

June 21, 2018

City of Santa Rosa

JUN 21 2018

Planning & Economic  
Development Department

Andrew Trippel  
Santa Rosa Planning & Economic Development  
100 Santa Rosa Avenue, Room 3  
Santa Rosa, CA 95404

**Re: Response to Notification of Incomplete Application  
File No. CUP18-070**

Dear Mr. Trippel:

We represent the owners of 330 & 358 Yolanda Avenue ("Applicant") in connection with the above-referenced Conditional Use Permit application (the "Application"). This letter responds to your May 31, 2018, letter, which is attached for reference.

We are pleased to include the selection of an industry leader and experienced dispensary operator as part of our team, Friends and Farmers, with Alicia Kelley, CEO as the operator of record. Ms. Kelley brings incredible knowledge of industry trends and product development and marketing experience to our team, from a 15+ year career in the national wine industry, to the last 4 years in the North Coast cannabis industry.

Your letter included a list of items identified by the City's completeness review as missing from the Application. All items missing from the Application are provided herein, as explained below. We have also included an amended Project Description, attached.

**Cannabis Retail Use Applications Completeness Review Time Extension.** Enclosed.

**Environmental Assessment:** An environmental assessment was previously provided in connection with this application. Please see attached.

**Commercial Cannabis Use:** As indicated on the previously submitted and enclosed project description, the application is for medical and adult use with delivery.

**Building and Fire Codes:** The floor plan and site plan submitted with the Application were drafted by knowledgeable professionals with the intent of complying with all applicable laws, including Santa Rosa building code and fire code, and the Americans with Disabilities Act. For the building phase of its project, Applicant has hired, or will hire, only licensed contractors who are familiar with such requirements and competent to ensure compliance. The facility itself—including the parking lots, entrances, exits, and bathrooms—is already compliant with the Americans with Disabilities Act, and the planned new bathroom will be compliant as well. Furthermore, Applicant acknowledges that once it obtains a Conditional Use Permit, Applicant must still obtain building permits and all other permits required under the City Code. Before commencing operations, for example, Applicant will obtain all building and other permits required under Chapter 18 of the City Code, obtain all required fire permits and inspections, and will provide a Fire Department lock box

for keys to gates and doors. Applicant will also obtain any required Certified Unified Program Agency permits; Applicant notes, however, that it does not intend to store or use any hazardous materials in its business, nor will its business include manufacturing (volatile or otherwise) at the subject site.

Security Plan: As directed, the response to this question is contained in Attachment A, which should be redacted prior to publication, inclusion in staff reports, or before disclosure in response to any later-filed Public Records Act Request. We have included a detailed security protocol and plan, as well as detailed site maps with layouts of security features.

Odor Mitigation Plan: Please see the attached Odor Control Plan, prepared by Matthew Torre.

Noise: No special measures are required to comply with the City's noise ordinance (City Code, Chapter 17-16) because the project does not involve equipment that could produce noise in excess of 70 decibels, which is the baseline ambient noise level for "Industrial" zones under Section 17-16.030.

Site Plan, Elevations, and Floor plans. Provide existing conditions images and dimensioned elevations of proposed project. Elevations of the proposed project were included with the original submission of maps and drawings from Henderson Architect. Please see attached.

Accessory Uses: As shown in the floor plans submitted with the Application, the facility will include a small office (100 sq. ft.) and break room (134 sq. ft.). It will also utilize a secure vault (475 sq. ft.). Applicant does not intend to conduct any other activities that may be considered "Accessory Uses."

Hours of Operation: In compliance with 16 CCR §5403, the Applicant will limit hours of operation to between 6:00 a.m. and 10:00 p.m. In accordance with Santa Rosa regulations, hours of retail operations will be limited to 9:00 a.m. to 9:00 p.m. In recognition of the project's proximity to residences, retail hours may be additionally limited.

To best serve our customers, and to not be detrimental to the surrounding area, Friends & Farmers (F&F) Chief Operating Officer will ensure the dispensary opens and closes on time, and that the facility is safe and secure during all off hours. The CEO will manage the facility's daily supervisors, the General and Assistant General Managers, as they implement this policy. F &F's staff will arrive as early as 7:00 a.m., and will leave each day by 9:00 p.m. to manage opening and closing procedures.

Our Security Officers will work with the team to make sure these hours of operation are enforced, and that any members arriving either too early or too late are politely informed of the policy and asked to return during the public hours of operation. Our Security Officers will be alert for people arriving during closed hours, as they pose an extra security risk. If Security Officers sense danger, they will immediately retreat, use their walkie talkie to call for help, and, if time, the Security Officer will phone 911 from a landline, in order to give a complete report of the concern to the police. If warranted, the Security Officer will push the panic button to notify police of an immediate problem.

Customers, Patients and caregivers will be allowed to enter the parking lot and line up outside of the front door 10 minutes before opening. This will keep members from circling the block, potentially creating nuisance, if they arrive early.

**Age Restrictions of People Inside the Building:**

Access to F&F is limited to staff, qualified patients and customers. All staff members must be at least 21 years of age, and must wear an appropriate identification badge at all times. This badge will include a clear photo of the person, their first name and employee number, the Friends & Farmers license number, and the name of our business.

According to state regulations, F&F's patients must at least 18 years of age, with government identification and a valid physician's recommendation before being granted entry. Patient caregivers must be 18 years of age, with valid government identification, and must either have a county medical marijuana card, or must accompany the patient they provide care for to register. Adult use customers must be 21 years of age, with valid government identification.

Any contractors, repair people, or any other visitors must have a bona fide reason to enter the facility, and must be accompanied by a F&F staff member at all times. Visitors will be required to register at the reception desk, with their full name and the reason for their visit, and they will wear a clearly visible visitors badge at all times.

**Location Requirement:** provide map demonstrating that location complies with minimum required setback to schools. Illustrate on site plan that storefront entrance is in a visible location that provides an unobstructed view from the public right-of-way. Please see attached school location map. The site plan and elevations which were submitted with the original project documents demonstrate the location of the proposed entry, which opens onto Yolanda Avenue. Thus, the site plan illustrates that the storefront entrance is will be visible and provide unobstructed view from the public right of way.

**Operational Plan:** provide complete response [to] this item ensuring that all required subsections are addressed. The operation will 1) maintain an employee register; 2) Keep proper records in compliance with state law; 3) publish and implement a protocol and requirements for patients and persons entering the site; 4) Identify secured access and secured product locations; and 5) Display a copy of issued State License.

**1. Maintenance of Employee Records:**

Friends & Farmers will maintain personnel records for current and past employees to document employment-related decisions, benefit choices, and compliance with regulatory record-keeping requirements. An authorized agent, administrator, or F&F supervisor will control access to personnel information in order to ensure privacy. F&F will maintain only one official personnel file, which is to be kept in the General Manager's office. Supervisors are discouraged from keeping informal personnel files on employees.

Friends & Farmers will keep documents related to medical conditions or history of the employee and their family members, records of work-related injury or illness, or disability-related documentation, including requests for accommodation, in a separate confidential file. The GM, or their designee, will update each employee's file on an as-needed basis, by filing any documentation

confirming changes in employment status, position, salary, or benefits, as well as disciplinary actions or letters of reprimand.

**2. Methods for ensuring adequate records are maintained in compliance with state law:**  
F&F will have an electronic point of sale system that tracks inventory as it purchased and placed into inventory and as each item is sold to an individual patient or caregiver. This system is capable of producing both electronic and paper records for each transaction to a qualified person. We have included the quotes for the service provider(s) we are selecting from for our PoS system (Treez and Cova). F&F also has a record retention policy, which complies with state law. This requires that each licensee shall keep and maintain the following records for at least seven years:

- Financial records including, but not limited to, bank statements, sales invoices, receipts, tax records, and all records required by the California Department of Tax and Fee Administration (formally Board of Equalization) under Title 18 California Code of Regulations sections 1698 and 4901.
- Personnel records, including each employee's full name, social security or individual taxpayer identification number, date employment begins, and date of termination of employment if applicable.
- Training records, including but not limited to the content of the training provided, and the names of the employees that received the training.
- Contracts with other licensees regarding commercial cannabis activity.
- Permits, licenses, and other local authorizations to conduct the licensee's commercial cannabis activity.
- Security records, except for surveillance recordings required pursuant to section 5044 of this division.
- Records relating to the composting or destruction of cannabis goods.
- Documentation for data or information entered into the track and trace system.
- All other documents prepared or executed by an owner or his employees or assignees in connection with the licensed commercial cannabis business.
- These records will be kept in a manner that allows them to be produced for the state Bureau of Cannabis Control in either hard copy or electronic form, whenever and whichever the Bureau requests them.

**3. Protocols and requirements for services to customers:**  
F&F will provide a comprehensive selection of therapeutic cannabis products to its members, curated for purity, potency and specific effect. Our main service is to provide safe on-site retail sales of products. This access will be supplemented by offering an online menu, with an express pickup counter to reduce patient wait times. F&F will also offer delivery service to provide homebound patients with access to medicine, along with offering a secure manner for private individuals to get their medicines, in the privacy of their own homes. F&F will offer detailed on-site consultations by appointment, with our highly trained cannabis health consultants, and phone consultations will be available upon request.

The receptionist will have a comprehensive list of local health practitioners including RN's, specialized medical doctors, and holistic health practitioners. F&F will promote, foster and encourage intelligent cannabis marketing and sales through cooperation with our local community interests. F&F will host public education events to inform patients about using cannabis for health, and will sponsor topic-specific events including youth education classes (off-site), cancer treatment groups, and veteran support groups. Doctor recommendations are offered by a third party, and will not be able to be obtained on-site.

Additionally, our Customer Relations manager will oversee customer experience, ensuring a smooth introduction to the management team and ongoing relationships

#### **4. Secured Access and Secured Product Locations:**

Please see attached Security Plan and description of electronic track and trace systems, required by State law.

F&F will manage a fully transparent and substantiated policy for the management of all cash transactions. Our General Manager will supervise a system for cash transactions, for counting and bundling cash, and for transporting cash outside of the dispensary. The Bookkeeper will tally and reconcile all cash-in and cashout payments at the end or beginning of each working day, and will reconcile each day's total cash on hand with the sales data from the track and trace inventory management system. The General Manager or Assistant General Manager will execute cash payments for cannabis products in a safe, secure, and transparent manner, and will pay all other bills under the direction of the Bookkeeper.

At the beginning of each workday, in a manner observable by security cameras, the General Manager (GM) or Assistant General Manager (AGM) will count and reconcile all cash, using this system. They will be assisted by another designated staff member, who will perform a blind double count of all cash for verification:

- Count all cash in the safe, and record the total cash present by denomination on formal counting sheets. Count all cash in each cash drawer from the evening before, record the total cash present by denomination, and reconcile that total with the sales data from the Inventory Management System.
- Bundle and recount all cash taken in that day (clipped with paper clips in quantities of 25, then banded with rubber bands in bundles of 4 and 20).
- Provide a report to the Bookkeeper of cash in the safe and cash taken in, by denomination. Individual bag counts and the safe count will be entered into a reconciliation system.
- Disburse a set quantity of cash in various denominations to each cash drawer for sales stations and record this disbursement.
- Lock all remaining cash in the safe after counting.

The GM and Bookkeeper are responsible for managing all cash payments. No funds will be dispersed, unless they are part of an approved budget. F&F will use a cash management system that tracks all payments, monitoring the date, time, company, address, and purpose of each expenditure. F&F requires two signatures for all cash transactions between individuals. Any marijuana products purchased using cash will be tracked using our track and trace system, and will be accompanied by signed shipping manifest document.

F&F intends to secure banking and merchant services before opening. While still difficult, many California dispensaries have bank accounts, and are able to accept credit and ATM cards. F&F is reviewing banking options now, and feels confident about the opportunities opening up for the industry since the new regulations took effect on January 1.

**5. Applicant will display a copy of all issued permits.**

**Storefront, Signage, and Window Treatments:** respond to required advertising and signs including signs regarding public consumption (a separate sign permit may be required for separate signs) and proposed window treatments. The proposed storefront design was included in the original submission, as well as elevations, in the Site Plans. Advertising and signs will conform with City of Santa Rosa and State of California regulations. A separate sign permit will be obtained if necessary.

**Site Management Plan; Merit-based Review; Local and State Compliance; Site Management; Neighborhood Compatibility; Neighborhood Enhancement;** respond to subsections iii and iv.

**i. Experience in operating a cannabis retail business in the North Bay Area.**

Friends and Farmers (F & F) will open and manage a world-class cannabis dispensary. With products and service focused on purity, potency and therapeutic effect in order to best serve the health and wellbeing of our patients and community. Our dispensary will serve a wide range of customers spanning many ages, demographics and varying therapeutic needs within a comfortable, guided setting.

With an experienced and passionate team, F & F leads the industry in their commitment to provide products defined by purity, potency and effect. Because they are deeply committed to the health and well-being of our business, employees and customers, our dispensary will operate diligently within the stringent guidelines defined by MAUCRSA and the City of Santa Rosa's regulations.

F & F had its inception in February of 2015, and has since supported the healing journeys of thousands of patients and consumers, and has gained first-hand experience about the therapeutic value that cannabis can provide. They have seen the positive effect it offers for mind, body and community, and believe it to be a powerful vehicle for global transformation helping to redefine the dialogue about how we heal and nourish ourselves and the planet.

F & F works closely with organic and biodynamic farmers in pristine regions of Northern California to craft award winning, full-spectrum, daily functional cannabis products. In the quest to define the gold standard of purity and quality, they released the nation's first Demeter Certified Biodynamic Cannabis. F & F now works with four certified farms to deliver extraordinary cannabis offering the greatest therapeutic value.

In partnership with F & F, our Santa Rosa dispensary will reflect these values, offering our own branded products as well as thoughtfully curated products from carefully-vetted brands. Most of our products will be micro-dosed for maximum effect at the lowest possible potency to provide daily, functional and therapeutic remedies for the most common modern ailments of our society. F

& F provides treatments to many seriously-ill patients with advanced stages of conditions including cancer and Lyme's disease to create protocols and specific treatments for patients, dispensaries and care-givers.

We have a deep commitment to the use and promotion of organic and sustainable practices, and run our business with a triple bottom line to promote the environmental, financial and social health of our business, employees and community. We're humbled by the opportunity to share this plant, and are endlessly grateful for our community's support and belief in our mission and our medicine.

## **ii. Qualifications and Backgrounds of Principals**

In addition to Principals Allan Henderson and Mike Gasparini, the Project is pleased to announce a partnership with Alicia Rose Kelley, principal of Friends and Farmers, Inc., dba Herba Buena.

Alicia Kelley, Founder and CEO of Friends and Farmers, has more than three years experience running a vertically integrated cannabis business. Her top brand, HerbaBuena, is a respected and well known industry product line.

Alicia founded HerbaBuena in 2015 to serve the needs of health conscious adults looking for the same level of purity and quality in their cannabis as they've come to expect in their organic food and fine wine.

A vertically integrated, ultra-premium products company, HerbaBuena crafts a portfolio of award-winning products utilizing whole plant intelligence with standardized purity, potency and effect, in order to support the greatest health and well-being. To ensure purity and quality in all their products, HerbaBuena works closely with top, licensed, sungrown farms in Mendocino, and a select group of Demeter Certified Biodynamic farms in northern California.

Alicia's work in cannabis is informed by both her advanced degree in environmental science and a 15-year tenure in the wine industry, where she's worked with a handful of 100-point winemakers and top wine brands. A founding Board Member of the Napa Cannabis Association, the Mendocino Cannabis Industry Association and the Wine & Weed Symposium, she's committed to educating people about the therapeutic value of cannabis, and redefining the dialog about the way we nourish and care for ourselves and the planet.

Alicia's addition to the team makes 330 Yolanda the ideal project for Santa Rosa- combining the principals' deep roots as developers in our community with exceptional cannabis operations experience and vision.

**Additionally, the Project Team is pleased to announce the addition of Dennis "Denny" Rosatti as Community Relations Liaison.**

Denny brings 16 years of success working in the Sonoma County community with a range of stakeholders, elected officials, organizations and coalitions on a broad spectrum of issues. He has working relationships with Local Elected Officials, City Staff, Sonoma County Supervisors, State Assembly and Senate, and U.S. Congressmen in the Sonoma County area.



Denny has worked with numerous clients to bring public outreach and grassroots organizing to the heart of their projects. He has helped build community support and establish brand and name identification through strong messaging, marketing materials and targeted placement with voters and the public.

Denny's experience working with stakeholders and the public in support of some of Sonoma County's largest projects gives 330 Yolanda a significant edge over other operators. His integrity and commitment to our community demonstrates the Owners' dedication to maintaining excellent relationships with their neighbors.

**Architect: Jim Henderson**

James Henderson was born and raised in Santa Rosa. Jim is one of those rare people who knew exactly what he wanted to do for a living from a very young age. As early as the 5th grade he had a passion for architecture and he has studied and perfected his skills from that point forward.

Jim studied at the University of Arizona in Tucson where he achieved a 5 year degree with a Bachelor of Architecture. During his education he took a special interest in passive solar techniques and focused on designing buildings that took advantage of the climatic characteristics of the region, minimizing energy consumption and maximizing the way the building performed for its occupants. This regional building focus is the basis of what is now a popular trend called "green" building. For Jim the "green" movement is a mainstreaming of what good Architects have been doing all along.

Jim has worked extensively with cannabis clients, helping projects meet the City's robust design requirements, and has been involved with some of Santa Rosa's most notable projects, including the SAY Dream Center.

**Attorney: Erin Carlstrom**

Erin Carlstrom is Senior Counsel with DP&F and leads the firm's cannabis group. Erin's practice includes state and local compliance, corporate formation and compliance, land use, and government relations. Erin has specific expertise in land use entitlements and navigating the various regulatory agencies, and has been responsible for major project developments across California. Erin's experience offers clients comprehensive support from seed to sale, including transitioning from collective operations to for-profit corporations, applying for and prosecuting permit applications, and developing strategic collaborations.

Erin represents cannabis producers, farmers, manufacturers, labs, distributors and dispensaries, as well as investment groups interacting with all sectors, in matters ranging from collective formation and transition, operations management, land use and state and local compliance.

Erin served on the Santa Rosa City Council, including a term as Vice Mayor, and twice chaired the cannabis subcommittee. Erin's work helped position Santa Rosa as one of the state's most progressive cannabis communities, forming predictable and business-friendly paths to operation.



## **MANAGEMENT AND OPERATIONS**

iii. Business Plan that includes day-to-day operations and monitoring to prevent diversion:

### **Staffing Plan**

Chief Executive Officer : 1 full time

General Manager (GM): 1 full time

Assistant General Manager: 1 full time, 1 part time

Neighborhood Liason: 1 part time

Receptionist: 1 full time, 2 part time

Customer Care Specialist: 1 full time, 4 part time

Customer Relations Manager: 1 full time

Express/Delivery Fulfillment: 1 full time, 2 part time

Delivery Driver: 1 full time, 1 part time

Security Guard: 2 full time, 2 part time

All Security Guards will be licensed and provided by a third party security company such as HardCar.

### **Staffing Hours**

Monday – Sunday Opening shift: 8:00 a.m. – 4:00 p.m. Closing shift: 4:00p.m. - 8:30 p.m.

### **Minimum Age Eligibility Requirement for Staff**

F&F will never employ any person who is not at least 21 years of age. This policy applies to all full-time, part-time, and temporary employees, as well as to anyone contracted to perform work for the company.

There will be a F&F supervising manager at the facility at all times, who will ensure this policy is followed each day. The CEO and GM will use clear and unambiguous policies to hiring new staff, and F&F will follow all government mandated identity checks to assure each employee is a qualified worker over 21 years of age. F&F will keep a copy of the proof-of-age eligibility in each employee's file.

All contract workers, including repair and delivery people, will be required to show valid government identification to enter the facility, and anyone under 21 years of age will be denied entry.

### **Acceptable forms of Identification**

- Valid driver's license from any U.S. state or territory
- Valid ID from any U.S. state or territory
- United States passport
- United States passport card
- United States military ID
- Foreign government-issued passport
- Permanent resident card (Green Card)
- DHS-designated enhanced driver's license
- Transportation Worker Identification Credential (TWIC Card)
- Native American Tribal photo ID

### **Minimum Staffing Levels Policy**

To operate the dispensary, the following staff members will be working each shift:

- 1 Managing Supervisor (CEO, GM, AGM, or their designee)
- 1 Receptionist
- 1 Customer Care Specialist
- 1 Express/Delivery Fulfillment
- 2 Security Guards

The dispensary will not open each day, until Security Guards and all other staff members listed on the minimum staffing levels policy are in place. On most days, and during busy holiday seasons, F&F will employ two to three Customer Care Specialists at a time, in order to provide the best possible service.

F&F will also employ the following positions:

- 1 - 3 Delivery Drivers, working during peak hours to alleviate dispensary traffic
- 1 Bookkeeper

### **Mandatory Criminal Background Check Policy**

F&F will complete all mandatory criminal background checks for all business owners, which will be updated every twelve months. No owner will start work on behalf of the dispensary, until this check is complete.

F&F's CEO is responsible for assuring this check is performed, and for keeping the records of such on file for inspection by the city, upon request. F&F will adhere to this law regarding ownership: "No person who is currently charged with or has been convicted within the (a) previous ten years of a felony, a felony or misdemeanor involving moral turpitude, or any crime involving the sale, possession for sale, manufacture, transportation, cultivation, or distribution of a controlled substance, shall be a business owner of a medicinal cannabis retailer or small cannabis manufacturer. A conviction within the meaning of this section means a plea or verdict of guilty or a conviction following a plea of *nolo contendere* or no contest."

If any current owner is convicted of a crime, the CEO will notify the Police Chief in writing of this disqualifying conviction, within ten days of the conviction. If warranted, the CEO may submit a written request for waiver of this prohibition, if the person's involvement with the F&F does not pose a threat to public safety. If approved, and only if approved, the proposed owner will be allowed to join the team.

### **Maintenance of Employee Records**

F&F will maintain personnel records for current and past employees to document employment-related decisions, benefit choices, and compliance with regulatory record-keeping requirements. An authorized agent, administrator, or F&F supervisor will control access to personnel information in order to ensure privacy. F&F will maintain only one official personnel file, which is to be kept in the General Manager's office. Supervisors are discouraged from keeping informal personnel files on employees.

Friends & Farmers will keep documents related to medical conditions or history of the employee and their family members, records of work-related injury or illness, or disability-related documentation, including requests for accommodation, in a separate confidential file. The GM, or their designee, will update each employee's file on an as-needed basis, by filing any documentation confirming changes in employment status, position, salary, or benefits, as well as disciplinary actions or letters of reprimand.

Required employee file content includes, but is not limited to, the following:

- Employee applications, résumés, and letters of reference:
- Honors or awards
- W-2 and all required IRS or payroll paperwork
- Notices regarding overtime compensation (non-exempt employees only)
- Emergency contact information
- Performance appraisals
- Current job description
- Proof-of-service form(s) for any disciplinary action taken

The GM will regularly review each employee's personnel file to ensure that all necessary documents have been filed, and that date-sensitive documents have not expired. Records and documents relating to salary, benefits, performance appraisals, and write ups will be kept for seven (7) years. For the purpose of the Age Discrimination in Employment Act (ADEA) and under the Fair Labor Standards Act (FLSA), all personnel files for non-exempt employees are required to be retained for three (3) years from the end of the fiscal year that the employee left, but F&F will keep these for seven (7) years to comply with state regulations.

### **Staff Scheduling**

The General Manager (GM) will administer a process for staff scheduling and for notification of schedule. They will ensure that employees are scheduled to work no more than eight (8) hours per day and no more than forty (40) hours per week for full time employees. They will also ensure that employees who have asked for schedules below eight (8) hours per day and forty (40) hours per week cumulative will be scheduled accordingly.

All efforts will be taken to accommodate time-off requests tendered in the appropriate manner and with appropriate advance notice. Operational responsibilities will almost always prevail when the company's needs conflict with the needs of the employee. Conflicts arising from multiple employees asking for time off on the same, similar, or overlapping time periods will be resolved by invoking seniority privileges, and by input from the employee's supervisor and/or department head.

The Friends & Farmers Schedule Template is based on the projected census needs of the company through the anticipation of patient traffic patterns. Requests for fixed schedules will be considered in light of the company's known staffing patterns, position vacancies, and impact on other staff. Friends & Farmers makes no promise of intent to give staff regular fixed schedules. F&F's GM will also ensure that the schedule has ample staffing to allow and cover mandated break periods throughout each day.

### **General Staff Training**

The CEO and GM will work together to establish general staff training protocols. This will include unique training tailored for each unique job role, or will hire an outside contractor to conduct required training sessions. The GM will give each employee advance notice of the scheduled training session, and will record and keep on file the training each employee has completed. This includes training staff on the types and uses of medical marijuana, how it is consumed, and recommended dosages. The GM will also provide training on all equipment used during each shift and on all standard operating procedures for patient registration, point of sale, and security.

The GM will also provide first aid, fire, and disaster training for the staff. Disasters include, but are not limited to: fire, flood, hurricane, earthquake, toxic gas or chemical spills, explosions, civil disturbances, and workplace accidents and violence resulting in injury or bodily harm. All training will be in accordance with the training requirements set forth in the Occupational Safety and Health Administration (OSHA) Standards.

### **Exceptional Customer Service**

F&F prioritizes exceptional customer service. Every single touch point, by every staff member, plays a role in creating a comfortable, informative, safe and compassionate environment.

As patients approach the building, a Security Guard will greet them warmly and welcome them to Friends & Farmers. If special-needs patients request assistance to navigate the front door or the reception area, Security will offer that assistance. If additional assistance is required, the Receptionist will radio to the back of the house for additional assistance.

The Receptionist will greet customers, welcoming them to Friends & Farmers, and will ask if they are a first time or a returning customer. If the customer is visiting for the first time, the Receptionist will register them using F&F's track and trace data management system. If the customer is returning, the Receptionist will verify their identification and check their membership. After checking in a first-time or returning customer, the Receptionist will thank the customer for choosing Friends & Farmers, inform them of any current specials, and will send them on to the dispensary sales floor for service.

When the customer enters the dispensary sales floor, they will be greeted by a Customer Care Specialist (CCS). The CCS will be able to offer general information and answer any initial questions about the offerings and services available. During this time, the CSS will be able to check previous customer history through the Customer Relationship Management and Point of Sale System (which is integrated with the Metric Track and Trace system). The CSS will be able to access previous purchase history in order to help each individual make informed decisions about products, potency and delivery methods that will suit them best.

The CCS The CCS will help the customer make an informed decision by listening to determine the specific needs of the customer, collecting feedback on efficacy of previous purchase, and offering consultations specific to their health needs, and best-practice guidelines.

Additionally, the Customer Relations Manager (CRM) will hold regular staff and product trainings, and regularly brief the CCS team on efficacy of new products, consumption preferences and more.

The CRM will work to ensure that the highest level of customized attention and care is provided to the specific needs of the individual customer.

Freinds and Farmers already has a loyal and dedicated following of medical patients due to their attention to quality from seed to sale, their careful screening and curation of the products offered, and their commitment to personalized and informed customer service. With an iconic physical location, friends and Farmers will be able to serve a larger number of medical patients and customers with the highest quality medicine and exceptional customer service, and will be able to continue being thought leaders for the cannabis industry.

Once the customer decides on the products or services they require, the CCS will place the items in a bag one at a time, verifying with the customer that each is the requested item. They will enter the item into the track and trace system, give the customer a total dollar amount of the requested item, and read the list back to the customer one last time to ensure order accuracy before finalizing the transaction. Upon accepting the payment, the CCS will staple the register receipt to the customer's bag, and thank them for their patronage. As the customer leaves the sales counter and heads towards the exit, the Receptionist will thank them for their patronage, ask them how their experience was, and let them know that Friends & Farmers awaits their return and is always available for further clarification or guidance on their purchases or health concerns. As the customer exits the building and walks through the parking lot, outside Security will escort them to their car if requested and thank them for their patronage.

**On-Site Consumption:** See attachment B for our extensive protocols regarding limited onsite consumption.

#### **Deliveries to Business (Receiving)**

F&F will use an electronic point of sale system, as part of the state track and trace requirement. All cannabis products will be purchased from Distributors with licenses from the state. Each item will be purchased using the state's Sales Invoice (see attached). F&F will pay all excise tax each distributor at the time of wholesale purchase. Beginning July 1, 2018, state law requires that F&F will only conduct business with other State of CA cannabis business licensed operators.

As F&F only has one entryway, all product deliveries are allowed during open hours. The GM or AGM will meet with distributors before the dispensary is open for business each morning, between 7 a.m. – 9:00 a.m., or after it closes for the day, between 8:00 p.m. -10:00 p.m. F&F will store all cannabis products in a secured storage room, after purchase and until it becomes active inventory on the sales floor. The storage room will be locked in off hours, and all marijuana flowers and concentrates will be additionally locked in safes inside. The F&F's General Manager will be designated as the track and trace system account manager. They will attend and successfully complete any state mandated track and trace system training, including any required orientation and continuing education classes. The GM will authorize any additional owners or employees as track and trace system users, and will ensure that they are trained on the system prior to its access or use.

F&F will use the track and trace system to record all commercial cannabis activity:

- Receipt of cannabis goods delivered to the dispensary

- Return of any cannabis goods
- Destruction and disposal of cannabis goods
- Laboratory testing and results

The following information will be recorded for each activity entered in the track and trace system:

- Name and type of the cannabis goods
- Unique identifier of the cannabis goods.
- Amount of the cannabis goods, by weight or count.
- Date and time of the activity or transaction
- Name and license number of other licensees involved in the activity or transaction

All transactions will be entered into the track and trace system by 11:59 p.m. on the day the transaction occurred. F&F's staff members will only enter and record complete and accurate information into the track and trace system, and will correct any known errors entered into the track and trace system immediately upon discovery.

#### **Deliveries to Patients**

"Delivery" means the commercial transfer of cannabis or cannabis products from a cannabis retailer located within the City or a state-licensed cannabis retailer located outside the City, in accordance with State Cannabis Laws, to a primary caregiver, qualified patient, or person with an identification card located inside the city.

In order to provide the very best customer service for clients, Friends & Farmers will provide a delivery service, in addition to our physical "brick & mortar" location. This can be of great benefit to clients who have a difficult time leaving their home and help limit congestion at our dispensary. F&F has a strong foundation in this area of the cannabis business, after operating a successful delivery model for three years.

All deliveries of cannabis goods will be performed by a delivery employee of F&F. Each delivery employee of F&F shall be at least 21 years of age. All deliveries of cannabis products will be made in person and may only be delivered to a physical address in California. F&F delivery employees shall not leave the State of California while possessing cannabis goods.

F&F delivery employees shall not consume cannabis goods while delivering cannabis goods to customers. All F&F delivery employees will be fully trained in customer service and promote compassionate care during deliveries. In addition, each driver will be trained in and adhere to very strict policies that track the order from inception to delivery. The process of delivery begins when the delivery employee leaves the licensed premises with the cannabis goods for delivery, and process of delivering ends when the employee returns to the licensed premises after delivering the cannabis goods to the customer(s).

A delivery employee of F&F shall, during deliveries, carry a copy of F&F's current license, the employee's government-issued identification, and an identification badge provided. The delivery employee shall not carry cannabis goods worth in excess of \$3,000 at any time. This value shall be determined using the current retail price of all cannabis goods carried by the delivery employee.

A delivery of cannabis goods shall not be made through the use of an unmanned vehicle, and delivery employees shall only travel in an enclosed motor vehicle operated by a delivery employee of F&F. In addition, F&F shall ensure that cannabis goods are not visible to the public. The delivery employee shall not leave cannabis goods in an unattended motor vehicle unless the motor vehicle is locked and equipped with an active vehicle alarm system.

The vehicle 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. This dedicated GPS device will be owned by the licensee and used for delivery only. The device shall be either permanently or temporarily affixed to the delivery vehicle and shall remain active and inside of the delivery vehicle at all times during delivery. At all times, the retailer shall be able to identify the geographic location of all delivery vehicles that are making F&F deliveries.

F&F shall not deliver cannabis goods to an address located on publicly owned land or any address on land or in a building leased by a public agency. This prohibition applies to land held in trust by the United States for a tribe or an individual tribal member unless the delivery is authorized by and consistent with applicable tribal law.

Friends & Farmers shall prepare a delivery request receipt for each delivery of cannabis goods. The delivery request receipt shall contain the following:

- (1) The name and address of the retailer;
- (2) The first name and employee number of the F&F delivery employee who delivered the order;
- (3) The first name and employee number of the F&F employee who prepared the order for delivery;
- (4) The first name of the customer and an F&F assigned customer number for the person who requested the delivery;
- (5) The date and time the delivery request was made;
- (6) The delivery address;
- (7) A detailed description of all cannabis goods requested for delivery. The description shall include the weight, volume, or any other accurate measure of the amount of any cannabis goods requested.
- (8) The total amount paid for the delivery, including any taxes, fees, the cost of the cannabis goods, and any other charges related to the delivery; and
- (9) Upon delivery, 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 of F&F shall provide the customer, who placed the order, a copy of the delivery request receipt. The delivery employee shall retain a signed copy of the delivery request receipt for F&Fs records.

#### **Delivery Driver Access**

The staging location of the delivery service will be in the Restricted Access Storage area. Orders are processed in the POS system, and marked for delivery. Each order is packed inside the Restricted



Access room, then placed in a locked storage container. All delivery items are consolidated and readied for pickup by the delivery driver. The delivery driver will access the Restricted Access Storage area to obtain the locked storage container which contains each individually packed order, and accompanying delivery manifest. The driver will exit the building through the office and out through the reception area to the delivery vehicle. The driver will not be in the Restricted Retail area.

#### **Delivery Vehicle Location**

There will be one reserved space outside the front door for the delivery vehicle to minimize the distance the driver needs to walk, to ensure good lighting, and access to the security guard and cameras. This will also be the designated parking spot for the delivery vehicle for after-hours.

#### **Delivery Route While Making Deliveries of Cannabis Goods**

Friends and Farmers delivery employee shall 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 licensed premises. A delivery employee of a F&F shall not deviate from the delivery path 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.

iv. Management Plan That Prevents and Responds to Potential Nuisance Impacts (e.g. loitering, trash, local contact) on Adjoining Properties, Public Areas, and Surrounding Neighborhoods.

#### **Odor and Air Control**

F&F will utilize an odor-absorbing system to ensure that cannabis odors generated inside the property are not detectable within any other unit within the building or outside the property in any way. This includes on adjacent properties and on public right of ways. As required by City Code Section 20-46.050(H), we have commissioned an Odor Control Plan from Engineer Matthew Torre.

F&F's Chief Executive Officer will supervise the installment and maintenance of an air-treatment system to ensure that no offsite odor of cannabis occurs. Outside Security and any other staff members should immediately report odor problems to the CEO, who will implement upgrades to the system, the facility, or the internal cannabis-handling processes to further deter odors. If such upgrades require the approval of any county agency, the CEO or COO/PM will gain such approval before implementing the new system. F&F will use negative ion generators and carbon to prevent smell. These will be placed in the storage room, in the dispensary room, and at reception. Attached are fact sheets with information on the negative ion generators and carbon filters that F&F will use at the facility.

#### **Sales Controls**

F&F will use an electronic point of sale system, as part of the state track and trace requirement. All cannabis products will be purchased from Distributors with licenses from the State of CA.

Each item will be purchased using the state's Sales Invoice (see attached). F&F will pay all excise tax each distributor at the time of wholesale purchase.

As F&F only has one entryway, all product deliveries are allowed during open hours. The GM or AGM will meet with distributors before the dispensary is open for business each morning, between 7:00 a.m. – 9:00 a.m., or after it closes for the day, between 8:00 p.m. – 9:00 p.m. F&F will store all cannabis products in a secured storage room, after purchase and until it becomes active inventory on the sales floor. The storage room will be locked in off hours, and all marijuana flowers and concentrates will be additionally locked in safes inside.

The F&F's GM will be designated as the track and trace system account manager. They will attend and successfully complete any state mandated track and trace system training, including any required orientation and continuing education classes. The GM will authorize any additional owners or employees as track and trace system users, and will ensure that they are trained on the system prior to its access or use.

F&F will use the track and trace system to record all commercial cannabis activity:

- Receipt of cannabis goods delivered to the dispensary
- Return of any cannabis goods
- Destruction and disposal of cannabis goods
- Laboratory testing and results
- The following information will be recorded for each activity entered in the track and trace system:
  - Name and type of the cannabis goods
  - Unique identifier of the cannabis goods.
  - Amount of the cannabis goods, by weight or count.
  - Date and time of the activity or transaction
  - Name and license number of other licensees involved in the activity or transaction

All transactions will be entered into the track and trace system by 11:59 PM on the day the transaction occurred. F&F's staff members will only enter and record complete and accurate information into the track and trace system, and will correct any known errors entered into the track and trace system immediately upon discovery.

### **Nuisance Prevention**

F&F has a nuisance prevention plan to protect the safety of the dispensary and surrounding neighborhoods. The CEO is responsible for creating, implementing, and updating the nuisance prevention plan and reporting policies and procedures. The GM is also responsible on a daily basis for taking all reasonable steps to discourage and correct nuisance in parking areas, sidewalks, alleys, and surrounding areas during business hours and when directly related to dispensary members.

F&F defines nuisance as any disturbances of peace, open public consumption of cannabis or alcohol, excessive pedestrian or vehicular traffic, illegal drug activity, harassment of passersby, excessive littering, excessive loitering, illegal parking, excessive loud noises, especially late at night or early in the morning hours, lewd conduct, and any other issue that causes a problem.

Outside Security, under the supervision of the General Manager (GM), is primarily responsible for implementing the Nuisance Prevention Plan. Security must be vigilant in observing the street and nearby businesses for nuisance behaviors, and will also carefully observe members as they pull into the lot, park, and exit again. No nuisance behaviors are allowed during these times, either from the members or by any guest left waiting in the car during a visit.

If they spot nuisance behavior, Security will use their radios to report the activity to the facility senior supervisor, who will be the GM, AGM, or their designee. If the nuisance is onsite, Security may remedy the situation by having a conversation with the patron, requesting that the activity cease. However, Security will never do this if making the request threatens his or her personal safety. If any such fear exists, the officer will radio the CEO or their designee to call 911 immediately, or yell out to other Security staff to call 911. If the nuisance behavior is offsite, the CEO, GM, AGM, or their designee will assist in the decision to send Security offsite to manage the situation with a polite conversation, or will call 911 for police assistance.

The GM will implement and supervise a Nuisance Prevention Training Program to train all staff on the nuisance policy, and will instruct the Receptionist to educate members about building rules and nuisance prevention in the neighborhood.

Small, non-recurring violations of the nuisance policy are easy to manage with verbal warnings. But if the violation is serious, such as lewd conduct or illegal drug activity, or if it requires the assistance of the Police, the GM will immediately revoke the person's membership. The GM or their designee is responsible for assuring the person is stricken from the member roll.

The dispensary will also appoint a Neighborhood Liason. The Neighborhood Liason will work to improve both the aesthetic and security of the surrounding neighborhood. The Neighborhood Liason will respond to any neighborhood concerns over noise, odor, loitering, and management; and will work "upstream" to ensure any potential issues are identified and eliminated before ever becoming a problem. Our goal is to improve the neighborhood where we reside, and to elevate all our neighbors with the presence of our site redevelopment and added amenities.

#### **Control of Litter, Debris and Trash**

F&F will keep the dispensary's premises and surrounding areas clean and free of debris. Every morning, midday, and as needed, the General Manager (GM) or their designee will ensure that a staff member clears the sidewalks adjoining the premises, plus 20 feet beyond property lines along the street, of all litter and debris. This includes ensuring that the entire premises, including the parking lot, are free of litter, debris, and trash.

The Receptionist will monitor the front walkway for debris, and will keep the front door clear. Security Guards will tidy up any minor trash during their rounds. If the debris is excessive, they will report to the GM who will ensure it is removed immediately. All other staff members are responsible for keeping their work stations clean, organized, and free of debris at all times.

The GM will ensure there are easily accessible external garbage cans for patrons, inside and out, and the will arrange for regular garbage pickup and any additional pickups needed. The

Neighborhood Liason will relay any concerns expressed by the community and will seek ways for the dispensary to contribute back to the community in a proactive way.

F&F is responsible for the removal of all graffiti from the premises and parking lots within 72 hours of its application. Our goal is to clean, beautify, and increase the safety of the neighborhood. By having dedicated Security Guards and by deploying our other staff members to these and other beautification projects, F&F will mitigate any neighborhood concerns or adverse effects.

### **Cannabis Waste Management**

F&F will have a designated waste coordinator who oversees and manages the accumulation of nonhazardous cannabis waste on-site. Since F&F will only be dispensary and will not manufacture or package products, waste should be nearly non-existent. We will dispose of any cannabis put on display on the sales floor, products that are past their sell dates, and any product that becomes contaminated while at the dispensary. This waste will be accumulated at a waste accumulation site within the safe storage room. This waste storage area will be at or near the point where the waste is generated, and will be easily controlled and easily visually inspected. Therefore, the waste storage area will be located near the receiving area in the storage area of the building.

All waste storage containers will be compatible with the substances they are to contain. Cannabis waste will be stored in durable, sealable, non-reactive, containers. (E.g. polyethylene plastic drums.) Containers will be able to be locked. Except when waste is being added, the containers will be closed.

Different streams of cannabis waste will be disposed of in separate containers. For example, dry cannabis flower material will not be disposed of in the same container as edible food waste. Separation of waste streams will allow for more accurate documentation and more efficient processing. Waste containers will be properly labeled with the type of waste accumulated. Once a container is full, the waste coordinator will note the fill date on the container and in our track and trace system. This main waste storage area will be easily accessible, yet secure. The area will be finished with durable surfaces, both water and odor resistant. The area will have good ventilation and, where possible, secondary containment in case the primary container leaks. The area will be kept clean and free of debris, and will be inspected regularly.

All containers of waste entering the main storage area will be properly logged in as part of the Company's track and trace program. Containers will be identified with the following information:

- (1) ID/tracking number
- (2) Waste description
- (3) Net weight
- (4) Volume
- (5) Date of origin

Pursuant to State Regulation, all Cannabis Byproducts will be rendered unusable and unrecognizable prior to disposal. Cannabis Byproducts at F& F will be rendered unrecognizable by grinding, pulverizing, mulching, or mixing them with other non-cannabis material. F&F will accomplish the above tasks through the use of manual labor and commercial/industrial grinders and mixers. F&F will mix Cannabis Byproducts with at least 50% non-cannabis waste, including

coffee, dirt, non-cannabis compost, or other like product. Cannabis Byproducts that have been properly rendered onsite into Cannabis Waste will be kept onsite for uses including, but not limited to, composting, landfill, and soil amendment. The Cannabis Waste must still be tracked-and-traced to its final resting place.

If waste accumulates beyond the ability to use the compost onsite, F&F will contract with a Licensed Cannabis Waste Handler to collect any product which has not yet been properly rendered or to pick up any cannabis compost that has been rendered onsite, but which F&F cannot use onsite. Since the waste is still considered Cannabis Byproducts, the Licensed Cannabis Waste Handler must follow all rules and regulations applicable to the transportation and handling of cannabis. The Cannabis Waste has to be track and traced, and a non-hazardous Waste Manifest (Bill of Lading) must be issued upon disposal.

Any person handling waste will be made informed as to the type of waste they are handling. Workers will be trained to identify non-hazardous wastes from potentially hazardous ones. It is the responsibility of the designated waste management personnel to ensure that all employees are aware of the facility's waste management plan.

Although the waste may not be considered hazardous, per Cal-OSHA regulation, it is still required that employees wear personal protective equipment (PPE) when in contact with onsite waste. Personal protective equipment includes, but is not limited to, coveralls, gloves, safety glasses, and dust masks.

In the event of any emergency – fire, spill, etc. - notification will be given to the designated site safety officer. The officer will then contact the appropriate civil agencies, if necessary, and inform the Environmental Health and Safety director.

The above information and the enclosed documents address all of the issues raised in your letter. Please let me know immediately if the City requires any additional information or materials.

Regards,



Erin Carlstrom

EBC:gc  
Encls.

**330 Yolanda Avenue Dispensary**  
**Attachment B: Onsite Cannabis Consumption Policy**

City of Santa Rosa

JUN 21 2018

Planning & Economic  
Development Department

**Policy:**

Onsite Consumption of Cannabis

**Purpose:**

To provide a comfortable space for patients to sample cannabis products in a safe, guided and educational setting. According to the city of Santa Rosa guidelines, the products provided would include only ingestible and topical forms.

**Experience:**

Operating as a medical collective for three years, Friends and Farmers/HerbaBuena has conducted more than 50 consumption events to much acclaim and gratitude for successfully offering safe, guided and educational programs for patients in order to provide: accurate information about cannabis, an understanding of how and why it interacts with the human body, the effect of various cannabinoids and therapeutic compounds, starting dosage guidelines, delivery methods, and individual guidance based on the patient's level of comfort, experience, tolerance and therapeutic needs.

**Definitions:**

DUID – driving under the influence of drugs

Budtender – the staff member designated to walk patients through options for therapeutic uses, dosages and delivery methods and to manage special requests, special needs and any concerns

Cut off – to insist that a person stop consuming cannabis onsite, if they exhibit signs of nuisance or intoxication

**Scope:**

Onsite Consumption Areas

**Responsibilities:**

Chief Executive Officer (CEO) – to create policies and procedures for safe onsite consumption and to supervise implementation

Chief Operations Officer (COO) – to implement policies for safe onsite consumption

General Manager (GM) – to implement these procedures on a daily basis

Assistant General Manager (AGM) – to assist with daily procedures implementation

Human Resources Administrator (HR) – to work with the CEO and COO to create staff training programs

Office Administrator – to administrate staff training and to tracking patient data

Purchasing Agent – to secure safe medicine and administer lab-testing procedures

Floor Manager – to supervise the patient consumption areas

Receptionist – to register qualified persons who want access to the consumption area

Budtenders – to serve customers and patients, while in the consumption area

Packaging Staff – to package cannabis such that dosage and usage information is clear

Security – to supervise the safety of staff, customers, patients and the community at large

### **Consumption Area:**

The consumption area will be separate from all other areas of the dispensary. Admittance to this area will be carefully controlled, with all persons registering before they enter.

### **Detailed Procedures:**

#### **1. Mandatory staffing during open hours**

a. The CEO will establish, implement and supervise procedures that assure the dispensary onsite consumption areas are properly staffed at all times. The COO will assist in implementing this procedure, making sure each staff member is trained and prepared to do their job each day.

b. During business hours, a GM or AGM must supervise the onsite consumption areas. During their breaks, they should delegate supervisory tasks to the CEO, COO, the Floor Manager, or another designated senior staff member.

c. Under the leadership of the GM or AGM, the Floor Manager will manage the onsite consumption areas each day. They are responsible for enacting all procedures related to daily management of the onsite consumption areas, including directly supervising the staff.

d. Patient Services Clerks will staff the onsite consumption area, serving customers and keeping the space clean. There will be one clerk in the onsite consumption areas at all times, and more during peak hours.

e. A receptionist will greet and register people for the onsite consumption areas, and will be stationed at the door during all open hours.

f. One Security person will be stationed at the door during all public hours.

g. Each day, there will be a designated and trained budtender. This person will be easily accessible to any member of the public via phone, email, or in person. This may be any senior staff member, who is trained to handle concerns, to answer questions, and to manage emergencies.

#### **2. Training staff**

a. The CEO and COO will supervise creation of a training program to teach staff all information appropriate to running the onsite consumption areas. This will include crime prevention, consumption dosages, medical emergency and DUID prevention training, as well as training on daily operational procedures like managing sales and custodial duties.

b. The Human Resources Administrator will work with the CEO and COO to produce training programs for the staff of the onsite consumption areas. They will administer the training programs and track the staff's progress.

c. The GM is responsible for assuring each staff member is properly notified and attends all staff trainings, and that the benefits of the trainings are put to use on the job. They will directly assist with on the job training of the staff, offering coaching and mentoring to staff.



d. The Office Administrator is responsible for tracking staff training attendance records, and will assist in scheduling and notifying staff of trainings.

e. Each staff member is required to attend all essential trainings. Training notifications will be posted on the bulletin board in the staff break room, and advance notices will be placed in each staff member's mailbox. If a staff member has an excused absence from a mandatory training, the GM is responsible for working with HR to assure the person gets trained in an alternative manner. All staff will be hired with a 90-day probationary period, and failure to complete these mandatory trainings during that time will result in termination.

### 3. Security Systems, Staff, and Training

a. The CEO and COO are responsible for assuring that security systems are installed and fully functional at all times. This includes video cameras covering all mandated areas, alarms on all doors and windows, motion sensor alarms, panic buttons in key locations, and an onsite safety officer at the front door during all public hours.

b. The GM or AGM in charge each shift must supervise that each system is functioning, and that guards are in place, before opening each day. If any system is malfunctioning, the GM or AGM will determine if it affects operational safety, and close the onsite consumption area, if needed. This would include a malfunction of the panic buttons or cameras or a failure to staff security. The GM or AGM is responsible for arranging any repairs with alacrity, assuring the areas can open as soon as possible, and that a safe closing procedure can be managed. If the facility is closed for any reason during operational hours, the CEO and COO should be immediately notified.

c. During all hours of operation, a Security guard will be stationed at the front door of the facility, to make sure that only qualified and verified people have access to the onsite consumption areas. Visitors will be registered and accompanied at all times. Security is responsible for enacting safety protocols, in case of emergency. This includes pushing the panic button, calling 911, observing and reporting crimes in progress, and noticing problems in their initial stages and preventing or stopping them and watching for signs of overmedication and preventing it.

d. Friends and Farmers promotes safety and security in every action. All staff members are responsible for assuring that everyone is informed, safe and comfortable. All staff will be trained in security protocols. This will include locations of panic buttons, how to handle emergencies, and how to signal for Security's assistance. HR will create these training programs, the GM will administer them, and the Office Administrator will keep attendance records.

### 4. Maintenance of a separate registration procedure

a. The CEO and COO will create a procedure to separately register those who intend to use the onsite consumption lounge. This will include supervising creation of a training program to familiarize staff, customers and patients with the procedures, as well as to educate them about how to properly consume cannabis, the rules of the space, and about prevention of neighborhood nuisance, and safety issues.

b. The GM will supervise that this procedure is followed, and that all operational systems to manage this, like the database and registration iPads, work properly each day. The GM or AGM will supervise daily use and implementation of the systems and procedures, making sure that Reception and Security are outfitted to do their work properly. The Floor Manager will be in the onsite consumption areas directly supervising the registration procedures.

c. Reception will register each person, before they access the onsite consumption areas. This will explaining all the safety and security rules to each person and updating their files to indicate they have access to the onsite consumption areas. Reception will also provide a friendly greeting to each person as they enter, will answer any general questions they may have, and will say goodbye to each person as they exit.

d. Security will be stationed near the door of the onsite consumption area, preventing unregistered people from entering. Security will escort any person who is attempting to access the onsite consumption area without proper credentials from the facility, calling 911 or the non-emergency police number if assistance is needed.

#### 5. Areas prohibited to consume

a. The CEO and COO will create procedures to assure that cannabis is not consumed in any areas that are not designated for onsite cannabis consumption. For an area to be designated by the CEO or COO, it must be properly ventilated, secured, supervised and approved by them.

b. The GM or AGM, Floor Managers, and all other supervisors and staff will enforce this rule, and direct them to the onsite consumption areas, if they attempt to medicate in a non-sanctioned area.

c. Security will escort customers, patients or staff from the facility for violating or refusing to follow this procedure, denying future entry.

#### 6. Topical applications

a. The CEO and COO will establish and implement a policy that allows topical applications anywhere in the dispensary. This is not limited to the onsite consumption areas, as the ventilation issue is negated with topicals.

b. The GM, AGMs, and Floor Managers will supervise any application of a cannabis topical done by our service providers. This includes, but is not limited to, use by pre-screened and licensed massage therapy practitioners.

c. Friends and Farmers staff members are not allowed to apply topical medicines to patients, but can offer samples for people to apply themselves. The GM and AGMs supervise this policy, and the Floor Managers implement it.

d. Human Resources will make sure that each staff member, as a part of their training, is educated about this policy, and the Office Manager will make sure completion of training is documented.

#### 7. Limits on onsite consumption of ingestible medicines

a. The CEO will create a policy allowing onsite consumption of ingestible medicines, including edibles, tinctures, pastes, and other ingestibles. The COO will create operations to support this policy, including those that create dosage oversight to limit individual overconsumption. This includes creating registration materials, creating sensible use guidelines, and establishing and enforcing limits on dosage consumption amounts. The GM and AGMs are responsible for supervising these policies, with the assistance of the Floor Managers in implementing them.

b. Generally, patients should not consume more than 50mgs of cannabis onsite, with the preferred amount being 3 – 20mgs. The intent of onsite ingestibles consumption is to use a light dose, so that any influence felt from the active substance will be mild. There are certain conditions that require a high dose to treat, and patients get an equally high tolerance to match. These are experienced users, who will self-titrate their dose, if they have

such need. If any Patient Services Clerk or Floor Manager feels uncomfortable about dosing level, the GM or AGM will be called to intervene.

c. Ingesting cannabis orally has a strong effect, which can be delayed by up to one and a half hours. The Floor Manager and Patient Services Clerks on duty in the onsite consumption area will carefully observe and report any overconsumption, and abate it immediately. Persons who appear to be over-consuming, or about to do so, will be reminded of the average consumption limits, and advised to follow them. Anyone blatantly violating these rules may be asked to leave for home immediately, and asked not to return again. The GM and AGMs are responsible for investigating any violations of these guidelines, and determining when a person should be banned from onsite consumption.

d. All staff working in the onsite consumption areas must be on the look out for people who are unable to safely drive or transport home when they leave the facility. This includes the Floor Manager, the Receptionist, Patient Services Clerks, and Security. Any person who is under the influence of cannabis to such a degree that they cannot walk, ride a bike, or drive a motor vehicle should be interrupted from leaving and offered alternative transport options. This includes having the person stay at the facility until they are competent or have found alternative transport to their destination, calling a cab or car service (at F&F expense) for the person, or asking the person to call a friend or family member for a ride.

#### 8. Point of sale

a. The CEO will create procedures for installing a secondary dispensary service counter in the onsite consumption area. The COO will implement these procedures specifically for consumption. The GM or AGMs will supervise the dispensary counter, with the Floor Manager providing direct supervision of the staff. Patient Services Clerks will staff the counter, answering questions, helping customers and patients find the best medicines, and managing the sales transaction.

b. The GM will make sure this counter is stocked with cannabis medicines that have been lab tested in accordance with CA law. This stock may not reflect the entire supply available at the dispensary, as the onsite consumption area may have an abbreviated supply. The Floor Manager and Patient Services Clerks should let each person know that the dispensary room itself, which does not have onsite consumption, has a larger supply and more choices.

c. The COO will implement security procedures to protect the medicines and funds, including cameras, panic buttons, and a counterfeit detection system. The GM or AGMs will do regular cash drops with the Patient Services Clerks, and will restock medicines as needed, keeping a light and manageable stock in this area.

d. The COO will assure that this station has the point of sale system in place, and the GM or AGMs will make sure it is functioning at all times.

#### 9. Product sampling areas

a. The CEO and COO will establish and supervise a system so that the cannabis suppliers can showcase their medicines by hosting product sampling booths at Friends and Farmers.

b. The COO, GM, AGMs, and Buyer will work together to determine which companies to showcase and to set up dates for these events.

c. The GM or AGMs will work with the Floor Manager to make sure that each showcase booth is set up in a pleasing manner. These booths must follow all regulations for building and fire codes, and must not impede the flow of people through the facility or slow

regular sales at the dispensary in any way. The showcase should be staffed by the product company, and not by Friends and Farmers staff.

d. The Floor Manager will help the product company close down the sample booth, as scheduled, and will assist with load out, if needed.

e. The product company is responsible for securing all product samples at the booth in order to make sure no one consumes more than an average of 50 total mgs of cannabis while on site.

f. Friends and Farmers' recommended dosage size for product samples is 3-5mg. The GM, AGMs and Floor Manager are responsible for making sure the product company follows these guidelines, and must stop the sampling session if they are not adhered to with diligence.

g. Staff members are never allowed to sample products during work hours, but may take samples to consume off duty. The GM, AGMs and Floor Managers are responsible for supervising this policy, and HR is responsible for training staff on it.

#### 10. Encouraging safe consumption, transportation, and preventing nuisance

a. The CEO will create policy to prevent overuse while onsite. The goal is to encourage safe transportation and to prevent nuisance. The COO will implement these policies, with the GM and AGMs supervising their daily management. All Floor Managers will be trained to prevent these problems, as will Patient Service Clerks, Receptionists, and Security.

b. The Floor Manager is responsible for the supervision of the onsite consumption areas. They report to the GM and AGMs, and manage the Patient Services Clerks and Receptionists. Each team member plays a role in preventing intoxication and nuisance.

c. The COO will create a guideline for safe consumption, with average dosing recommendations for cannabis medicines. The Receptionist will inform all persons of these guidelines, providing them in writing or spoken form, and each person will be required to verify that they understand these, before being granted access to the facility.

d. The COO will supervise creation of staff training programs to teach how to identify intoxicated patients, when to *cut off* a person, how to deal with medical emergencies, how to respond to the transportation needs of an intoxicated person (including offering CBD tincture), and more. HR will help develop the program, the GM will implement the trainings, and the Office Administrator will track that each staff member has been properly trained.

e. It is the responsibility of all staff members to cut off any clearly intoxicated patient. To gauge intoxication, F&F uses guidelines created by the California Department of Alcohol Beverage Control, in ABD 637, *Signs of Intoxication*. The GM, AGMs, Receptionist, Floor Manager, Patient Services Clerks, and Security should all follow these guidelines in determining what actions to take to prevent intoxication and nuisance.

1. Inhibitions Become Relaxed – overly friendly, loud, annoying, using foul language, and consuming more or faster than usual

- Staff will be aware that these people might pose a problem, if they continue to consume cannabis to excess, and they should be reminded about the rules requiring patrons to be non-disruptive.

2. Judgment is Impaired – argumentative, careless with money, irrational statements, belligerent, and loss of train of thought

- Staff will ask the patient to take a break from consuming cannabis in vaporized and edible forms, and should not provide any more cannabis to this patient for onsite consumption. They should be reminded of the rules, and let know that continued violations will result in being asked to leave.

3. Reactions are Affected – slurred speech, slow and deliberate movements, decreased alertness, and quick, slow or fluctuating speech

-Staff will work to ensure that this patient does not consume any more cannabis, while at the facility. They will be monitored, given a beverage, and supplied with a snack. These people should be settled in somewhere to rest, while the effects lessen, and be offered a beverage like green tea to counteract any sleepy effect of the cannabis medicine. They should be asked about their mode of transportation, and offered a cab or car service home, if needed.

4. Loss of Coordination – fumbling with belongings, unable to sit straight on chair, swaying or drowsy, stumbling, bumping into things, and falling

- Staff will not allow this person to consume any more cannabis at the facility. They will be offered a comfortable place to sit or lay down, a beverage, and a snack. A staff member will monitor them to ensure they are comfortable and safe until they have recovered from any discomfort or over intoxication. Before this person leaves, the staff member will check on their transportation, offering a cab or car service ride home if they drove, or to BART if they took that train. Staff may also offer to call a friend or family member for a ride, if desired.

f. If a person is intoxicated, and needs to recuperate before traveling, the Floor Manager or a Patient Services Clerk will determine how to make sure they are comfortable. The staff member may offer the person water or juice, light food such as fruit, and a safe place to sit and rest under constant observation. They will check in with the person approximately every five minutes, to check their needs.

g. The COO will make sure the facility is outfitted with first aid equipment, including ice packs, blankets and pillows, and a cot, in case the person needs to lie down while experiencing these effects. If this happens, a GM or AGM should be immediately notified. The person should be allowed to rest quietly, under constant observation, until the effect passes (generally less than 30 minutes time is needed), or to call for a friend or family member to assist the person in getting home. Any staff member, at any time, who believes a person's life is in danger must immediately call 911, even if the person requests otherwise. If someone experiences an adverse effect from a product, a Friends and Farmers staff member must stay with the person until the feeling subsides, until the person is taken into medical care, or until they are safely in the care of a friend or family member.

h. CBD Offered: pure CBD tincture will be readily available and offered at no charge to anyone that feels overmedicated. CBD is an effective antidote to the psychoactive effects of THC and will diminish intoxication within 10-15 minutes of being consumed.

i. Friends and Farmers will offer a cab, Uber or Lyft ride to anyone who drove and is too intoxicated to get home. The Floor Manager, GM or AGM will arrange this, or will help them contact a friend or family member for a ride.

j. If a person willfully overmedicates, creating nuisance, they risk having their access terminated. The GM, AMGs, COO, and CEO can all issue temporary suspensions or permanent bans on the membership of disruptive patients.

## 10. Cleaning and maintenance procedures

a. The CEO and COO will establish a procedures that ensure the onsite consumption areas are kept clean, safe and in good repair at all times. The GM will implement these policies, with the AMGs assisting with daily supervision.

b. The COO will manage all sourcing repairs and arranging for supervision of outside service providers during them. The COO will assure that all outside service providers are approved by the City Administrator's office before granting entry, and that they are escorted while in the building.

c. The GM and AGMs will supervise the daily cleaning routines, with the Floor Manager assisting. The GM is responsible for creating a daily checklist for morning, evening, and throughout the day cleaning, which the COO will approve for implementation. The Floor Manager will assign tasks to each staff member, splitting the work evenly among those people working in the onsite consumption areas each day.

11. Bringing in outside medicine

a. The CEO and COO will now allow outside food or cannabis products to the onsite consumption facility.

b. The GM, AGMs and Floor Managers will implement and supervise this policy. The Patient Services Clerks will monitor the onsite consumption area to assure this policy is carefully followed.

12. Time limit on visits

a. The CEO and COO will establish and implement a policy limiting a person's stay in the onsite consumption area to 2 hours, unless more time is needed for medical or safety reasons. The GM and AGMs will supervise this policy, with the Floor Manager implementing it in the onsite consumption areas. 2 hours is the maximum amount of time that will pass before a person feels the effect of an ingestible or edible product and gives customers, patients and staff ample time to determine the effect.

b. The Office Administrator will create signs advising people of the time limit, which the Floor Manager will post and replace if worn.

c. The Receptionist will inform everyone of this rule, both when they register and again when they arrive, if the facility is close to capacity or during busy times.

d. Security will assist the Floor Manager in implementing this policy, escorting out any customers or patients, especially during peak hours.

e. Those who require more time in the onsite consumption area for medical or any other approved reason, can be granted such right by the GM, AGMs or Floor Manager.

13. Events and social services

a. The CEO and COO will establish, supervise and implement policies allowing approved events and services to be held in the onsite consumption areas.

b. This may include events like guest speakers, panel discussions, meetings, classes, musical acts, or art shows. The GM and AGMs are responsible for supervising these events, and the Floor Manager is responsible for managing set up, clean up, and management of each special event. Patient Services Clerks will assist with this, as directed by the Floor Manager.

c. Friends and Farmers will offer complementary services in the onsite consumption area, under the supervision of the GM or AGMs, and as managed by the Floor Manager. This may include massage therapy, group therapy, acupuncture, and other adjunct services.

14. Other groups using the space for gatherings

a. The CEO, COO or GM may authorize an outside group to use the onsite consumption area for a meeting.

b. All people attending these meetings must be adults over the age of 21 or verified medical patients.

c. The Receptionist will check in each person, registering them if needed. Anyone not qualified to register will be denied entry, and will be asked to leave.

#### 15. No offsite smell

a. The CEO is responsible for assuring that no smell from onsite consumption is detectable outside of the facility, and will work with the COO to make sure the facility has proper HVAC and air filtration and treatment systems. The COO is responsible for installation, regular inspection, and repairs to these systems.

b. Friends and Farmers will use an HVAC system to whisk air from the onsite consumption area, will use negative ion generators to remove smell from the air, and will use carbon filters to further purify the air, if needed.

c. The GM or AGM will perform several daily spot checks for smells in the common areas of the building, including the hallways and bathrooms, as well as in the parking lot and other outside areas. Any smell detected will be reported on a written form the COO will create, and will be reported to the GM for action. The GM shall consult with the COO, and together, they shall implement repairs.

d. The COO will develop a complaints form, so that all relevant information can be collected and the matter can be addressed immediately. Once a complaint is taken, the GM or AGM in charge will be notified, and they will begin developing the solution, with the assistance of the COO or CEO. A designated staff member will be assigned to resolve problems related to smells or any other nuisance reported and will report back to management with the steps taken for resolution.

#### 16. Parking and transportation

a. The CEO and COO will create and implement policies to encourage public transportation and to allow ample parking for people visiting for 2 hours or more. This will include marketing campaigns, registration policies, and rules that promote transportation safety and security.

b. The Receptionist will promote the transportation safety and security plan to each customer or patient when they register. The GM will make sure the Receptionist is fully trained on the bike, bus, and BART routes nearby, as well as that they educate customers about parking options and their right to stay, or leave their vehicle overnight, if needed.

c. Persons using the onsite consumption area will be offered multiple choices for means of alternative transport. All available options will be explained by the Receptionist upon check-in, and the COO, with the assistance of the GM, will assure the information is distributed in print, on the website, and on signs around the facility.





info@treez.io

2726 Bayview Drive

Fremont, CA 94538

[www.treez.io](http://www.treez.io)

[Date]

[Entity Name]

[Address Line 1]

[Address Line 2]

City of Santa Rosa

JUN 21 2018

Planning & Economic  
Development Department

RE: Letter of Intent for Inventory Control Services for [Entity Name].

Dear [Entity Name]:

TREEZ provides effective cutting-edge technology solutions for the emerging legal cannabis industry. Our services provide (1) state of the art theft protection; (2) assists business owners with running retail operations to better comply with all applicable local and State laws; (3) all without leaving sensitive business and consumer data vulnerable in the cloud.

Specifically, TREEZ is a seed to sale software system with enterprise resource planning, complete inventory tracking, point of sale, marketing, financial reporting and regulatory compliance features. As TREEZ is a server-based system with advanced security features, patient customers can rest assured that no one, not even the TREEZ team, can access their business or patient information without their permission. Our software automatically updates to reflect changing local, state and federal regulations. Our compliance department has engaged with local and state regulators to ensure the TREEZ platform is in compliance with the Medical and Adult-Use Cannabis Regulation and Safety Act beginning January 1, 2018.

This Will Serve Letter confirms TREEZ's intentions to enter into a formal agreement with [Entity Name] to provide software solutions guaranteed to satisfy [Jurisdiction] reporting, regulation, and compliance guidelines for a medical cannabis dispensary in the event that the client is successful in obtaining an authorized license from the City.

We appreciate your consideration of TREEZ and look forward to assisting you in your efforts to secure a license. TREEZ is eager to enter into a software solution agreement upon issuance of all necessary permitting.

Yours truly,

Shareef El-Sissi  
Chief Product Officer



1777 South Harrison Street, Denver, CO 80210

March 12, 2018

### Herbabuena Proposal

Colleen,

It was a pleasure meeting you last week. Thanks for sharing what is important to you in a POS and for being open about your plans. I enjoyed listening to your vision and would be excited to call you a partner. You would be an important client to us given your status and experience in the cannabis industry and as the first store front in Napa. While I'm passionate about our product, I know there are other great companies out there. What sets Cova apart is we're part of an established and very successful POS company called IQmetrix. As such, we value your input as we build out our software to meet the needs of California retailers. While I hope I demo'd how easy our POS is to use and how thorough our analytics are, realize we have a lot of resources constantly working on building an industry leading product. I understand your needs and I hope to outline our solution in this proposal.

#### Main aspects of Cova over competitors:

- Support – Cova has dedicated support reps working 7 days a week. Response time is immediate to a couple of minutes.
- Offline Mode – continuous sales processing without a loss (or appearance of ghost) sales. The tablets cannot be taken down, either during an outage, by accidentally turning them off or logging them off.
- Speed of transaction – The order taking and check-out flow is intuitive and quick.
- Ease of use for staff – Simple, intuitive design. Opens up bud tenders to sell and managers to run the business.
- Digital Signage – Fully integrated and appealing, able to sell and entertain.
- Open API's – Cova is your all in one solution for your operation. We have partner integrations for e-commerce, messaging, loyalty and online presence, with many more to come.
- Reporting Capabilities - Web based access from anywhere, instant report presentation, Dashboards for custom reports, and a vast report library. Real time and every metric you need to run your business and make informed decisions. Able to view all stores in one view.

#### Several of the features that can make an immediate impact are:

- User Interfaces – intuitive, fast. Easy to train people for quick start-up
- Inventory Accounting – visibility into product cost, pricing options and orders able to upload inventory to your custom e-commerce site
- Pricing flexibility – setting up customer classes for discounts
- When METRC compliance kicks in Cova will be first – dedicated integration team working daily with METRC and CA for full day 1 compliance reporting, you won't have to worry about losing your license! We handle compliance for you
- Quick Search capabilities – after inputting a few characters of a name or number, "Autofill" takes over and provides an ever more refined list to pick from

- Availability of Product – Can be seen in real-time within the store by the consultant
- Loyalty program in place with tiered categories
- Refund-Receipts Look-up – Invoices are kept and indexed by date, customer, loyalty ID
- Refund Button – When looking up a receipt, the accounting for a return is simplified
- Customer Support – staffed and available by phone or email during retail hours of operation and trained for Cova software support
- Onboarding – no impact to store operations

#### **Proposed Relationship:**

We want a close partnership. Your input into how we can create more features and improve processes to raise your sales results mean a lot to us. We want to put all our considerable efforts into working very closely with you to make you extremely satisfied about your choice of Cova. We have well trained and available support people to be there for you. The advantages of this include an onsite onboarding team to do the data migration, in person training, hardware installation and technical support during the changeover process. We promise that you will not lose a minute of sales and Cova will be installed before the store opens. I will also be there to oversee the onboarding process. I've built a reputation in the NorCal cannabis community which is more valuable to me than your money or even Cova, I'll make sure we're keeping you happy.

#### **Project Plan:**

Cova can install as soon as you have your building ready and finish the install in 1-2 days. We will test the software the day before the store officially opening as well. This will allow for proper staff training so that they're proficient before the store opens.

The 'On-Boarding' team will contact you to start working with you on a project plan to do the data/inventory structure and importing, back-end store set-up (Define roles, grant permissions, and identify store operating procedures into the system), training and installation.

#### **Cova Proposal (details on page 4):**

**Launch Fee (One-time cost: \$1400 for POS, \$700 for touchscreen tablet menus) \$2100.00**  
Includes: The Cova Launch Team will work directly with your staff and assist in the initial set-up (aka: Onboarding) of our Software. A typical Cova launch process includes the following stages: Scope & Plan Onboarding, Information Gathering & Import, Database Configuration, Onsite Training & Installation.

**Subscription Fees (Monthly fees for service: \$489 for POS, \$198 for touchscreen menu) \$687**  
Monthly Subscription Fee per Location (include 4 workstations per location and 2 interactive menu tablets)  
Additional Workstations (each one after 4) \$ 40.00 ea./mo.  
Additional Customer Tablets (each one after 2) \$ 99.00 ea./mo.

**Support Included**  
The Cova Customer Support Team provides support for Cova via telephone, chat, online form based submission, and online community forum.

Professional Services: No additional charges related to set-up, training, configuration of the software or online support will be incurred by Herbabuena. All Cova personnel travel costs to assist Herbabuena will be covered by Cova.

**POS Hardware**

**\$3,961 (details on page 4)**

Cova does not sell any hardware for retail cannabis store operations. We have certified (bench tested for technical fit and durability) a selection of devices for use in stores. Being tablet based, all the components need to be wirelessly enabled to communicate with each other over a store's wi-fi network.

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Cova will work hard to earn your business. We are eager to show you how much of a difference can be made by having a much better solution in your store that can increase sales through quicker and more robust transaction processing. As well as decrease costs through better inventory processing and improved reporting. Cova is meant to be a hub for inventory, customer data and analytics. We can export any of that data for your use instantly, such as updating the inventory on your beautiful website. We don't want you to worry about CA compliance changeover, we will handle it. Most importantly, no company will work harder for your complete satisfaction.

When you chose Cova as your partner, I'll prepare a short Subscription Agreement for us to get started.

Thank you for considering Cova and I look forward to working with you,

Paulo Sobral

Cova

Paulo@covasoftware.com 916-254-2652

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**Estimated** hardware needs for Herbabuena (an exact scoping will occur per the Project Plan).  
Herbabuena will order the hardware directly via Amazon or CDW with guidance from Cova.

**Breakdown of Proposed Hardware Costs for POS:**  
(Based on 4 tablets, 2 printers and 4 scanners)

		Unit Price	Qty	Price
Tablets	Samsung 9.7" S2	\$349	6	\$2,094
Barcode Scanners	Zebra LI4278	\$210	2	\$840
Receipt Printers	Star TSP143IIILAN	\$250	2	\$500
Label Printer	Zebra GK420d	\$455	1	\$455
Tablet Stand	Kastar Swivel	\$18	4	\$72
<b>Total Estimated</b>	<b>Cost</b>			<b>\$3961</b>

**Start-up Costs (One-time)**

	# of stations	Launch Fee	Est. Hardware Cost	Total Costs
POS	4	\$1400	\$3263	\$4663
Touchscreen Menu	2	\$700	\$698	\$1398
<b>Total</b>	<b>6</b>	<b>\$2800</b>	<b>\$3961</b>	<b>\$6,061</b>

**Store Costs (Monthly)**

	# of stations	Subscription Fee	Cost for stations above 4	Total Monthly Cost
POS	4	\$489	\$40 each add.	\$489
<b>Total</b>		<b>\$489</b>	<b>Add as needed</b>	<b>\$489</b>

	# of stations	Subscription Fee	Cost for stations above 2	Total Monthly Cost
Touchscreen Menu	2	\$198	\$99 each add.	\$198
<b>Total</b>		<b>\$198</b>	<b>Add as needed</b>	<b>\$198</b>

**Start-up Deposit: Launch Fee + 1 month subscription fee= \$2,787 due upon contracting**

**Application for Major Conditional Use Permit  
Cannabis Retail – Medical and Adult Use  
Mike Gasparini & Allan Henderson  
In partnership with Herba Buena  
330 & 358 Yolanda Ave.**

**City of Santa Rosa**

**JUN 21 2018**

**Planning & Economic  
Development Department**

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**Application for Major Conditional Use Permit  
Cannabis Retail – Medical and Adult Use  
Mike Gasparini & Allan Henderson  
358 Yolanda Ave.**

Proposed Use: Cannabis Retail –Medical and Adult Use

Owner: Allan Henderson

Applicant: Mike Gasparini & Allan Henderson in partnership with Herba Buena

Address: 358/ 330 Yolanda Ave.

APN: 044-072-007, -008

Zoning: IL- Light Industrial (rezoned from CG, May 2, 2017)

General Plan: Light Industrial

Proposed building Size: Approximately 8,400 square feet

## **INTRODUCTION**

Allan Henderson and Mike Gasparini, (the "Applicants"), propose to construct and occupy an approximately 8,400 square foot building located at 358 Yolanda Ave., (the "Building"), Sonoma County APNs 044-072-007 and -008 (the "Parcel"), and obtain a Major Conditional Use Permit for the operation of a cannabis retail facility (the "Project")<sup>1</sup>. Allan and Mike are longtime Sonoma County residents and contributors, with deep roots in the community. They are currently developing Santa Rosa's largest affordable housing project, Paseo Vista, on Dutton Avenue. The Project proposed here will continue Allan and Mike's legacy of contributing beautifully designed resources for the community that support Santa Rosa's economic and cultural development.

## **OPERATIONS INTRODUCTION**

In partnership with longtime industry leader, Alicia Kelley, and her HerbaBuena brand, the operators will open and manage a world-class medical cannabis dispensary. With products and service focused on purity, potency and therapeutic effect in order to best serve the health and wellbeing of our patients and community. Our medical dispensary will serve a wide range of patients spanning many ages, demographics and varying therapeutic needs within a comfortable, guided setting.

With an experienced and passionate team, we're leading the industry in our commitment to provide products defined by purity, potency and effect. Because we're deeply committed to the health and well-being of our business, employees and patients, we operate diligently within the stringent guidelines defined by MAUCRSA and the City of Santa Rosa's regulations.

Since Friends and Farmers inception in February of 2015, they have supported the healing journeys of thousands of patients and consumers, and have gained first-hand experience about the therapeutic value that cannabis can provide. They have seen the positive effect it offers for mind, body and community, and believe it to be a powerful vehicle for global transformation helping to redefine the dialogue about how we heal and nourish ourselves and the planet.

Friends and Farmers (F&F) works closely with organic and biodynamic farmers in pristine regions of Northern California to craft award winning, full-spectrum, daily functional cannabis products. In the quest to define the gold standard of purity and quality, F&F released the nation's first Demeter

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<sup>1</sup> Note: Parcel -007 shows an address of 350 Yolanda Ave on the City's GIS system; the building is physically addressed as 358 Yolanda Ave.



Certified Biodynamic Cannabis. F&F now works with four certified farms to deliver extraordinary cannabis offering the greatest therapeutic value.

The 330 Yolanda Avenue, Santa Rosa dispensary will reflect these values, offering F&F's own branded products as well as thoughtfully curated products from carefully-vetted brands. Most of these products are micro-dosed for maximum effect at the lowest possible potency to provide daily, functional and therapeutic remedies for the most common modern ailments of our society. F&F provides many seriously-ill patients with advanced stages of conditions including cancer and Lyme's disease to create protocols and specific treatments for patients, dispensaries and care-givers.

Friends and Farmers have a deep commitment to the use and promotion of organic and sustainable practices, and run their business with a triple bottom line to promote the environmental, financial and social health of our business, employees and community. F&F is humbled by the opportunity to share this plant, and are endlessly grateful for your support and belief in the mission of our medicine.

## **DEVELOPMENT DETAILS**

The Project is part of a larger development plan, which includes the Parcel and the parcel to the east, 368 Yolanda Ave. The Project involves the demolition of an existing retail building, which is currently the home of King's Auto Sales, and replacement with a new building to house a beautiful, community-oriented cannabis retail site. The existing operator, King's, has a showroom and surface lot for the sale of used automobiles. The new building will consist of a total of 8,400 square feet, of which roughly 3,000 s.f. will be dedicated to retail uses.

The project will demolish the existing wood framed retail building and build a new 60' X 140' (8,400 gross s.f.) retail shell building. The two lots have recently been merged in to one parcel. The parcel is fully paved with asphalt paving. There is no landscaping on the parcel.

The project will remove 4, 000 square feet of existing impermeable asphalt, replacing it with landscaping, sorely needed along Yolanda Avenue.

There is a double loaded parking area to the North of the building. This parking lot is setback from the existing development and road edge alignment by fourteen feet to accommodate a new sidewalk, landscape buffer, and future road widening. New landscaping will be installed as part of the project.

The building will have a painted stucco exterior with a grey metal roof, storefront glazing and punched windows. It will be designed with a color and material palette that is similar to the industrial building at 368 Yolanda Ave that was previously submitted for CUP can concept design review.

The building will be twenty-six feet four inches tall at the ridge with a thirteen-foot plate height. HVAC equipment will be located under the roof in a mechanical area in the attic to eliminate rooftop equipment.

There are currently 42 parking spaces designated for the building with one loading zone. Accessible parking will be located to meet code. Bicycle parking will be shown to meet or exceed the requirement.

## **CANNABIS RETAIL ORDINANCES**

On December 19<sup>th</sup>, 2017, the City passed Ordinance ORD-2017-025 to regulate, among other things, the issuance of permits for cannabis retail uses in IL, CG and other zones. This ordinance became effective January 19, 2018.

At the state level, Title 16, Section 5400 et seq. of the California Code of Regulations provides for the retailer license.

## **CONDITIONAL USE PERMIT**

The application for conditional use permit is attached.

## **ADDITIONAL DOCUMENTS**

The following are including with this Project Description and the Conditional Use Permit:

- Application form (with attached site plan, floor plans, and neighborhood map)
- Maps showing surrounding land use and surrounding zoning
- Pre-Application Neighborhood Meeting form (with attached plans and maps)
- Storm Water Determination Worksheet
- Environmental Assessment
- Disclosure Form

## **NEIGHBORHOOD MEETING**

The Parcel site is located within 300 feet of residential uses. Thus, a neighborhood meeting was required and was conducted on June 11, along with representatives of two competing projects. Neighbor concerns expressed at this meeting, and regarding this specific project were limited to light glare from patrolling security officers. Neighbors also expressed concerns with the pavement condition of Yolanda Avenue, and were excited to hear that the plan for the site was to redevelop with new buildings and landscaping.

## **OVERCONCENTRATION SELECTION CRITERIA**

Pursuant to City Code section 20-46.080(D)(1), cannabis retail uses may not be located within 600 feet of each other. Under an urgency ordinance effective February 6, 2018 (ORD -2018-002), the City will evaluate such applicants according to a points-based merit system addressing (I) local and state compliance, (II) neighborhood compatibility, (III) neighborhood enhancement, and (IV) site management.

This project deserves strong marks in all of these categories. This section summarizes the project's strength in each category. The rest of this Project Description provides greater detail.

### **I. Local and State Compliance**

The Applicant is highly compliance-minded and has retained experienced local counsel to ensure compliance with all state and local laws and regulations.

### *State Regulations*

Applicant's plans for the Building meet all the requirements to operate as a retail licensee. The Building will have secure, limited-access areas per state code. Furthermore, Applicant is in the process of fulfilling all the requirements necessary to obtain an annual state license, including:

- Access to Premises. As required under 16 CCR § 5400 and 5401 Applicant will limit access to the premises to individuals who are at least 21 years of age, and shall establish limited-access areas and permit only authorized individuals to enter the limited access areas.
- Retail Area. As required under 16 CCR § 5402 Applicant will limit access to the retail area by implementing a robust identification verification process for customers, as well as strict internal monitoring of access and personnel.
- Hours of Operation. As required under 16 CCR §§ 5403, Applicant will limit hours of operation to between 6:00am and 10:00pm.

### CEQA

The project satisfies the requirements of California Environmental Quality Act ("CEQA"), California Public Resources Code § 21000 *et seq.*, and the CEQA guidelines, title 14 of the California Code of Regulations, chapter 3, § 15000 *et seq.*, because it is categorically exempt under CEQA guideline 15302 as the replacement of a commercial structure with a new structure of substantially the same size, purpose and capacity.

The project does not meet the exception thresholds of 15300.2 (the exception to the exemption): the location is not in a particularly sensitive environment; there are no cumulative impacts anticipated by similar reconstruction projects; there are no unusual circumstances relating to the project that would suggest a significant effect on the environment would be caused; and the site is not a scenic highway, hazardous waste site, or the location of historical resources.

Additionally, the project does not require additional environmental review because it is consistent with Santa Rosa's General Plan 2035, for which an EIR was certified in 2009 and amended in 2012. See "Santa Rosa General Plan Policies," below, for a discussion of this project's compliance with the City's General Plan. Thus, the project qualifies for a statutory exemption under CEQA Guideline 15183.

### *County and Regional Permit Requirements*

Upon approval of Applicant's Use Permit, Applicant is prepared to comply with all applicable Sonoma County requirements, including securing a permit from the Department of Health Services for the sale of edible products.

### *Santa Rosa General Plan Policies Consistency*

This project furthers the General Plan's policies for long-term economic development reflecting the aspirations of the community.

The project is in line with the guiding principles of the General Plan. It will be a high quality development, providing a significant improvement over the existing commercial building and use<sup>2</sup>. It will be a new, high quality development in an area of Santa Rosa which has undergone deterioration and requires increased vitality<sup>3</sup>. It will require no new infrastructure to be developed by the City. It will also provide multiple jobs and help restore the City's economic base following the 2017 fires.

The project will contribute to Santa Rosa's goal of providing a range of commercial services that are easily accessible and attractive, that satisfy the needs of the people who live and work in Santa Rosa and that also attract a regional clientele, and which encourage high-volume retail outlets near Highway 101<sup>4</sup>.

The project will contribute to improving the appearance of Santa Rosa's existing commercial strip corridors.<sup>5</sup> Located near the corner of Yolanda and Santa Rosa Ave., the building is visually prominent to north and southbound traffic, especially travelers to the downtown core. By eliminating a poorly-maintained commercial site, and replacing it with a visually appealing, modern building, the project will significantly improve the appearance of this commercial corridor.

Finally, by removing 4,000 square feet of impervious surface, and introducing significant landscaping, the project will contribute to the City's goals of reducing greenhouse gas emissions.<sup>6</sup> The Project will also help the City meet these goals by replacing sales of automobiles with retail sales of a locally-grown product, thus reducing the City's dependence on sales tax revenues from vehicles.

#### *Santa Rosa Locational and Operational Requirements*

As further explained in the "Zoning and Setback Issues" section, below, this project falls well within the City's location requirements, which allow retail cannabis uses in the IL zoning district. Additionally, the project site is more than the required setback of 600 feet from the closest schools, which are Taylor Mountain, Kawana, and Meadow View Elementary Schools.

As explained in the following sections, the Applicants will comply with all of the "General Operating Requirements" of City Code Section 20-46.050.

## **II. Neighborhood Compatibility**

As described through the following sections, this Project is an excellent match for the surrounding neighborhood. The applicant's Project will remove a poorly maintained commercial building and replace it with a beautiful, modern building that honors the heritage and character of Sonoma County. The applicant's project, as one part of a larger development plan, will create meaningful jobs and contribute much-needed revenue to Santa Rosa, in an area of town that has been historically underserved by City resources. Allan and Mike's experience as major developers in the community gives them a unique understanding of the City's values, processes, and needs. They will be able to recruit top quality talent to the operations and management of the dispensary.

There is ample parking to support the proposed use, a comprehensive security plan as required under local and state laws will be put into place, and there will be significant physical

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<sup>2</sup> Gen. Plan Guiding Principle 1

<sup>3</sup> Id., Principle 8

<sup>4</sup> General Plan Goal LUL-I-1 and -2.

<sup>5</sup> General Plan Goal UD-D

<sup>6</sup> General Plan Goal OSC-M.

improvements to the Building and the surroundings, including significant increases in landscaping and pervious space.

There is ample space to install attractive bike parking around the Building, including in the parking lot. The development plan includes significant landscaping as compared to the existing, paved and gravel parking pad.

As described in the "Development Details" section, above, the retail component of this project will utilize quality materials and provide for an aesthetically pleasing retail experience. Renderings of the retail space and the exterior are attached.

### **III. Neighborhood Enhancement**

As described throughout this Project Description, this project will be well-integrated with the neighborhood and will bring various community benefits.

Applicant will upgrade the physical appearance of the site, including landscaping upgrades and an attractive retail space. As shown in the attached renderings, the result will be a marked improvement to the aesthetics of the neighborhood.

The architecture of the new building is a typical Sonoma county two-pitch structure that is taken from the barns found around the County. The exterior will be stucco, with a metal roof and modern detailing using the barn form. It will use similar colors and materials as the proposed industrial building to provide continuity among the two buildings that are the street-side face of the entire industrial complex on several parcels.

The building will be very energy efficient and will exceed Title 24 requirements for HVAC, lighting and building shell requirements. The exterior painted stucco walls are a durable material that will require minimal maintenance over its long life. The materials that will be used within the building will exceed the requirements for VOC content and off-gassing. The roof will be a cool roof material.

### **IV. Site Management**

#### **PRINCIPALS**

Applicant's principals, Mike Gasparini and Allan Henderson, have strong roots in the Santa Rosa and Sonoma County community. As the developers of Santa Rosa's largest affordable housing project, Paseo Vista, Mike and Allan have a unique understanding of the challenges facing Santa Rosa residents- including access to affordable homes and quality jobs. It is with this understanding that Allan and Mike now seek to improve Yolanda Avenue by incorporating this dispensary Project.

In addition to Principals Allan Henderson and Mike Gasparini, the Project is pleased to announce a partnership with Alicia Rose Kelley, principal of Friends and Farmers, Inc., dba HerbaBuena.

Alicia Kelley, Founder and CEO of Herbs and Ethos, has more than three years experience running a vertically integrated cannabis business. Her top brand, HerbaBuena, is a respected and well known industry product line.

Alicia comes from an extensive background in the wine industry and has worked with the largest wine book supply in the US.

Alicia founded HerbaBuena in 2015 to serve the needs of health conscious adults looking for the same level of purity and quality in their cannabis as they've come to expect in their organic food and fine wine.

A vertically integrated, ultra-premium products company, HerbaBuena crafts a portfolio of award-winning products utilizing whole plant intelligence with standardized purity, potency and effect, in order to support the greatest health and well-being. To ensure purity and quality in all their products, HerbaBuena cultivates their own cannabis in two permitted, organically sun grown gardens in Mendocino, and works with a select group of Demeter Certified Biodynamic farms in northern California.

Alicia's work in cannabis is informed by both her advanced degree in environmental science and a 15-year tenure in the wine industry, where she's worked with a handful of 100-point winemakers and top wine brands. A founding Board Member of the Mendocino Cannabis Industry Association and the Wine & Weed Symposium, she's committed to educating people about the therapeutic value of cannabis and redefining the dialog about the way we nourish and care for ourselves and the planet.

Alicia's addition to the team makes 330 Yolanda the ideal project for Santa Rosa- combining the principals' deep roots as developers in our community with exceptional cannabis operations experience and vision.

**Additionally, the Project Team is pleased to announce the addition of Dennis "Denny" Rosatti as Community Relations Liaison.**

Denny brings 16 years of success working in the Sonoma County community with a range of stakeholders, elected officials, organizations and coalitions on a broad spectrum of issues. He has working relationships with the Sonoma County Supervisors, State Assembly and Senate, and U.S. Congressmen in the Sonoma County area.

Denny has worked with numerous clients to bring public outreach and grassroots organizing to the heart of their projects. He has helped build community support and establish brand and name identification through strong messaging, marketing materials and targeted placement with voters and the public.

Denny's experience working with stakeholders and the public in support of some of Sonoma County's largest projects gives 330 Yolanda a significant edge over other operators. His integrity and commitment to our community demonstrates the Owners' dedication to maintaining excellent relationships with their neighbors.

#### **Architect: Jim Henderson**

James Henderson was born and raised in Santa Rosa. Jim is one of those rare people who knew exactly what he wanted to do for a living from a very young age. As early as the 5th grade he had a passion for architecture and he has studied and perfected his skills from that point forward.

Jim studied at the University of Arizona in Tucson where he achieved a 5 year degree with a Bachelor of Architecture. During his education he took a special interest in passive solar techniques and

focused on designing buildings that took advantage of the climatic characteristics of the region, minimizing energy consumption and maximizing the way the building performed for its occupants. This regional building focus is the basis of what is now a popular trend called "green" building. For Jim the "green" movement is a mainstreaming of what good Architects have been doing all along.

Jim has worked extensively with cannabis clients, helping projects meet the City's robust design requirements, and has been involved with some of Santa Rosa's most notable projects, including the SAY Dream Center.

#### **Attorney: Erin Carlstrom**

Erin Carlstrom is Senior Counsel with DP&F and leads the firm's cannabis group. Erin's practice includes state and local compliance, corporate formation and compliance, land use, and government relations. Erin has specific expertise in land use entitlements and navigating the various regulatory agencies, and has been responsible for major project developments across California. Erin's experience offers clients comprehensive support from seed to sale, including transitioning from collective operations to for-profit corporations, applying for and prosecuting permit applications, and developing strategic collaborations.

Erin represents cannabis producers, farmers, manufacturers, labs, distributors and dispensaries, as well as investment groups interacting with all sectors, in matters ranging from collective formation and transition, operations management, land use and state and local compliance.

Erin served on the Santa Rosa City Council, including a term as Vice Mayor, and twice chaired the cannabis subcommittee. Erin's work helped position Santa Rosa as one of the state's most progressive cannabis communities, forming predictable and business-friendly paths to operation.

#### **MANAGEMENT AND OPERATIONS**

The management and operations team will match Allan and Mike's extraordinary experience navigating Santa Rosa's entitlement and development environment with their understanding of Santa Rosa's challenges as they operate the dispensary. Allan and Mike chose to develop along Yolanda Avenue, an industrial area in dire need of revitalization and enhancement. Mindful of their proximity both to major commercial arteries, as well as to a robust neighborhood, the Harvest Park neighborhood, the team has sought out experienced local counsel and architectural design professionals to aid in the development of a truly unique, community-oriented cannabis retail space.

The operations and management of the site will reflect the ethos of the team- balancing respect for the community and robust economic success. Allan and Mike have captured the attention of some of the cannabis industry's most qualified operators. The ultimate management and operations team will be selected from amongst these competitors, with Allan and Mike remaining as contributing managers.

The dispensary and total development will improve both the aesthetic and security of the surrounding neighborhood. A Neighborhood Liaison will be appointed, whose responsibility it will be to respond to neighborhood concerns over noise, odor, loitering, and management. A Customer Relations manager will oversee customer experience, ensuring a smooth introduction to the management team and ongoing relationships.

Friends and Farmers will open and manage a world-class cannabis dispensary. With products and service focused on purity, potency and therapeutic effect in order to best serve the health and wellbeing of our patients and community. The dispensary will serve a wide range of customers spanning many ages, demographics and varying therapeutic needs within a comfortable, guided setting.

With an experienced and passionate team, F & F leads the industry in their commitment to provide products defined by purity, potency and effect. Because they are deeply committed to the health and well-being of our business, employees and customers, our dispensary will operate diligently within the stringent guidelines defined by MAUCRSA and the City of Santa Rosa's regulations.

F & F had its inception in February of 2015, and has since supported the healing journeys of thousands of patients and consumers, and has gained first-hand experience about the therapeutic value that cannabis can provide. They have seen the positive effect it offers for mind, body and community, and believe it to be a powerful vehicle for global transformation helping to redefine the dialogue about how we heal and nourish ourselves and the planet.

F & F works closely with organic and biodynamic farmers in pristine regions of Northern California to craft award winning, full-spectrum, daily functional cannabis products. In the quest to define the gold standard of purity and quality, they released the nation's first Demeter Certified Biodynamic Cannabis. F & F now works with four certified farms to deliver extraordinary cannabis offering the greatest therapeutic value.

In partnership with F & F, the 330 Yolanda Avenue dispensary will reflect these values, offering their own branded products as well as thoughtfully curated products from carefully-vetted brands. Most of the products will be micro-dosed for maximum effect at the lowest possible potency to provide daily, functional and therapeutic remedies for the most common modern ailments of our society. F&F seeks to provide treatments to many seriously-ill patients with advanced stages of conditions including cancer and Lyme's disease to create protocols and specific treatments for patients, dispensaries and care-givers.

F&F has a deep commitment to the use and promotion of organic and sustainable practices, and runs their business with a triple bottom line to promote the environmental, financial and social health of our business, employees and community. F&F is humbled by the opportunity to share this plant, and are endlessly grateful for your support and belief in the mission of our medicine.

#### **Staffing Plan**

Chief Executive Officer : 1 full time

General Manager (GM): 1 full time

Assistant General Manager: 1 full time, 1 part time

Neighborhood Liason: 1 part time

Receptionist: 1 full time, 2 part time

Customer Care Specialist: 1 full time, 4 part time

Customer Relations Manager: 1 full time

Express/Delivery Fulfillment: 1 full time, 2 part time

Delivery Driver: 1 full time, 1 part time

Security Guard: 2 full time, 2 part time

All Security Guards will be licensed and provided by a third party security company such as HardCar.



**Staffing Hours**

Monday – Sunday Opening shift: 8:00 a.m. – 4:00 p.m. Closing shift: 4:00p.m. - 8:30 p.m.

**Minimum Age Eligibility Requirement for Staff**

F&F will never employ any person who is not at least 21 years of age. This policy applies to all full-time, part-time, and temporary employees, as well as to anyone contracted to perform work for the company.

There will be a F&F supervising manager at the facility at all times, who will ensure this policy is followed each day. The CEO and GM will use clear and unambiguous policies to hiring new staff, and F&F will follow all government mandated identity checks to assure each employee is a qualified worker over 21 years of age. F&F will keep a copy of the proof-of-age eligibility in each employee's file.

All contract workers, including repair and delivery people, will be required to show valid government identification to enter the facility, and anyone under 21 years of age will be denied entry.

**Acceptable forms of Identification**

- Valid driver's license from any U.S. state or territory
- Valid ID from any U.S. state or territory
- United States passport
- United States passport card
- United States military ID
- Foreign government-issued passport
- Permanent resident card (Green Card)
- DHS-designated enhanced driver's license
- Transportation Worker Identification Credential (TWIC Card)
- Native American Tribal photo ID

**Minimum Staffing Levels Policy**

To operate the dispensary, the following staff members will be working each shift:

- 1 Managing Supervisor (CEO, GM, AGM, or their designee)
- 1 Receptionist
- 1 Customer Care Specialist
- 1 Express/Delivery Fulfillment
- 2 Security Guards

The dispensary will not open each day, until Security Guards and all other staff members listed on the minimum staffing levels policy are in place. On most days, and during busy holiday seasons, F&F will employee two to three Customer Care Specialists at a time, in order to provide the best possible service.

F&F will also employ the following positions:

- 1 - 3 Delivery Drivers, working during peak hours to alleviate dispensary traffic
- 1 Bookkeeper

**Mandatory Criminal Background Check Policy**

F&F will complete all mandatory criminal background checks for all business owners, which will be updated every twelve months. No owner will start work on behalf of the dispensary, until this check is complete.

F&F's CEO is responsible for assuring this check is performed, and for keeping the records of such on file for inspection by the city, upon request. F&F will adhere to this law regarding ownership: "No person who

is currently charged with or has been convicted within the (a) previous ten years of a felony, a felony or misdemeanor involving moral turpitude, or any crime involving the sale, possession for sale, manufacture, transportation, cultivation, or distribution of a controlled substance, shall be a business owner of a medicinal cannabis retailer or small cannabis manufacturer. A conviction within the meaning of this section means a plea or verdict of guilty or a conviction following a plea of *nolo contendere* or no contest.”

If any current owner is convicted of a crime, the CEO will notify the Police Chief in writing of this disqualifying conviction, within ten days of the conviction. If warranted, the CEO may submit a written request for waiver of this prohibition, if the person’s involvement with the F&F does not pose a threat to public safety. If approved, and only if approved, the proposed owner will be allowed to join the team.

### **Maintenance of Employee Records**

F&F will maintain personnel records for current and past employees to document employment-related decisions, benefit choices, and compliance with regulatory record-keeping requirements. An authorized agent, administrator, or F&F supervisor will control access to personnel information in order to ensure privacy. F&F will maintain only one official personnel file, which is to be kept in the General Manager’s office. Supervisors are discouraged from keeping informal personnel files on employees.

Friends & Farmers will keep documents related to medical conditions or history of the employee and their family members, records of work-related injury or illness, or disability-related documentation, including requests for accommodation, in a separate confidential file. The GM, or their designee, will update each employee’s file on an as-needed basis, by filing any documentation confirming changes in employment status, position, salary, or benefits, as well as disciplinary actions or letters of reprimand.

Required employee file content includes, but is not limited to, the following:

- Employee applications, résumés, and letters of reference:
- Honors or awards
- W-2 and all required IRS or payroll paperwork
- Notices regarding overtime compensation (non-exempt employees only)
- Emergency contact information
- Performance appraisals
- Current job description
- Proof-of-service form(s) for any disciplinary action taken

The GM will regularly review each employee’s personnel file to ensure that all necessary documents have been filed, and that date-sensitive documents have not expired. Records and documents relating to salary, benefits, performance appraisals, and write ups will be kept for seven (7) years. For the purpose of the Age Discrimination in Employment Act (ADEA) and under the Fair Labor Standards Act (FLSA), all personnel files for non-exempt employees are required to be retained for three (3) years from the end of the fiscal year that the employee left, but F&F will keep these for seven (7) years to comply with state regulations.

### **Staff Scheduling**

The General Manager (GM) will administer a process for staff scheduling and for notification of schedule. They will ensure that employees are scheduled to work no more than eight (8) hours per day and no more than forty (40) hours per week for full time employees. They will also ensure that employees who have asked for schedules below eight (8) hours per day and forty (40) hours per week cumulative will be scheduled accordingly.

All efforts will be taken to accommodate time-off requests tendered in the appropriate manner and with appropriate advance notice. Operational responsibilities will almost always prevail when the company's needs conflict with the needs of the employee. Conflicts arising from multiple employees asking for time off on the same, similar, or overlapping time periods will be resolved by invoking seniority privileges, and by input from the employee's supervisor and/or department head.

The Friends & Farmers Schedule Template is based on the projected census needs of the company through the anticipation of patient traffic patterns. Requests for fixed schedules will be considered in light of the company's known staffing patterns, position vacancies, and impact on other staff. Friends & Farmers makes no promise of intent to give staff regular fixed schedules. F&F's GM will also ensure that the schedule has ample staffing to allow and cover mandated break periods throughout each day.

### **General Staff Training**

The CEO and GM will work together to establish general staff training protocols. This will include unique training tailored for each unique job role, or will hire an outside contractor to conduct required training sessions. The GM will give each employee advance notice of the scheduled training session, and will record and keep on file the training each employee has completed. This includes training staff on the types and uses of medical marijuana, how it is consumed, and recommended dosages. The GM will also provide training on all equipment used during each shift and on all standard operating procedures for patient registration, point of sale, and security.

The GM will also provide first aid, fire, and disaster training for the staff. Disasters include, but are not limited to: fire, flood, hurricane, earthquake, toxic gas or chemical spills, explosions, civil disturbances, and workplace accidents and violence resulting in injury or bodily harm. All training will be in accordance with the training requirements set forth in the Occupational Safety and Health Administration (OSHA) Standards.

### **Exceptional Customer Service**

F&F prioritizes exceptional customer service and will continue to provide the best possible customer service to our clients. Every single touch point, by every staff member, plays a role in creating a comfortable, informative, safe and compassionate environment.

As patients approach the building, a Security Guard will open the front door and greet them warmly with a smile and welcome them to Friends & Farmers. If special-needs patients request assistance to navigate the front door or the reception area, Security will offer that assistance. If additional assistance is required, the Receptionist will radio to the back of the house for additional assistance.

The Receptionist will greet customers, welcoming them to Friends & Farmers, and will ask if they are a first time or a returning customer. If the customer is visiting for the first time, the Receptionist will register them using F&F's track and trace data management system. If the customer is returning, the Receptionist will verify their identification and check their membership. After checking in a first-time or returning customer, the Receptionist will thank the customer for choosing Friends & Farmers, inform them of any current specials, and will send them on to the dispensary sales floor for service.

When the customer enters the dispensary sales floor, a Customer Care Specialist (CCS) will greet. He or she will explain any daily specials, answer any questions they may have, and let them know what the current wait time or direct them immediately to the sales counter for service. The CCS will politely ask the customer their name and open their profile in the track and trace system. The CCS will pull up the customer's past purchase history to help identify their needs and to check and see if the customer enjoyed their previous purchase, which will help the CCS determine beneficial products.

The CCS will ask the customer what product or service they desire and assist them with obtaining those items, offering any advice, counseling, and/or required disclaimers or best-practice advice on usage. If the customer is not sure what product or service would best suit them, the CCS will help the customer make an informed decision by offering advice, counseling, and best-practice guidelines.

Additionally, the Customer Relations Manager (CRM) will regularly brief the CCS team on regular customers profiles and consumption preferences. The CRM will work to ensure that the highest level of customized attention and care is provided to the specific needs of the individual customer. Through this developed relationship, our dispensary will gain reputation as a caring, customer serving institution that seeks to provide the highest quality of attention to detail possible; thus furthering our reputation as an industry leader.

Once the customer decides on the products or services they require, the CCS will place the items in a bag one at a time, verifying with the customer that each is the requested item. They will enter the item into the track and trace system, give the customer a total dollar amount of the requested item, and read the list back to the customer one last time to ensure order accuracy before finalizing the transaction. Upon accepting the payment, the CCS will staple the register receipt to the customer's bag, and thank them for their patronage. As the customer leaves the sales counter and heads towards the exit, the Receptionist will thank them for their patronage, ask them how their experience was, and let them know that Friends & Farmers awaits their return and is always willing to receive customer feedback. As the customer exits the building and walks through the parking lot, outside Security will escort them to their car if requested, thank them for their patronage, and let them know that Friends & Farmers awaits their return.

**On-Site Consumption:** See attachment B for our extensive protocols regarding limited onsite consumption.

#### **Deliveries to Business (Receiving)**

F&F will use an electronic point of sale system, as part of the state track and trace requirement. All cannabis products will be purchased from Distributors with Medical Marijuana licenses from the state. Each item will be purchased using the state's Sales Invoice (see attached). F&F will pay all excise tax each distributor at the time of wholesale purchase. Beginning July 1, 2018, state law requires that F&F will only conduct business with other Medical Marijuana licensees.

As F&F only has one entryway, all product deliveries are allowed during open hours. The GM or AGM will meet with distributors before the dispensary is open for business each morning, between 7 a.m. – 9:00 a.m., or after it closes for the day, between 8:00 p.m. - :00 p.m. F&F will store all cannabis products in a secured storage room, after purchase and until it becomes active inventory on the sales floor. The storage room will be locked in off hours, and all marijuana flowers and concentrates will be additionally locked in safes inside. The F&F's GM will be designated as the track and trace system account manager. They will attend and successfully complete any state mandated track and trace system training, including any required orientation and continuing education classes. The GM will authorize any additional owners or employees as track and trace system users, and will ensure that they are trained on the system prior to its access or use.

F&F will use the track and trace system to record all commercial cannabis activity:

- Receipt of cannabis goods delivered to the dispensary
- Return of any cannabis goods
- Destruction and disposal of cannabis goods
- Laboratory testing and results

The following information will be recorded for each activity entered in the track and trace system:

- Name and type of the cannabis goods
- Unique identifier of the cannabis goods.
- Amount of the cannabis goods, by weight or count.
- Date and time of the activity or transaction
- Name and license number of other licensees involved in the activity or transaction

All transactions will be entered into the track and trace system by 11:59 p.m. on the day the transaction occurred. F&F's staff members will only enter and record complete and accurate information into the track and trace system, and will correct any known errors entered into the track and trace system immediately upon discovery.

### **Deliveries to Patients**

"Delivery" means the commercial transfer of cannabis or cannabis products from a cannabis retailer located within the City or a state-licensed cannabis retailer located outside the City, in accordance with State Cannabis Laws, to a primary caregiver, qualified patient, or person with an identification card located inside the city.

In order to provide the very best customer service for clients, Friends & Farmers will provide a delivery service, in addition to our physical "brick & mortar" location. This can be of great benefit to clients who have a difficult time leaving their home and help limit congestion at our dispensary. HerbaBuena has a strong foundation in this area of the cannabis business, after operating a successful delivery model for 3 years.

All deliveries of cannabis goods will be performed by a delivery employee of F&F. Each delivery employee of F&F shall be at least 21 years of age. All deliveries of cannabis products will be made in person and may only be delivered to a physical address in California. F&F delivery employees shall not leave the State of California while possessing cannabis goods.

F&F delivery employees shall not consume cannabis goods while delivering cannabis goods to customers. All F&F delivery employees will be fully trained in customer service and promote compassionate care during deliveries. In addition, each driver will be trained in and adhere to very strict policies that track the order from inception to delivery. The process of delivery begins when the delivery employee leaves the licensed premises with the cannabis goods for delivery, and process of delivering ends when the employee returns to the licensed premises after delivering the cannabis goods to the customer(s).

A delivery employee of F&F shall, during deliveries, carry a copy of F&F's current license, the employee's government-issued identification, and an identification badge provided. The delivery employee shall not carry cannabis goods worth in excess of \$3,000 at any time. This value shall be determined using the current retail price of all cannabis goods carried by the delivery employee.

A delivery of cannabis goods shall not be made through the use of an unmanned vehicle, and delivery employees shall only travel in an enclosed motor vehicle operated by a delivery employee of F&F. In addition, F&F shall ensure that cannabis goods are not visible to the public. The delivery employee shall not leave cannabis goods in an unattended motor vehicle unless the motor vehicle is locked and equipped with an active vehicle alarm system.

The vehicle 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. This dedicated GPS device will be owned by the licensee and used for delivery only. The device shall be either permanently or temporarily affixed to the delivery vehicle and shall remain active and inside of the delivery vehicle at all

times during delivery. At all times, the retailer shall be able to identify the geographic location of all delivery vehicles that are making F&F deliveries.

F&F shall not deliver cannabis goods to an address located on publicly owned land or any address on land or in a building leased by a public agency. This prohibition applies to land held in trust by the United States for a tribe or an individual tribal member unless the delivery is authorized by and consistent with applicable tribal law.

Friends & Farmers shall prepare a delivery request receipt for each delivery of cannabis goods. The delivery request receipt shall contain the following:

- (1) The name and address of the retailer;
- (2) The first name and employee number of the F&F delivery employee who delivered the order;
- (3) The first name and employee number of the F&F employee who prepared the order for delivery;
- (4) The first name of the customer and an F&F assigned customer number for the person who requested the delivery;
- (5) The date and time the delivery request was made;
- (6) The delivery address;
- (7) A detailed description of all cannabis goods requested for delivery. The description shall include the weight, volume, or any other accurate measure of the amount of any cannabis goods requested.
- (8) The total amount paid for the delivery, including any taxes, fees, the cost of the cannabis goods, and any other charges related to the delivery; and
- (9) Upon delivery, 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 of F&F shall provide the customer, who placed the order, a copy of the delivery request receipt. The delivery employee shall retain a signed copy of the delivery request receipt for F&Fs records.

#### **Delivery Driver Access**

The staging location of the delivery service will be in the Restricted Access Storage area. Orders are processed in the POS system, and marked for delivery. Each order is packed inside the Restricted Access room, then placed in a locked storage container. All delivery items are consolidated and readied for pickup by the delivery driver. The delivery driver will access the Restricted Access Storage area to obtain the locked storage container which contains each individually packed order, and accompanying delivery manifest. The driver will exit the building through the office and out through the reception area to the delivery vehicle. The driver will not be in the Restricted Retail area.

#### **Delivery Vehicle Location**

There will be one reserved space outside the front door for the delivery vehicle to minimize the distance the driver needs to walk, to ensure good lighting, and access to the security guard and cameras. This will also be the designated parking spot for the delivery vehicle for after-hours.

#### **Delivery Route While Making Deliveries of Cannabis Goods**

F&Fs delivery employee shall 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 licensed premises. A delivery employee of a F&F shall not deviate from the delivery path 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.

## **PERFORMANCE TIMELINE AND FINANCING**

An extraordinary benefit to Mike and Allan's experience as longtime residents and business operators in Sonoma County is their understanding of the entitlement process in Santa Rosa. Mike and Allan have successfully navigated Santa Rosa's permitting and compliance requirements, not least of all through the development of Paseo Vista.

In addition to their unique development understanding, Allan and Mike will also be able to self-finance the demolition, construction, and start up operations costs of the dispensary. To that end, they anticipate the following timeline:

- April 20, 2018- submit CUP application for dispensary
- June/July, 2018- City grants Use Permit
- July/August, 2018- building permits submitted and reviewed
- Fall 2018- dispensary management team selected
- Spring 2019- demolition and construction commences
- Summer 2019- construction finalized, interview and hire dispensary staff
- Fall 2019- Grand Opening!

## **ZONING AND SETBACK ISSUES**

### *Zoning and Surrounding Uses*

The Building is now zoned IL- Light Industry, with light industrial General plan designation. Per the City's zoning code, retail uses permitted in the IL zone, including cannabis retail, are consistent with this zone.

The Parcel is located in a heavily developed industrial and commercial area. . To the north, east, and west are industrial and commercial uses. To the west across Santa Rosa Avenue is a solid stretch of commercial corridors.

### *Setback from Schools*

California Business & Professions Code section 26054 requires cannabis licensees to be at least 600 feet from grade schools, day care centers, or youth centers. Santa Rosa has not set a different required radius. The Parcel easily meets this requirement. The closest schools are Taylor Mountain and Meadow View Elementaries, which are more than 4,000 feet away.

## **BUILDING CHANGES**

### *Exterior Modifications*

As discussed above, the project involves the demolition of the existing building and construction of a new, approximately 8,400 square foot building. The project applied for minor Design Review on August 10, 2017. Application #DR17-057)

### *Interior Modifications*

The floor plans submitted with the permit application describe the internal modifications to the Building, including the layout and square footages for the various planned uses.

A 3,000 sq. ft. retail space will be located on the northern half of the Building. Retail visitors will not be able to access any other spaces within the Building, as required by law. The door from the retail space to the other spaces will be secured.

The remainder of the space will be allocated to entry, reception, storage, conference, break, shipping/receiving, purchasing, manager and assistant manager offices, and restrooms.

### **PARKING AND LANDSCAPING**

The project will be surrounded by a parking lot with abundant parking. Site plans anticipate the introduction of 42 parking spots, including accessible parking per City code, will be available for use by Applicant and its visitors. This is sufficient under Santa Rosa City Code section 20-36.040, Table 3-4, which requires 1 spot for each 250 sq. ft. of retail space. Applicant plans roughly 3,000 sq. ft. of retail (requiring at most 12 spaces). Thus, the available parking spots satisfy the City's requirements.

The currently un-landscaped site will be re-developed to include a substantial amount of landscaping and parking islands to shade the structures and the parking lot as much as is possible.

### **TRAFFIC**

The staffing for this operation will consist of approximately ten (10) full-time employees, with up to six (6) employees on-site at a time. Employees will arrive and leave daily for work shifts between the hours of 8:00AM and 10:00PM. The employees will conduct day-to-day operations. Additionally, the Applicant team will contract with a security patrol service to provide overnight security guard patrol.

Customers will visit the site but will only have access to the part of the Building devoted to retail use.

The only additional vehicle traffic will be the arrival and departure of vendors, and deliveries. Deliveries to and shipments from the facility will occur several times per week. These deliveries and shipments will be by van-sized vehicles and will utilize the doors at the back of the Building. (See "Floor Plan, Dispensary Building")

If requested, a traffic study and memo will be commissioned and supplied.

### **SITE SECURITY**

The Building will employ security measures as required by Section 20-46.050(G) and Title 16, Sections 5042 through 5047, of the California Code of Regulations, including:

- on-site security personnel compliant with Chapters 11.4 and 11.5 of Division 3 of the California Business and Professions Code;
- twenty-four hour security cameras covering all areas where cannabis is handled and all limited-access areas;
- a professionally monitored robbery alarm system, including alarms on all doors and windows;
- card- or fob- based system to control and log access through all doors, integrated with the cameras and security system;



- secure storage for all cannabis products and waste;
- procedures for secure and safe transportation of cannabis products and currency as required under state law;
- commercial-grade door and window locks; and
- emergency access measures in compliance with California Fire Code and Santa Rosa Fire Department standards.

## **PRODUCT INVENTORY**

The planned storage areas are sufficient to store the quantities of cannabis to be produced. Inventory controls and loss documentation procedures will be implemented. An IP-based inventory control system will be implemented and will comply with state track and trace program requirements. All cannabis and cannabis products sold through the facility will be inventoried into the system. This system will keep track of all movement of all products on and off the premises. All employees will be trained to report loss or theft immediately to the company and the City of Santa Rosa.

## **EMPLOYEE SECURITY/HIRING/TRAINING**

The applicant will hire experienced experts to train employees on product safety and best management practices. All employees will submit to and pass background check as required by state law. Hiring practices will focus on the Santa Rosa and Sonoma County employee pool. Employees and managers will receive extensive training on safety and best management practices, the requirements of Santa Rosa ordinances, California regulations, and the requirements of Applicant's permits and licenses. Employees will be paid a living wage in order to support the City of Santa Rosa's goal of creating a sustainable jobs base.

## **RETAIL: STOREFRONT AND DELIVERY**

Applicant will operate a retail dispensary using approximately 3,000 sq. ft. of floor space in the 8,400 square foot building. The remainder of the space will be allocated to entry, reception, storage, conference, break, shipping/receiving, purchasing, manager and assistant manager officers, and restrooms. The dispensary will serve adult-use customers.

Applicant also plans to conduct retail delivery services to customers located outside the retail facility. Delivery services will employ company-owned vehicles and include delivery to locations within Sonoma County, to the extent each local jurisdiction allows. Applicant will comply with all Santa Rosa and state requirements concerning delivery operations (see Title 16, Sections 5415 through 5421). Delivery procedures will include:

- vehicle will be equipped with a GPS device owned by licensee and used for delivery only, so that Applicant can track its location at all times during delivery;
- vehicle will be equipped with LoJack for recovery in the event of theft;
- vehicle will be equipped with dash-mounted video camera;
- drivers will be at least 21 years of age;
- vehicle will be equipped with an active vehicle alarm system;
- drivers will not carry goods valued in excess of \$3,000 at any time;
- receipts will be prepared for each delivery request and will be signed by the customer.

## **ODOR MITIGATION AND AIR QUALITY**

The applicant will retain a licensed engineer, as required by Section 20-46.050(H), to certify an odor mitigation plan. All outgoing air from the Building will filtered through a carbon filtration system to eliminate odors and impurities. Air entering the building will be filtered through HEPA (High Efficiency Particulate Arrestance) filters. As indicated above, the Neighborhood Liaison will be responsible for proactively detecting odor leakage, and responding to any neighbor complaints.

## **LIGHTING**

Wall pack lighting will be mounted on the building at 10' 6", as can be seen on the building elevations drawings. Bollard lighting will be introduced in the parking areas at each of the landscape islands.

Interior and exterior lighting shall utilize best management practices and technologies for reducing glare, light pollution, and light trespass onto adjacent properties. Exterior and interior lighting will comply with the standards set forth in Santa Rosa Ordinance section 20-46.050(I). All exterior and security lighting will be installed and operated to minimize light pollution and nuisance. The Neighborhood Liaison will be responsible for handling any light-related complaints or neighbor concerns.