

Emmanuel -

Enclosed is the re-submission of the Fox Den, Inc., Retail Cannabis Dispensary Conditional Use Permit. Based on the concerns and issues raised at the City Council hearing, we took the following steps:

1. Engaged a new and expanded professional team including:
 - a. Architect, Troy Leva, with DGA
 - b. Civil Engineer, Bill Boriolo, with Annadel Engineering
 - c. Traffic Engineer Dalene Whitlock, with W-Trans (Retained)
 - d. Traffic Engineer Mousa Abbasi, with Transpedia Consulting Engineers
2. Modified the project based on the City Council, public, and staff input to:
 - a. Reduce total sq. ft. of the retail dispensary to 1,500 to create additional space within the interior parking area.
 - b. Reverse onsite circulation to improve issues related to existing safety conditions.
 - c. Add mirrors to increase visibility of drivers traversing the site and entering the interior parking area.
 - d. Leased 4 offsite parking spots for employee parking.
 - e. Modified the site plan to identify required improvement to bring the site up to compliance with code requirements.
3. Completed an updated focused traffic study including onsite circulation and parking by W-Trans.
4. Completed a third party review of the focused traffic study by Transpedia Consulting Engineers.
5. Met with city staff including the Chief Building Officer to validate ability to fully comply with requirements for building permits including accessibility requirements.

This process has resulted in material changes most notably:

1. Providing Trail House with one additional parking space to address their existing shortage.
2. Providing excess parking for Dispensary employees ensuring more than adequate supply for Fox Den customers.
3. Improve and resolve existing safety hazards including exiting hazard on Montgomery Drive.

This submission represents a project that not only meets all of the requirement of the city's code, but goes above and beyond to provide benefit to the entire area by improving and resolving existing issues. Please let me know if you have any questions.

Sincerely,

A handwritten signature in black ink, appearing to read 'Nick Caston', with a long horizontal flourish extending to the right.

Nick Caston
President
Golden State Government Relations

FOX DEN, INC.
CONDITIONAL USE PERMIT APPLICATION
MEDICAL AND ADULT USE
RETAIL CANNABIS DISPENSARY
WITH DELIVERY

FOX DEN, INC.
4036 MONTGOMERY DR., UNIT B, SANTA ROSA, CA
APN: 013-284-012
Revised July 30, 2019

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PROJECT DESCRIPTION

Fox Den, Inc. proposes to operate a Commercial Cannabis Retail (Dispensary) and Delivery (State License Type 10) facility at 4036 Montgomery Dr., Unit B, in Santa Rosa. The facility will include 1,500 sq. ft. of dispensary space and a 2,523 sq. ft. indoor parking garage within the existing 4,023 sq. ft. building.

The project will include activities permitted by a Cannabis Retail (Dispensary) and Delivery State License - Type 10 for Medicinal & Adult use, which allows retail sales of cannabis and cannabis products to consumers, either at a brick-and-mortar dispensary or via delivery. The proposed dispensary will be a model project for professional/pharmacy-style dispensaries, offering an intimate experience focused on customer satisfaction. The project will feature a combination of retail and delivery as customers will be able to shop in store and then have the products delivered on a weekly or monthly basis. Fox Den will work diligently to provide unmatched service to each person that walks through their doors and ensure that a sense of community is built with their customer base and neighborhood.

NEIGHBORHOOD COMPATIBILITY

The location provides an ideal setting for this type of land-use. This project features a setback storefront location and will not use product advertising on store signage to better integrate into the neighborhood. Pursuant to Health and Safety Code Section 11362.768 and Santa Rosa Ord. No. ORD -2017-025 the site is setback over 600 feet from any K-12 school or other cannabis retail operation. The proposed facility is well-suited to house dispensary operations. The building will be upgraded where necessary to meet ADA compliance standards for persons with disabilities. The existing entrance is visible and there is no existing landscape or adjacent structure that would impact visibility, lighting, or security requirements set forth in Santa Rosa Ordinance No. Ord -2017- 025.

The surrounding neighborhood on Montgomery drive consist of retail and dining establishments including the following locations; The Villa, Mr. Pickles, Davey Tree, and Ferrick Dentistry. Trail House directly shares the property with the proposed dispensary and has signed a lease addendum with the land lord that details their understanding and approval of the "waived space" being used as a cannabis dispensary.

EXISTING AND PROPOSED USE

The project will include activities permitted by a Cannabis Retail (Dispensary) and Delivery State License - Type 10 for Medicinal & Adult use, which allows retail sales of cannabis and cannabis products to consumers, either at a brick-and-mortar dispensary or via delivery. The current use of the property is as a warehouse for Tech Savvy Inc.

ACCESSORY USES

No accessory uses are proposed on the site.

SIGNAGE

Fox Den will install all signage as required by in Santa Rosa Ordinance No. Ord -2017- 025 in accordance with the City's sign permitting process, including the display of the permit (Santa Rosa, Cal., ORD-2017-25, Chapter 20 § 46.80 (F11)) during business hours and in a conspicuous place so that the same may be readily seen by all persons entering the facility. The applicant's identification signage will be permitted by the City prior to installation and will not contain any logos or information that identifies, advertises, or lists the specific products or services offered by the dispensary. Signage posted at the entrance will indicate that smoking, ingesting, or consuming cannabis on the premises or in the vicinity of the dispensary is prohibited. Entrance signage will also include a notice indicating that persons under the age of 18 may not enter the premises unless they are a qualified patient accompanied by a parent or guardian. A sign indicating active security camera monitoring will also be posted at the entrance. The dispensary license will be posted in the lobby, in a conspicuous place so that it will be readily seen by all persons entering the dispensary.

PROJECT DETAILS

This section provides additional details on the operation of the proposed retail dispensary with delivery.

HOURS OF OPERATION

The State of California restricts cannabis retail hours to between the hours of 6 a.m. and 10 p.m., however, the City of Santa Rosa further restricts retail hours to 9 a.m. to 9 p.m. daily. This retail facility will be open to the public between 9 a.m. to 9 p.m. daily consistent with City permitted hours of operation (Santa Rosa, Cal., ORD-2017-25, Chapter 20 § 46.080(F-4).)

All deliveries within the City of Santa Rosa will be restricted to between the hours of 9 a.m. to 9 p.m. (Santa Rosa, Cal., ORD-2017-25, Chapter 20 § 46.080(F-4).) Delivery operations will be limited to 6 a.m. to 10 p.m. seven days a week (Cal. Code Regs. tit. 16 § 5403(a).)

ON-SITE CONSUMPTION

No on-site cannabis consumption is proposed.

EMPLOYEES

A maximum of 6 employees will work per shift.

DELIVERY SERVICES

The applicant plans to deliver Cannabis and Cannabis Products in line with Cal. Code Regs. tit. 16 § 5415 and City of Santa Rosa Ord. No. ORD -2017-025 Chapter 20 § 46.080 (B). All deliveries of cannabis goods will be performed by a delivery employee of the retailer. Employees delivering cannabis will carry a copy of the retailer's current license, the employee's government-issued identification, and an identification badge. Delivery will only be offered to a physical address, not to an address located on publicly owned land or any address on land or in a building leased by a public agency. Delivery employees will ensure the cannabis goods are not visible to the public.

The vehicle(s) used for the delivery of cannabis goods will be outfitted with a dedicated Global Positioning System (GPS) device for identifying the geographic location of the delivery vehicle. The device will be affixed to the delivery vehicle and will remain active and inside of the delivery vehicle during delivery. While making deliveries, the applicant's delivery employee will not carry cannabis goods worth not to exceed State limitations.

The delivery service will have a menu available on the website, so customers can place orders over the phone or online. The customer will send over all necessary information and will have a profile created within the point of sale system. The order will go into the system and be pulled by an employee at the retail facility. Once the order is filled it will be placed in an exit bag with a receipt affixed to the bag. The receipt will include, the name of the customer, their assigned ID number, delivery address, description of the cannabis items, total amount paid by the customer including all taxes, name and address of the facility making the delivery, the name and id number of the employee making the delivery, and the name and id number of the employee who prepared the delivery. The driver will

retain an additional copy of the receipt to be signed by the customer upon receipt of the delivery. There will be space provided to have the date and specific time entered of the delivery.

While making deliveries of cannabis goods, the Fox Den's employee will only travel from the licensed premises to the delivery address; from one delivery address to another delivery address; or from a delivery address back to the applicant's licensed premises. Fox Den's delivery employees will not deviate from the delivery paths described in this section, except for necessary rest, fuel, or vehicle repair stops, or because road conditions make continued use of the route unsafe, impossible, or impracticable.

ZONING AND GENERAL PLAN COMPLIANCE

The proposed Fox Den dispensary with delivery is in compliance with City, County and State requirements as discussed below.

ZONING CONSISTENCY

The proposed location is zoned Neighborhood Commercial (CN)

The proposed dispensary with delivery services is permitted in the Neighborhood Commercial district with a conditional use permit and is consistent with the Neighborhood Commercial zoning and will provide offer retail opportunities presently lacking in this part of Santa Rosa.

GENERAL PLAN CONSISTENCY

The General Plan designation for this parcel is Retail and Business Services, which allows retail and service enterprises, offices, and restaurants. This project will add to the commercial diversity of the Montgomery and Summerfield shopping area providing access to residents in eastern Santa Rosa and will "continue to promote Santa Rosa as the North Bay's premier location for entrepreneurial businesses, which create new products and business models that will attract national and international markets." (Santa Rosa General Plan EV-A-1) Additionally, the project will provide a "mix of jobs" through the combination of retail clerks, delivery drivers, compliance technicians. (Santa Rosa General Plan EV-A-5). Finally, the project will promote local North Coast cannabis predominantly processed or manufactured in the greater Santa Rosa area increasing business-to-business commerce within Santa Rosa. (Santa Rosa General Plan EV-B-4)

BUILDING AND FIRE CODE COMPLIANCE

Fox Den will work closely with the Building and Fire Departments to ensure that the proposed project is safe and will comply with all applicable fire and building codes. The facility will feature fire suppression, air quality/ventilation, and alarm systems, which will be maintained in good working order. Additionally, the applicant will implement fire and safety controls that include but are not limited to engineering controls, safe work practices, administrative controls and OSHA hazardous prevention and controls.

All employees will receive training on fire and safety systems and procedures. For communication purposes with emergency service providers, the applicant will assign a facility manager as the responsible party and keep the contact information for Fox Den up to date with the City.

LICENSING COMPLIANCE

Local and State Compliance:

Fox Den, Inc. is committed to compliance with local and state regulations. The applicant has extensive experience in cannabis operations through its ownership and operation of multiple cannabis businesses in Sonoma County.

Fox Den will diligently pursue and obtain a State cannabis Type 10 license and will comply with all applicable State licensing requirements and conditions, including, but not limited to, operational standards and locational criteria.

In addition to the inherent experience of the ownership in operations of compliant cannabis companies, the applicant has retained Golden State Government Relations, a compliance and advocacy firm with offices in Santa Rosa and Sacramento, to provide oversight of operational compliance and advise on changes to the dynamic regulatory environment for cannabis in California.

Separation of License Types:

Fox Den is the only cannabis-related applicant occupying 4036 Montgomery Dr., Unit B. Fox Den will maintain a clear separation between all license types at this facility. Each license type will adhere to all local and State requirements and will only be accessible by authorized personnel or vendors.

Edibles

Fox Den is not proposing producing edibles or a commercial kitchen at this facility. If this changes, they will comply with all local and State regulations regarding edibles.

Fox Den will follow Cal. Code Regs. tit. 16 § 5410 & 5411 pertaining to allowing returns of purchased cannabis. They will package or label cannabis goods and not accept, possess or sell cannabis goods that are not packaged as they will be sold at final sale. Cannabis goods purchased at applicants site by a customer will not leave the retailer's premises unless goods are placed in an opaque exit package. Fox Den will not have an on-site or on-staff physician to evaluate patients and provide a recommendation for cannabis. In addition to the retail operations established in this section, the consumption of cannabis and cannabis products on-site will not be permitted by patients or customers.

Dual State Licensing (I)

Dual licensing. (Santa Rosa, Cal., ORD-2017-25, Chapter 20 § 46.050 A), prior to occupancy Fox Den will apply for and receive a type 10 retail license for the State of California Bureau of Cannabis Control.

Dual EHS Permitting (I)

To achieve the required dual licensing with the Environmental Health Service (EHS) Department, Fox Den will apply for and not begin selling edible products until receiving a permit from EHS. To ensure the project is compliant with EHS requirements, these specific features and procedures will be included in the project:

- a. Menu for Edible Cannabis Products offered for sale at the dispensary: A list of all edible cannabis products will be maintained and submitted to EHS as part of the application process. Should new items be added, EHS will be notified prior to the new product being offered in a manner and timeline that meets any requirements EHS places on the permit.
- b. Toilet facilities: EHS is requiring toilet facilities that are employee accessible. As such, the project is proposing to improve the existing facilities to meet American with Disabilities Act requirements and will submit plans to EHS showing these improvements when the application is submitted.
- c. Flooring: EHS is requiring the flooring in areas where cannabis products are stored and in toilet facilities to be smooth, non-permeable and easily cleanable. As such this project will use material identified by licensed professionals to achieve this requirement.
- d. Hand Wash sink(s): EHS is requiring a sink dedicated for hand washing with hot and cold water and equipped with mounted soap and a towel dispenser which is easily accessible to employees. The hand wash sink is located within the facility bathroom.
- e. Storage of Cannabis Products/Inventory:
 - i. EHS requires edible cannabis goods be stored in a building designed to permit control of temperature and humidity and will prevent the entry of environmental contaminants such as smoke and dust. The area in which edible medical cannabis goods are stored also may not be exposed to direct sunlight.

The storage area and product display areas of the facility will meet this requirement through mechanical improvements proposed by our mechanical engineer, Jeff Warner, PE. Also, no edible cannabis goods will be displayed in an area that receives direct sunlight. The storage area has no exposure to sunlight.

ii. EHS requires that edible cannabis products will be protected from contamination by storing the products in a clean, dry location, where they are not exposed to splash, dust, vermin or other forms of contamination or adulteration, and at least six inches above the floor. This area must include cleanable shelves.

The project storage area will meet these requirements using shelving which gives six inches of clearance from the floor. Additionally, the daily operating procedures will include janitorial maintenance of the storage area to ensure cleanliness.

f. EHS requires that storage areas must be under continuous video-monitoring and recording and secured in accordance with the Security Plan.

As outlined in the security section, all cannabis storage areas will be under 24-hour security camera surveillance with 90-day retention of video footage in compliance with state law.

g. Lighting: EHS requires shatterproof shields be placed on lights above cannabis product storage.

The lighting requirements will be met through interior improvements that also meet City of Santa Rosa light requirements. At least 50-foot candles of lighting intensity will be provided in areas where employees are present.

h. Refuse: All edible medical cannabis waste are required to be quarantined and rendered unusable and unrecognizable under video monitoring. This requirement will be met by the proposed video monitoring of all areas in which cannabis is located and through the use of a vendor who meets state requirements for waste disposal.

i. Water supply: The water supply is provided through the City of Santa Rosa utilities and meets EHS requirements.

j. Sewage disposal: Sewage disposal is provided through City of Santa Rosa utilities and meets EHS requirements.

PROXIMITY TO SCHOOLS

Pursuant to State of California Health and Safety Code Section 11362.768 and Santa Rosa Ord. No. ORD-2017-025, the site is located over 600 feet from any K-12 school and from any other Cannabis retail

operation. The closest school to the site is Herbert Slater Middle School, located 1,700 feet from the proposed dispensary.

OVER CONCENTRATION

The City of Santa Rosa Zoning Code limits the geographic concentration of cannabis retail (dispensaries) by prohibiting dispensaries within 600 feet of each other. There are no other cannabis retail facilities within 600 feet of the project site, therefore, the project is not located within an “over-concentration” area.

TRAFFIC AND PARKING

TRAFFIC AND PARKING

The project site includes two buildings. The building on the back (southern side away from Montgomery) of the site is the proposed dispensary facility. The building at the front of the site is currently occupied by Trail House, a restaurant with a focus on the cycling community. In total, 17 onsite parking spaces are currently provided. This project proposes to add five indoor parking spaces including one ADA compliant space and utilize one outdoor space not currently dedicated to the Trail House facility for a total of 21 parking spaces on the site. The site already includes an outdoor ADA compliant space. The six spaces dedicated to the Fox Den project meet the required parking for the project. In its approval of the Trail House application, the City approved a 10 parking space reduction from the required 27 spaces lowering required total site parking to 17 spaces. With the addition of the proposed dispensary, the required number of parking spaces per Section 20-36.00 of the Santa Rosa City Code would be six additional spaces. With the already approved reduction the total number of spaces on site for both uses would be 19. The plan exceeds the sites requirements as per the City Code. In order to alleviate parking demand on site further, the applicant has secured a lease for four parking spots for employee parking at an offsite locations.

Additionally, the business model for this location focuses on guiding clients to their preferred orders and setting the client up on recurring delivery orders, which is especially convenient for senior customers. This model is anticipated to reduce the parking and traffic impacts of the project.

In order to address concerns over parking and traffic, Fox Den contracted W-Trans to conduct a traffic survey which is attached to this submission. Additionally, Fox Den had a third party review on both the design and traffic study, which are both attached as well.

SECURITY PLAN

Fox Den will implement a security plan intended to prevent theft or diversion of any cannabis or currency, as well as to discourage loitering, crime, and illegal or nuisance activities. The site security plan is comprised of several layers of systems and protocols, which are discussed in detail below. All security systems will remain fully operational during a power outage. No weapons or firearms will be permitted on the property. All security measures are designed to ensure emergency access is available in compliance with California Fire Code and Santa Rosa Fire Department standards.

Fox Den will take all 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. Reasonable steps include requesting those engaging in nuisance activities to cease those activities and if nuisance activities continue, calling the police promptly.

SECURITY PERSONNEL

In compliance with State law (CAL. CODE REGS. tit. 16 § 5045), security personnel will always be present at the location. In addition to ensuring all customers meet age requirements, security personnel will also monitor the site and adjacent alleyway to prevent nuisance activity and report any criminal activities to law enforcement.

LOCKS AND ACCESS CONTROLS

The proposed floor plan includes commercial security doors at all entrances, exits, and access points to restricted areas. The entrances will remain locked at all times with commercial grade 1 security locks and will be equipped with a buzz-in electronic entry system to control access during business hours. We will be defining the reception lobby and securing it with walls to allow customers to be checked and age verified in at the counter and wait comfortably for access to retail floor. Once a staff member is ready to serve and advise a qualified customer, they will be granted access through a second buzz-in door between the lobby and the retail area.

SECURITY SURVEILLANCE

Security surveillance video cameras shall be installed and maintained in good working order to provide coverage on a twenty-four-hour basis of all internal and exterior areas where Cannabis is cultivated, manufactured, packaged, stored, and transferred. The security surveillance cameras shall be oriented in a manner that provides clear and certain identification of all individuals within those areas. Cameras

shall remain active at all times and shall operate under any lighting condition. Security video will use standard industry format to support criminal investigations and shall be maintained for ninety (90) days. All recordings will be easily accessed for viewing, and the Applicant will cooperate with all law enforcement investigations, providing video footage upon request. The Applicant will be able to view the surveillance remotely at any time.

ALARM SYSTEM

Fox Den will install a professionally monitored alarm system to provide instant notification of any triggering event. The alarm system will be equipped with a failure notification feature that provides prompt notification to Fox Den of any prolonged surveillance interruption or system failure. Additionally, Fox Den can access the alarm system remotely.

CONTROLLED ACCESS

Access to the retail area will be limited to individuals who are at least 21 years of age and have a bona fide business reason for entering the premises. Additionally, medicinal patients with a valid medical use card over the age of 18 will be permitted within the retail store. Authorized individuals include individuals employed by the retailer as well as any outside vendors, contractors, or other individuals conducting business that requires access to the limited access area. The applicant's employees will be physically present in the retail area. The applicant's employees will be physically present in the retail area when individuals who are not employees of the retailer are in the retail area. An individual in the retail limited-access area who is not employed by the retailer will be escorted by the applicant's employees within the retailer limited-access area. The applicant will keep a log of all authorized individuals who are not employees that enter the limited access area.

Individuals will be granted access to the retail area only to purchase cannabis goods after the retailer or an employee of the retailer has verified that the individual is at least 21 years of age and has a valid proof of identification. Acceptable forms of identification include the following:

- A document issued by a federal, state, county, or municipal government, or a political subdivision or agency thereof, including, but not limited to, a valid motor vehicle operator's license, that contains the name, date of birth, physical description, and picture of the person;
- A valid identification card issued to a member of the Armed Forces that includes a date of birth and a picture of the person; or
- A valid passport issued by the United States or by a foreign government that clearly indicates the age or birthdate of the individual.

SECURE STORAGE AND WASTE DISPOSAL

All cannabis products and any cannabis waste will be stored in an area secured with commercial-grade non-residential locks, that is not visible to the public and that prevents diversion, theft, loss, hazards and nuisance according to Santa Rosa, Cal., ORD-2017-25, Chapter 20 § 46.050 (G.3). All storage and handling of hazardous materials will occur in code compliant control areas. All vendors will be pre-scheduled in advance and must present valid identification. Vendors will only be granted access to the areas required for removal of waste. All waste removal vendors will be required to document and track all waste materials removed from the site.

ODOR, LIGHT, AND NOISE CONTROL

Fox Den will ensure that all odor, light, and noise controls are in line with the Best Management Practices outlined by the City of Santa Rosa and in-line with the State of California regulations as detailed below.

ODOR CONTROL

The retail outlet will maintain adequate odor control measures such that the odors of cannabis cannot be detected from outside of the structure. The project will implement odor mitigation as outlined by the project mechanical engineer who has been retained to design and certify the odor control improvements for the project.

A combination of engineering and administrative controls will be implemented to effectively mitigate cannabis odors. Engineering controls include carbon filtration via a dedicated environmental exhaust fan and negatively pressuring odor sources. Carbon filtration is commonly accepted through the cannabis industry as the current best engineering control technology for mitigating odors in facilities generating cannabis odors with exhaust air/filter intake points located in areas of the facility where odor generating will take place. As such, this engineering control strategy will effectively mitigate odors for all cannabis odor sources within the facility.

To provide adequate air quality and prevent any odor from being detected from outside the building, Fox Den, will install air quality, ventilation and odor control systems. The engineering controls will include carbon filtration that utilizes cartridges to filter the air throughout the facility. Maintenance plans will be implemented to ensure that the odor mitigation system remains functional and evidence that such controls are sufficient to effectively mitigate odors from all odor sources. All odor mitigation systems and plans submitted pursuant to this subsection shall be consistent with accepted and best available industry-specific technologies designed to mitigate cannabis odors effectively.

Fox Den will ensure that all odor control and air quality systems are routinely inspected and maintained in good working order. All staff will receive training on air quality and odor control systems.

LIGHTING PLAN

Interior and exterior lighting will utilize best management practices and technologies for reducing glare, light pollution, and light trespass onto adjacent properties and the following standards:

1. 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. Exterior lighting shall be stationary, fully shielded, directed away from adjacent properties and public rights of way, and of an intensity compatible with the neighborhood. All exterior lighting will all be Building Code compliant and comply with Section 20-30.080 (Outdoor Lighting.)
2. Interior light systems will be fully shielded, including adequate coverings on windows, to confine light and glare to the interior of the structure. (Santa Rosa, Cal., ORD-2017-25, Chapter 20 § 46.80.)

NOISE CONTROL

All business activities will occur within the existing building. No exterior equipment will be set up or used outside the building. No generators will be used on-site, except if needed as a temporary, short-term emergency back-up basis due to a power outage. Fox Den has engaged a professional engineer to ensure that the entire cannabis facility and all improvements proposed for the project, including air conditioning and ventilation equipment, comply with the City's Noise ordinance, Chapter 17-16.

SITE MANAGEMENT, RECORDS AND SAFETY

SITE MANAGEMENT

Fox Den is experienced in providing superior compliance and customer service in their related cannabis operations. As outlined in this application, the applicant will comply with all regulations of the City of Santa Rosa, the Bureau of Cannabis Control, and the County Environmental Health Services Department and maintain in good standing permits and licenses required by each and any additional government entities which have jurisdiction or are granted jurisdiction over cannabis Retail in the future.

STAFFING AND LOCAL HIRING PLAN

All staff will be listed on an employee register containing all required information and kept up to date with required state agencies.

All staff will receive thorough training on workplace safety, operations, track and trace, and security protocols. In addition to state licensing requirements related to staffing, the Applicant will diligently follow all applicable labor and employment laws. The employees will likely be part-time and full-time and will work staggered shifts to accommodate customer flows. All employees will be over 21 years of age. Fox Den is committed to hiring employees locally. Sonoma County and Santa Rosa have a wealth of experienced and dedicated people who would be qualified to work in the facility. They plan to consider residency when making hiring decisions, will promote the job posting locally, and use local connections in order to discover new local talent.

INVENTORY CONTROLS

Fox Den will operate in a manner to prevent diversion of cannabis and will promptly comply with any track and trace program established by the state (Santa Rosa, Cal., ORD-2017-25, Chapter 20 § 46.050(C)) to ensure that no diversion or loss occurs. In the event of any inventory significant discrepancies, they will immediately notify regulators and law enforcement within the required time period. In addition, Fox Den will perform the reconciliation of its inventory once a week, more frequently than is required by the current regulation of 14 days. All inventory records shall be made available to the California Cannabis Bureau upon request. Upon receipt of products from state licensed distributors, applicant's management staff accounts to ensure all product that was ordered has in fact been delivered.

Per California State Regulation, the retailer is responsible for products once they have been accepted for delivery, so Fox Den has developed intake procedures that ensure proper accounting of incoming products immediately upon receipt in the inventory system. To ensure against diversion due to employee theft, as outlined in the Inventory Management Procedures, once products are received and logged into an inventory system, they are recounted by both a team member and a supervisor after being price tagged and security chipped in preparation for retail sale. All products are then stored in a locked storage room with access limited to supervisors until the products are moved to the retail sales floor for sale to customers.

Limiting access to the products in storage drastically reduces the possibility of diversion due to employee theft. Fox Den will maintain an accurate record of sale for every sale made to a customer utilizing its software system and include all information required (CAL. CODE REGS. tit. 16 § 5426). The applicant will only display cannabis goods for inspection and sale in the retail area, and not be visible from outside the licensed premises. Applicant will not make any cannabis goods available for sale or

delivery to a customer unless: the cannabis goods were received from a licensed distributor, the retailer has verified that the cannabis goods have not exceeded their expiration or sell-by date if one is provided; and in the case of manufactured cannabis products, the product complies with all requirements of Business and Professions Code section 26130 and all other relevant laws.

Fox Den will operate according to CAL. CODE REGS. tit. 16 § 5408, and only sell, only live, immature cannabis that is not flowering, was purchased from a nursery that holds a valid Type-4 license under the Act, and a label is affixed to the plant or package containing any seeds which states “This product has not been tested pursuant to Medicinal and Adult-Use Cannabis Regulation and Safety Act.” They will also strictly follow the daily limits pursuant to (CAL. CODE REGS. tit. 16 § 5409).

TRAINING AND RECORDS

Fox Den has implemented and invested in a rigorous training program that covers all procedures and company policies related to safety, security, relevant city and state regulations, and false identification recognition. In addition to the training on Fox Den’s safety and security procedures, employees receive an overview of all regulations related to city and state compliance and must undergo an exam to ensure they have retained all relevant information. All new hires complete the extensive training program prior to operating in the dispensary and all existing employees receive retraining on essential procedures every six months. Fox Den prides itself on having a workforce well versed on the myriad of different cannabis products available and their broad range of therapeutic applications. Applicant has developed a training program designed to educate their employees on assisting customers select the right cannabis product for their needs.

Fox Den’s extensive cannabis training includes information on the science, therapeutic applications, delivery methods, product characteristics, and history of cannabis. As required by state regulations, applicants maintain up-to-date and current records related to the cannabis operation. Those records are stored in a secure manner onsite and will include surveillance vendor contracts with schematics of the security zones, name of vendors and monitoring company, and a list of all current authorized employees with access to the surveillance and/or alarm systems. All surveillance equipment, records and recordings will be stored in a secure area that is only accessible to applicant’s management. Finally, the applicant will update the security plan to comply with any new local or state laws and regulations for cannabis licensing.

TRANSPORTATION AND SAFETY

Fox Den has designed their facility to ensure secure and safe delivery access points. Per State regulations, all employees will be trained on proper delivery procedures, and will be required to wear badges at the facility to prohibit unauthorized individuals from accessing the delivery area. All

cameras in the delivery portion of the facility will be set up to capture the loading, unloading, and inventory procedures within and outside the facility. Cameras and alarms will Fox Den will additionally implement procedures for safe and secure transportation and delivery of cannabis, cannabis products and currency in accordance with state law.

CONCLUSION

Fox Den seeks a Conditional Use Permit to construct and operate a medical and adult retail cannabis dispensary within 1,500 sq. ft. of an existing building at 4036 Montgomery Dr., Unit B. The proposed re-use of this building will be harmonious integrated into the neighborhood and be an enhancement to this portion of the City. The project will incorporate Building Code, Fire Code, security, and odor measures and meet all City of Santa Rosa and all State of California requirements. Fox Den is a locally-based company and is looking forward to working with the City of Santa Rosa on this project.