees. This staffing includes one General Manager ("GM"), one Office Manager, and up to twenty-three (23) full-time and part-time employees who will participate in and conduct cannabis cultivation, manufacturing, distribution, and retail activities. Shifts will be created to ensure that employees receive adequate breaks. The general manager, Jay Hutchison, will be present five (5) days per week and will be on call for emergencies.

#### Employee Security

As a condition of employment, Applicant will require all potential employees to submit fingerprints to an approved Live Scan vendor and pass an electronic background check completed by the DOJ and FBI.

#### Employee Training and Education

All newly hired employees will receive comprehensive training. Staff training will be ongoing, and will cover topics including safety awareness, emergency procedures, inventory control, cannabis strains, and any other job-specific requirements to ensure employees remain compliant with state and local laws and regulations, and have opportunities for ongoing professional success. Weekly employee training sessions will be conducted, which will cover a review of all security and emergency procedures, compliance with state and local laws and regulations, and address any training deficiencies or necessary clarifications. Employees will meet one-on-one with their manager at least once per month to encourage ongoing conversations related to their roles & responsibilities, training needs, and overall performance.

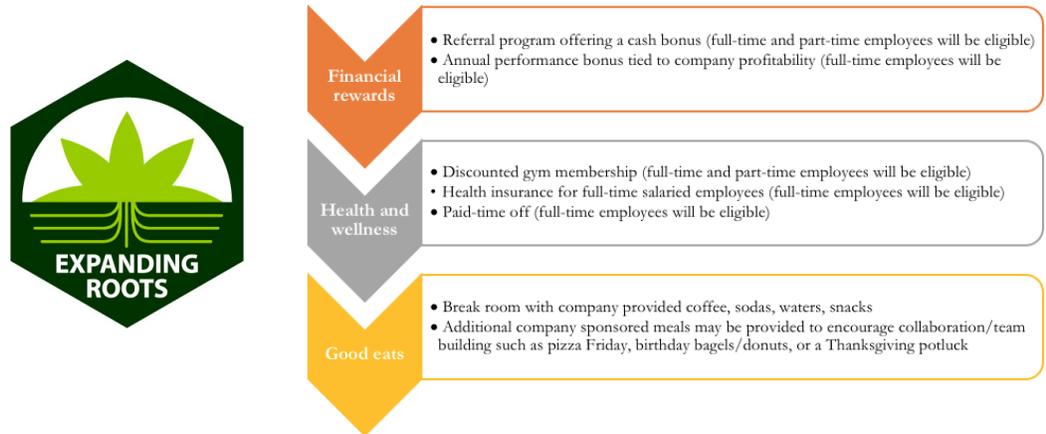
#### Employee Transportation

Applicant recognizes that one of the Transportation Goals and Policies in Santa Rosa's General Plan is to "work with employers and business associations to meet employee transportation needs that will lead to reduction of the use of single occupant vehicles." As will be discussed in detail below, Applicant's facility is located approximately one-half mile from residential areas, is located very close to many bus stops, and has bicycle racks available for employee use. These many attributes allow employees to choose from walking, bicycling, or riding public transportation in order to get to Applicant's facility, which will further the City's goal of a reduction of the use of single occupant vehicles.

#### Employee Compensation and Benefits

Employees will clock in and submit time sheets daily. All employees will be paid bi-monthly. If a payday falls on a holiday, paychecks will be issued on the last workday immediately before that scheduled payday. If a payday falls on a weekend, employees will receive their paycheck on the Friday before. Applicant will provide full-time and part-time employees with a variety of benefit programs. Applicant strongly believes that in order to motivate employees, it must show appreciation for hard work and must make a commitment to employee well-being. As stated above, Applicant plans to cover its work schedule with full-time employees eligible for full benefits as much as possible. Starting hourly wage will be

approximately \$20, thus supporting Santa Rosa's commitment to the creation of head-of-household jobs and sustainable wages.



### Attachments

Previously-submitted documents:

- Completeness Review Time Extension
- Conditional Use Permit Application
- Indemnification Agreement
- Copyright Materials Release
- Disclosure Form
- Storm Water Determination Worksheet
- Environmental Assessment
- Confidential Security Plan
- Vicinity and Neighborhood Context Maps
- Site Plans, Floor Plans, and Elevations

Newly submitted documents:

- Odor Mitigation Plan Certified by Licensed Professional Engineer
- Vicinity Map Denoting Closest Schools
- View of Storefront Entrance from Public Right-of-Way
- Signage Plan/Mock-Ups

**Odor Mitigation Plan**  
Expanding Roots, Inc.  
Grant Babbitt

June 12, 2018

Re:  
Grant Babbitt  
3499 Industrial Drive,  
Santa Rosa, CA 95403  
Cannabis Cultivation, Distribution, Manufacturing and Retail  
City of Santa Rosa –  
Conditional Use Permit Application

As required by the City of Santa Rosa's Cannabis – Conditional Use Permit Application, the Owner has hired TEP Engineering to address three items regarding HVAC filtration and noise. These three items are "Storage of Cannabis Products/Inventory", "Odor Control – Engineering Controls" and "Noise".

### Dual EHS Permitting - Storage of Cannabis Products/Inventory

The project as proposed shall comply with the City of Santa Rosa's storage of cannabis products/inventory standards set forth in Zoning Code Chapter 20-46. Grant Babbitt will store and display packaged edible cannabis goods in spaces that have temperature and humidity controlled heating, ventilation and air conditioning (HVAC) systems. The outside and recirculated air for these HVAC systems will include filters that mitigate environmental contaminants such as smoke and dust. These filtration systems must be specified and sized properly by a Professional Mechanical Engineer and maintained by the Owner per the manufacturer's instructions. The area in which edible medical cannabis goods are stored also may not be exposed to direct sunlight.

### Odor Control – "Engineering Controls"

The project as proposed shall comply with the City of Santa Rosa's odor mitigation standards set forth in Zoning Code Chapter 20-46. The industry accepted method to remove cannabis odors for exhaust airstreams is carbon filtration. Grant Babbitt will install activated carbon filter canisters or inline filters on their exhaust systems serving spaces at risk for emitting cannabis odors. Grant Babbitt will also install activated carbon inline filters on their recirculating air systems serving spaces at risk for emitting cannabis odors. These carbon filters are designed for the control of VOC's, odors and other gaseous contaminants. The spaces at risk for emitting cannabis odors are noted on the odor-control floor plan provided by Grant Babbitt; these spaces include the Dispensary, Stock Room, Ship/Rec, Vault/Quarantine, Manufacturing, Drying, Nursery/Clone, Cultivation 1, Cultivation 2 and Commercial Kitchen. The exhaust and recirculated air for these spaces will pass through an activated carbon filter, which uses chemical adsorption to remove organic compounds from the airstream. These organic compounds carrying the cannabis odor are captured through a process of adsorption in the microporous carbon. The activated carbon filtration systems must be sized properly by a Professional Mechanical Engineer and maintained by the Owner per the manufacturer's instructions. Suitable activated carbon filters manufacturers include: Camfil, Can-Filters Canada, Purafil or approved equivalent by a Professional Engineer.

### Noise

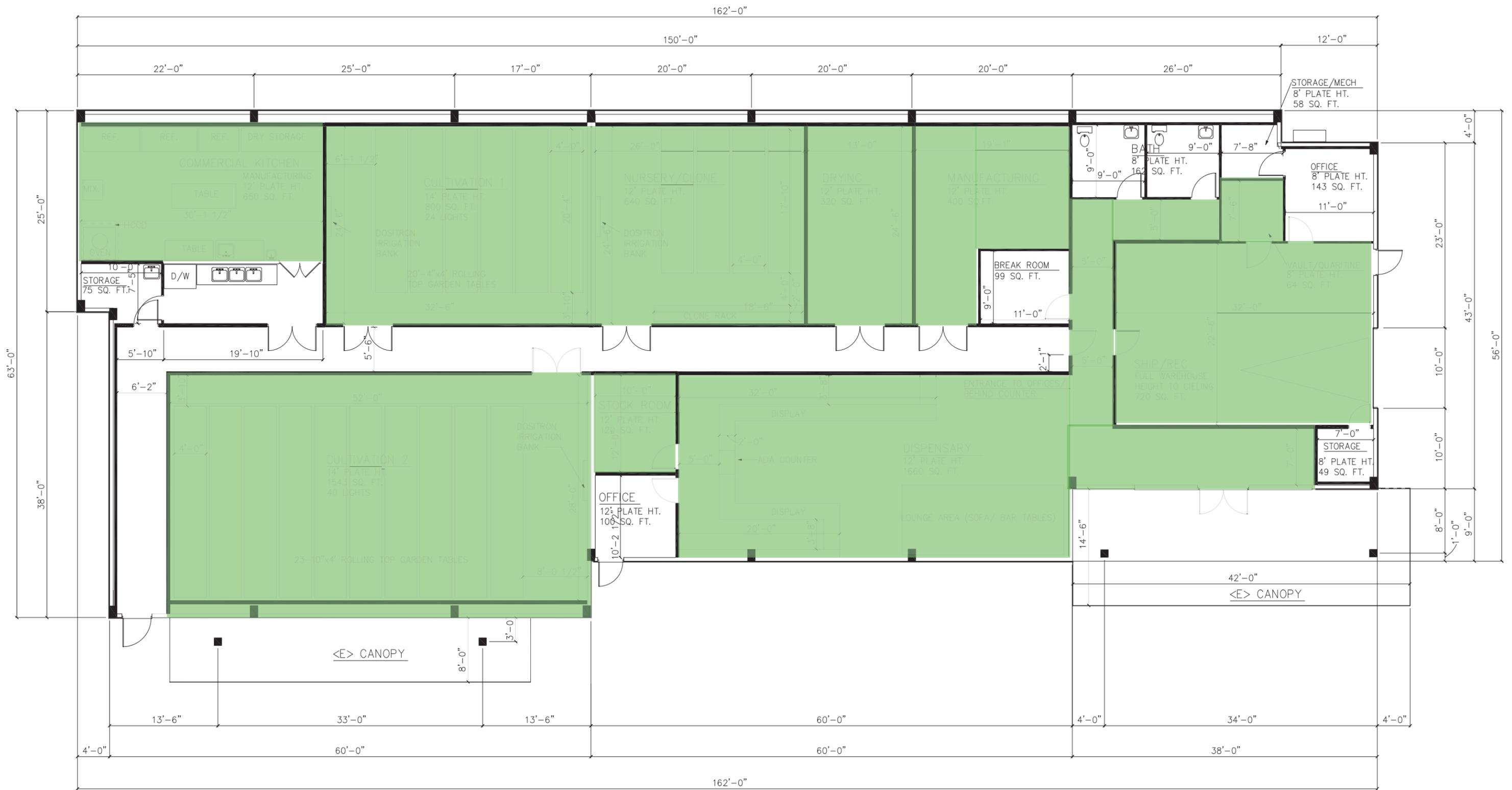
HVAC equipment shall comply with the City of Santa Rosa's Chapter 17-16 (Noise) requirements. These HVAC systems must be specified and sized properly by a Professional Mechanical Engineer and maintained by the Owner per the manufacturer's instructions.

Sincerely,



TEP Engineering  
Andrew Souza, P.E., CPD, GPD, LEED AP BD+C





SPACES AT RISK FOR EMITTING CANNABIS ODORS

**COPYRIGHT MATERIALS RELEASE-** To the extent that your application submittal packet includes plans or drawings prepared by a licensed, registered or certified professional, as defined pursuant to the California Health and Safety Code Section 19851 or Business and Professions Code Section 5536.25, such as a licensed engineer, architect or other design professional, the City must first obtain the signature release and permission of said professional prior to publication or reproduction of any such plans or drawings. Such drawings and plans may also be protected by copyright laws. The City of Santa Rosa hereby requests permission to reproduce and publish plans and drawings submitted with your application packet for purposes of more effectively and efficiently facilitating the entitlement review process, including making plans and drawings available on the City's website for public review and providing electronic reproductions to the City's review boards. The purpose of this request is limited solely to the purpose of facilitating the timely review of this application, and the plans and drawings will not be utilized by the City for other purposes. To assist the City in this process, please provide below the signatures of all of those who have prepared plans and drawings to be submitted with this application. *PROJECT: 3499 INDUSTRIAL DRIVE*

Engineer Name: ANDREW SOUZA, P.E. (MECHANICAL ENGINEER)  
Phone: 707-538-0400  
Email Address: andy@tep.net

ENGINEER /SURVEYOR'S SIGNATURE Andy Souza

Architect Name: \_\_\_\_\_  
Phone: \_\_\_\_\_  
Email Address: \_\_\_\_\_

ARCHITECT/DESIGNER'S SIGNATURE \_\_\_\_\_

Landscape Architect Name: \_\_\_\_\_  
Phone: \_\_\_\_\_  
Email Address: \_\_\_\_\_

LANDSCAPE ARCHITECT/DESIGNER SIGNATURE \_\_\_\_\_

**Vicinity Map Denoting Closest Schools**

Expanding Roots, Inc.

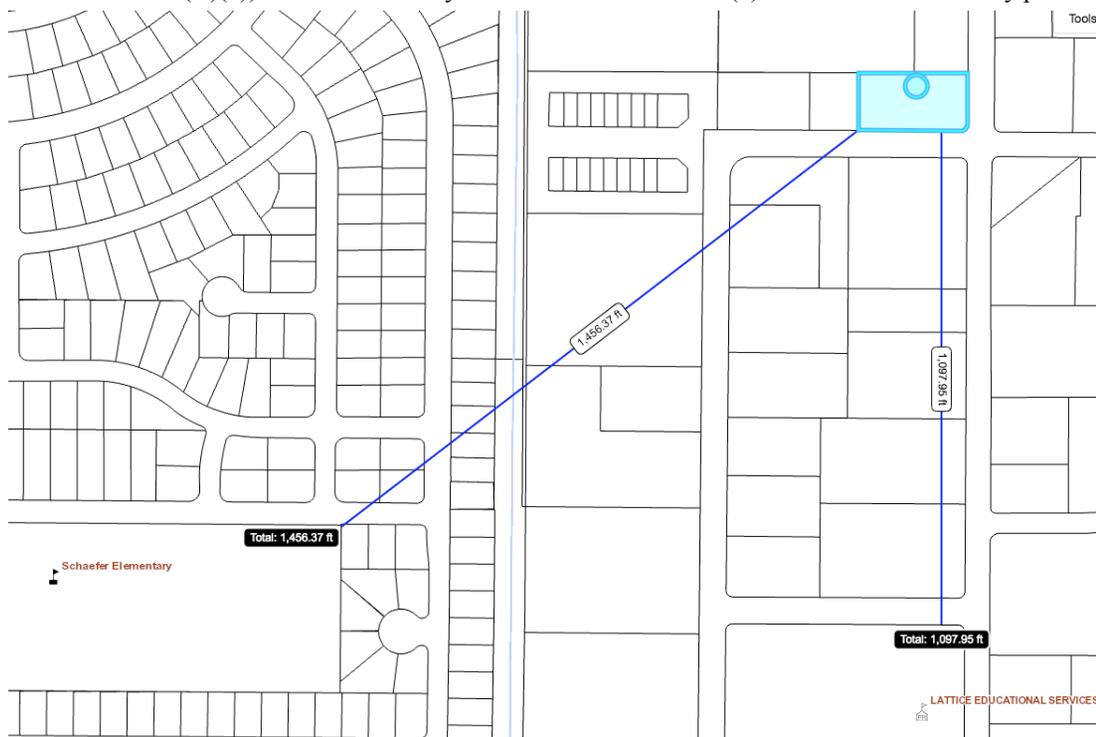
Grant Babbitt

### Vicinity Maps Denoting Distances to Nearest Schools

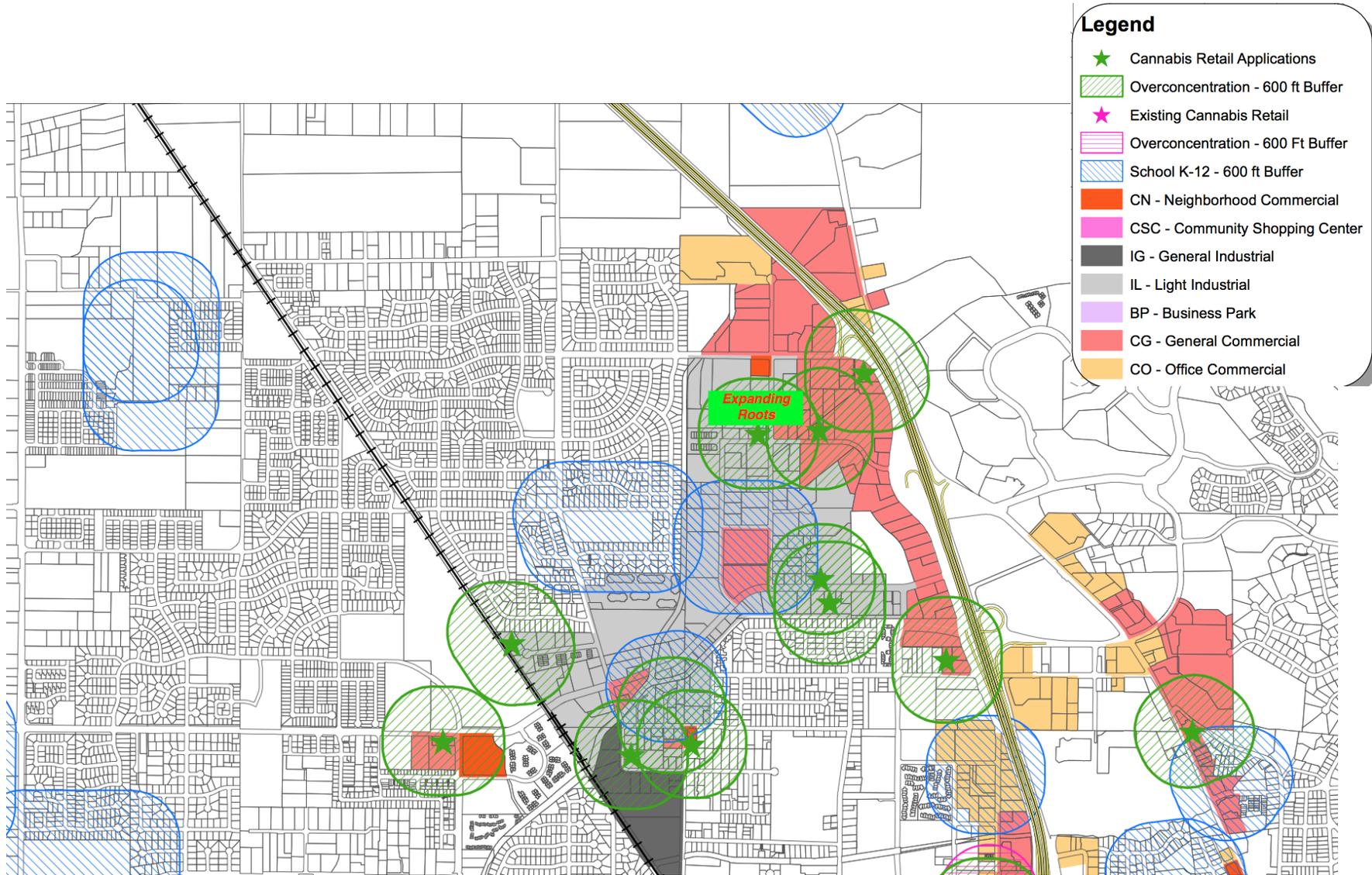
California Business and Professions Code Section 26054 (b) provides that cannabis businesses cannot be located within a 600-foot radius of a school, youth center or day care center. However, this section further provides that “a licensing authority or a local jurisdiction may specify a different radius.” The City Ordinance states that the 600-foot setback applies only to retail operations, and the City properly asserts its right to establish its own setbacks pursuant to California Business and Professions Code Section 26054(b) (City Ordinance Section 26-46-040(B)).

The City’s Ordinance (as amended and adopted December 19, 2017), states that Cannabis Retail businesses must be 600 feet from a “school,” as defined by the Health and Safety Code Section 11362.768 (City Ordinance Section 20-46.080(D)(2)). Health and Safety Code Section 11362.768 (h) defines a school as “any public or private school providing instruction in kindergarten or any of grades 1 to 12, inclusive, but does not include any private school in which education is primarily conducted in private homes.” According to the City Ordinance, microbusinesses with a retail component must also comply with this 600-foot setback. Additionally, the City Ordinance states that “a Cannabis Retail use will not be established within 600 feet of any other Cannabis Retail use established within and permitted by the City of Santa Rosa” (City Ordinance Section 20-46.080(D)(2)).

Currently no schools, nor any other cannabis retail establishments are within 600 feet of the Subject Property (see attached *Vicinity Map Denoting Closest Schools*). The Subject Property is in the Mark West Union Elementary School District and the Santa Rosa Union High School District. Based on the City of Santa Rosa’s Public GIS map, the nearest school appears to be Lattice Educational Services (at 3273 Airway Drive), a private school, at a distance of approximately 1,097 feet from the parcel line of the Subject Property (see attached *Vicinity Map Denoting Closest Schools*). The Subject Property therefore meets both State of California and City of Santa Rosa requirements for setback from schools.







**View of Storefront Entrance from Public**  
**Right-of-Way**

Expanding Roots, Inc.

Grant Babbitt

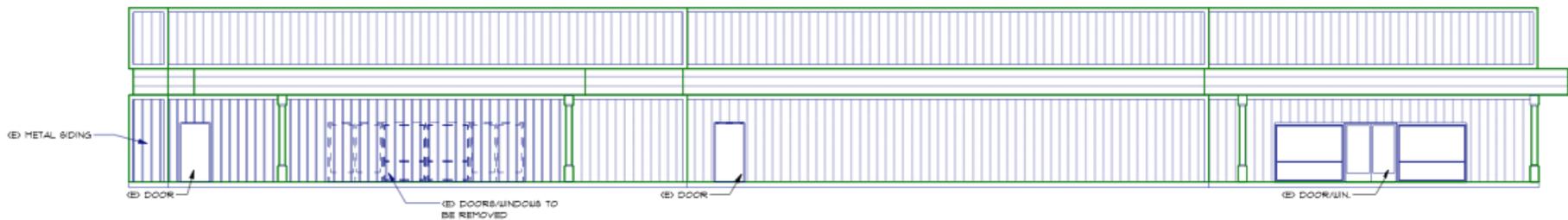
**View of Microbusiness/Storefront Retail Entrance from Public Right-of-Way (Industrial Dr.)**



The Subject Property will contain a microbusiness facility with cannabis cultivation, manufacturing, distribution and retail. The retail storefront entrance is in a visible location that provides an unobstructed view from the public right-of-way, as required by Section 20-46.080 (D) of the Local Ordinance.



Retail storefront entrance visible from public right-of-way (Industrial Dr.) will be here.



**SOUTH ELEVATION**  
SCALE: 1/8" = 1'-0"

**Signage Examples**  
Expanding Roots, Inc.  
Grant Babbitt

3499 Industrial Drive  
Santa Rosa, CA Santa Rosa, CA

Sign Locations



Street Frontage  
Primary 240'

Secondary  
130'

Existing Monument Sign



Front Elevation

Company Logo



Sign Inventory

- 1. Monument Sign 10' wide x 6' high
- 2. Wall Sign on fascia at entrance 24" high x 18' wide

3499 Industrial Drive  
Santa Rosa, CA Santa Rosa, CA

## Proposed Signs



1. Monument Sign 10' wide x 6' high  
Double-sided, internally illuminated, push-thru letters/logo, opaque background, fabricated of aluminum acrylic, sign elements installed and retro fitted over existing sign.

## Front Elevation



2. Wall Sign on fascia at entrance 24" high x 20' wide  
Single-sided, internally illuminated, push-thru letters/logo, opaque background, fabricated of aluminum acrylic, sign elements installed on building fascia