



Planning Commission

Regular Meeting

AGENDA

Civic Center Council Chamber ♦ 300 Seminary Avenue ♦ Ukiah, CA 95482

Please join the meeting from your computer, tablet, or smartphone.

<https://global.gotomeeting.com/join/403937173>

You can also dial in using your phone.

United States: [+1 \(646\) 749-3112](tel:+16467493112)

Access Code: 403-937-173

May 13, 2020 - 6:00 PM

1. CALL TO ORDER

2. ROLL CALL

3. PLEDGE OF ALLEGIANCE

4. APPROVAL OF MINUTES

4.a. Approval of Regular Meeting Minutes for April 22, 2020

Recommended Action: Approve the Regular Meeting Minutes for April 22, 2020.

Attachments:

1. 2020-04-22 PC Draft Minutes_mgt

5. APPEAL PROCESS

All determinations of the Planning Commission regarding major discretionary planning permits are final unless a written appeal, stating the reasons for the appeal, is filed with the City Clerk within ten (10) days of the date the decision was made. An interested party may appeal only if he or she appeared and stated his or her position during the hearing on the decision from which the appeal is taken. For items on this agenda, the appeal must be received by .

6. COMMENTS FROM AUDIENCE ON NON-AGENDA ITEMS

The Planning Commission welcomes input from the audience. In order for everyone to be heard, please limit your comments to three (3) minutes per person and not more than ten (10) minutes per subject. The Brown Act regulations do not allow action to be taken on audience comments.

7. SITE VISIT VERIFICATION
8. VERIFICATION OF NOTICE
9. PLANNING COMMISSIONERS REPORT
10. DIRECTOR'S REPORT
11. CONSENT CALENDAR
12. NEW BUSINESS
13. UNFINISHED BUSINESS

- 13.a. Request for Review and Recommendation for Major Use Permit and Parking Variance Request to Allow a Cannabis Manufacturing (non-volatile) and Dispensary/Retail Operation in an Existing Building at 441 North State Street; APN 002-186-19; File No. 19-4434

Recommended Action: Staff recommends the Planning Commission 1) Conduct the public hearing; and 2) Adopt the Findings and conditionally approve the Major Use Permit with Variance from parking regulations, for the project.

Attachments:

1. ATT 1_441 N State_Element 7_MaUP DRAFT Findings
2. ATT 2_441 N State_Element 7_MaUP DRAFT COA
3. ATT 3a Application
4. ATT 3b Site Plans
5. ATT 3c Odor Management and Control Plan
6. ATT 3d Signage Renderings
7. ATT 3e Operating Plans
8. ATT 4 Agency Comments
9. ATT 5 County ALUC Determination
10. Public Correspondence 20200106_Levy
11. Public Correspondence 20200107_Hoyman
12. Public Correspondence 20200108_Law Office of Duncan M James
13. Public Correspondence 20200330 Nicholson
14. Public Correspondence 20200413 Briley
15. Public Correspondence 20200422 James
16. Public Correspondence 20200506 Ledford
17. Element 7 Staff Report Addendum 20200513

14. ADJOURNMENT

Please be advised that the City needs to be notified 72 hours in advance of a meeting if any specific accommodations or interpreter services are needed in order for you to attend. The City complies with ADA requirements and will attempt to reasonably accommodate individuals with disabilities upon request.

I hereby certify under penalty of perjury under the laws of the State of California that the foregoing agenda was posted on the bulletin board at the main entrance of the City of

Ukiah City Hall, located at 300 Seminary Avenue, Ukiah, California, not less than 72 hours prior to the meeting set forth on this agenda.

Mireya G. Turner, Associate Planner
May 8, 2020

CITY OF UKIAH
PLANNING COMMISSION MINUTES
Regular Meeting
CIVIC CENTER COUNCIL CHAMBERS
300 Seminary Avenue
Ukiah, CA 95482
April 22, 2020
6:00 p.m.

1. CALL TO ORDER

The City of Ukiah Planning Commission met at a Regular Meeting on April 22, 2020, having been legally noticed on April 12, 2020. Chair Christensen called the meeting to order at 6:00 p.m.

CHAIR CHRISTENSEN PRESIDING.

2. ROLL CALL

Roll was taken with the following **Commissioners Present:** Ruth Van Antwerp, Mark Hilliker, Mike Whetzel, Linda Sanders, and Laura Christensen; **ABSENT:** None **Staff Present:** Craig Schlatter, Community Development Director; and Mireya Turner, Associate Planner.

3. PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was led by Chair Christensen.

4. APPROVAL OF MINUTES

Approval of Regular Meeting Minutes 2/26/2020

Motion/Second: Sanders/Hilliker approved the February 26, 2020 Regular Meeting Minutes. Motion **carried** by the following roll call vote: AYES: Van Antwerp, Hilliker, Whetzel, Sanders, and Chair Christensen. NOES: None. ABSENT: None. ABSTAIN: None.

5. APPEAL PROCESS

No matters eligible for appeal were heard.

6. COMMENTS FROM AUDIENCE ON NON-AGENDA ITEMS

No public comment was received.

7. SITE VISIT VERIFICATION

Confirmed by Commissioners.

8. VERIFICATION OF NOTICE

Confirmed by Staff.

9. PLANNING COMMISSIONERS' REPORT

Presenter: Chair Christensen.

10. PLANNING COMMISSION DIRECTOR'S REPORT

Presenter: Craig Schlatter, Community Development Director.

Recommended Action: Receive report.

11. CONSENT CALENDAR

12. NEW BUSINESS

12.a Request for Review and Recommendation for Major Use Permit and Parking Variance Request to Allow a Cannabis Manufacturing (nonvolatile) and Dispensary/Retail Operation in an Existing Building at 441 North State Street; APN 00218619; File No. 194434

Recommended Action: Staff recommends the Planning Commission continue this issue to the May 13, 2020 Regular Meeting, to allow staff time for further research regarding the proximity to the mobile home park at 317 N. Main Street, and if the Academic Success and College Prep Center, located at 307 N. State Street, is a school, and if there is a proximity conflict.

Motion/Second: Whetzel/Sanders Motion **carried** by the following roll call vote: AYES: Van Antwerp, Hillker, Whetzel, Sanders, and Chair Christensen. NOES: None. ABSENT: None. ABSTAIN: None.

13. UNFINISHED BUSINESS

14. ADJOURNMENT

There being no further business, the meeting adjourned at 6:57p.m.

Pamela Mathias, Deputy Clerk



DATE: April 22, 2020
TO: Planning Commission
FROM: Mireya G. Turner, Associate Planner
SUBJECT: Request for Review and Recommendation for Major Use Permit and Parking Variance Request to Allow a Cannabis Manufacturing (non-volatile) and Dispensary/Retail Operation in an Existing Building at 441 North State Street. APN 002-186-19; File No. 19-4434.

SUMMARY

OWNER: Allen Ling, TTE
APPLICANT: Robert Divito, Jr.
Element 7 Ukiah, LLC
8033 Sunset Blvd, #9877
Hollywood, CA 90046
LOCATION: 441 North State Street (APN 002-186-19)
TOTAL ACREAGE: ±0.18-acre (7,840.8 sf)
GENERAL PLAN: Commercial (C)
ZONING DISTRICT: Community Commercial (C-1)
AIRPORT COMPATIBILITY: Extended Approach/Departure Zone (B2)
ENVIRONMENTAL DETERMINATION: Categorical Exemption, pursuant to CEQA Guidelines Article 19 Section 15301, Existing Facilities, Class 1(a)
RECOMMENDATION: Conditional Approval (see Draft Findings in **Attachment 1** and Draft Conditions of Approval in **Attachment 2**)

Staff Report
Major Use Permit & Variance
Element 7 Ukiah, 441 North State Street
File No.: 19-4434



PROJECT DESCRIPTION AND BACKGROUND

An application was received from Robert Divito of Element 7 Ukiah, LLC for approval of a Major Use Permit to allow the operation of a cannabis manufacturing (non-volatile), and retail/dispensary facility. The project also includes a request for a variance from the parking regulations. The application and project description are included as **Attachment 3a** and development plans are included as **Attachment 3b**. The project would include the following components.

- Non-volatile manufacturing, consisting of packaging of adult use and medicinal cannabis pre-rolls, 96 sf retail/dispensary space, and 90 sf complementary self-administered spa treatments with non-cannabis infused products, within an existing 1,872 sf, two-story, 26 ft high building;
- Three (3) on-site parking spaces (one standard, one ADA, and one delivery loading zone) within a 1,800 sf parking lot; additional off-site parking along North State Street and North Main Street is available;
- Exterior building and parking lot lighting (down-shielded and dark sky compliant-see lighting details on **Attachment 3c**);
- Odor control features including polarized carbon filters, ozone generators, air curtains and air quality enhancing plants (see **Attachment 3b**; Site Plans);
- Signage including a 6' x 4' "Element 7" sign on the wall of the facility, and a small hanging sign above the entry way, (See **Attachment 3e**, Site Plan and Elevations included in **Attachment 3B**);
- Existing landscaping to remain; new landscaping is not proposed with this project;
- Security features such as surveillance cameras, alarms, card reader entry, etc.; a six-foot wrought iron security fence around the site's North Main Street perimeter, and along the side lot lines to the top of bank of Gibson Creek closest to the building, with a locked delivery gate on North Main Street, and pedestrian gate along North State Street frontage, and on-site security guard.
- 20-30 retail deliveries per day and one weekly delivery of cannabis for manufacturing are anticipated with use of one delivery vehicle;
- Operations will be staffed with up to 12 employees; with no more than four per shift.
- Operating hours for Element 7 Ukiah would be as follows:
Dispensary:
7:00 a.m. to 8:00 a.m. - Opening Procedures (no public access)
9:00 a.m. to 9:00 p.m. – Dispensary Operations
9:00 p.m. to 10:00 p.m. – Closing Procedures (no public access)

Manufacturing:
8:00 a.m. to 8:00 p.m. – Manufacturing Operations



The property is located at 441 North State Street and is bounded by North Main Street to the east. Gibson Creek intersects the parcel at the Northwest corner, and traverses the parcel in a southeasterly direction. A floodway line parallels the creek on either side, across the entire parcel. An existing accessible path to the project site begins at North State Street, proceeding west and crossing Gibson Creek via an existing bridge. The landscaping contains trees, grasses, and ivy. The existing parking lot located on the back portion of the parcel along North Main Street contains one standard parking space and one ADA parking space. The existing 1,872 sf building is located on the eastern half of the parcel, 39 feet away from the creek at its closest point, and outside the corresponding floodway. The majority of the structure was relocated to the parcel in 2003, with new construction taking place on the first floor. It was most recently used as professional office space.

SURROUNDING LAND USE AND ZONING

The parcel carries a General Plan Land Use designation of Commercial (C) and is zoned Community Commercial (C1). The project site is surrounded by parcels zoned Commercial (C1), and Urban Commercial (UC). The site is located outside of the Downtown Zoning District, but is within the Downtown Parking Improvement District #1. The following uses are directly adjacent to the parcel.

	ZONING:	USE:
NORTH	Community Commercial	Professional offices
EAST	Community Commercial	Retail/commercial and Circle Trailer Park
SOUTH	Community Commercial and Urban Center	Retail/commercial and automotive repair
WEST	Community Commercial	Single-family and multi-family residential



Figure 1. General Plan



Figure 2. Zoning Designation

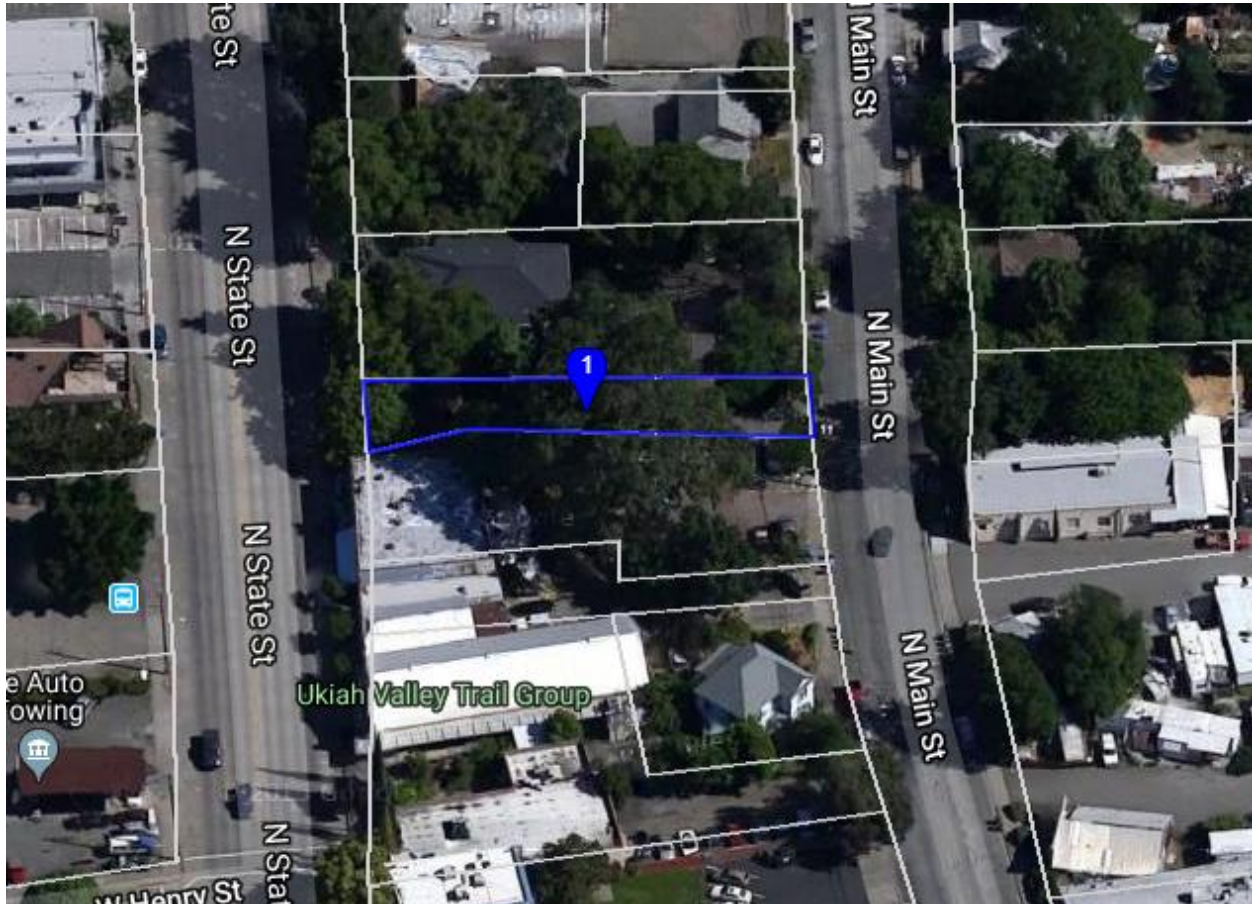


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 Major Use Permit & Variance
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Figure 3. Aerial Map



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Figure 4: View from North State Street



Figure 5: North State Street frontage



Figure 6: View from North Main Street



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AGENCY COMMENTS

Project referrals were sent to the following responsible or trustee agencies with interest or jurisdiction over the project: City of Ukiah Building Division, City of Ukiah Electric Utility Department, City of Ukiah Police Department, City of Ukiah Department of Public Works, Ukiah Valley Fire Authority, and State Department of Social Services. The agencies' comments are included in **Attachment 4** and recommended Conditions of Approval are contained in **Attachment 2**.

STAFF ANALYSIS

General Plan and Zoning Consistency

Use. The parcel carries a General Plan Land Use designation of Commercial (C) and is zoned Community Commercial (C1). Per UCC §9215, cannabis related businesses are allowed in the Community Commercial zoning district with approval of a Major Use Permit. New construction and exterior modifications are not proposed in the project. Findings required for approval of Use Permits per UCC §9262(e) are included in **Attachment 1** and subject to Conditions of Approval contained within **Attachment 2**. In addition to the findings required in §9262 of this Code, the Planning Commission shall consider additional criteria related to security and crime in determining whether to grant or deny a Dispensary Use Permit (UCC §5710) which are also included as **Attachment 1**.

In addition to required application submittal documents, permit procedures and operating requirements, the ordinances above list siting restrictions for cannabis related businesses. Specifically, cannabis related businesses cannot be located. The project is consistent with the siting requirements of §9174.2, as it is not within the restricted distances to residences, schools, youth-oriented facilities, or other cannabis related business (see Neighborhood Context Map included as Sheet A0.2 of **Attachment 3b**). North Main Street, an intervening, non-residential use, separates the Project Parcel from the residences across the street. The State Department of Social Services Licensing Division staff confirmed that there are no licensed daycares within 250 ft of the project.

The applicant has submitted all required documents including a complete application, a Security Plan (omitted from the attachments for security reasons), Standard Operating Procedures (**Attachment 3e**), etc. in compliance with the aforementioned ordinances. In addition, the Applicant has successfully completed the Live Scan background process through the Ukiah Police Department. The project is consistent with all other requirements contained within the above applicable ordinances for cannabis related businesses. In addition, the project is consistent with the Ukiah City Code for development in the Community Commercial zoning district, with the exception of number of on-site parking spaces, as summarized below.

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Setbacks. The project parcel has a two-story structure, placed at its current location in 2003, fronted by both North State Street and Main Street. Per UCC §9085, multiple story buildings shall have a five foot (5') setback along both street frontages. For rear and side yards, no setback is required. The existing building is set back approximately 100 ft from North State Street and 64 ft from North Main Street; meeting the requirements of the UCC. The project does not propose expansion of the existing building's footprint.

Parking Variance. UCC 5710(Q) requires parking be provided at a rate of one space for every 250 gross sf of retail space, office space, and similar floor areas. However, UCC §9198(B)(1) allows for one parking space for each 350 sf of leasable space for retail stores within the Parking District #1, such as the Element 7 project. In addition, UCC §9198(G)(1) for industrial (manufacturing) uses requires one parking space for each employee on the maximum shift, plus required space for any office area, plus a minimum of two (2) spaces for customer parking, plus one space for each vehicle operated from or on the site. Lastly, UCC §9198(F)(5) requires one parking space for each 250 sf of health facility and spa space. Computation of parking spaces, with fractional spaces, is rounded up to one space when the fraction is one half or greater. Bicycle parking is not required in the C1 zoning district.

Based on these regulations, the project is required to provide nine (9) parking spaces. The project proposes one (1) standard parking space, one (1) accessible space, and one (1) delivery parking space on-site, for a total of three (3) parking spaces. The Applicant has requested a variance from the parking requirements for a reduction of six (6) spaces.

UCC §7388 states,

- "1. It is desirable to allow full development of many parcels within Parking District #1 and to provide off-site parking; and*
- 2. It is desirable in certain cases to allow variance from on-site parking requirements in Parking District #1 or other parking districts established by City Council."*

UCC §7388 grants the Planning Commission the authority to reduce the required parking, based on one or more of the following grounds:

- 1. The refusal to allow a variance would make a proper use of the property unfeasible;*
- 2. Physical impossibility or unsuitability of the property to comply with on-site parking requirement;*
- 3. Proximity to an under utilized public parking lot which would reduce the need for on-site parking;*
- 4. Specific conditions exist which particularly affect the subject property as opposed to other properties in the District similarly situated;*
- 5. Specific conditions exist as to the type of business enterprise or use permitted by the Commission and which may affect the need for on-site parking.*

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Major Use Permit & Variance
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The current on-site parking is located on the eastern side of the parcel, within the 30 feet between the existing building and North Main Street. Two of the three on-site spaces are existing. The proposed additional space has been located in the last available space in the parking lot on the Main Street side of the parcel. These spaces will be secured by a locked gate, and will not be immediately accessible by the public. Due to the size, natural features (Gibson Creek), and existing development of the parcel (as described in the Background section above) there is not sufficient space for additional on-site parking. However, additional parking spaces are immediately available along both North State Street and North Main Street. Findings for this variance request have been included to the Draft Findings in **Attachment 1**.

Height. Per UCC §9113, the maximum building height is 50 feet. The existing building is 26 feet in height and the project does not propose a height increase.

Landscaping. UCC §9087(D)(1)(i) requires 20% of the gross area of the parcel to be landscaped. The project parcel is ±8,205 square feet, and currently has ±3,848 square feet, or 48% lot coverage of existing landscaping, consisting of trees, grasses, and ivy. The applicant proposes no change to the current landscaping.

Signage. Per UCC §3227, allowed signage is calculated by one and one-half (1 1/2) square feet of sign area for every ground level linear foot of parcel frontage. §5708(I)(4) allows a single sign for Cannabis Retail establishments. §9174.2(B)(6)(b) allows for a single sign for other cannabis related businesses. The project building has two frontages, along North State and North Main Streets. Based on these methods of calculation, the applicant is allowed approximately 78 sf of signage. The applicant has submitted preliminary sign information, contained within **Attachment 3e**, including plans for one 36 sf wall mounted sign, and one small hanging sign above the entry way, approximately 10 sf. This total of 46 sf is well below the 78 sf maximum. City of Ukiah standard Conditions of Approval requires the applicant to obtain a Sign Permit, in compliance with all applicable sign regulations.

Based on the analysis above and Findings in **Attachment 1**, subject to the Conditions of Approval in **Attachment 2**, Staff find that the Major Use Permit and parking variance may be granted.

Airport Compatibility

The project site is located within the B2 Compatibility Zone (Extended Approach/Departure Zone) of the Ukiah Municipal Airport Master Plan and the Mendocino County Airport Comprehensive Land Use Plan (ACLUP). The Applicant submitted an application to Mendocino County Planning and Building Services for Determination of Compatibility with the Airport Comprehensive Land Use Plan (ACLUP) on January 31, 2020. Section 1.4.4 of the Mendocino County Airport Comprehensive Land Use Plan, *"The Airport Land Use Commission must respond to a local agency's request for a consistency determination on a project within 60 days of referral. If the Commission fails to make the determination within that time period, the proposed action shall be deemed consistent with the Airport Land Use Compatibility Plan."*

No hearing of the Airport Land Use Commission was held within the 60 days. County of Mendocino Planner III Keith Gronendyke, in his capacity as ALUC Secretary, deemed the project



compatible with the ACLUP on March 31, 2020, and notified the Applicant of this determination by email, included as **Attachment 5**.

ENVIRONMENTAL DOCUMENTATION

The proposed project is subject to the California Environmental Quality Act (CEQA). The project qualifies for a categorical exemption pursuant to CEQA Guidelines Article 19 §15301, Existing Facilities, Class 1(a) which consists of the operations, repair, maintenance, or minor alteration of existing public or private structures involving negligible or no expansion of use beyond that existing at the time of the lead agency's determination.

The project involves renovations to an existing 1,586 sf building historically used for office space and residential. The project would require minor disturbance of the rear parking lot to install a fence. The project is within an urban area surrounded by similar uses and adequately served by public utilities. Work would not occur near the creek and the project would not remove any healthy, mature, scenic trees.

NOTICE

Notice of the Public Hearing was provided in the following manner, in accordance with UCC §9262(C):

- Published in the Ukiah Daily Journal on April 11, 2020
- Posted on the Project site on April 2, 2020
- Posted at the Civic Center (glass case) 72 hours prior to the public hearing
- Mailed to property owners within 300 feet of the project parcels on April 2, 2020

RECOMMENDATION

Staff recommends Planning Commission 1) conduct a public hearing; and 2) adopt the findings and conditionally approve a Major Use Permit with a variance from parking regulations, for the project.

ATTACHMENTS

1. Draft Findings
2. Draft Conditions of Approval
3. Project Application Materials
 - a. Application
 - b. Site Plans
 - c. Odor Management and Control Plan
 - d. Signage Renderings

Staff Report
Major Use Permit & Variance
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- e. Standard Operating Procedures
- 4. Agency Comments
- 5. County of Mendocino Determination of Consistency with Airport Comprehensive Land Use Plan

Staff Report
Major Use Permit & Variance
Element 7 Ukiah, 441 North State Street
File No.: 19-4434

DRAFT FINDINGS TO ADOPT A MAJOR USE PERMIT AND PARKING VARIANCE TO ALLOW THE DEVELOPMENT OF A CANNABIS MANUFACTURING (NON-VOLATILE) AND DISPENSARY/RETAIL OPERATION IN AN EXISTING BUILDING AT 441 NORTH STATE STREET. APN 002-186-19; FILE NO. 19-4434.

Recommendation for the Approval of the Major Use Permit, Variance and Findings: The Community Development Department's recommendation for conditional approval of a Major Use Permit and parking variance to allow a cannabis business to include: manufacturing, and dispensary/retail in an existing building at 441 North State Street is based in part on the following findings, in accordance with UCC Sections 9262, 5710 and 7388.

Major Use Permit Findings

1. The proposed land use is consistent with the provisions of the Ukiah City Code as well as the goals and policies of the City General Plan.

The parcel carries a General Plan Land Use designation of Commercial (C) and is zoned Community Commercial (C1). The proposed project is consistent with the General Plan goals and policies related to commercial and light manufacturing development. With approval of the Use Permit and variance the project also complies with all requirements of the C1 zoning district. In addition, the project is consistent with all UCC regulations for cannabis related businesses.

2. The proposed land use is compatible with surrounding land uses and shall not be detrimental to the public's health, safety and general welfare

The proposed project would be similar in use, and intensity, as the surrounding area which is developed with commercial/retail uses. The proposed project includes a comprehensive Security Plan, Standard Operating Procedures and odor control measures to ensure that the project will not be detrimental to the public's health and safety. In addition, the project has been reviewed by the following agencies to ensure compliance with the Ukiah City Code and other codes and regulations relating to health and safety: Ukiah Valley Fire Authority, City of Ukiah Public Works Department, City of Ukiah Police Department, City of Ukiah Electric Utility Department, and City of Ukiah Building Division. Comments have been included as Conditions of Approval, as appropriate.

In addition to the findings required in section 9262 of this Code, the Planning Commission shall consider the following criteria in determining whether to grant or deny a Dispensary Use Permit.

3. That the Dispensary Use Permit is consistent with the intent of the Compassionate Use Act of 1996, the AUMA, the MAUCRSA, and related State law, the provisions of this Chapter and the City Code, including the application submittal and operating requirements herein.

The applicant has submitted the required information as a part of their application in accordance with all City Codes and will be required to operate in compliance with all State laws under a State License.

4. That the Dispensary location is not identified as having significant crime issues (e.g., based upon crime reporting statistics as maintained by the Police Department).

Draft Findings
Major Use Permit and Variance
Element 7 Manufacturing and Retail
File No.: 19-4434

The Ukiah Police Department reported receiving 346 total calls in the 400 block of North State Street and 300 block of North Main Street, within the period of 9/30/2018 through 9/30/2019. These calls account for 1% of the total number of calls for the City limits, and is not considered to be significantly higher than other areas within the City.

Crime information related to operation of this specific project will be reviewed and analyzed during the annual renewal process for the Use Permit.

5. That there have not been significant numbers of calls for police service, crimes or arrests in the area or to an existing Dispensary location.

See Finding No. 4 above.

6. That an applicant or employee is not under twenty- one (21) years of age.

The applicant has demonstrated that they are over 21 years of age by provided a copy of their driver's license.

7. That all required application materials have been provided and/ or the Dispensary has operated successfully in a manner that shows it would comply with the operating requirements and standards specified in this chapter.

The project as proposed, would be in compliance with operating requirements contained within the City Code and adopted related cannabis ordinances.

8. That all required application or annual renewal fees have been paid and reporting requirements have been satisfied in a timely manner.

Application fees have been paid and the applicant will be required to pay renewal fees as a Condition of Approval.

9. That the location is not prohibited by the provisions of this chapter or any local or State law, statute, rule or regulation and no significant nuisance issues or problems are anticipated or have resulted from dispensary operations.

The proposed project location meets all siting requirements contained within local and State regulations. A Security Plan, Standard Operating Procedures and odor control measures are included as a part of the project to ensure no significant issues will arise from the project. The project has also been reviewed by the Ukiah Police Department, Ukiah Valley Fire Authority, and other agencies to ensure public safety.

10. That the site plan, floor plan, and security plan have incorporated features necessary to assist in reducing potential crime-related problems and as specified in the operating requirements in section 5708 of this Code. These features may include, but are not limited to, security on site; procedure for allowing entry: openness to surveillance and control of the premises. the perimeter, and surrounding properties: reduction of opportunities for congregating and obstructing public ways and neighboring property; illumination of exterior areas; and limiting furnishings and features that encourage loitering and nuisance behavior.

The project includes a Security Plan with the features listed above such as lighting, alarms, surveillance, perimeter fencing, etc.that has been reviewed and approved by the Police Department. In addition, crime prevention-related Conditions of Approval have been included from the Police Department.

11. That no Dispensary use, owner, operator, permittee, agent, or employee has violated any provision of this chapter including grounds for suspension, modification or revocation of a permit.

N/A, the business is not yet operational. However, once operational, this criterion will be reviewed as a part of the permit renewal process.

12. That all reasonable measures have been incorporated into the plan and/ or consistently taken to successfully control the establishment's patrons' conduct resulting in disturbances, vandalism, crowd control inside or outside the premises, traffic control problems, marijuana use in public, or creation of a public or private nuisance, or interference with the operation of another business.

See Finding Number 10.

13. That the dispensary would not adversely affect the health, peace or safety of persons living or working in the surrounding area, overly burden a specific neighborhood with special needs or high impact uses, or contribute to a public nuisance; or that the dispensary has resulted in repeated nuisance activities including disturbances of the peace, illegal drug activity, marijuana use in public, harassment of passersby, excessive littering, excessive loitering, illegal parking, excessive loud noises, especially late at night or early in the morning hours, lewd conduct, or police detentions or arrests.

The project site is surrounded by other commercial/retail uses. In addition, the project meets all siting restrictions contained within local and State regulations to ensure compatibility with surrounding uses. Proposed operating hours for the manufacturing and retail/dispensary business would be Mon-Sun 9:00 a.m.- 9:00 p.m. for the retail/dispensary; Mon-Sun 8:00 a.m. – 8:00 p.m. for the manufacturing operation.

14. That any provision of the City Code or condition imposed by a City issued permit, or any provision of any other local or State law, regulation, or order, or any condition imposed by permits issued in compliance with those laws has not been violated.

N/A, the manufacturing and retail/dispensary business is not yet operational. However, once operational, this criterion will be reviewed as a part of the permit renewal process.

15. That the applicant has not violated any local or State law, statute, rule or regulation respecting the distribution, possession, or consumption of marijuana.

The applicant has successfully completed the Live Scan process through the Ukiah Police Department, demonstrating that he has not violated any laws that would disqualify him from operating the business.

16. That the applicant has not knowingly made a false statement of material fact or has knowingly omitted to state a material fact in the application for a permit.

The applicant certifies that he has not knowingly made a false statement or omitted information from his application.

17. That the applicant, his or her agent or employees, or any person who is exercising managerial authority on behalf of the applicant has not been convicted of a felony, or of a

misdemeanor involving moral turpitude, or has engaged in misconduct related to the qualifications, functions or duties of a permittee.

See Finding Number 15. In addition, Live Scans will be required for all employees as a Condition of Approval.

18. That the applicant has not engaged in unlawful, fraudulent, unfair, or deceptive business acts or practices.

The applicant certifies that he has not engaged in any unlawful, fraudulent or deceptive business practices.

19. That adequate parking for medical cannabis dispensaries will be provided at a rate of one space for every two hundred (200) gross square feet of retail space, office space, and similar floor areas, pursuant to section 9198(F)(1) of this Code. Furthermore, that adequate parking for Cannabis Retailers generally will be provided at a rate of one space for every two hundred fifty (250) square feet of gross, leasable space, pursuant to section 9198(B)(1) of this Code. However, if the dispensary to be operated by the applicant does not dispense cannabis to patients or eligible Adult Use patrons on site but services qualified patients and patrons through deliveries in compliance with Section 5717 of this Code, then adequate parking will be provided at a rate of one space for every four hundred (400) square feet of gross leasable space, pursuant to Section 9198(G)(3) of this Code.

The project proposes three parking spaces, including one ADA space and also a loading zone for deliveries. The Applicant has requested a variance from the parking regulations, based on findings listed below.

Variance Findings

The applicant requests a variance from UCC §5710(Q) and §9198(G)(1), requiring nine (9) on-site parking spaces. The Applicant proposes three (3) on-site parking spaces, with additional parking to be located along North State and North Main Streets. UCC §7388 authorizes the Planning Commission to grant a parking variance for parcels within City-established parking districts, based on the following findings:

20. The refusal to allow a variance would make a proper use of the property unfeasible.

The current on-site parking is located on the eastern side of the parcel, within the 30 feet between the existing building and North Main Street. Two of the three on-site spaces are existing. The proposed additional space has been located in the last available space in the parking lot on the Main Street side of the parcel. These spaces will be secured by a locked gate, and will not be immediately accessible by the public. Gibson Creek intersects the parcel at the Northwest corner, and traverses the parcel in a southeasterly direction. A floodway line parallels the creek on either side, across the entire parcel. An existing accessible path to the project site begins at North State Street, proceeding west and crossing Gibson Creek via an existing bridge. Due to the size, natural features, and existing development of the parcel there is not sufficient space for additional on-site parking. However, additional parking spaces are immediately available along both North State Street and North Main Street. Without granting of a variance from the parking required by

§9198(G)(1), the Applicant will be unable to accommodate the retail clientele, and its employees.

21. Physical impossibility or unsuitability of the property to comply with on-site parking requirement.

See Finding No. 20. The project parcel is unable to comply with the on-site parking requirement due to the size, natural features (Gibson Creek and flood plain areas), and existing development on-site.

22. Proximity to an underutilized public parking lot which would reduce the need for on-site parking.

Parallel parking is available along the entire lengths of both North State and North Main Streets, in the vicinity of the project parcel. With a maximum of four employees present per shift, and the short time length of an average retail client, the available parking spaces within the immediate vicinity of the project parcel is sufficient for the needs of the project.

23. Specific conditions exist which particularly affect the subject property as opposed to other properties in the District similarly situated.

Other neighboring parcels are limited by existing structures, however, the project parcel is the only parcel in the area which is traversed by Gibson Creek, limiting the amount of useable space.

Based on the above analysis, the findings required for the Major Use Permit and variance can be made.

Notice of Public Hearing

Notice of the Public Hearing was provided in the following manner, in accordance with UCC §9262(C):

- Published in the Ukiah Daily Journal on December 28, 2019;
- Posted on the Project site on December 27, 2019;
- Posted at the Civic Center (glass case) 72 hours prior to the public hearing; and
- Mailed to property owners within 300 feet of the project parcels on December 27, 2019.

DRAFT CONDITIONS OF APPROVAL OF A MAJOR USE PERMIT AND PARKING VARIANCE TO ALLOW THE DEVELOPMENT OF A CANNABIS MANUFACTURING (NON-VOLATILE) AND DISPENSARY/RETAIL OPERATION IN AN EXISTING BUILDING AT 441 NORTH STATE STREET.

The following Conditions of Approval shall be made a permanent part of the Major Use Permit, shall remain in force regardless of property ownership, and shall be implemented in order for this entitlement to remain valid.

Approved Project Description. An application was received from Robert Divito of Element 7 Ukiah, LLC for approval of a Major Use Permit to allow the operation of a cannabis manufacturing (non-volatile), and retail/dispensary facility. The project also includes a request for a variance from the parking regulations.

- Non-volatile manufacturing, consisting of packaging of adult use and medicinal cannabis pre-rolls, 96 sf retail/dispensary space, and 90 sf complementary self-administered spa treatments with non-cannabis infused products, within an existing 1,926 sf, two-story, 26 ft high building;
- Three (3) on-site parking spaces (one standard, one ADA, and one delivery loading zone) within a 1,800 sf parking lot; additional off-site parking along North State Street and North Main Street is available;
- Exterior building and parking lot lighting (down-shielded and dark sky compliant-see lighting details on **Attachment 3c**);
- Odor control features including polarized carbon filters, ozone generators, air curtains and air quality enhancing plants (see **Attachment 3b**; Site Plans);
- Signage including a 6' x 4' "Element 7" sign on the wall of the facility, and a small hanging sign above the entry way, (See **Attachment 3e**, Site Plan and Elevations included in **Attachment 3B**);
- Existing landscaping to remain; new landscaping is not proposed with this project;
- Security features such as surveillance cameras, alarms, card reader entry, etc.; a six-foot wrought iron security fence around the site's North Main Street perimeter, and along the side lot lines to the top of bank of Gibson Creek closest to the building, with a locked delivery gate on North Main Street, and pedestrian gate along North State Street frontage, and on-site security guard.
- 20-30 retail deliveries per day and one weekly delivery of cannabis for manufacturing are anticipated with use of one delivery vehicle;
- Operations will be staffed with up to 12 employees; with no more than four per shift.
- Operating hours for Element 7 Ukiah would be as follows:

Dispensary:

7:00 a.m. to 8:00 a.m. - Opening Procedures (no public access)

9:00 a.m. to 9:00 p.m. – Dispensary Operations

9:00 p.m. to 10:00 p.m. – Closing Procedures (no public access)

Manufacturing:

8:00 a.m. to 8:00 p.m. – Manufacturing Operations

Draft Conditions of Approval
Major Use Permit and Variance
Element 7 Manufacturing and Retail
441 North State Street
File No.: 19-4434

City of Ukiah Special Conditions

1. No cultivation shall occur on-site. If the applicant wishes to include it at a later date, the applicant shall contact the Community Development Department to determine which planning permits are required.
2. No consumption of cannabis or cannabis-related products shall occur on-site.
3. No special events are permitted on-site. If the applicant wishes to hold events, they must contact the Community Development Department; additional permits or approvals may be required.
4. Per Section 5704 of the UCC this Use Permit is valid for one-year. Dispensary Use Permits may be renewed on an annual basis by the Zoning Administrator following the procedure described in Section 5704 of the UCC. It is the Applicant's responsibility to apply for annual renewal 45 days prior to this permit expiring.
5. As outlined in Article 20, Administrative and Procedures, of the Zoning Code this planning permit may be revoked through the City's revocation process if the approved project related to this permit is not being conducted in compliance with these stipulations and conditions of approval; or if the project is not established within two years of the effective date of this approval; or if the established use for which the permit was granted has ceased or has been suspended for 24 consecutive months.
6. Prior to issuance of building permits and commencing operations, the applicant shall submit proof of State licensure to operate the cannabis related business to the Community Development Department.
7. Prior to issuance of building permits or commencing operations, the applicant and all employees shall successfully complete a Live Scan background and provide proof of such completion.
8. No persons will live on-site. If the applicant wishes to have a live-in manager in the future, they shall consult with the Planning and Community Development Department and obtain any necessary permits.
9. The business is required to obtain a City of Ukiah business license prior to occupancy.
10. Address signage for 320 North Main Street shall be removed from the building.

City of Ukiah Standard Conditions

11. This approval is not effective until the 10-day appeal period applicable to this Site Development Permit has expired without the filing of a timely appeal. If a timely appeal is filed, the project is subject to the outcome of the appeal and shall be revised as necessary to comply with any modifications, conditions, or requirements that were imposed as part of the appeal.
12. All Conditions of Approval shall be printed on all sets of building permit project plans pertaining to any site preparation work or construction associated with the development of the multi-family project and ancillary site improvements approved by the Site Development Permit.

Draft Conditions of Approval
Major Use Permit and Variance
Element 7 Manufacturing and Retail
441 North State Street
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13. All use, construction and the location thereof, or occupancy, shall conform to the application and to any supporting documents submitted therewith, including any maps, sketches, or plot plans accompanying the application or submitted by applicant in support thereof.
14. Any construction shall comply with the "Standard Specifications" for such type of construction now existing or which may hereafter be promulgated by the Engineering Department of the City of Ukiah; except where higher standards are imposed by law, rule, or regulation or by action of the Planning Commission such standards shall be met.
15. In addition to any particular condition which might be imposed; any construction shall comply with all building, fire, electric, plumbing, occupancy, and structural laws, rules, regulations, and ordinances in effect at the time the Building Permit is approved and issued.
16. Building permits shall be issued within two years after the effective date of the Site Development Permit or same shall be null and void.
17. The Applicant shall obtain all required Sign Permits, in compliance with Division 3, Chapter 7, Signs, of the UCC.
18. The Applicant shall submit verification of all applicable permits or approvals in compliance with all local, state and federal laws to the Community Development Department prior to issuance of building permits.
19. All fees associated with the project planning permits and approvals shall be paid in full prior to occupancy.
20. As outlined in Article 20, Administration and Procedures, of the Zoning Code this planning permit may be revoked through the City's revocation process if the approved project related to this Permit is not being conducted in compliance with these stipulations and conditions of approval; or if the project is not established within two years of the effective date of this approval; or if the established use for which the permit was granted has ceased or has been suspended for 24 consecutive months.

Department of Public Works Conditions

21. All work within the public right-of-way shall be performed by a licensed and properly insured contractor. The contractor shall obtain an encroachment permit for work within this area or otherwise affecting this area. Encroachment permit fee shall be \$45 plus 3% of estimated construction costs
22. All sidewalks and driveway aprons that front the parcel shall be ADA compliant.

Electric Utility Department Conditions

23. This property will be served from existing underground facilities and a 75kva 3-phase Transformer that currently serves the building at 441 N. State Street. Should the project need to upgrade to a larger panel or increase the electric load in the future, please contact the Electric Utility Office.

Draft Conditions of Approval
Major Use Permit and Variance
Element 7 Manufacturing and Retail
441 North State Street
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24. In the event that the existing Electric Main Service Panel's need to be upgraded to a larger size, applicant shall provide projected load calculations for their project to the Electric Utility Department.
25. Developer is to provide EUSERC approved electrical equipment compatible with the City of Ukiah's EUSERC Acceptability Chart.
26. All future site improvements shall be submitted to the Electric Utility Department for review and comment. At that time, specific service requirements, service Voltage and developer costs and requirements will be determined.
27. Developer/customer shall incur all costs of this future project to include (labor, materials, equipment, and future services).

Building Division Conditions

28. Tenant Improvements (TI) will require a building permit. Please submit building permit application, four complete plans sets, two wet stamped and signed.
29. The design and construction of all site alterations shall comply with the 2016 California Building Code, 2016 Plumbing Code, 2016 Electrical Code, 2016 California Mechanical Code, 2016 California Fire Code, 2016 California Energy Code, 2016 Title 24 California Energy Efficiency Standards, 2016 California Green Building Standards Code and City of Ukiah Ordinances and Amendments.

Ukiah Police Department Conditions

Prior to Building Permit Final and for the Duration of the Use:

30. The business permittee shall provide the Police Department with the current name and primary and secondary telephone numbers of at least one 24-hour on-call manager to address and resolve complaints and to respond to operating problems or concerns associated with the business.
31. The business permittee shall provide the City with the current name and primary and secondary telephone numbers of at least one manager to communicate with the surrounding neighborhoods and businesses. The business shall make good faith efforts to encourage neighborhood residents to call this person to solve problems, if any, before any calls or complaints are made to the City or Police Department.
32. The business permittee shall immediately report to the City Police Department all criminal activity occurring on the business site.
33. The business permittee shall only manufacture cannabis in a fully enclosed building and not allow cannabis or cannabis products on the manufacturing site to be visible from the public right of way, the unsecured areas surrounding the building on the site, or the site's main entrance and lobby.
34. Video from the security surveillance cameras must be recording at all times (24 hours a day, seven days a week) and the recording shall be maintained for at least 90 days. In the event of a crime on site or anywhere within range of the dispensary's security cameras, the dispensary shall provide the Chief of Police with a useable digital copy of the security video upon request or at the earliest convenience. Duration of Use: Security system shall be equipped with at least 24 hours of continued operation time in case of power failure.

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35. Electronic “point of sale” age verification system is required which scans and authenticates ID, identifies fake ID’s, records dates and times of transactions, has the ability to create a “banned patron” list.
36. A copy of all applicable state and local licenses or permits shall be submitted to the City prior to issuance of permit and prior to operation. All applicable state and local licenses or permits be displayed in the lobby or waiting area of the main entrance to the building.
37. All perimeter fencing and gates shall be constructed of decorative tubular steel, no climb type. The six foot wrought iron fencing shall be constructed along the eastern top of bank of Gibson Creek, and continuing along the side lot lines to and including the frontage along North Main Street.
38. All solid core exterior doors shall be equipped with a 180 degree viewing device to screen persons before allowing entry.
39. Broken or damaged exterior lighting shall be repaired or replaced within 48 hours of being noted.
40. Report any graffiti to UPD @ 463-6262. After reporting, clean-up/paint over as soon as possible. Spray on graffiti remover can be purchased at hardware supply stores.
41. Property shall be kept free of debris/garbage.
42. Applicant shall install a “Knox Box” to allow Police Department emergency access to the interior and exterior areas of the property after hours.
43. Height markers shall be installed on the interior doorways and front door entrance.
44. Building shall be equipped with UL compliant security system including Video Assessment Surveillance System (VASS), Intrusion Detection System with private security response and emergency panic alarms. Security system must be monitored by UL listed monitoring company and installed via a UL certified installer.
45. Any proposed revisions to the approved Security Plan shall be made in writing and subject to approval.
46. An inspection shall be conducted by the Department in order to confirm compliance with approved Security Plan prior to building permit final.

Ukiah Valley Fire Authority Conditions

47. All exit doors shall be equipped with lighted exit signage and emergency lighting with a battery backup.
48. Main entry door must swing in direction of egress travel “out”.
49. Prior to issuance of building permits, the permit holder shall submit the Fire and Safety Technical Report to the Fire Official for review and approval.
50. New and existing buildings shall have approved address numbers placed in a position to be plainly legible from the street or road fronting the property, CFC 505.1. Address number shall be placed on the South facing exterior and East facing wall at corner of main building. Fire Marshal can verify with contractor.
51. Fire extinguishers shall be required. Fire Marshal can assist with location and number of required extinguishers.

Draft Conditions of Approval
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52. Fire sprinkler system shall be maintained and modified as necessary.
53. Carbon Monoxide cylinders must be secured and restricted from falling. Amount of cylinders shall be verified and properly stored at all times. If stored in a closed room, room must be vented and alarmed.
54. It is highly recommended that all exits be clearly marked. Means of egress shall be illuminated when the building space is occupied, CFC 1008.2
55. Exit signs shall be internally or externally illuminated at all times; signs shall be connected to an emergency power system that provides illumination for not less than 90 minutes in case of primary power loss. CFC 1013.3 & 1013.6.3.
56. In the event of power supply failure, an emergency electrical system shall automatically illuminate the means of egress. CFC 1008.3.
57. A "Knox Box" key security safe shall be required, and mounted on the exterior at a location specified by the Fire Marshal.
58. Emergency contact information shall also be provided to the Fire Department.



City of Ukiah

Planning & Community Development Department

300 Seminary Avenue

Ukiah, CA 95482

Email: planning@cityofukiah.com

Web: www.cityofukiah.com

Phone: (707) 463 -6203

Fax: (707) 463-6204

Planning Permit Application

PROJECT NAME: ELEMENT 7 UKIAH					
PROJECT ADDRESS/CROSS STREETS: 441 NORTH STATE STREET, UKIAH, CA 95482				AP NUMBER(S): 002-186-19-00	
APPLICANT/AUTHORIZED AGENT: ELEMENT 7 UKIAH, LLC		PHONE NO: (424) 285-0088		FAX NO: ROBERT@ELEMENT7.CO	
APPLICANT/AUTHORIZED AGENT ADDRESS: 8033 SUNSET BLVD #987			CITY: HOLLYWOOD		STATE/ZIP: CALIFORNIA 90046
PROPERTY OWNER IF OTHER THAN APPLICANT/AGENT:		PHONE NO:		FAX NO:	
PROPERTY OWNER ADDRESS IF OTHER THAN APPLICANT		CITY:		STATE/ZIP:	
HAS YOUR PROJECT RECEIVED A PRELIMINARY REVIEW? ☐ YES ☒ NO					
☐ AIRPORT LAND USE COMM. DETERMINATION 100.0800.611.003	\$	☐ REZONING 100.0800.611.001	\$	☐ USE PERMIT – AMENDMENT 100.0400.449.001	\$
☐ ANNEXATION 100.0800.611.001	\$	☐ REZONING – PLANNED DISTRICT 100.0800.611.001	\$	☒ USE PERMIT – MAJOR 100.0400.449.001	\$
☐ APPEAL 100.0400.449.001	\$	☐ SITE DEVELOPMENT PERMIT – AMENDMENT 100.0400.449.001	\$	☐ USE PERMIT – MINOR 100.0400.449.001	\$
☐ BOUNDARY LINE ADJUSTMENT 100.0800.610.001	\$	☐ SITE DEVELOPMENT PERMIT – MAJOR 100.0400.449.001	\$	☐ VARIANCE – MAJOR 100.0400.449.001	\$
☐ GENERAL PLAN AMENDMENT 100.0800.611.001	\$	☐ SITE DEVELOPMENT PERMIT – MINOR 100.0400.449.001	\$	☐ VARIANCE – MINOR 100.0400.449.001	\$
☐ MURAL PERMIT 100.0400.449.001	\$	☐ SPECIFIC/MASTER PLAN 100.0800.611.003	\$	☐ ZONING AMENDMENT – MAP 100.0800.611.001	\$
☐ PRELIMINARY REVIEW (PC) 100.0800.611.003	\$	☐ SUBDIVISION EXCEPTION 100.0800.610.001	\$	☐ ZONING AMENDMENT– TEXT 100.0800.611.001	\$
☐ PRELIMINARY REVIEW (PRC) 100.0800.611.003	\$	☐ TENTATIVE PARCEL MAP (4 OR FEWER LOTS) 100.0800.610.001	\$	☐ OTHER	\$
☐ PRELIMINARY REVIEW (STAFF) 100.0800.611.003	\$	☐ TENTATIVE SUBDIVISION MAP (5 OR MORE LOTS) 100.0800.610.001	\$	☐ OTHER	\$
COUNTY CEQA FILING FEE: CHECK PAYABLE TO MENDOCINO CO.	\$	MAJOR PERMIT DEPOSIT:	\$	FILING DATE:	
COUNTY CEQA (NEG DEC) FEE: CHECK PAYABLE TO MENDOCINO CO.	\$	MINOR PERMIT FEE:	\$	TOTAL AMOUNT PAID: \$	
COUNTY CEQA (EIR) FEE: CHECK PAYABLE TO MENDOCINO CO.	\$	TOTAL FEE:	\$	RECEIPT NUMBER:	
APPLICATION NUMBER(S):					

Recommendation: Prior to submitting an application, discuss your project with Staff to discover what fees (sewer, water, in-lieu park fees, traffic impact fees, etc.) may be required for your project. Also, ask about street tree requirements, required sidewalk repairs, drainage issues, storm water mitigation requirements, frontage improvements, etc.

Project Description

The purpose of the project description is to assist Staff in understanding the project. Providing complete information will help expedite the project review process and in determining what additional information, if any, related to the project and required environmental review is required.

Environmental Review and Reports

Please be aware that projects are required to comply with the California Environmental Quality Act (CEQA). Projects will be reviewed by Staff for compliance with CEQA and Staff will determine the appropriate CEQA document to prepare for the project (exemption, negative declaration, etc.). In order to make this determination, specific reports (traffic, arborist, soils, etc.) and or additional information may be required.

Use Information

Please provide the following information related to the use of the site and building:

Description of Building & Site			
Parcel Size: 8,276 Sq. Ft.	Building Size: 1,872 Sq. Ft.	Number of Floors: 2	
Use of Building (check all that apply)	Description	Square Footage	Number of Units/Suites
☐ Office (business/professional)			
☐ Office (medical/dental)			
☒ Retail	Retail	1,872	2
☒ Light Industrial	Nonvolatile Manufacturing	1,872	2
☐ Residential			
☐ Other:			
Operating Characteristics			
Days and Hours of Operation: RETAIL (Sunday - Saturday; 9am - 9pm); MANUFACTURING (Sunday - Saturday; 8am - 8pm)			
Number of Shifts: 3	Days and Hours of Shifts: Sunday - Saturday (8am-1pm; 12pm-4pm; 3pm-5pm)		
Number of Employees/Shift: RETAIL - 5 EMPLOYEES PER SHIFT; MANUFACTURING - 5 EMPLOYEES PER SHIFT			
Loading Facilities: ☐ Yes ☒ No	Type/Vehicle Size:		
Deliveries: ☒ Yes ☐ No	Type: Goods & Supplies	Number (day/week/month): 20-30 per day	Time(s) of Day: 8am - 1pm
Outdoor areas associated with use? (check all that apply) ☐ Yes ☒ No	Sales area: ☒ Yes ☐ No Square Footage: 1,872	Unloading of deliveries: ☒ Yes ☐ No Square Footage: 288	Storage: ☒ Yes ☐ No Square Footage: 800
Noise Generating Use? ☒ Yes ☐ No	Description: Manufacturing/Pre-roll equipment		

To Be Completed by Staff

General Plan Designation:	Zoning District:	Airport Land Use Designation:
City's Architectural & Historic Inventory: ☐ YES ☐ NO	Age of Building:	Demolition Policy:
Hillside: ☐ YES ☐ NO	Flood Designation FIRM Map:	Flood Designation Floodway Map:
Tree Policies		
General Plan Open Space Conservation ☐ NO ☐ YES GOAL/POLICY #:	Community Forest Management Plan ☐ NO ☐ YES GOAL/POLICY #:	
Landscaping and Streetscape Design Guidelines ☐ NO ☐ YES GUIDELINE #:	Commercial Development Design Guidelines ☐ NO ☐ YES GUIDELINE #:	
Tree Protection and Enhancement Policy ☐ NO ☐ YES NOTES:	Tree Planting and Maintenance Policy ☐ NO ☐ YES NOTES:	
UCC: Street Tree Policy, Purpose and Intent ☐ NO ☐ YES NOTES:	Other:	
Notes		

I, ROBERT MARTIN DIVITO JR, owner authorize AMBER NORWOOD
to act on my behalf for this project and I have read and agree with all of the above. (Application must be signed by owner).



PROPERTY OWNER SIGNATURE **DATE**
3/26/2019

I, ROBERT MARTIN DIVITO JR, am the ☒ owner / ☐ authorized agent of the property for which the development is proposed. The above information and attached documents are true and accurate to the best of my knowledge.
I have read and agree with all of the above.

I hereby authorize employees of the City of Ukiah, the City's authorized agents, and persons with review or decision making authority for the project to enter upon the subject property, as necessary, to inspect the premises, post notices, and process this application.

I understand that conditions of approval may be placed on my project by the city of Ukiah and it is my responsibility to fully understand the conditions and ask questions about them before action is taken on my planning permit.



☒ **OWNER** / ☐ **AUTHORIZED AGENT** **DATE**
3/26/2019

INDEMNIFICATION AGREEMENT

As part of this application, the applicant agrees to defend, indemnify, and hold harmless the City of Ukiah, its agents, officers, council members, employees, boards, commissions or Council from any claim, action or proceeding brought against any of the foregoing individuals or entities, the purpose of which is to attack, set aside, void, or annul any approval of the application or related decision, or the adoption or certification of any environmental documents or negative declaration which relates to its approval. This indemnification shall include, but is not limited to, all damages, costs, expenses, attorney fees or expert witness fees that may be awarded to the prevailing party arising out of it or in connection with the approval of the application or related decision, whether or not there is concurrent, passive, or active negligence on the part of the City, its agents, officers, council members, employees, boards, commissions of Council. If for any reason, any portion of this indemnification agreement is held to be void or unenforceable by a court of competent jurisdiction, the remainder of the agreement shall remain in full force and effect.

The City of Ukiah shall have the right to appear and defend its interests in any action through its City Attorney or outside counsel. The applicant shall not be required to reimburse the City for attorney's fees incurred by the City Attorney of the City's outside counsel if the City chooses to appear and defend itself in the litigation.

I have read and agree to all of the above.

ROBERT MARTIN DIVITO JR, CEO OF ELEMENT 7 UKIAH, LLC

☒ **PROPERTY OWNER** / ☐ **AUTHORIZED AGENT**

(PLEASE PRINT NAME)



☒ **PROPERTY OWNER** / ☐ **AUTHORIZED AGENT** **DATE**
(SIGNATURE) 3/26/2019

ELEMENT 7 UKIAH LLC

PROPOSED PROPERTY DEVELOPMENT

441 N. Street, Ukiah, CA 95482

Attachment 3b



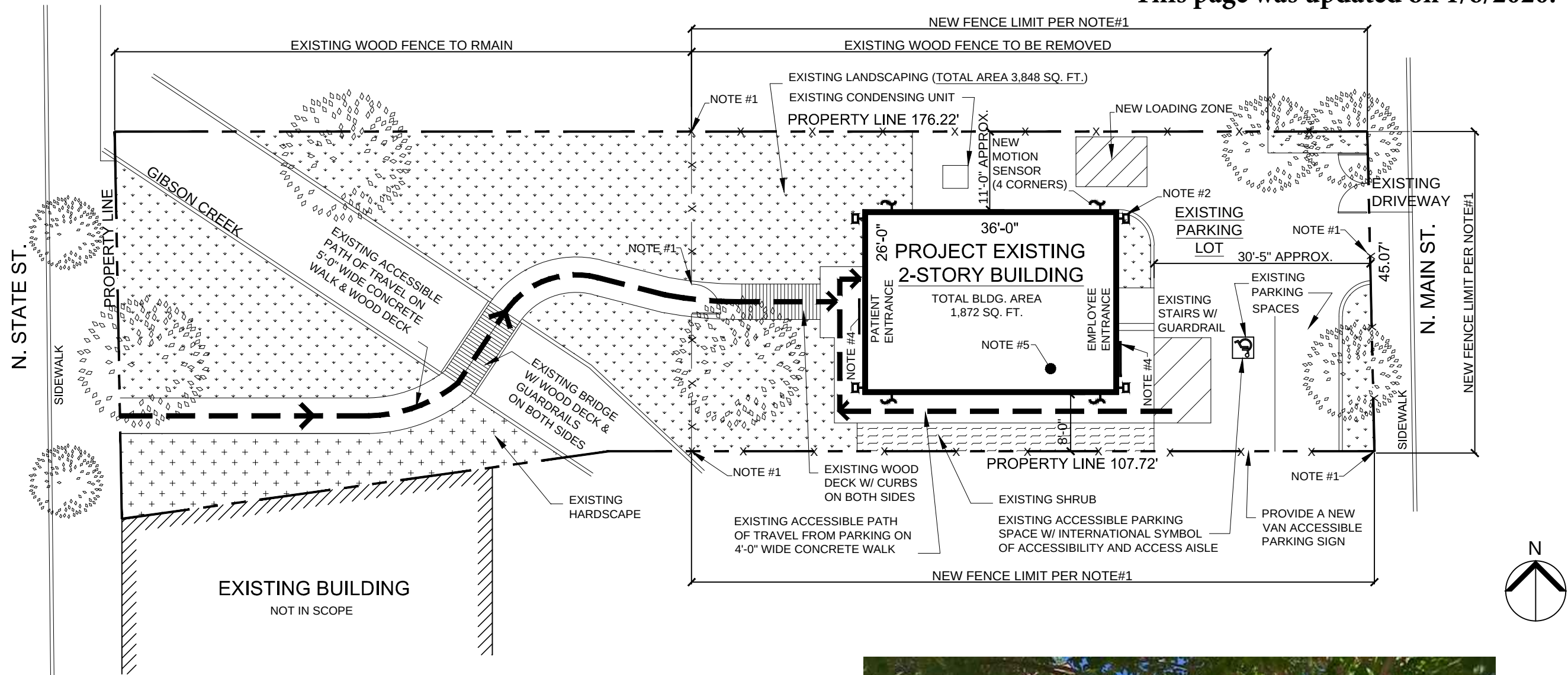
GOVERNING CODE	VICINITY MAP	SATELLITE VIEW
This project shall comply with the followings including local amendments: 2016 California Building Code (CBC) 2016 California Existing Building Code 2016 California Fire Code (CFC) 2016 California Mechanical Code (CMC) 2016 California Plumbing Code (CPC) 2016 California Electrical Code (CEC) 2016 California Green Building Standards Code (CGBS) 2016 California Energy Code The City Code w/ Local Amendments (Latest Edition)		
CODE ANALYSIS	PROPERTY INFORMATION	SCOPE OF WORK
PROPOSED MIXED OCCUPANCY W/ NO FIRE SEPARATION: USE GROUP-M, MERCANTILE RETAIL (MEDICAL MARIJUANA DISPENSARY) 2ND FLOOR PACKAGING USE GROUP F-1 MODERATE HAZARD OCCUPANT LOAD FACTOR REQUIRED & PROPOSED GRADE FLOOR: 60 SQ. FT. GROSS PER PERSON 300 SQ. FT. GROSS PER PERSON FOR STORAGE, STOCK, SHIPPING	APN / PARCEL ID: 002-186-19-0 ZONE: C1 EXISTING PROPERTY TYPE: B - OCCUPANCY PROFESSIONAL OFFICE EXISTING PROPERTY CONDITION: CLASS - C TYPE CONSTRUCTION TYPE: V-B (WOOD) NO FIRE SPRINKLERS #STORIES: 2 UNITS: ONE FREESTANDING BUILDING YEAR BUILT: 2003 EXISTING TOTAL BUILDING RENTAL AREA: 1,872 SQ. FT. EXISTING 1ST FLOOR W/ FRONT PORCH AREA: 996 SQ. FT. LOT SIZE: 8,276 SQ. FT. (0.19 ACRES) LOT COVERAGE: 996 / 8,276 = 12 %	CHANGING INTERIOR LAYOUT OF AN EXISTING 2-STORY BUILDING TO ACCOMMODATE A NEW RETAIL OCCUPANCY OF MEDICAL MARIJUANA DISPENSARY INCLUDING PACKING SHEET INDEX *A00 COVER SHEET *A01 EXISTING & PROPOSED SITE PLAN *A02 EXISTING & PROPOSED FLOOR PLANS *A03 EXISTING & PROPOSED CEILING & SECURITY PLANS

Proposed Property Development
441 N. State St., Ukiah, CA 95482

COVER SHEET

PROJECT		SHEET TITLE	
REVISION / ISSUE			
LICENSE APPLICATION RESUBMITTAL			
DATE	09/12/19		
NO.			
PROJECT NO.			
DATE			
		09/12/19	
SCALE			
SHEET NO.			

A00



PLAN NOTES:

THE FOLLOWING NOTES ARE PER APPROVED SECURITY PLAN DATED 7-31-19 BY THE CITY OF UKIAH. ALSO, MORE INFORMATION IS ADDED;

- 1. PROVIDE 6'-0" HIGH BLACK WROUGHT IRON FENCING AROUND THE PROPERTY LINES WITH ELECTRONIC CONTROLLED SECURITY GATES AT DRIVEWAY FACING MAIN STREET AND LOOP AROUND BEFORE CREEK W/ MAN DOOR FACING STATE STREET. SECURITY GATES TO REMAIN LOCKED DURING LOADING/UNLOADING OF CANNABIS AND CANNABIS GOODS.
- 2. NEW SECURITY FLOOD LIGHT AT 4 BUILDING CORNERS; EXTERIOR GRADE FLOOD LED LIGHT, LITHONIA MODEL, CONTOUR SERIES, OUTDOOR TFL APPROX. 10'-0" AFF @ 45-DEGREE ANGLE
- 3. SEE SHEET A03 FOR ADDITIONAL EXTERIOR BUILDING LIGHTING.
- 4. PROVIDE NEW WALL SIGNS FACING MAIN AND STATE STREETS. (DEFERRED SUBMITTAL).
- 5. CANNABIS TRASH IS LOCATED INSIDE THE BUILDING IN SECURED AREA.

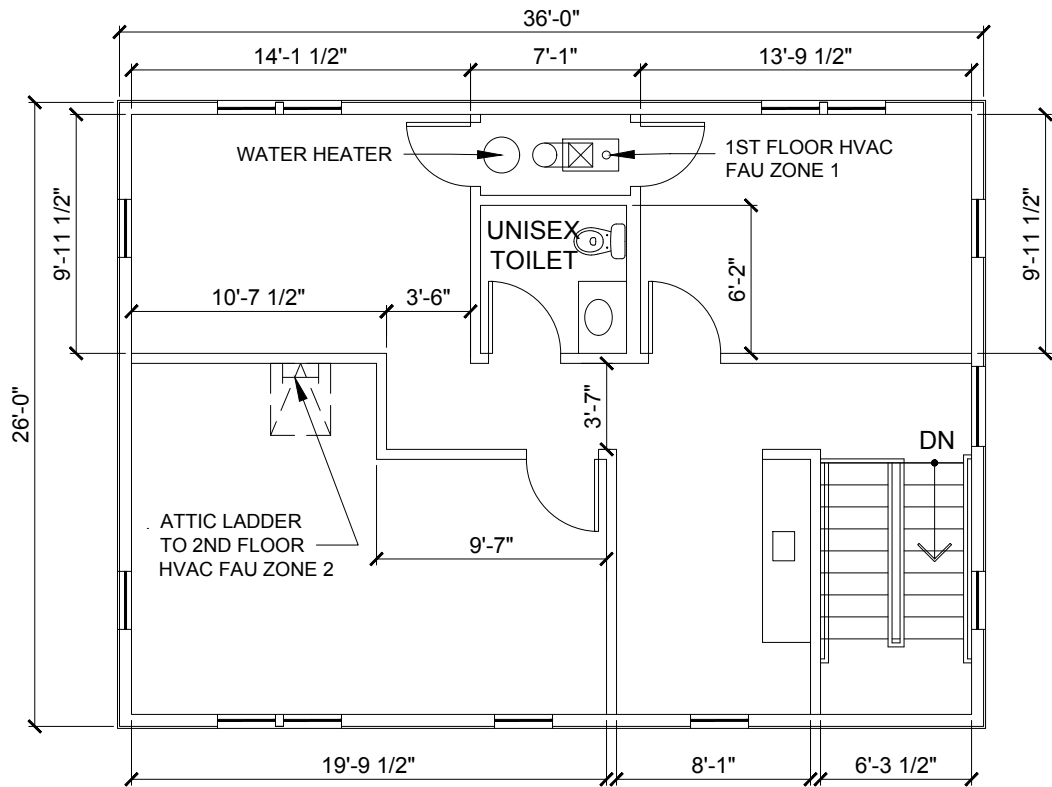


Proposed Property Development
441 N. State St., Ukiah, CA 95482
EXISTING & PROPOSED
SITE PLAN

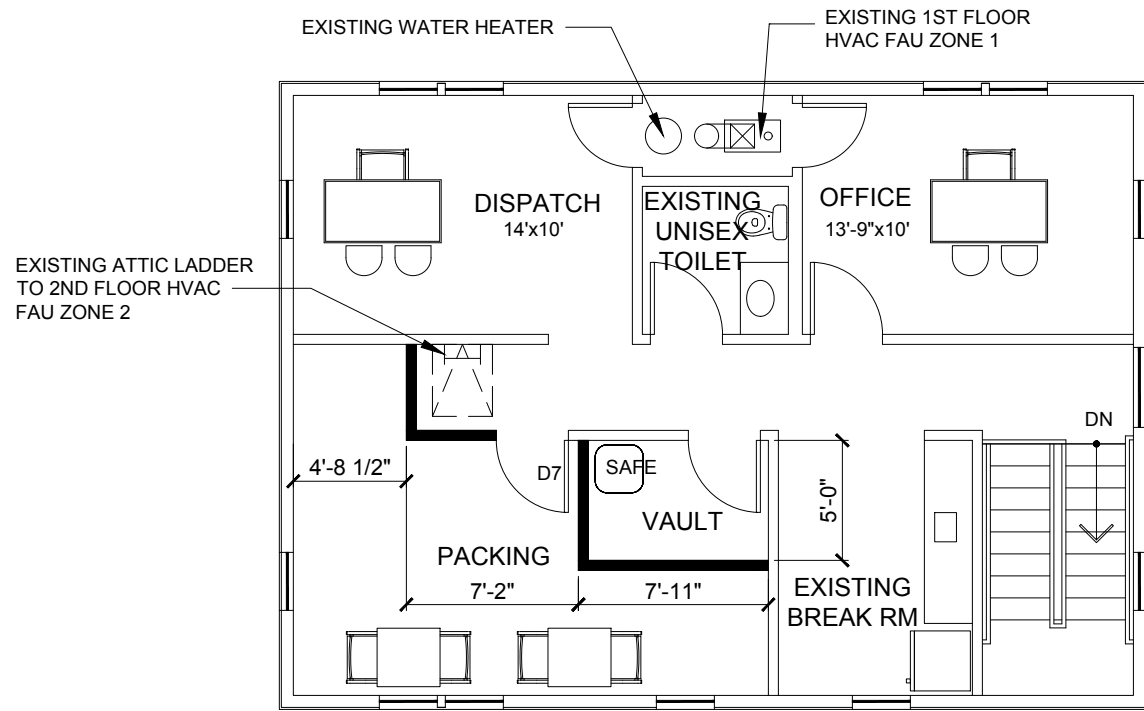
PROJECT		REVISION / ISSUE		DATE		NO.		PROJECT NO.		DATE		SCALE		SHEET SIZE		SHEET NO.	
PROJECT TITLE	SHEET TITLE	LICENSE APPLICATION RESUBMITTAL		11/05/19		11/25/19		12/04/19		12/04/19		1/16"=1'-0"		11X17			

A01

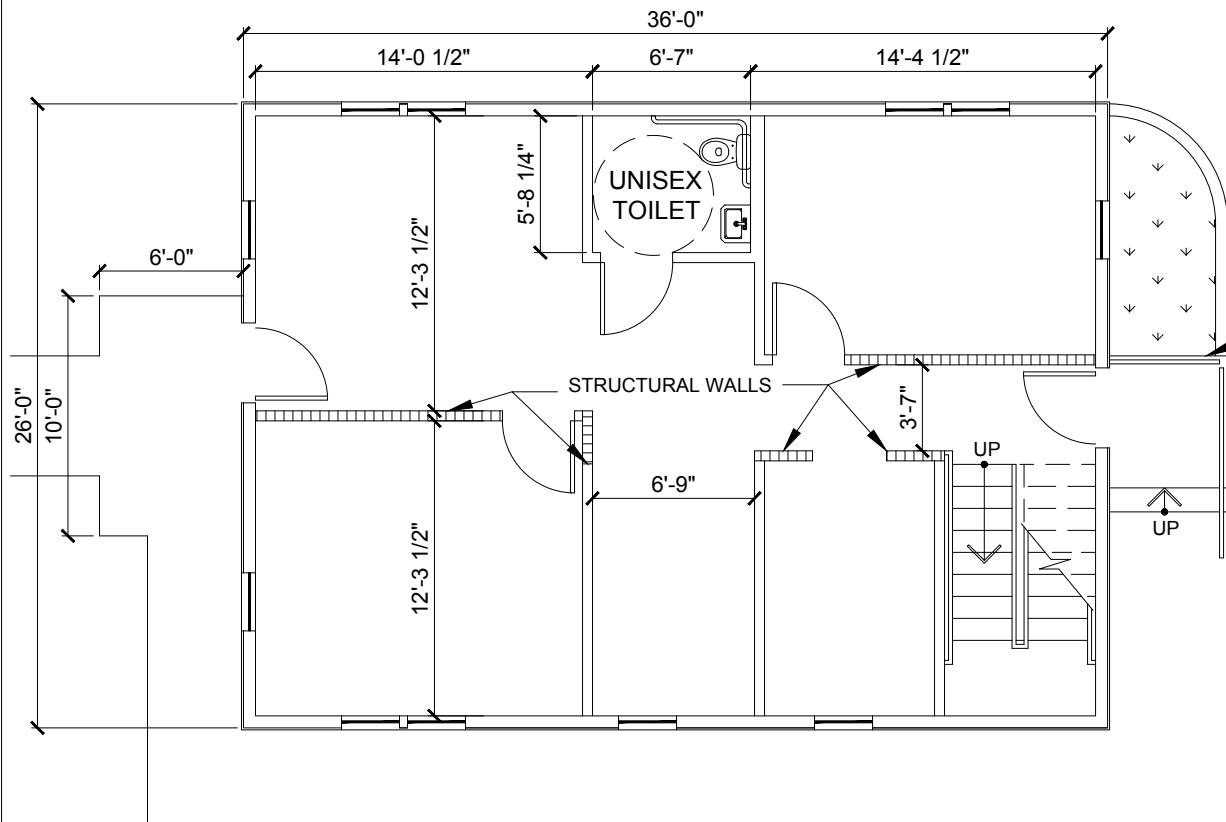
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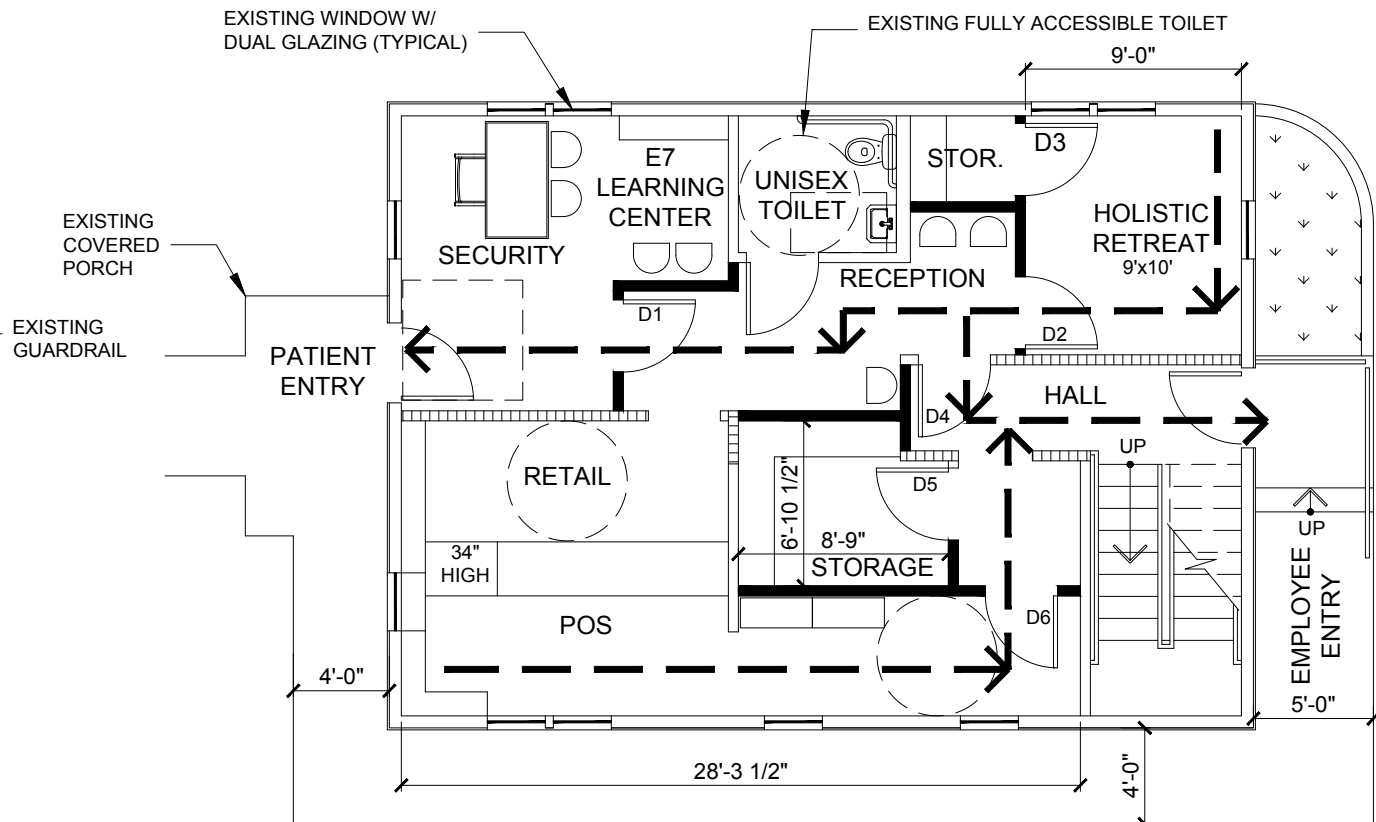
EXISTING 2ND FLOOR PLAN



PROPOSED 2ND FLOOR PLAN

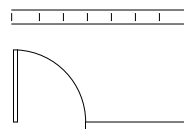


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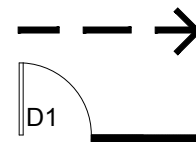
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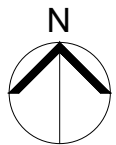
EXISTING 2X4 STUD STRUCTURAL WALL

EXISTING WALL & DOOR

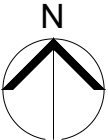
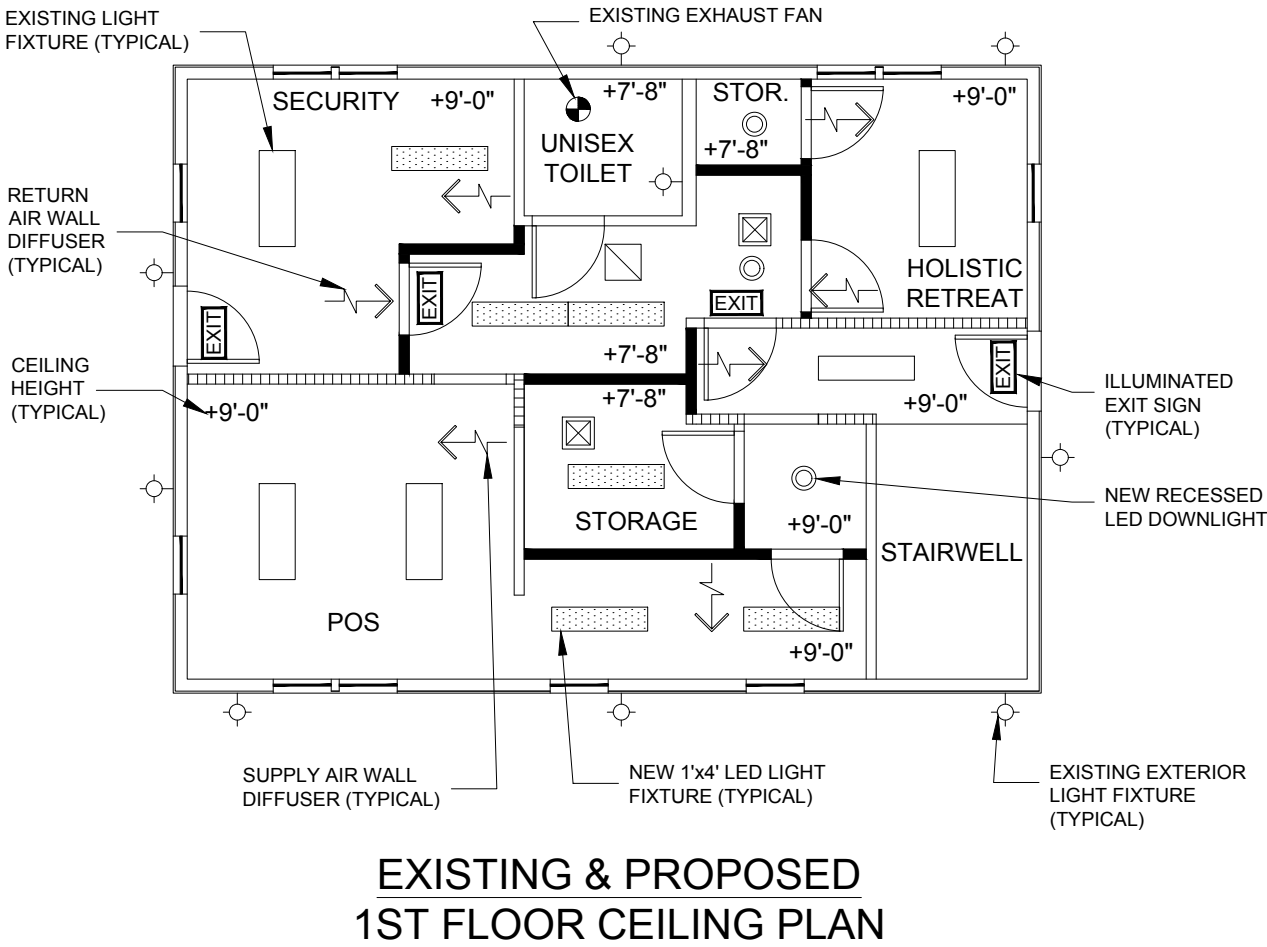
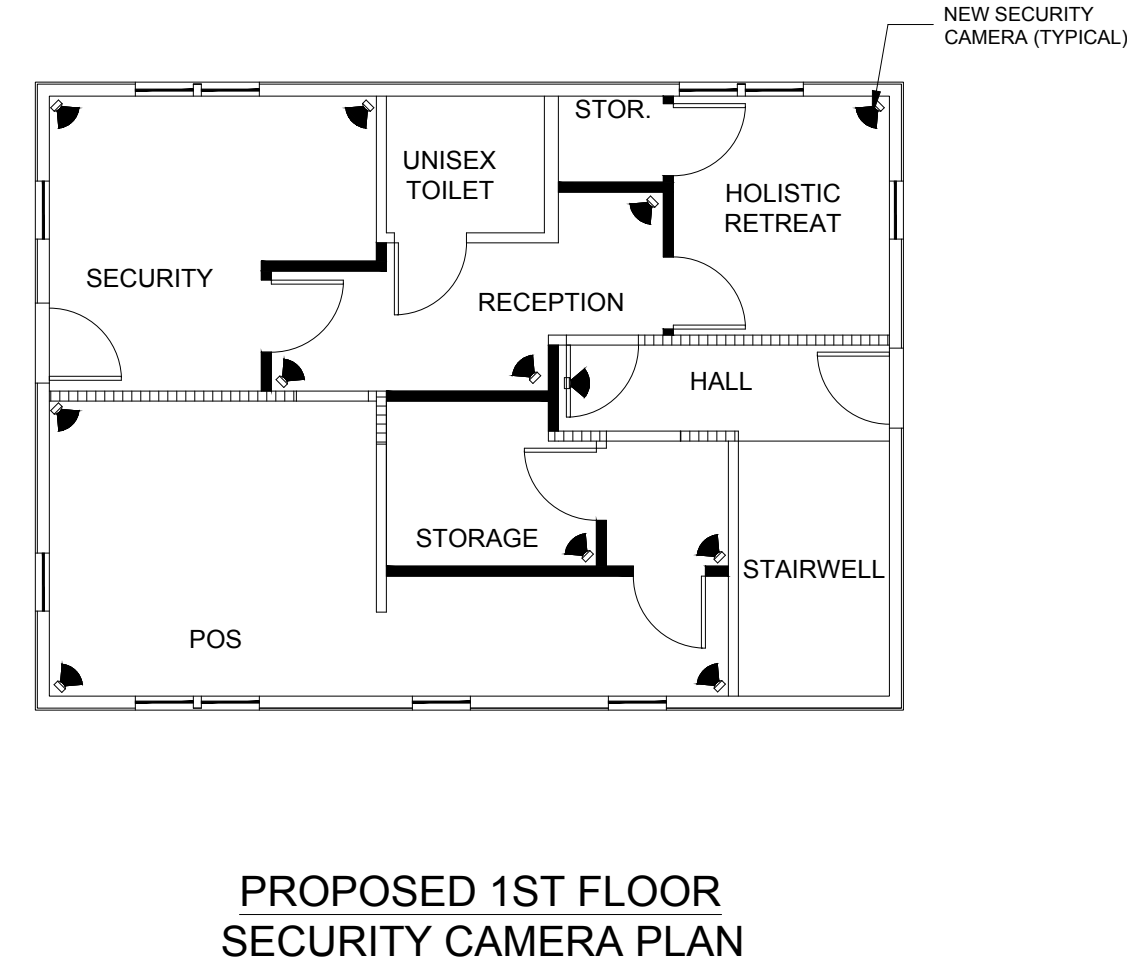
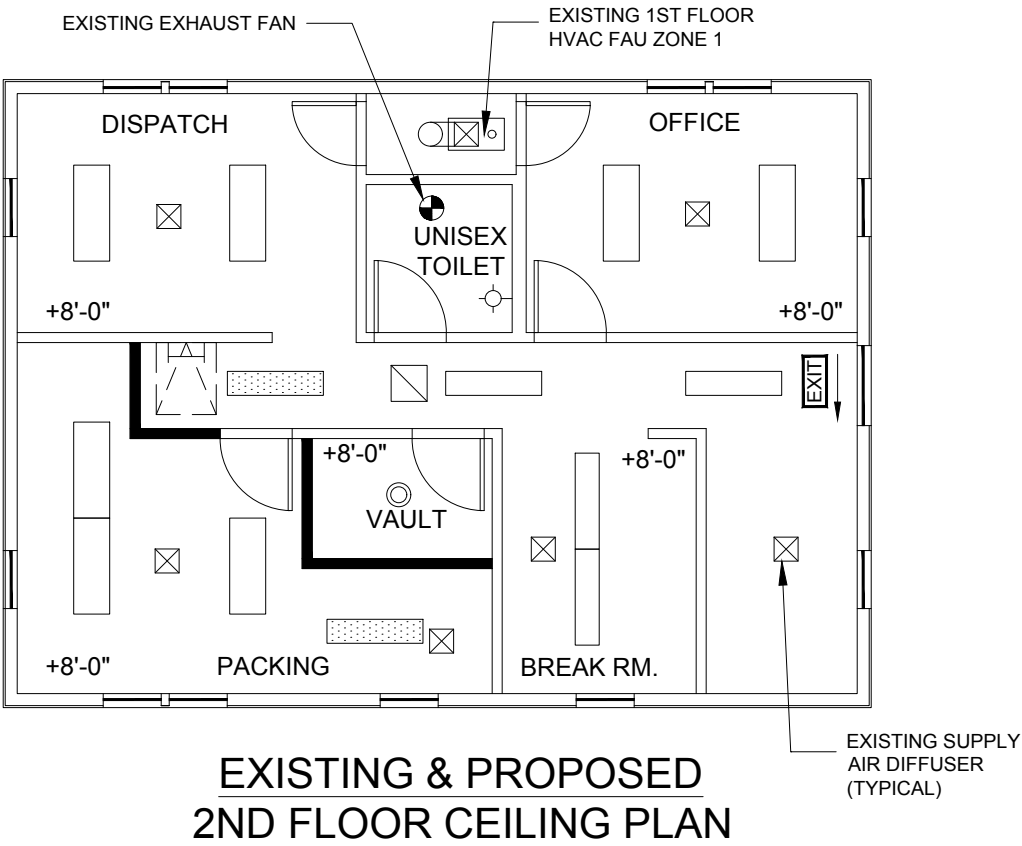
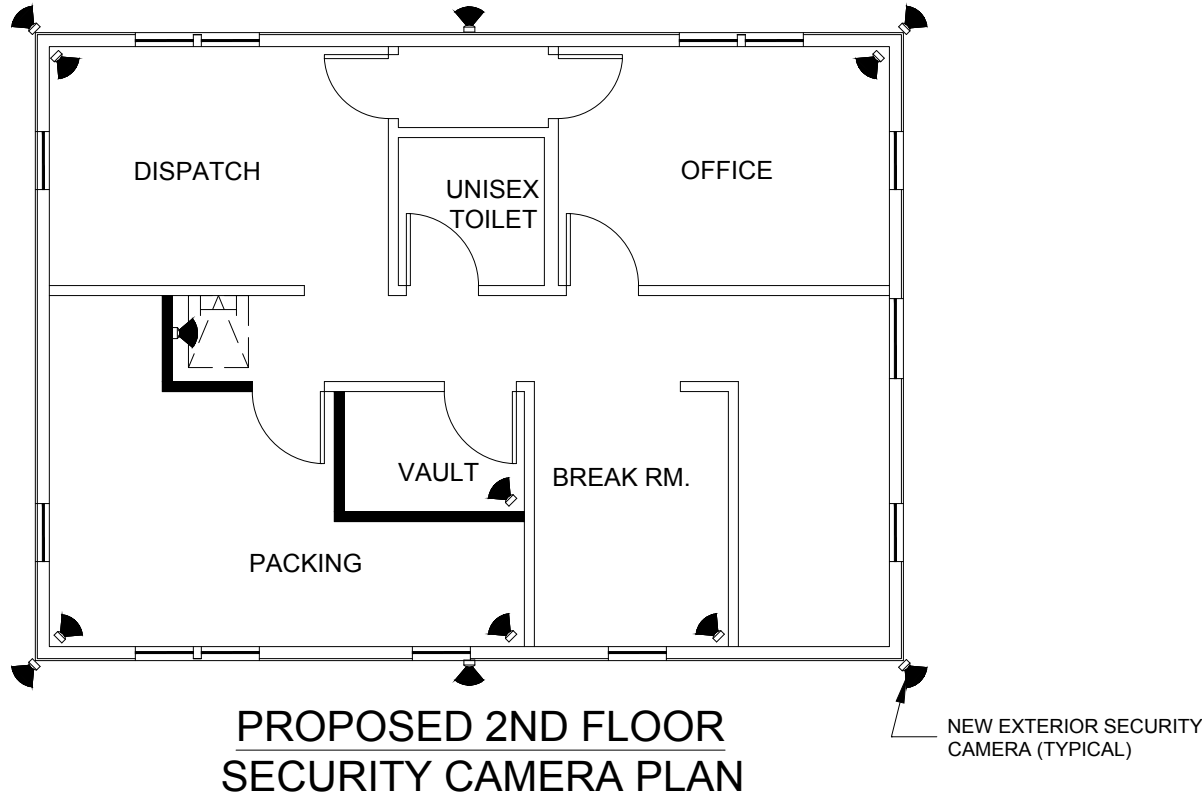


ACCESSIBLE PATH OF TRAVEL TO EXIT FROM THE MOST REMOTE POINT

NEW 2X4 STUD WALL 16" O.C. W/ 5/8" GYPSUM & ACCESSIBLE SOLID WOOD DOOR / FRAME / LEVER HARDWARE / CLOSER



PROJECT		SHEET TITLE	
REVISION / ISSUE	LICENSE APPLICATION RESUBMITTAL		
DATE	09/12/19		
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PROJECT NO.			
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COMMERCIAL CANNABIS
LICENSE APPLICATION
CITY OF UKIAH

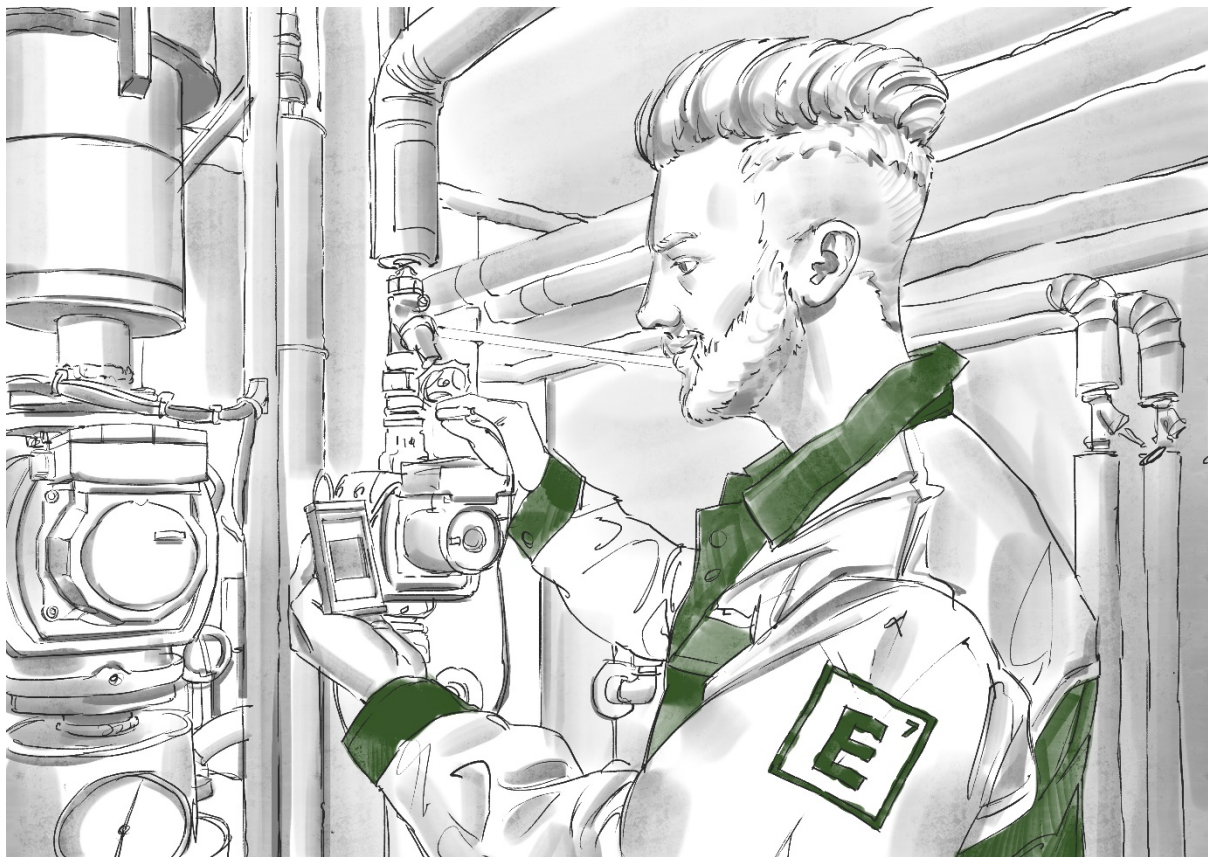
Attachment 3c

CANNABIS DISPENSARY &
MANUFACTURING M-TYPE (MEDICAL) AND
A-TYPE (ADULT-USE) LICENSES

ELEMENT 7 UKIAH LLC
www.element7.co



ODOR MANAGEMENT AND CONTROL PLAN



Introduction

We will take active measures to eliminate any cannabis odor that may potentially emanate from the Facility to mitigate disturbances to local businesses and residents.

There are several industry best-practices that we will install into our Facility to ensure that the air poses zero health risks to any employee or customer, or the surrounding businesses.

POLICY NAME	AIR MITIGATION / ODOR CONTROL POLICY
APPLICABLE LAW	Element 7 officers, management, and staff will adhere to both local and state laws and regulations as it relates to running a compliant facility in the City of Ukiah.
POLICY OBJECTIVE	To ensure that the Element 7 facility remains in compliance with the City of Ukiah rules and regulations, as it relates to preventing odors generated from cannabis or cannabis products being detected from outside of the facility.
ELEMENT 7 CORE VALUE	"Make Compliance an Advantage"
SOP PROCEDURES	Air Mitigation / Odor Control Policy - Polarized Filters with Activated Carbon Inserts - Carbon Scrubbers - Ozone Generators - Electrostatic Air Cleaners



SOP PROCEDURES (CONTINUED)	- MERV-13 Filters - Air Curtains - Circulation Fans - Air Quality Enhancing Plants - Ecosorb CNB100 - Odor Management Services - Summary
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Polarized Filters with Activated Carbon Inserts

We will be using polarized media filters with activated carbon insert pads to provide a medical-grade air quality to the Facility. Polarized media filters utilize electromagnetic polarization to maximize the collection of dust and pollutants in the air, which increases the effectiveness of air filtration and odor control. The carbon pads provide an additional layer of odor removal, providing maximum efficiency and benefit. Upgrading filters are relatively inexpensive, and the costs are heavily offset by the reduced labor and cost of replacing those filters less frequently. These technologies are utilized by hospitals, laboratories and other clean facilities around the world and are an excellent option for cannabis facilities.

Carbon Scrubbers

We will use activated carbon scrubbers in the storage rooms where the highest concentration of products is located. These types of filters use pelletized granule carbon to remove odor, dust, and pollutants from the air and can be used as a standing unit in a space or as an exhaust filter. Just like the carbon in the air filters mentioned previously, these pellets remove dust, odor, and other pollutants through the air as it passes through the filter.

Ozone Generators

Ozone generators use ultraviolet bulbs or corona discharge (an electrical discharge) to produce ozone gas that works on a molecular level to eliminate virtually all odor, molds, mildews and bacteria – we will use these in the waste area and storage room. Ozone can be used safely and efficiently by utilizing generators that fit directly into your exhaust lines. This is one of the most effective methods for removing odors in the exhaust system.

Any air that is emitted from the dispensary is dual-filtered through HEPA and charcoal filters to ensure clean, odor-free air.

Strict cleaning and sanitizing procedures are part of the standard operating procedures for all operations in the Dispensary Facility. Product-contact surfaces will be cleaned before and after operations and between shift changes. Additionally, surfaces are cleaned after contact with potentially hazardous items. Employees must wash their hands with warm water and antibacterial soap after eating or using the restroom before returning to operational areas.

Operational areas will be easy to clean and maintain by using appropriate, durable finishes for each functional space; careful detailing of finishes to avoid hard-to-clean crevices; adequate and appropriately located maintenance spaces; and incorporation of antimicrobial surfaces.



Electrostatic Air Cleaners

Electrostatic air cleaners (sometimes known as electrostatic precipitators) are highly efficient filtration devices that use electrostatic attraction to remove fine particulate matter such as dust and cigarette smoke from the air.

Electrostatic air cleaners ionize (or electrically charge) particles as incoming air is drawn over an electronic cell. The charged particles are then attracted to and trapped by a series of flat collector plates that are oppositely charged, with the particles literally 'sticking' to the collection plates until they are manually removed.

MERV-13 Filters

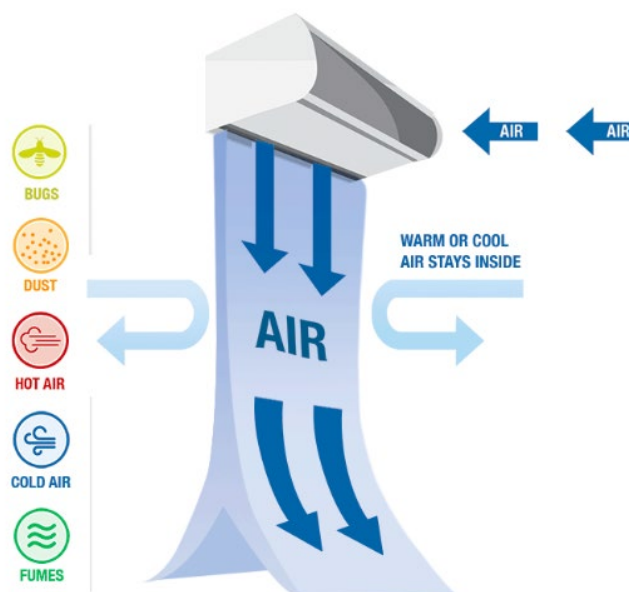
The true measure of any air purifier's efficiency is the MERV rating assigned to it. This is the Minimum Efficiency Reporting Value, and this value is indicative of the technology's ability to trap particles in a variety of sizes.

Element 7 will use MERV-13 Filters. Anything above a 13 MERV Rating is considered to be a High-Efficiency Particulate Arrestance (HEPA) Filter, often used for hospitals and scientific research lab applications.

A filter with a MERV rating of 13 captures particles greater than 0.3 micrometers. This includes bacteria, droplets from sneezing, smoke, and most other sources of pollution. This level of filtration is used in patient and surgery areas of hospitals.

Air Curtains

An air curtain, also known as an 'air door', employs a controlled stream of air aimed across an opening to create an air seal. This seal separates different environments while allowing a smooth, uninterrupted flow of traffic and unobstructed vision through the opening. Because air curtains help to contain heated or conditioned air, they provide sizable energy savings and increased personal comfort when applied in industrial or commercial settings. Air curtains also help to stop the infiltration of pollutants and flying insects.



Air Curtains are used for a number of functions by Element 7:



- Energy efficiencies through control of air transfer
- Energy efficiencies due to shorter run times of air handler or compressor
- Maintain employee/customer comfort
- Reduce flying insect infiltration
- Unhindered traffic flow
- Unobstructed visibility across the threshold
- Increase productivity due to stable temperatures
- Maintain usable space around the door
- Elimination of ice and fog in cold storage areas

Circulation Fans

Air circulators and air cannons move air indoor and outdoors for a variety of tasks, such as cooling workers, animals, and equipment, drying surfaces, and exchanging stale air with fresh air. They have a motor-operated fan blade that turns to move air. Air circulator fans and air cannons can be wall mounted, ceiling mounted, or floor standing.

Air Quality Enhancing Plants

NASA has been studying the effects of plants on air quality for about twenty-years and their research confirms: common houseplants are natural air purifiers.

While the original research was aimed at finding ways to purify the air for extended stays in orbiting space stations, the findings are important for us on Earth as well. The following plants are documented as being especially good at improving indoor air quality and will be used within the interior design of Element 7's facilities:

- Aloe Vera
- Bamboo Palm
- Peace Lily
- Spider Plant
- Parlor Palm
- Red Emerald Philodendron
- Gerbera Daisy

Ecosorb CNB100

Element 7 will use Ecosorb CNB100, a proprietary formulation of several essential oils and food grade surfactants used as an alternative in many applications to the traditional forms of odor control. It is most often applied via atomization where it attracts whatever is in the atmosphere, removing odors quickly. In the cannabis industry, Ecosorb CNB100 will remove all cannabinoids, terpenes and sesquiterpenes.

Ecosorb products do not contain harsh chemicals or synthetic fragrances. They are safe for use around people and animals. The distribution of Ecosorb requires no added water, thanks to advanced Vapor Phase technology.

Odor Management Services

Element 7 will retain the services of a 3rd party pest and odor management professional. This professional will perform inspections to identify sanitation, structural, and storage efficiency options and make recommendations to Element 7 for any adjustments or improvements.



Summary

Early planning is the key to effective odor control for cannabis operations. Element 7 will use a matrix approach to controlling odor - leveraging both mechanical means to control odors, as well as filters, scrubbers, plant-based solutions, air curtains, food grade surfactants and professional third-party consultants.



PROJECT DESCRIPTION

LIST OF USES – LICENSE APPLICATION TYPES

A detailed description, along with Standard Operating Procedures for each license type that Element 7 is applying for precedes this section. Element 7 is applying for the following Licenses from the City of Ukiah:

- **A-Type 10 – Retail (Storefront with Delivery)**
- **M-Type 10 – Retail (Storefront with Delivery)**
- **A-Type 6 – Manufacturer (Nonvolatile)**
- **M-Type 6 – Manufacturer (Nonvolatile)**

*At the time of our initial application submittal, the City only offered Medical Use Licenses which is why our materials focus on “patient” and “primary caregiver” language. We have now been informed that the City will now allow Adult-Use, as such we intend to pursue both Medical and Adult-Use license types in the City of Ukiah.



ADHERENCE TO STATE AND CITY POLICIES AND DIRECTIVES

This Document and all Standard Operating Procedures adopted by Element 7 Ukiah LLC will conform to the following pieces of legislation, policy and other directives:

- **MAUCRSA – Medical Cannabis Regulation and Safety Act (June 27, 2017):** This Act (also known as Senate Bill 94) creates the general framework for the regulation of commercial medicinal cannabis in California. Dr. An-Chi Tsou on our team is one of the principal policy makers on this document.
- **State of California Regulations (January 2019):** The Office of Administrative Law (OAL) officially approved state regulations for cannabis businesses across the supply chain. Drafted by the Bureau of Cannabis Control (BCC), these final regulations provide the formal law for the governance and management of cannabis operations in the State of California.
- **Ukiah City Code**
- **Any directives and issuances from California's three cannabis governing bodies - Bureau of Cannabis Control (BCC), Department of Food & Agriculture (CDFA) and California Department of Public Health, including:**

Bureau of Cannabis Control Guidance

- BCC Disciplinary Guidelines
- Transportation Procedures (Form BCC-LIC-015)
- Non-Laboratory Quality Control Procedures (Form BCC-LIC-017)
- Security Procedures (Form BCC-LIC-018)
- Delivery Procedures (Form BCC-LIC-020)
- Sampling Procedures (Form BCC-LIC-021)
- Sampling Preparation Procedures (Form BCC-LIC-022)
- Data Package Cover Page and Checklist (Form BCC-LIC-024)
- CEQA Exemption Petition (Form BCC-LIC-025)
- CEQA Project-Specific Information (Form BCC-LIC-026)
- Bureau Notification and Request (Form BCC-LIC-027)
- Poison Prevention Packaging Act of 1970 Regulations (Revised July, 1995)

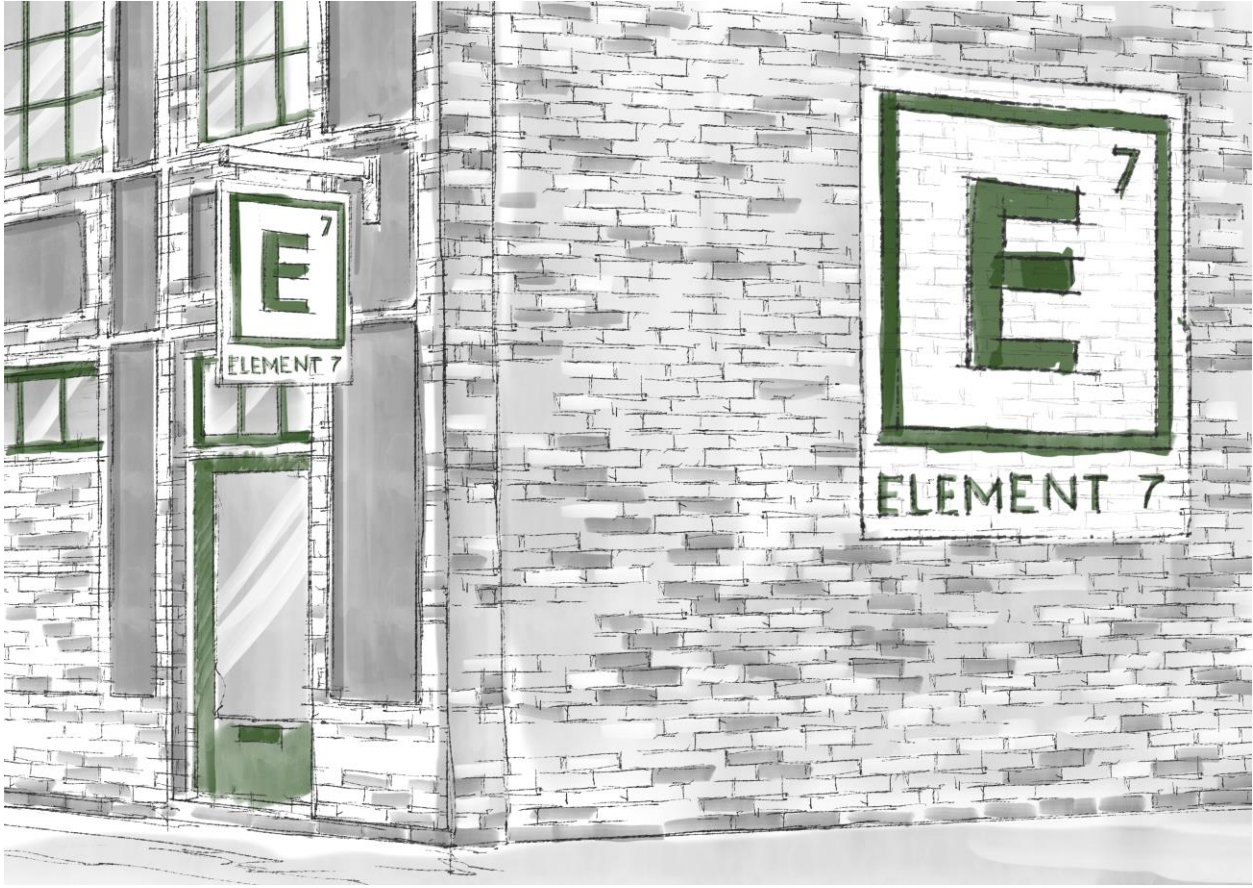
California Department of Food and Agriculture Approved Regulations

- Final Approved Regulation Text (January 16, 2019)

California Department of Health Approved Regulations

- Approved CDPH Regulations for Cannabis





COMMERCIAL CANNABIS LICENSE APPLICATION CITY OF UKIAH

CANNABIS DISPENSARY &
MANUFACTURING M-TYPE (MEDICAL) AND
A-TYPE (ADULT-USE) LICENSES

ELEMENT 7 UKIAH LLC
www.element7.co



DISPENSARY OPERATING PLAN



Introduction

Element 7 is seeking approval to operate a Medical and Adult-Use Cannabis Dispensary (with Delivery) in Ukiah that will service approximately 100 patients and customers a day.

We Deliver a Unique and Fresh Retail Concept

Element 7 is holistic wellness. Cannabis consumers are looking for a more holistic healing, health, and wellness brand that focuses on the body, mind, soul, and spirit.

When a patron enters the facility, they will be held in the **E7 Learning Center and Reception Area** which has a security door controlling entry into the Retail area. Once a patron has been checked-in, he/she will be allowed entrance into the Retail Area in which they will be met by an Element 7 Budtender who will assist the patron throughout their time in the Retail area. The facility will be constructed using state-of-the-art commercial-grade doors with interior access controls, surveillance cameras, and alarms exceeding the requirements imposed by the State Departments. All entrances into the facility will always be locked, with entry controlled by the facility's security team.

The Element 7 brand aims to provide quality at an affordable price, allowing customers an immersive retail experience in a secure, relaxed, enjoyable and aesthetically pleasing environment. The focus of our dispensary is our **E7 Learning Zone** which is a 200 sq. ft dedicated space focused on first-time patients/customers



(pictured below). This is where they can engage with dedicated Element 7 staff that will walk these customers through their first purchasing experience using touch-screen technology and interactive learning videos that describe and demonstrate cannabis.



Our **Holistic Retreat** offers micro-treatments designed for busy working professionals who are time poor and who could truly benefit from any of our 5 to 7-minute therapies and mini-treatments infused with plant-based ingredients (non-cannabis infused). These treatments will be delivered by qualified holistic wellness and therapeutic professionals and are quick and cost-effective.

Our **BudTenders** and **BudMasters** are among the highest trained and most skilled in the industry. Staff will undergo at least 80-hours of classroom-based training before working within our retail outlet - that's five times the industry average (BDS Analytics reports that most retail staff in the industry receive up to 16 hours of training). Our BudMasters have over 200 hours of classroom-based training behind them, and hundreds more working on our retail floor.

Element 7's **Flower Product Wall** is like none other than we have seen in dispensaries in North America. We have created an interactive wall of cannabis flower with products segmented into their types (sativa, indica, and hybrid) so that consumers can easily search for and purchase cannabis products based on the emotional need-state they are looking to satisfy - playfulness and euphoria with sativa strains; serenity, relaxation, and calming with indica strains; and, socialism and creativity with hybrid strains.



Dispensary Operations

All patients will require a State ID to enter the Facility and must be 18 years of age and have a valid physician's recommendation for medicinal cannabis, and individuals who are at least 21 years of age. Once inside, new customers will be required to register with the Facility and be offered the opportunity to join our Mailing List for further information and news. They will also be educated through the sign-up process on the potency and effects of cannabis.

Once inside the Dispensary, a range of shopping options from quick-serve grab-and-go, through to customized shopping guidance will be available. A range of products including flower, oils, edibles, topicals and lotions, and other products, all from State-Licensed Distributors will be available. We would look to price and push locally manufactured products over those from other Cities / Operators as this is good for business and good for the City from a tax perspective.

Customers will be able to order in-store or through our APP or Responsive Website (which adapts itself to the customer viewing environment – phone, tablet or desktop computer) – first time users will be ID verified and then required to run through a 3-screen educational component educating them on cannabis potency, absorption and effects. They will then have the option of selecting a range of cannabis products and being able to use our 'pick-and-go' service at the Retail Outlet which streamlines the purchase journey with the retail outlet.

Management Model

Element 7's operations plan is rooted in compliance and customer satisfaction. Led by the Dispensary Manager, using industry best practices, day to day operations will divide the dispensary's workforce according to different operational tasks, including reception and customer management, patient consultation, retail management, security, facility management, merchandising and inventory tracking.

Day to day operations will be overseen by Robert DiVito, as General Manager for the Facility, and a Head of Retail / Dispensary Manager that will be sourced from the local community and ideally has previous cannabis retail experience and other adjacent retail experience in the liquor, pharmaceutical, hospitality, or other regulated industries.

Dispensary Management

- A Dispensary Manager and Dispensary Assistant Manager will oversee sales, inventory tracking, ordering, and all other day-to-day operations within the dispensary. The Dispensary Assistant Manager will set up daily specials and create bundle packages. Dispensary Assistant Managers will act as a second level of expertise for customers beyond Dispensary Technicians. When a Dispensary Technician is unable to answer a specific health and wellness question, application of cannabis, or company procedure, they will alert the Dispensary Assistant Manager for help.
- Dispensary Assistant Managers will have access to inventory controls to enable them to reconcile inventory levels, fix user-errors in the point of sale system, and purchase order bulk product into business management platforms. Dispensary Assistant Managers will respond to inquiries sent to



Element 7's general information email address, oversee customer membership rewards / discounts, and reach out to vendors for purchasing wholesale flower and infused products.

- The Dispensary Assistant Manager will keep records for active inventory and back stock and report discrepancies to the Dispensary Manager. At the end of each business day, the Dispensary Assistant Manager will review the inventory reconciliation log prepared by the Dispensary Technician. The Dispensary Assistant Manager will then investigate discrepancies in physical and digital inventory levels. To ensure accuracy of records, the FlowHub platform will be reviewed on a daily basis by Element 7' Compliance department.
- The Dispensary Manager will be an expert in cannabis, its application for qualifying conditions, sales strategies, and customer service. The Dispensary Manager will oversee the daily operation of the dispensary. The Dispensary Manager will review all inventory reports and serve as the contact point for city officials, law enforcement officers, and state regulators. The Dispensary Manager will review daily inventory reports and any flagged items with irreconcilable discrepancies.
- As a best practice, the Dispensary Manager will report discrepancies in inventory to the City Chief of Police along with a description of the incident, probable causes, and with an explanation that the event did not occur because of unlawful diversion. Conversely, the Dispensary Manager will also handle reporting thefts and suspicious behavior to the City Chief of Police. The Dispensary Manager will schedule inspections, building maintenance, and work in coordination with the Facilities Manager, Heads of Security and Compliance, to ensure the dispensary is in good operational condition.
- The Dispensary Manager will hire employees to staff the dispensary and keep 90-day performance reviews for all employees. The Dispensary Manager will train employees on operations best practices and all company policies. As a resource for all dispensary employees, the Dispensary Manager will schedule employee work shifts and relay pertinent employment matters to the HR Director.
- The Dispensary Manager will manage daily finance operations within the dispensary, and they will have exclusive access to the depository safe. As part of opening duties, the Dispensary Manager will count cash and other applicable payment receipts compiled from the previous day's operation. The Dispensary Manager will coordinate cash management services, including scheduling deposit pick-ups from a cash services company.
- As part of that process, Dispensary Managers will keep a manual deposit log. When the cash service provider enters the facility, the Dispensary Manager will prompt the representative to sign the log to verify the total deposit amount. The Dispensary Manager will keep money to be deposited in tamper-evident envelopes, then place the envelopes in puncture-proof, lockable bank bags. As an added precaution, only Dispensary Managers will



transfer money to cash service providers. The Dispensary Manager will report deposits to Element 7's financial manager, who will integrate data into sales performance reports and budget forecasts.

- As a best practice, the Dispensary Manager, financial manager and head of operations will remain in constant contact to ensure the financial sustainability of dispensary operations.

BudTenders

- Element 7 will prepare dispensary staff to accommodate all cannabis customers. Element 7 is a full-service store, where customers could conveniently access professional, attentive BudTenders and superior-quality cannabis. BudTenders will have knowledge of strains, infused products, and services that may help customers treat qualifying conditions. In addition to providing face-to-face consultations, BudTenders will navigate electronic data systems and manual logs to ensure all inventory is traceable and accounted for at all times.
- BudTenders will greet each customer by their preferred name, in a kind, inviting voice and with a pleasant attitude. After a friendly greeting, BudTenders will invite customers to express what brought them in for their visit. Some customers will eagerly express their motivation: the symptoms they experience, what products work, the potency they require, and at a specified price. Others will be more hesitant to reveal their condition, their experience (or lack thereof) with cannabis, or what they can expect to pay for cannabis products. Some may appear in good health, while others may clearly be suffering. As a best practice, BudTenders will quickly identify the appropriate tone of conversation for each customer. They will accomplish this by first asking, "Is this your first time in?" If so, the technician will recite a brief introduction to the company.
- Element 7 will be education-driven, and BudTenders will have a wealth of medical research, handouts, blogs, and publications on hand to best inform customers of the benefits and risks of cannabis. Technicians will answer all inquiries to the best of their ability, and when questions are outside their scope of knowledge, they will approach a manager to best accommodate the customer's request.
- BudTenders will keep active inventory away from back stock and organize active inventory in a way that is accessible and easy to navigate. Each BudTender will have a personal workspace that will include: a cash register and computer. When a customer selects a product, the BudTenders will write the order down. Then, the technician will search the inventory database for the requested product. The inventory tracking system will show the location of the product (active inventory or back stock). The BudTender will excuse himself or herself from the conversation to find the product. Upon returning with the product, the BudTender will ask the customer if they have any questions relating to applying or consuming it. To prevent diversion, the BudTender will place products out of the reach of customers while retrieving more products.



- When the BudTender completely fulfills the order, they will prompt the customer for payment. After payment is processed, the BudTender will offer a receipt. Then, before saying goodbye to the customer, BudTenders will invite customers to write a review of their experience on various social media accounts and mapping websites.
- BudTender opening duties will include preparing dispensing workspaces, turning on all computers, lights, and digital scales, setting up display shelves, ensuring adequate supply of active inventory, creating digital menus, and familiarizing with daily specials. At the end of each business day, BudTenders closing duties will include: closing cash registers, dropping deposits into the depository safe, reporting total sales to the Dispensary Assistant Manager, placing product in the storage vault, cleaning the service room and other limited access areas, logging out of business management platforms, counting merchandise, and turning off applicable electronics.

Receptionist

- The Receptionist is the first point of contact that patients, primary caregivers and customers will have with Element 7. The Dispensary Receptionist will have a thorough knowledge of California state laws and the Ukiah City Code to best respond to all patient and customer inquiries. The Dispensary Receptionist will keep patient and customer identification data in a secure data management platform that will be stored in a secure off-site server.
- Element 7 will use industry best practices to best ensure Dispensary Receptionist job tasks are done in a compliant, timely, and effective manner.
- The Dispensary Receptionist will greet patients, caregivers, and visitors as they enter the dispensary, verify their identities, add patients, primary caregivers and customers in the queue, grant patients, primary caregivers and customers' access to the retail sales outlet and manage the waiting room.
- As a liaison for patients, primary caregivers and customers, the Dispensary Receptionist's foremost job duty is communicating information about the company and its products. Receptionists will have digital and physical menus around workspaces to quickly reference product availability and pricing information, and they will keep reception areas free of clutter.
- Receptionists will verify medical recommendations for patients are correct and up-to-date, and have a valid State ID. They will also share with each patient Element 7's policy about patient and customer privacy and how to communicate to patients, caregivers and primary caregivers what information is shared with regulatory officials.
- Receptionists will convey this information in the form of patient and customer agreement forms, which the Receptionist will require each patient to sign before serving them. Patient agreement forms will include provisions that explain the consequences for falsifying medical or personal information. Patients, primary caregivers and customers must agree to abide by all state and city regulations while on Element 7's premises.



- Patients, primary caregivers and customers will only complete one agreement form and the Receptionist will log credentials into a secure digital network. Receptionists will encourage all patients, primary caregivers and customers to include a phone number on their patient and customer agreement form to best reach them in case of emergency, or product recall.
- Receptionists will promptly enter contact information into business management platforms then file physical documents in a secure document storage area. Receptionists will access secure filing cabinets and use them to store completed patient and customer agreement forms. Before filing, the Receptionist will check the patient and customer agreement form for complete information, thus ensuring every patient and customer is aware of company policies before being served. To protect privacy, Receptionists will logout of all management networks before leaving the reception area.
- Receptionists will not let individuals under the age of 21 into the dispensary, nor will they dispense medical cannabis from reception areas. Patients must be 18 years of age and have a valid physician's recommendation for medicinal cannabis, and individuals who are at least 21 years of age.
- Receptionists will be proficient in data entry and word processing. When the dispensary has announcements on menu availability, changes in prices, or special events (e.g. holidays, road construction, or emergencies), Receptionists will prepare statements for release on social media and on printouts. Receptionists will use spreadsheet software to log non-sensitive customer information, including contact information, product preferences, customer "goes-by" names, membership status, birthdays (for deals), and text/email list preferences. To further protect privacy, Element 7 will position any Receptionist workspaces and computer screens to block passers-by from seeing information.
- Receptionists will assist with the daily cleaning of the dispensary. They will keep personal workspaces tidy and will maintain the waiting room and common areas (bathrooms and offices). Periodically throughout the day, Receptionists will prepare coffee and snacks for waiting customers, straighten furniture, disinfect surfaces, and remove waste/recycling from common areas. As part of end-of-day procedures, Receptionists will enter all outstanding customer data created throughout the business day into business management platforms. Before leaving the facility, Receptionists will file all paperwork, log out of all digital communication networks, clean work areas, and turn off applicable electronics.

Enhanced Retail Experience

The Facility will have full climate-control systems installed. Within the main retail area of the Facility, the front-entry doors will be motion-controlled, closing within 5-seconds of opening.

Ambient room temperature will be managed and maintained with ceiling-mounted air-conditioners that allow the temperature to remain at a steady temperature of 68 degrees Fahrenheit, a temperature that studies (Engbrocks, Stephanie. The Impact



of Temperature on a Consumer's Shopping Experience, 2008), have found that consumers prefer while shopping in a retail outlet.

Ceiling-mounted air conditioners will also ensure that air circulates through the store so that the store doesn't become stale or too humid on wet summer days.

Element 7 is cognizant of the fact that climate-control systems are important for the overall shopping experience of the customer.

Storage-areas will be fully climate controlled to ensure that product is stored at the optimal temperature for product safety and shelf-life management.

Customer Flow Management: Internal Space

In order for the Dispensary to be successful and build a loyal customer base, it is vital that we have a robust plan in place to acquire, retain, and reward customers, as well as managing customer flow and traffic within the store at peak times.

With a potential customer base of approximately 5,000 cannabis consumers living within 10-miles of the Dispensary, Element 7 knows it would see approximately 100 customers a day (10-20 customers per hour).

Two key aspects we keep in mind when managing this daily customer base are:

- Implementing the optimal dispensary layout for revenue management and maximization, and
- Understanding customer flow to deliver the best customer experience.

Both of these points are essential in allowing us to keep a flow of customers moving through the dispensary, and avoid customers lingering outside the facility.

With our dispensary occupying 1,500 square feet (70% of this is dedicated to retail floor space), we would have a maximum occupancy of 35 customers at any one time (based on the California Building Code for Retail Sales Stores on Basement or Ground Levels at 30 square feet per customer). With a 50% load factor applied to this (for customer comfort), we would have a **maximum desired occupancy of 17 customers at any one time.**

With an average customer visit time of 5 minutes, **the store could handle a maximum of 210 customers an hour.** With an estimate of 100 customers a day, and operations from 8am to 9pm (13 hours), we do not forecast any significant issues with customer flow within the store.

Store Layout to Assist Customer Flow

Based on our experience with our other dispensaries, we monitor the number and patterns of customers at our various locations via closed-circuit television and analyzing purchase data information via Flowhub.



Our goal is to keep our customers excited about visiting our dispensary, and we will keep this excitement going by constantly introducing new products, strains, educational classes and exclusive merchandise. As such, promotions will be located in the dispensary's high traffic areas, and high-profit products will be staggered in busy areas or the dispensary and high demand items will be in low traffic areas, such as at the back of our dispensary allowing us to draw customers all the way through the dispensary.

Element 7's free-flowing layout will allow us to strategically group products, merchandise and other items throughout the store in a free-flowing pattern, allowing the customer to enjoy the space, while at the same time constantly noticing our placement of products.

Parking Management

The current location allots for street parking in which our customers can use as spaces are available—the site has excellent proximity to public transport (buses and trains) and freeways. Customers will enter into the facility by walking down the concrete pedestrian walkway which leads to our facility. We have proposed to use the four (4) street parking spaces (as available) in which patrons would enter on North School Street.

Site Management Plan

The Standard Operating Procedures for the Management of the Premises include for the daily inspection of the outer area of the building for trash, graffiti and any other unsightly issues. Any dumped trash or litter will be collected and placed into Element 7's dumpster for collection by the City Council, and any graffiti will immediately be removed by re-painting.

The responsibility of daily inspections will be assigned to the General Manager who will open the premises each day.

A selection of paints and paint brushes will be stored on site to rectify any issues. The interior of the building will also be inspected by the Head of Retail each day at the start of the shift to ensure the walls and floors are free from scuff marks, all lights are working, all door locks are in good working condition, all cameras are operational as required, and that all trash and litter is removed from the premises. Any maintenance issues will immediately be logged and reported to the General Manager.

Streetscape and Minors

The exterior architecture of the premises will have the same aesthetics as it currently has. We are absolutely mindful that minors and children live in the neighborhood and will responsibly ensure that we don't have any visible cannabis branding or products that could be seen from the exterior of the building pursuant to the Ukiah City Code.

Summary

Element 7 isn't just a retail cannabis outlet. Our vision is to create an interactive learning hub that allows first-time users, new cannabis consumers, and connoisseurs with a welcoming experience where they can learn, engage and shop within an



inviting and open environment. Analyzing the data and understanding that customers look to retail staff more than any other outlet or channel for product recommendations, we will ensure that our front-line BudTenders are the most trained staff in industry.

Our design, customer experience, staffing and overall holistic wellness positioning all work together to seamlessly ensure that Element 7 will deliver a retail experience like no other.



DELIVERY LICENSE OPERATIONS PLAN

**Introduction**

Element 7 delivers on-demand cannabis products to patient's and customers' homes in Cities and Towns across California. This aspect of our business is one of our fastest growing verticals driven by recent licensing wins we have secured in the Bay Area, Central Valley and San Diego regions in California.

Powered by our experience gained from our existing cannabis operations footprint, logistics management experience, and technology partnerships with Ready Cart, BURPY and Baker Technologies, Element 7 is strategically positioned to become one of the leading on-demand cannabis delivery companies in the State known for fast and on-time delivery, great pricing, product selection, and patient/customer service.

The non-storefront retail (delivery) aspect of the business will be managed by a dedicated Head of Delivery within Element 7 Ukiah, reporting to the General Manager of the local business. We project to conduct between 20 – 30 deliveries per day during our operating hours.

The business management will be governed by a series of Standard Operating Procedures developed and implemented by Element 7, including:

- Delivery Operations Policy
- Cannabis Track and Trace Policy
- Inventory Control Policy
- Records Management Policy



Standard Operating Procedures

POLICY NAME	NON-STOREFRONT RETAIL (DELIVERY) OPERATIONS POLICY
APPLICABLE LAW	Pursuant to the Business and Professions Code section 26001 (p), California Code of Regulations §5414-5421; §5048-5051 Element 7 officers, management, and staff will adhere to both local and state laws and regulations as it relates to running a compliant delivery in the City of Ukiah.
POLICY OBJECTIVE	To create a successful and fully compliant non-storefront delivery operation which focuses on team member safety and training, the consistent delivery of high quality locally sourced products, consumer education, and community engagement.
ELEMENT 7 CORE VALUE	<i>'Excellence in Everything We Do'</i>
SOP PROCEDURES	Management - Staffing and Management Ordering - Ordering Procedures - Online Ordering System - Technology Integration - Education Integration Fulfillment - Transportation Vehicle Requirements - Delivery Inventory Ledger - Order Fulfilment (Pre and Post Delivery) - Delivery Receipts - Communications - Route Planning Control and Compliance - Carriage of Business License - Delivery Employees - Online Age Verification

Management

Staffing and Management

Element 7 will employ a number of key individuals to operate the non-storefront retail (delivery) operations aspect of its cannabis business.

General Manager

The General Manager will be Element 7's day-to-day operations manager for the Facility. The General Manager will oversee all of the operations, hiring, training, evaluating, disciplining, and terminating, all employees. The General Manager shall be responsible for implementing and maintaining the seed-to-sale inventory tracking



system (Data Management System) and for ensuring that all City and State commitments are being met, that the site is secure and safe and that the quality of product is the highest in terms of industry and LLC standards possible.

The General Manager is responsible for:

1. All day-to-day operations;
2. All personnel matters including hiring, training, evaluating and disciplining all employees;
3. Implementing the Data Management System and maintaining the records generated by such;
4. Monitoring the security plan, and interfacing with the Head of Security;
5. Being the liaison between Element 7, local law enforcement and applicable local and State government entities and regulatory agencies;
6. Completing the weekly physical inventories of all inventory sales;
7. Random checks of all inventory levels, packaging and storage procedures, and report any deficiencies to the General Manager; and
8. All other management and supervisory responsibilities required by Element 7 and/or the City and State.

Shift Manager

At all times the delivery center is operational, there will be one Shift Manager on duty and physically at the Facility. Each shift will have a Shift Manager who will act as the supervisor of the facility for his/her given shift. They will report directly to the General Manager. When the General Manager is not on site, they will monitor all operations, inventory control and security, in their respective departments. The Shift Managers will record and report any activity they undertake to the General Manager. No administrative or regulatory action shall be taken by the Shift Manager without the prior approval of the General Manager.

The Shift Manager shall be a full-time officer or employee of the Facility and shall participate in all delivery operations management. They will be responsible for the following while on duty:

1. Supervise the employees and staff within their respective departments;
2. Monitor employee activities within their respective departments;
3. Monitor and input data into the inventory control system within their department;
4. Monitor and follow the security plan and interfacing with the Head of Security; and if the General Manager is off-site, they shall be the liaison between Element 7 local law enforcement, applicable State and local governmental and regulatory agencies, if necessary.



Head of Security

The Head of Security responsibilities include, but are not limited to:

1. Following the security plan;
2. Responding to any breaches in security;
3. Reporting any attempted breaches of security and or any security deficiencies to the General Manager;
4. Maintaining regulatory compliance with all security measures employed by Element 7; and
5. All other management and supervisory responsibilities required by Element 7 and/or the City and State.

Inventory Control Specialist

The Inventory Control Specialist main responsibility is to assure all the operations in the delivery Facility are fully compliant with California State law and regulations and that all inventory is fully accounted for at all points of the operations. These duties shall include, but are not limited to:

1. Providing all necessary information and reports to regulatory agencies;
2. Monitoring reports from the inventory control system;
3. Tracking any discrepancies between known or expected values, counts, weights or other information back to the source;
4. Providing input and implementing changes to protocols to correct errors, and/or other deficiencies in the Facility operations;
5. Monitoring shipping manifests, inventory levels, plant counts, inventory weight amounts, and other seed to sale tracking information;
6. Reporting to the General Manager;
7. Interfacing with the Head of Security;
8. Engaging local counsel when necessary; and
9. Any other responsibilities required by management.

Dispatch Manager

The Dispatch Manager will work directly with the dispatch team to assist in coordinating daily workflow, and work independently on safety requirements for the delivery team; in addition to being responsible for properly deploying and monitoring the status and locations of the delivery drivers. The Dispatch Manager will also be responsible for the following:

1. Answer incoming patient/customer phone calls and take appropriate action for each call;



2. Maintain customer satisfaction ratings based on explicit criteria set forth by Element 7;
3. Assign orders to drivers, and follow-up until all orders are completed;
4. Attend mandatory training sessions to stay updated on product or company policy changes;
5. Route and set schedules for the delivery team;
6. Maximize productivity and ensure prompt, courteous and efficient service to, primary caregivers; and
7. Build strong customer relationships.

Driver

Drivers will be responsible for transferring product from our delivery directly to patients, primary caregivers or customers throughout the city and collecting money in exchange for the cannabis goods. Drivers will work with the Dispatch Manager to ensure timely delivery and full compliance with both local and state laws.

Driver responsibilities include, but are not limited to:

1. Make a wide variety of deliveries as directed;
2. Keep accurate records of deliveries and patient authorizations;
3. Ensure all documentation is submitted to management on time;
4. Keep an accurate driver's log;
5. Follow a strict standard of operating procedure;
6. Load, unload, prepare, inspect and operate a delivery vehicle;
7. Collect payments and maintain petty cash.

ORDERING PROCEDURES AND POLICIES**Ordering Procedures**

Patients and customers will be able to order through our smartphone APP or responsive website (which adapts itself to the patient/customer viewing environment – phone, tablet or desktop computer) – first time users will have to upload a photo of their government identification card in order to verify age, and will then be required to run through a 3-screen educational component educating them on cannabis potency, absorption and effects. They will then have the option of selecting a range of cannabis products and being able to track Element 7 delivery business through the smartphone APP or Website in much the same way that UBER or LYFT operates.



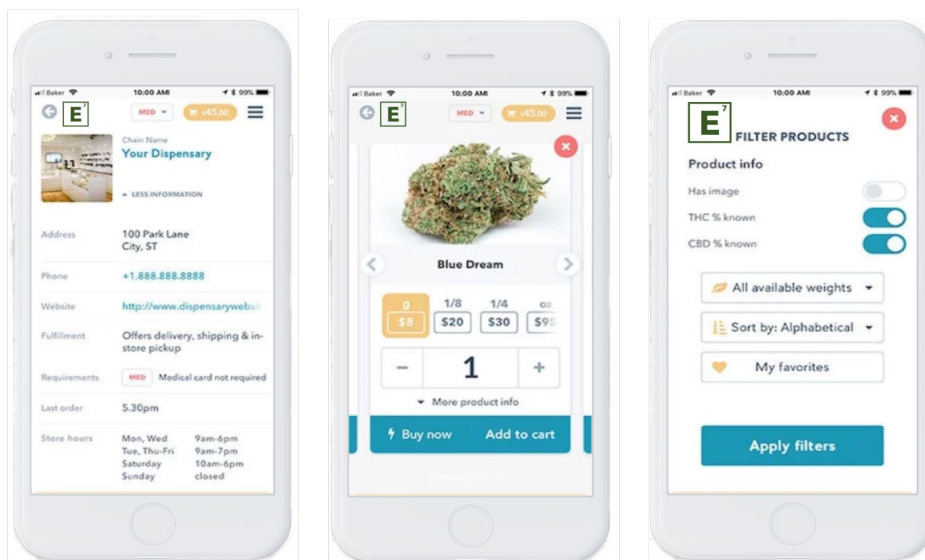
Our partner, Beyond Marketing Group has significant UX and UI experience within their company and will manage all development of such platform.

Online Ordering System

Element 7's online ordering system will allow its patients, primary caregivers or customers to place orders from our website, tablets or mobile app. Element 7 has partnered with a premier e-Commerce delivery company to create all online and web application features (Ready Cart). This will allow the website and application to have an online menu and shopping portal that directly and seamlessly connects to our inventory management system in real time.

In addition to Ready Cart, Element 7 will utilize Baker Technologies software platform which will allow Element 7 to communicate directly with patients and customers immediately after an online order is placed, inform them of new products, educate them via the smartphone app and create a Loyalty program that offers patients/customers "points" for being loyal to Element 7.

The online ordering system will display all the products for sale at the business, their prices, and product descriptions. (see *demo images below*)



Technology Integration

We understand that as a licensed non-storefront retailer, we will not sell or otherwise transfer any cannabis goods to a patient/customer through the use of an unlicensed third party, intermediary business, broker, or any other business or entity.

Element 7 will utilize Baker (which will integrate with our compliance platform 'Flowhub') as a means to facilitate the sale and delivery of cannabis goods, in accordance with the following:

1. Element 7 will not allow for delivery of cannabis goods by the technology platform service provider.
2. Element 7 will not share in the profits of the sale of cannabis goods with the technology platform service provider, or otherwise provide for a percentage



or portion of the cannabis goods sales to the technology platform service provider.

3. Element 7 will not advertise or market cannabis goods in conjunction with the technology platform service provider, outside of the technology platform, and will ensure that the technology platform service provider does not use Element 7' license number or legal business name on any advertisement or marketing that primarily promotes the services of the technology platform.
4. Element 7 will ensure the following information is provided to customers:
 - (i) Any cannabis goods advertised or offered for sale on or through the technology platform will disclose, Element 7' legal business name and license number.
 - (ii) Customers placing an order for cannabis goods through the technology platform will be able to easily identify Element 7 as the source of where the cannabis goods are being ordered or purchased from. This information will be available to the customer prior to them placing an order or purchasing the cannabis goods.
 - (iii) All required sales invoices and receipts, including any receipts provided to the customer, will disclose Element 7' legal business name and license number.
 - (iv) All other delivery, marketing, and advertising requirements will be complied with.

Ordering Procedures

1. Once a patient, primary caregiver or customers visits Element 7 online delivery portal, they will be asked if they are above the age of 21, or over 18 years of age with a valid physician's recommendation;
2. Patients, primary caregivers and customers can visit the Element 7 menu of products which will range from edibles to flower and other cannabis products;
3. After a selection has been made, selected items will be placed in a "Cart" and the patients, primary caregivers or customers can then proceed to checkout;
4. Once an order has been processed and filled at the delivery facility, the patients, primary caregivers or customers will receive an alert notification for an approximate delivery-time estimate; and
5. Element 7 Delivery employees will receive instant push notifications on all tablets and smartphones at the facility. Once a customer has placed an order, it will be immediately filled by an employee, packaged and ready for delivery within a 15-minute time frame.



Online Ordering System (Educational Component)

The Element 7 online ordering system educational component will allow its patients, primary caregivers or customers to learn about the potency, effects, THC and CBD content of cannabis or cannabis goods prior to purchasing, as well as providing patients, primary caregivers or customers with the tools to incorporate a "Holistic Wellness" approach to their everyday lives.

In furthering Element 7's "Holistic Wellness" initiative to educate customers on the benefits of cannabis, Element 7 seeks to work with Tokr to create a customized app experience for Element 7 customers. Tokr allows customers to learn which cannabis-based products can be used in their everyday life, and eases the anxiety or nervousness associated with not knowing how cannabis and cannabis related products may use daily.

Element 7's cannabis and cannabis products breakdown will equip customers, primary caregivers or customers with the knowledge and understanding of the benefits of a chosen cannabis strain or product. Having an educational component on Element 7 website informs patients, primary caregivers or customers how each strain of cannabis might affect them which can go a long way towards utilizing the plant's potential therapeutic benefits.

The website will provide thorough descriptions of each type of strain - Sativa, Indica, Hybrid and CBD.

In furthering Element 7's commitment to inform and empower the Ukiah community on cannabis education, it is also worth mentioning that accurately estimating cannabinoid effects must be treated with some subjectivity. Each patient/customer has an individual reaction to each type of cannabis strain and experimentation with different types of strains is essential for new patients, primary caregivers or customers to achieve desired results.

Element 7 suggests patients, primary caregivers or customers keep a journal and record both body and head reactions to each strain, which will remove much of the guesswork from selecting the strains that work best for them. Our content management system will automatically send an email 12 hours after a customer has made a purchase which requires that product feedback following a "first time" purchase of a given product, and prior to the customer next purchase to ensure we are receiving as much feedback as possible.

FULFILLMENT PROCEDURES AND POLICIES

Transportation Vehicle Requirements

Element 7 will strictly adhere to all rules, requirements and regulations regarding transportation of cannabis within the state of California, as they are created and modified by City and State legislators. No deviation from those rules will be tolerated or allowed. The Head of Security will implement additional measures beyond the minimum requirements (i.e. transfer of currency for remitting City tax payments).

Element 7's delivery process begins when the delivery employee leaves the facility with the cannabis goods for delivery. The delivery process ends when the delivery employee returns to the facility after delivering the cannabis goods or attempting to



deliver the cannabis goods to the patients and customers. At no time will an Element 7 delivery employee engage in any activities except for cannabis goods delivery and necessary rest, fuel, or vehicle repair stops. Element 7 will maintain an accurate list of all delivery employee's information.

Any vehicle used in the delivery of cannabis goods will be operated by a delivery employee of Element 7. Vehicles used for delivery will not have any indications on the exterior of the vehicle that may indicate that the delivery employee is carrying cannabis goods for delivery. Only Element 7 employees will be in the delivery vehicle. In the event that an employee leaves the vehicle unattended, he/she will ensure that the vehicle is locked and equipped with an active vehicle alarm system.

All Element 7 vehicles will be outfitted with a dedicated Global Positioning System (GPS) device for identifying the geographic location of the delivery vehicle and recording a history of all locations traveled to by the delivery employee while engaged in delivery. The GPS device will be owned by Element 7 and used for delivery only. The device will be either permanently or temporarily affixed to the delivery vehicle and will remain active and inside of the delivery vehicle at all times during delivery. At all times, Element 7 will be able to identify the geographic location of all delivery vehicles that are making deliveries and document the history of all locations traveled to and by a delivery employee while engaged in delivery.

Delivery Inventory Ledger

- A LIVE delivery inventory ledger will be created which tracks all cannabis goods provided by Element 7 to the delivery driver, orders, purchase and product deliveries;
- For each cannabis good, the delivery inventory ledger will include the following:
 - Type of good, the brand, the retail value;
 - The track and trace identifier, and the weight, volume or other accurate measure of the cannabis good.
- After each delivery, the delivery inventory ledger will be updated to reflect the current inventory in possession of Element 7' delivery driver.
- No product will leave the Facility without being accompanied by an authorized driver of the Facility, together with transportation manifests to show the vehicle information, driver and accompanying personnel information, date and time the delivery business vehicle leaves the facility, the amount of product that is being transported, a breakdown of the individual boxes that will be delivered to individual patients, primary caregivers and customers, the route that the vehicle will take, and expected delivery business times for delivery business to each delivery business.

Order Fulfillment (Pre-Delivery)

- Orders will be taken by Element 7 through an SSL Encrypted Responsive Website, Smart-Phone APP and by phone. All customers will be checked to ensure they have the appropriate ID Card by uploading a photo of their government-issued identification.



- Received Orders will then be approved by the Shift Manager and queued for Packing. A Packer Employee will fulfil the order from stock in either the Ambient Storage Room or Cold Storage Room, where it will be packed in the Packing Room. It will then be queued for Dispatch.
- Packed Orders will be assigned to a Driver by the Dispatch Manager and moved to the Dispatch Room from the Packing Room. Cannabis will only be sold to an individual in an amount consistent with personal possession and use limits allowed by the State of California and enforced by Ukiah and Element 7.
- The order fulfilment boxes (plastic) containing cannabis to be delivered to customer will be verified, recorded and sealed. Once sealed they will be loaded into the lock boxes in the delivery business vehicle from the Dispatch Room, employees will ensure that no cannabis goods are visible to the public. Cannabis goods will be locked in a fully enclosed box, container, or cage that is secured on the inside of the vehicle.
- Both the Inventory Control Specialist and the driver that will accompany the product will verify the number of boxes, the date and time of delivery business, the date and time that the delivery business vehicle leaves the Facility, and the addresses to which the product will be delivered.
- Element 7 will maintain a database and provide a list of the individuals and vehicles authorized to conduct vehicle dispensing, and a copy of the valid California driver's license issued to the driver of any such vehicle on behalf of Element 7 to the Ukiah Chief of Police.
- Only after the dispatch employee has completed the check with checklist for delivery business will the vehicle then be driven out of the lock area, and immediately began its delivery business route.
- Individuals making deliveries of cannabis or cannabis products on behalf of Element 7 will maintain a physical copy of the delivery request (and/or invoice) and will make it available upon the request of agents or employees of the City of Ukiah requesting documentation.
- The total amount of cannabis carried in the vehicle will comply with State Law.

Order Fulfillment (Post-Delivery)

- Once the delivery business vehicle is in the locked and secured area designated for that purpose, the lockbox inside of the delivery business vehicle will be opened by delivery business personnel.
- The Inventory Control Specialist will perform a visual verification that the lockbox is in fact empty and contains no leftover cannabis products from a previous delivery business. If there is cannabis, it will be removed from the vehicle, identified, recorded and placed in the vault for either reshipment or in the case of a cancelled order, the box seal will be cut, the contents verified as being un-tampered with and then re-stocked into inventory and



recorded as being re-stocked, including time, date, amount, package numbers, weights, employee performing the re-stocking and reason for the return of the product. Any product that has been tampered with will be accounted for and then destroyed in accordance with Element 7 procedures.

- Any cash payments received by the Driver will be logged, accounted for, signed and held in the cash register until the end of the shift or day, at which point it will be counted and locked in the Walk-In Vault.

Delivery Receipts

- Element 7 will prepare both a hard copy and an electronic delivery request receipt for each delivery of cannabis goods. The delivery request receipt will contain the following:
 1. The name and address of Element 7;
 2. The first name and employee number of Element 7' delivery employee who delivered the order;
 3. The first name and employee number of Element 7' employee who prepared the order for delivery;
 4. The first name of the patient/customer and an Element 7 retailer-assigned customer number for the person who requested the delivery;
 5. The date and time the delivery request was made;
 6. The delivery address; and
 7. A detailed description of all cannabis goods requested for delivery.

Communications

- Each driver will carry a communication device and a cell phone for backup communication.
- Driver will always remain in contact with Element 7's Central Security Control Room as well as 911 and emergency services, if necessary.

Route Planning

- The Dispatch Team will plan route security after the time and destination are determined. Routes will be randomized, and times varied. Other consideration, in addition to randomization and time, for each route will be based upon:
 1. Operational security (based on number of stop on route, crime by area, known previous routes etc.);
 2. Traffic (time of day or road incident);
 3. Known public events, i.e. parades, demonstrations, unusual activity using current information available from a variety of sources to include news releases, police and city offices, social media; and



4. Ongoing real-time incidents that would impede delivery business.
- If an Element 7 delivery driver does not have any delivery requests to be performed for a 30-minute period, the delivery driver will not make any additional deliveries and will return to the facility.

CONTROL AND COMPLIANCE

Carriage of Business License

All vehicles associated with the business will carry in the vehicle a copy of the valid, unexpired business license as well as a copy of Element 7's current non-storefront retailer's license. In addition, Element 7 Vehicle' will be registered with the City Police Department.

Delivery Employees

- Element 7 will not employ or retain persons under 21 years of age.
- All deliveries of cannabis goods will be performed by a delivery employee who is directly employed by Element 7.
- All deliveries of cannabis goods will be made in person. A delivery of cannabis goods will not be made through the use of an unmanned vehicle.
- Delivery employees will carry a current government-issued identification, and an identification badge provided by Element 7.

Online Age Verification

- Electronic age verification will be utilized to determine the age of any individual attempting to purchase cannabis goods. All employees will be instructed on its use.
- Cannabis will not be sold to the public without electronic age verification.
- Delivery employees will verify the age and identity of the recipient of the cannabis goods at both order time and delivery of goods.
- Cannabis goods will only be received by the patient/customer. The driver will scan the patient/customer's valid identification card and verify that the individual is 21 years of age or older, or 18 years old with a valid physician recommendation.

Summary

Element 7's Delivery business and operations are a critical focus point for our overall business strategy. While cannabis is a highly experimental and discovery-led category in 2019, we know that moving ahead, cannabis will more closely mimic existing shopping and buyer behavior practices of other consumer product verticals. Having a robust business plan and set of policies in place will be critical to our expansion efforts over the next 3-5 years as we seek to become one of the leading and largest cannabis delivery companies in California.



MANUFACTURING OPERATING PLAN



Introduction

Element 7 manufactures a range of cannabis products and brands to meet the growing demand for these goods from patients and consumers in California. Manufactured extracts, edibles and topicals are the fastest growing categories in the industry and Element 7 produces a range of in-house cannabis brands to meet this demand.

Our cannabis brands include:

SLAY: A range of THC-infused cannabis creams, lotions and beauty products targeted at empowered, confident, and young female consumers.

Daily Cannabis Co: The Monday-to-Friday cannabis brand available in flower, pre-rolls and CO2-produced concentrates.

Element 7: Holistic wellness infused cannabis creams, lotions, extracts and edibles.

Powered by the experience gained from our existing cannabis operations footprint, logistics management experience, and technology and data partnerships with Ready Cart, BURPY and BRIGADE, Element 7 is strategically positioned to become one of the leading cannabis manufacturing companies in the State known for the quality of our products, the emotional need states we deliver against, and the strength of our brands and trademarks.



Management Plan and Staffing

The manufacturing aspect of the business will be managed by a dedicated Head of Manufacturing within Element 7 Ukiah, reporting to the General Manager of the local business.

Head of Manufacturing

The Head of Manufacturing will oversee all lab operations, including the management of lab technicians. This role will be responsible for maintaining the organization, cleanliness, and efficiency of the production area. The Head of Manufacturing maintains quality control measures to ensure high quality product and carries out day-to-day tasks including: prepping, extracting, and packaging. The Head of Manufacturing must monitor and maintain production facility in accordance with Element 7's Laboratory standards. The Head of Manufacturing will perform regular maintenance, cleaning, and repairs of all laboratory equipment including arranging any necessary equipment replacement(s). The Head of Manufacturing will also schedule and maintain testing for research and product safety, as well as state compliance for the state of California.

The core job responsibilities of the Head of Manufacturing include:

- Planning and managing production schedules that effectively leverage capacity, labor and materials to meet volume, cost and quality goals.
- Developing, implementing, and holding the team accountable to relevant KPIs with a focus on continuous improvement by producing weekly production reports and attending company meetings.
- Studying and clarifying specifications, calculating requirements, assembling and weighing cannabis materials and supplies for lab processes.
- Performing all technical procedures adhering to the operation, technical, and quality control policies and guidelines.
- Creating and improving all SOPs to stay compliant with local and state regulations and maintaining accountability and inventory of all supplies, raw materials, finished products.
- Tracking post-processing temperatures and times to manipulate product as required.
- Tracking manufacturing metrics throughout the lab chain of custody including cannabis waste.
- Collecting and interpreting data to monitor and adjust daily operations for maximum output and quality.
- Creating proprietary blends for our products
- Blending for our customers according to set parameters
- Tracking consumables usage and maintain the laboratory inventory.
- Creating QC and R&D samples and oversee all COA product testing,
- Maintaining inventory records of supplies, materials, and temperatures of machinery along with troubleshooting, preventative maintenance and regular data logging for all lab equipment
- Regular cleaning and maintenance of lab equipment and facility to keep laboratory and all other working areas in pristine conditions.
- Maintaining material safety data sheets for all department chemicals and products.



Operations Management

Day-to-day operations at the Facility will be governed by a series of Standard Operating Procedures developed and implemented by Element 7, including:

- Type-6 Manufacturing Operations Policy
- Cannabis Track and Trace Policy
- Inventory Control Policy
- Records Management Policy

Product Range

Element 7 will package finished cannabis products in the form of pre-rolls, extracts / concentrates, edibles, tinctures and creams/ lotions. Our product range, branding, and pricing will largely be determined by analyzing industry data, consumer trends, consumer need-state analysis and a range of other data and insights to create the optimal go-to-market product and packaging mix.

Manufactured products will either be produced and packaged as single extracts and concentrates, or, combined with holistically natural and organic ingredients to create a homogenized material with a consistent cannabinoid profiles and potency.

Edibles

Technicians will combine sustainably sourced, organic fruits, grains, sugars, nuts, seeds, chocolates, and other ingredients with cannabis oils to create a spectrum of palatable edibles under the Element 7 brand.

Topicals

Element 7 will produce finished cannabis products in the form of topical applications, including lotions, creams, salves, balms, and/or moisturizers.

Tinctures

Element 7 will manufacture tinctures in a variety of cannabinoid profiles and flavors available to enhance product diversity and therapeutic options for its customer base. Element 7 will also produce finished medical cannabis products in the form of semi-viscous liquid tinctures. Tinctures will be vegetable-glycerin-based and may be applied by a glass and rubber self-contained liquid dropper. Tinctures will have consistent cannabinoid profiles. Processing Technicians will bottle tinctures in accordance with industry best practices. Technicians will produce tinctures from medical cannabis oil that contains activated cannabinoids and add material to food-grade glycerin and other natural or organic sweeteners and/or flavors to enhance the palatability of the finished product. Agave nectar will be a desired sweetener for its low viscosity at room temperature.

Pre-Rolls and Joints

Pre-Rolls and joints will be made from a range of flower-grade products sourced from the market, using pre-roll machinery equipment that produces up to 2,000 pre-rolls an hour.



Manufacturing Standard Operating Procedures

POLICY NAME	TYPE-6 LICENSE MANUFACTURING OPERATIONS POLICY
APPLICABLE LAW	Pursuant to the California Code of Regulations Sections 40200-40258.
POLICY OBJECTIVE	To create a successful and fully compliant manufacturing operation which focuses on team member safety and training, the consistent delivery of high quality locally sourced products, consumer education, and community engagement.
ELEMENT 7 CORE VALUE	<i>'Excellence in Everything We Do'</i>
SOP PROCEDURES	Facility Design - Water Management - Heating, Ventilation, Cooling and Air Filtration Systems - Plumbing Systems - Sanitary Conditions and Facilities - Facility Lighting - Pest Control - Equipment and Utensils Manufacturing Protocols - Controlling and Tracking Component Requirements - Batch Manufacturing Protocol - Process Monitoring and Controls During Manufacture - Quality Control - Cannabis-Derived Product Specifications - Product Discrepancies - Calculation of Yield Fire and Safety Technical Report

Facility Design

Element 7 propose to construct a 237 sq. ft. cannabis manufacturing lab to facilitate the processing of raw medical cannabis flower and trim into extracts, infused products and finished manufactured goods. We estimate that we will receive one (1) delivery per week of raw product from a state-licensed distributor. The following considerations have been taken into account when designing our Facility and proposing our plan:

- The facility will have adequate space for the orderly placement of equipment and materials to prevent mix-ups of components, packaging components, in-process materials, cannabis, or cannabis-derived products during manufacturing, packaging, labeling, or holding.
- The facility will be designed to reduce the potential for contamination of components, packaging components, cannabis, cannabis-derived products, or contact surfaces, with microorganisms, chemicals, filth, or other extraneous material. To ensure this, Element 7 will ensure that the design and construction includes:
 - Floors, walls, and ceilings that can be adequately cleaned and kept clean and in good repair;



- Fixtures, ducts, and pipes that do not contaminate components, packaging components, in-process materials, cannabis or cannabis-derived products, or contact surfaces by dripping or other leakage, or condensate;
- Aisles or working spaces between equipment and walls that are adequately unobstructed and of adequate width to permit all persons to perform their duties and to protect against contamination, or contact surfaces with clothing or personal contact.
- Safety-type light bulbs, fixtures, skylights, or other glass or glass-like materials must be used when the light bulbs, fixtures, skylights or other glass or glass-like materials are suspended.
- The facility will have separate or defined areas, or other control systems such as computerized inventory controls or automated systems of separation, to prevent cross-contamination and mix-ups of components:
 - Receipt, identification, storage, and withholding from use of quarantined components;
 - Storage of approved components, packaging components, cannabis, or cannabis-derived products;
 - Storage of rejected components and cannabis waste pending return to their supplier or destruction;
 - Storage of in-process materials pending normal further processing;
 - Storage of components pending reprocessing;
 - Manufacturing operations;
 - Packaging and labeling operations;
 - Separation of the manufacturing, packaging, labeling, and holding of different product types including different types of cannabis or cannabis-derived products and other products handled in the same physical facility; and
 - Performance of laboratory analyses and storage of laboratory supplies and samples, as applicable.

The facility will feature an odor control system and an internal building security system both discussed in more in this application.

Water Management

Water will be provided that is:

- Safe and sanitary, at suitable temperatures, and under pressure as needed, for



all uses where water does not become a component of the cannabis derived product.

- Compliant with applicable state and local potable water requirements and with other requirements as necessary to ensure the water does not contaminate the cannabis-derived product.

Heating, Ventilation, Cooling and Air Filtration Systems

Systems will be installed and maintained in the Facility as needed to ensure the quality of the product.

- Ventilation equipment such as filters, fans, exhausts, dust collection, and other air-blowing equipment will be provided in areas where odors, dust, and vapors (including steam and noxious fumes) may contaminate components or contact surfaces.
- When fans, compressed air, or other air-blowing equipment are used, such equipment must be designed, located, and operated in a manner that minimizes the potential for microorganisms and particulate matter to contaminate components or contact surfaces.
- Equipment that controls temperature, humidity, and/or microorganisms must be provided, when such equipment is necessary to ensure the quality of the product.

Plumbing Systems

The plumbing in the facility will be of an adequate size and design and be adequately installed and maintained to:

- Carry sufficient amounts of water to required locations throughout the facility;
- Properly convey sewage and liquid disposable waste from the facility;
- Avoid being a source of contamination to components or any contact surface, or creating an unsanitary condition;
- Provide adequate floor drainage in all areas where floors are subject to flooding-type cleaning or where normal operations release or discharge water or other liquid waste on the floor;
- Not allow backflow from, or cross connection between, piping systems that discharge waste water or sewage and piping systems that carry water used for manufacturing cannabis-derived products, for cleaning contact surfaces, or for use in bathrooms or hand-washing facilities.

Sanitary Conditions and Facilities

Adequate and convenient hand-washing facilities will be provided that are:

- Provided with running water of suitable temperature;
- Provided with effective hand cleaning and/or sanitizing preparations and single use paper towels or other drying devices;
- Located at points in the facility where good sanitary practices require



- personnel to wash their hands;
- Prohibited from being used for activities that support production operations, such as cleaning of production equipment or utensils.

The grounds of the Facility will be kept in a condition that protects against the contamination of components, packaging components, in-process materials, cannabis, cannabis-derived products, or contact surfaces. The methods for adequate ground maintenance include:

- Properly storing equipment, removing litter and waste, and cutting weeds or grass within the immediate vicinity of the facility so that it does not attract pests, harbor pests, or provide pests a place for breeding;
- Maintaining roads, yards, and parking lots so that they do not constitute a source of contamination in areas where components, packaging components, in-process materials, cannabis, cannabis-derived products, or contact surfaces are exposed;
- If the plant grounds are bordered by grounds not under the operation's control, and if those other grounds are not maintained in the manner described in this section, care should be exercised in the plant by inspection, extermination, or other means to exclude pests, dirt, and filth or any other extraneous materials that may be a source of contamination;
- Cleaning compounds, sanitizing agents, pesticides, and other toxic materials will be appropriately stored, handled, and controlled.
 - Cleaning compounds and sanitizing agents must be free from microorganisms of public health significance and be safe and adequate under the conditions of use.
 - Toxic materials must not be used or held in the facility in which components, packaging components, in-process materials, cannabis, cannabis-derived products, or contact surfaces are manufactured or exposed, unless those materials are necessary as follows:
 - To maintain clean and sanitary conditions;
 - For use in laboratory testing procedures, where applicable;
 - For maintaining or operating the facility or equipment; or
 - For use in the facility's operations.

Cleaning compounds, sanitizing agents, pesticides, pesticide chemicals, and other toxic materials must be identified, stored, and used in a manner that protects against contamination of components, packaging components, in-process materials, cannabis, cannabis-derived products, or contact surfaces.

Facility Lighting

Adequate lighting will be provided in:



- All areas where components, packaging components, in-process materials, cannabis, or cannabis-derived products are examined, manufactured, packaged, labeled, or held;
- All areas where contact surfaces are cleaned; and
- Hand-washing areas, dressing and locker rooms, and toilet facilities.

Pest Control

Adequate pest control will be provided.

- Animals or pests will not be allowed in any area of the facility, except that guard or guide dogs may be allowed in some areas of the facility if the presence of the dogs will not result in contamination of components, packaging components or contact surfaces;
- Effective measures will be taken to exclude pests from the facility and to protect against contamination of components and contact surfaces on the premises by pests; and
- Insecticides, fungicides, or rodenticides must not be used in or around the facility, unless they are registered with EPA and used in accordance with the label instructions, and effective precautions are taken to protect against the contamination of components or contact surfaces.
- Trash will be regularly conveyed, stored, and disposed in order to:
 - Minimize the development of odors;
 - Minimize the potential for the trash to attract, harbor, or become a breeding place for pests;
 - Protect against contamination of components, any contact surface, water supplies, and grounds surrounding the facility; and
 - Control hazardous waste to prevent contamination of components and contact surfaces.
- A schedule will be developed for sanitation that includes:
 - Responsibility for sanitation;
 - Detailed description of the cleaning schedules, methods, equipment, and materials to be used in cleaning the grounds and buildings; and
 - Records of cleaning and sanitation.

Equipment and Utensils

- Production operations must use equipment and utensils that are of appropriate design, construction, and workmanship.



- Equipment and utensils will be suitable for their intended use;
- Equipment and utensils will be able to be adequately cleaned and properly maintained; and
- Use of equipment and utensils will not result in the contamination of components, packaging components.
- Each freezer, refrigerator, and other cold storage compartment used to hold components, in-process materials, or cannabis or cannabis-derived products:
 - Will be fitted with an indicating thermometer, temperature-measuring device, or temperature-recording device that indicates and records, or allows for recording by hand, the temperature accurately within the compartment; and
 - Will have an automated device for regulating temperature and/or an automated alarm system to indicate a significant temperature change.
- Instruments and controls used in manufacturing, packaging, holding, or testing components, packaging components, in-process materials, cannabis, and cannabis-derived products will be calibrated, inspected, or otherwise verified before first use and at routine intervals or as otherwise necessary to ensure the accuracy and precision of the instrument or control, and the resulting data must be periodically reviewed by quality control personnel. Instruments or controls that are past their calibration, inspection, or verification due date, or which cannot be adjusted to provide suitable accuracy and precision, will be removed from use until they are repaired or replaced.

Controlling and Tracking Component Requirements

- Element 7 manufacturing operations will have written procedures describing in sufficient detail the receipt, identification, storage, handling, sampling, review, and approval or rejection of components.
- Each container or grouping of containers for components will be identified with a distinctive code (i.e. lot or control number) for each lot in each shipment received, which allows the lot to be traced backward to the supplier, the date received, and the name of the component; and forward to the cannabis-derived product batches manufactured or distributed using the lot.
- Components must be received and stored pending approval as follows:
 - Upon receipt and before acceptance, each container or grouping of containers must be examined visually for appropriate labeling as to contents, container damage or broken seals, and contamination, to determine whether the container condition may have resulted in contamination or deterioration of the components.
 - The supplier's documentation for each shipment must be examined to ensure the components are consistent with what was ordered.



- Components must be stored under quarantine until they have been sampled, reviewed, and approved or rejected by quality control personnel.
- Components must be approved or rejected as follows:
 - Each lot of components will be withheld from use until the lot has been sampled, reviewed, and released for use by the quality control personnel.
 - Compliance of the lot with established specifications will be ensured either through review of the supplier's certificate of analysis or other documentation, or through appropriate tests and/or examinations. Any tests and examinations performed will be conducted using appropriate scientifically valid methods.
 - Any lot of a component that meets its specifications may be approved and released for use for use by quality control personnel.
 - Any lot of a component that does not meet its specifications must be rejected by quality control personnel.

Process Monitoring and Controls During Manufacture

- Process specifications are established for production process parameters at or during any point, step, or stage where control is necessary to ensure the quality of the batch of cannabis-derived product, and to detect any unanticipated occurrence that may result in contamination, adulteration, or a failure to meet specifications.
- The process parameters to be monitored may include, but are not limited to, the following as appropriate:
 - Time;
 - Temperature;
 - Pressure; and
 - Speed.
- Production process parameters will be monitored at or during any point, step, or stage where process specifications have been established. Any deviation from the specified process parameters will be documented and justified, and the associated in-process material or product must be quarantined. The deviation must be reviewed and approved or rejected by quality control personnel. Such deviations will not be approved unless quality control personnel determine that the resulting cannabis-derived product will meet all specifications for identity, purity, strength, and composition and is not otherwise contaminated or adulterated.
- If a deviation is rejected, the resulting in-process or finished cannabis-derived product must be rejected and destroyed.



- Operations on one component, product, or batch must be physically, spatially, or temporally separated from operations on other components, products, or batches.
- All necessary precautions must be taken during the manufacture of a cannabis-derived product to prevent contamination of components and products.

Quality Control

The Head of Manufacturing and Compliance Manager will randomly select finished, packaged samples and test them for potency and the presence of microbial contaminants.

A representative sample of each batch or lot of component, cannabis, or cannabis-derived product will be collected by removing and compositing portions of material or units from throughout the containers in the batch or lot to be given to a licensed Distributor for testing.

Cannabis-Derived Product Specifications

Manufacturing operations will establish specifications for the identity, purity, strength, and composition of each cannabis-derived product manufactured by the operation. Manufacturing operations which receive cannabis-derived product for further processing must establish specifications to provide sufficient assurance that the product received is adequately identified and is consistent with the purchase order.

For every batch or lot, or for a subset of cannabis-derived product batches or lots identified through sound statistical sampling plan, the operation will verify that the batch or lot meets product specifications for identity, purity, strength, and composition, to the extent that scientifically valid test methods exist for these specifications via a state-licensed testing laboratory.

Product Discrepancies

Any unexplained occurrence or discrepancy, and any failure of the cannabis-derived product to meet its specifications or requirements, must be documented and investigated. The investigation must extend to any related batches that may have been associated with the same specific failure, discrepancy, or problem; this may include, but is not limited to, batches of the same cannabis-derived product, other batches processed on the same equipment or during the same time period, and other batches produced using the same lots of components.

Calculation of Yield

Actual yields will be determined at the conclusion of each appropriate phase of manufacturing of the cannabis-derived product. Such calculations must either be performed by one person and independently verified by a second person, or, if the yield is calculated by automated equipment, be independently verified by one person.

If the percentage of theoretical yield at any process step or at the end of production falls outside the maximum or minimum percentage of theoretical yield allowed in the manufacturing protocol, quality control personnel must conduct an investigation of the batch and determine, to the extent possible, the source of the discrepancy. The



deviation must be documented, explained, and approved by quality control personnel.

Fire and Safety Technical Report

Element 7 will provide a fire and life safety technical report to the Fire Department, prepared by a licensed professional engineer, to evaluate the totality of the cannabis operation, including the certification of equipment. Said report will be approved by the Fire Department prior to Operation.

Summary

Element 7 will continue to leverage its access to data and customer insight to stay ahead of its competition and continue to meet consumer demand for innovation, new products, and better manufacturing methods to produce cleaner, better tasting, and functionally superior products.

We aim to be the most tested, taxed, trusted, controlled and compliant operator in the industry. With concentrates and extracts being the fastest growing products in the market, our manufacturing operations are critical to the overall growth and continued development of the Element 7 brand.



SITE OPERATING PLAN: POLICIES AND PROCEDURES



Element 7's Standard Operating Procedures are designed to provide step-by-step instructions for staff performing routine and complex tasks. Our SOP's focus on creating efficiency, quality and uniformity of output, while reducing miscommunication and failure to comply with industry regulations and company standards.

With an increasingly complex regulatory environment guiding our business and industry, the development of clear guidelines and the consistent implementation of such processes is critical to our business.

Standard Operating Procedures contained within this document are consistent across all aspects of our business, from seed to sale, and include:

- Facility Restrictions
- Opening and Closing Procedures
- Signage Policies
- Sales Limit
- Inventory Management
- Records Retention
- Annual Reviews
- Packaging Policy
- Complaints, Returns & Recalls Policy
- Permit Display Policy
- Hours of Operation
- Age Restriction and Verification
- Advertising and Marketing Policies
- Track and Trace
- Data Management
- Auditing Procedures
- Right of Access
- Storage and Handling Policy
- Compliance Management
- Noise Reduction Policy



SITE OPERATING POLICIES

POLICY NAME	FACILITY RESTRICTIONS
APPLICABLE LAW	Pursuant to the California Code of Cannabis Regulations §5039 and Article 15.6 of Chapter 2 in Division 9 of the Ukiah City Code, Element 7 officers, management, and staff will adhere to both local and state laws and regulations as it relates to running a compliant facility in the City of Ukiah.
POLICY OBJECTIVE	To ensure that the Element 7 facility remains in compliance with the City of Ukiah rules and regulations, as it relates to building signage, advertising, on-site consumption and permit visibility.
ELEMENT 7 CORE VALUE	<i>"Make Compliance an Advantage"</i>
SOP PROCEDURES	Facility Restrictions

Facility Restrictions

- On-site consumption of cannabis is prohibited at all times by all individuals on the property.
- No cannabis or cannabis products or graphics depicting cannabis or cannabis products will be visible from the exterior of the business premises, or on any of the vehicles owned or used as part of the business.
- Each entrance will be visibly posted with a clear and legible notice indicating that smoking, ingesting, or otherwise consuming cannabis on the premises or in the areas adjacent to the commercial cannabis business is prohibited.
- The original copy of the commercial cannabis business permit issued by the City will be posted inside the business premises in a location readily visible.

POLICY NAME	HOURS OF OPERATION
APPLICABLE LAW	Pursuant to the California Code of Cannabis Regulations §5403, Element 7 officers, management, and staff will adhere to both local and state laws and regulations as it relates to running a compliant facility in the City of Ukiah.
POLICY OBJECTIVE	To create a successful and fully compliant operation which allows Element 7 to serve the needs of its patients, primary caregivers and customers during the hours of operation.
ELEMENT 7 CORE VALUE	"Consistency is Everything"
SOP PROCEDURES	Hours of Operation

Pursuant to BCC and Ukiah requirements, the proposed main hours of operation for the Facility will be between 7am and 10pm:

Dispensary Hours of Operation

7am – 8am: Opening Procedures (Dispensary) – Not Open to Public
 9am – 9pm: Dispensary Operations
 9pm – 10pm: Closing Procedures (Dispensary) – Not Open to Public

Manufacturing Hours of Operation

8am – 8pm Manufacturing Operations



POLICY NAME	OPENING AND CLOSING PROCEDURES
APPLICABLE LAW	An Element 7 Internal Practice.
POLICY OBJECTIVE	To ensure that Element 7 managers and staff adhere to a streamlined system for day-to-day operations at the retail facility.
ELEMENT 7 CORE VALUE	'Consistency is Everything'
SOP PROCEDURES	Daily Business Schedule - Opening Procedures - Mid-day Procedures - Closing Procedures

Daily Business Schedule

The following proposed schedule represents the general daily tasks that will take place at the business location.

Opening Procedures

- The Manager will unlock the Dispensary and Offices section of the business each morning at 8am.
- The Manager will be accompanied by a security guard when unlocking and entering the business (a guard will be at the premises 24 hours a day).
- Upon entering the building, the Manager will conduct the following tasks:
 1. Disarm the alarm
 2. Turn on all lights
 3. Check the phone for messages
- The Head of Retail will be scheduled to arrive approximately 15 minutes after the Manager. Once the employees arrive, they will be responsible for managing their own departments and operations, reviewing inventory levels, monitoring and checking overnight data, preparing upcoming schedules for the day and week, and assigning employees to tasks as they arrive for work.

Mid-Day Procedures

- Throughout the work day, the manager may conduct the following tasks:
 1. Assist employees with processing orders and ensuring that they are properly designated/assigned.
 2. Update the track-and-trace system as necessary.
 3. Receive shipments with the assistance of another employee.
- Salespersons will be responsible providing excellent customer service and processing orders.
- During operating hours, the security guard will be walking the perimeter of the property and present in the facility, from time- to-time.



Closing Procedures

- The General Manager will ensure that all cannabis and cannabis products are securely stored.
- The facility be dusted, sweep, mopped, etc. as needed.
- The General Manager will ensure that all doors, safes, and vaults are locked and secured.
- All benches and surfaces will be cleaned and wiped. All equipment will be turned off and cleaned.
- All non-cannabis trash will be taken to the dumpster and sorted for recycling.
- All lights will be shut off.
- The General Manager will arm the alarm.
- The General Manager will lock and exit the building.

The General Manager will be accompanied by a security guard when locking and exiting the retail store. The security guard will escort the General Manager to their car.

POLICY NAME	AGE RESTRICTION AND VERIFICATION
APPLICABLE LAW	Pursuant to the California Code of Regulations §5031, §5400, §5404 and §5415 Element 7 directors, officers and management will adhere to both local and state laws and regulations as it relates age restrictions at the facility in the City of Ukiah.
POLICY OBJECTIVE	To protect children and young adults from entering the Element 7 facility, and ensure that all patients, primary caregivers, customers and employees meet both the local and state age requirements.
ELEMENT 7 CORE VALUE	<i>"Make Compliance an Advantage"</i>
SOP PROCEDURES	Employee Age Restriction Age Verification

Employee Age Restriction

- Element 7 will not employ or retain persons under 21 years of age.

Age Verification

- Electronic age verification will be utilized to determine the age of any individual attempting to purchase cannabis goods. All employees will be instructed on its use.
- Cannabis will not be sold to the public without electronic age verification.
- Dispensary employees will verify the age and identity of the recipient of the cannabis goods at purchase.
- Cannabis goods will only be received by the customer. The employee will scan the customers valid identification card and verify that the individual is 21 years of age or older.



POLICY NAME	SIGNAGE POLICIES
APPLICABLE LAW	Pursuant to the California Code of Regulations §5040(b); Business and Professions Code §5200 and the City of Ukiah (Insert ordinance) the Element 7 facility will adhere to both local and state laws and regulations as it relates to signage in the City of Ukiah.
POLICY OBJECTIVE	To inform visitors, contractors, patients, primary caregivers, customers and staff of Element 7' protocols both inside the facility, and the area surrounding the facility.
ELEMENT 7 CORE VALUE	<i>'Make Compliance an Advantage'</i>
SOP PROCEDURES	Signage Policies

SIGNAGE POLICIES

Element 7 will install facility signage once approved by the City of Ukiah, such as the main building sign, in a manner that clearly establishes it is a dispensary, but is not overly obtrusive, obstructive, or offensive in nature.

The following signage will be displayed prominently within the business in measurements of not less than 8 x 10 inches in a minimum of 24-point font, stating:

1. "The sale or diversion of cannabis or cannabis products without a license issued by the City of Ukiah is a violation of State law and the Ukiah Municipal Code."
2. "Smoking, ingesting or consuming marijuana on the premises or in the vicinity of the dispensary is prohibited."
3. "No one under the age of twenty-one will be allowed on the premises."
4. "The hours of operation for an authorized *dispensary* will be limited to between seven a.m. (7am) to ten p.m. (10pm)."
5. "Secondary sale, barter, or distribution of cannabis or cannabis products purchased from Element 7 is a crime and can lead to arrest."
6. "Patrons must immediately leave the premises and not consume cannabis or cannabis products until at home or in an equivalent private location. Staff will monitor the location and vicinity to ensure compliance."
7. "These premises are continually monitored by CCTV cameras."
8. "Loitering is strictly prohibited."

This signage is designed to ensure that customers are managed and aware that ingesting or smoking any cannabis products in the immediate vicinity of the building is not allowed, thus limiting the impacts on surrounding businesses, and their concerns.



NOTICE

The sale or diversion of cannabis or cannabis products without a license issued by the City of (_____) is a violation of State law and the (_____) Municipal Code.



NOTICE

Patrons must immediately leave the premises and not consume cannabis or cannabis products until at home or in an equivalent private location. Staff will monitor the location and vicinity to ensure compliance.



NOTICE

No one under the age of twenty-one will be allowed on the premises



NOTICE

The hours of operation for an authorized *dispensary* will be limited to between seven a.m. (7am) to ten p.m. (10pm).



NOTICE

Secondary sale, barter, or distribution of cannabis or cannabis products purchased from Element 7 is a crime and can lead to arrest



NOTICE

Loitering is strictly prohibited.



WARNING

These premises are continually monitored by CCTV cameras.



WARNING

Smoking, ingesting or consuming marijuana on the premises or in the vicinity of the dispensary is prohibited.



POLICY NAME	ADVERTISING AND MARKETING POLICIES
APPLICABLE LAW	Pursuant to the California Code of Regulations §5040, §5041-5041.1; Business and Professions Code §5200 and the City of Ukiah (Insert ordinance) the Element 7 facility will adhere to both local and state laws and regulations as it relates signage in the City of Ukiah.
POLICY OBJECTIVE	To compliantly market the Element 7 brand to new and existing patients, primary caregivers and customers in the City of Ukiah.
ELEMENT 7 CORE VALUE	<i>'Excellence in Everything We Do'</i>
SOP PROCEDURES	Ethical Advertising and Marketing

Ethical Advertising and Marketing

Element 7 will direct all advertising efforts towards cannabis customers only. The company logo and all produced marketing materials will be non-offensive and designed to be informative, not just about deals and product placement.

Element 7 will place advertisements strategically and deliberately and will not use large billboards or obtrusive signage in company campaigns unless a sign permit has been issued to the company and permitted by law.

Element 7 marketing materials will not be located within 1,000 feet of a Treatment Center, Day Care Center, K-12th school, Youth Center, Youth-Oriented Facility, or Public/Private Park (Ukiah Municipal Code).

In addition, Element 7 will gear its social media presence towards the responsible use of cannabis. As such, pages will include full disclaimers that products shown are for educational/promotional purposes, are intended for cannabis customers, and are not for sale through the outlet on which they are shown.

Advertising and marketing of the Element 7 brand will not contain any depictions of an individual under 21 years of age, nor will advertising and marketing be attractive to youth (as per the Municipal Code).

All Element 7 advertisements will comply with the Ukiah Municipal Code, County, State, and Federal Communications Commission (FCC) regulations.

Element 7 will update all ethical advertising practices to maintain compliance with the law and address any further concerns expressed by the public as referenced above.



POLICY NAME	SALES LIMITS
APPLICABLE LAW	Pursuant to the California Code of Regulations §5409 Element 7 retail staff will adhere to both local and state laws and regulations as it relates to the daily sales limits in the City of Ukiah.
POLICY OBJECTIVE	To ensure that the Element 7 retail staff are providing patients, primary caregivers and customers with the correct amount of cannabis or cannabis goods in compliance with local and state laws and regulations.
ELEMENT 7 CORE VALUE	<i>'Make Compliance an Advantage'</i>
SOP PROCEDURES	Sales Limits

Sales Limits

- Element 7 will not sell no more than 28.5 grams of non-concentrated Cannabis in a single day to a single customer.
- Element 7 will not sell no more than 8 grams of Cannabis Concentrate, including Cannabis Concentrate contained in Cannabis Products, in a single day to a single customer.
- Element 7 will not sell no more than 6 immature Cannabis plants in a single day to a single customer.
- Element 7 will not sell edible Cannabis Products containing more than 10 milligrams of THC per serving.
- Element 7 will not sell edible Cannabis Products containing more than 100 milligrams of THC per package.
- Element 7 will not sell Cannabis Products that is in the shape of a human being, either realistic or caricature, animal, insect, or fruit.
- Element 7 will not sell Cannabis-infused beverages or powder, gel, or other concentrate with instruction for the preparation of Cannabis-infused beverages.
- Element 7 will not provide free Cannabis or Cannabis Products to any Person.



POLICY NAME	TRACK AND TRACE
APPLICABLE LAW	Pursuant to the California Code of Regulations § 5048-5051; Business and Professions Code Section 26013, 26067, 26070, 26160 and 26161.
POLICY OBJECTIVE	To ensure that any cannabis handled, managed or sold by Element 7 is tracked and traced at every point of the inventory management process.
ELEMENT 7 CORE VALUE	'Trusted'
SOP PROCEDURES	Track and Trace Operations - Service Provider - Track and Trace Systems Procedures - Track and Trace Data - Destruction and Disposal of Cannabis - Loss of Connectivity - System Reconciliation

Track and Trace System Provider

Element 7 uses **FlowHub** as its primary point-of-sale or management inventory tracking system to track and report on all aspects of the commercial cannabis business including, but not limited to, such matters as cannabis tracking, inventory data, gross sales (by weight and by sale), time and date of each sale, etc.

Track and Trace Procedures

- Element 7 will have in place a point-of-sale or management inventory tracking system to track and report on all aspects of the commercial cannabis business including, but not limited to, such matters as cannabis tracking, inventory data, gross sales (by weight and by sale), time and date of each sale, etc.
- All transactions will be entered into the track and trace system by 11:59 p.m. Pacific Time, on the day the transaction occurred.
- Element 7 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.
- Element 7 will record in the track and trace system, all commercial cannabis activity, including any:
 1. Packaging of cannabis goods.
 2. Sale of cannabis goods.
 3. Transportation of cannabis goods to a licensee.
 4. Receipt of cannabis goods.



5. Return of cannabis goods.
 6. Destruction and disposal of cannabis goods.
 7. Laboratory testing and results.
 8. Any other activity as required by any other licensing authority.
- The following information will be recorded for each activity entered in the track and trace system:
 1. Name and type of the cannabis goods.
 2. Unique identifier of the cannabis goods.
 3. Amount of the cannabis goods, by weight or count.
 4. Date and time of the activity or transaction.
 5. Name and license number of other licensees involved in the activity or transaction.
 6. If the cannabis goods are being transported Element 7 will transport pursuant to a shipping manifest generated through the track and trace system as well as:
 - a) The name, license number, and premises address of the originating licensee.
 - b) The name, license number, and premises address of the licensee transporting the cannabis goods.
 - c) The name, licensee number, and premises address of the destination licensee receiving the cannabis goods into inventory or storage.
 - d) The date and time of departure from the licensed premises and approximate date and time of departure from each subsequent licensed premises, if any.
 - e) Arrival date and estimated time of arrival at each licensed premises.
 - f) Driver's license number of the personnel transporting the cannabis goods, and the make, model, and license plate number of the vehicle used for transport.

Destruction and Disposal of Cannabis

- If cannabis goods are being destroyed or disposed of, the licensee will record in the track and trace system the following additional information:



1. The name of the employee performing the destruction or disposal.
 2. The reason for destruction or disposal.
 3. The name of the entity being used to collect and process cannabis waste.
- Description for any adjustments made in the track and trace system, including, but not limited to:
 1. Spoilage or fouling of the cannabis goods.
 2. Any event resulting in exposure or compromise of the cannabis goods.
 3. Any other information as required by any other applicable licensing authorities.

Loss of Access

- If at any point Element 7 loses access to the track and trace system for any reason, Element 7 will prepare and maintain comprehensive records detailing all commercial cannabis activities that were conducted during the loss of access.
- The licensee will both document and notify licensing authorities immediately:
 1. When access to the system is lost;
 2. When it is restored; and
 3. The cause for the loss of access.
- Element 7 will submit the Notification and Request Form, BCCLIC-027 when connectivity is lost.
- Once access is restored, all commercial cannabis activity that occurred during the loss of access will be entered into the track and trace system within three (3) business days of access being restored.
- Element 7 will not transport, transfer or deliver any cannabis goods until such time as access is restored and all information recorded in the track and trace system.

System Reconciliation

Element 7 will reconcile the physical inventory of cannabis goods at the licensed premises with the records in the track and trace database at least once every 14 days. If Element 7 finds a discrepancy between its physical inventory and the track and trace system database, the licensee will conduct an audit.



POLICY NAME	CANNABIS INVENTORY CONTROL POLICY
APPLICABLE LAW	Pursuant to the California Code of Regulations §5423-5324 Element 7 management and staff will adhere to both local and state laws and regulations as it relates to inventory control in the City of Ukiah.
POLICY OBJECTIVE	To ensure that any cannabis handled, managed or sold by Element 7 is managed and accounted for in the most efficient and effective manner possible.
ELEMENT 7 CORE VALUE	'Consistency'
SOP PROCEDURES	Inventory Control - Inventory Control Practices - Monthly Inventory Procedure - Inventory Discrepancies

Inventory Control Practices

- Element 7 will be using industry specific tracking software – preferred choice is **FlowHub** and METRC, the State approved tracking system. To the extent any employee will be using the system, employees will be trained and given a specific passcode to access the system. An employee must NEVER share or disseminate the passcode to any third party or other employee. An employee must NEVER allow another employee to access the inventory control system with their unique passcode.
- The Data Management System is designed to track data in each phase that is carried forward throughout the entire process chain of the seed-to-sale system - growth, harvesting, processing, packaging, order fulfillment, shipping, sale & payment of the medical cannabis, so that the medical cannabis can be traced forward through the entire process and backward from the point of sale back to the clone and mother from which the product was produced.
- The software and backup data assures instant access to all information that has been gathered and maintained. The system is specifically designed to record and report information to prevent diversion of the products and theft while maintaining product quality, product consistency, making the employees accountable for the tasks they undertake, while simultaneously providing all regulatory information quickly and efficiently, and providing management with key information and storing such information for the requisite time periods.
- All cannabis will be kept in a safe, locked access-controlled area. This area will have the highest and tightest security restrictions in the Facility and will only be accessible by the Shift Manager and General Manager. No other persons will be allowed to access this room at any time, without exceptions. Employee theft and/or diversion of medical cannabis, regardless of the amount, is grounds for immediate termination and will not be tolerated. Offenders will be reported to the Police.



Monthly Inventory Audits

On the first of each month a complete inventory audit according to generally accepted accounting principles of usable and unusable medical marijuana will be taken by the inventory control manager and documented in the inventory log. All usable and unusable products will be accounted for.

Inventory Discrepancies

- Element 7 will verify that the physical inventory at the facility is consistent with the its records pertaining to inventory. If for any reason the inventory counts do not match those entered into the database due to suspected criminal activity by an employee, Element 7 will immediately contact local law enforcement authorities and the Bureau.
- Inventory discrepancies not due to criminal activity will be documented by the General Manager. Element 7 will investigate the source of the difference, those suspected to be involved and take and document corrective action.
- Inventory counts are taken very seriously and any discrepancy in numbers is of the utmost importance to Element 7.
- All documentation of inventory count discrepancy will be available to the General Manager, the Head of Security and relevant external Tax Authorities.

Records Retention

- All cannabis inventory including each day's beginning inventory, acquisitions, sales, disbursements, disposal of unusable cannabis, and ending inventory will be taken daily.
- All daily, weekly and monthly inventory logs will be kept at the Delivery facility for 5 (five) years from the date of the document and will be available to the City for review upon request.



POLICY NAME	DATA MANAGEMENT
APPLICABLE LAW	Pursuant to the California Code of Regulations §5048 and §5051 in association with an Element 7 Internal Policy. Element 7 management and staff will adhere to both local and state laws and regulations as it relates to data management in the City of Ukiah
POLICY OBJECTIVE	To ensure that privacy records, financial records, cost tracking and analysis, inventory levels and compliance data are safely and securely stored within the cloud software.
ELEMENT 7 CORE VALUE	<i>'Make Compliance an Advantage'</i>
SOP PROCEDURES	Data Management Data Reconciliation

Data Management

Data will be stored by Element 7 using industry specific cloud storage software. Our first priority is to ensure that such system provides secure electronic access to health data that is compliant with privacy rules and HIPAA Compliance (Health Insurance of Portability and Accountability Act). HIPAA Compliance ensures that data could never be released without either the patients written consent or by court subpoena. Data is stored at an off-site HIPAA-Compliant Data Storage Centre and is SSL Encrypted.

Specifically, we will also ensure that any Data Storage and Web-Hosting Services have:

1. A signed Business Associate Agreement (BAA)
2. Monthly vulnerability scans of your servers
3. Mitigation of the vulnerabilities discovered by the monthly vulnerability scans
4. Server hardening
5. Off-site backups
6. Log retention of 6 years

A licensed CFO is retained and employed by Element 7 to ensure that appropriate financial systems, policies, procedures and accounts are maintained accurately by the Company. GAAP Accounting Procedures shall be used. An independent and certified 3rd party auditor shall also be appointed for annual accounting compliance and audit checks.

Data Reconciliation

The key is to gather information at specific points in the process and then reconcile that information such that the continuous flow and custody of the cannabis product can be monitored and measured. Such information is used at two levels.

- First, for regulatory reporting purposes.
- Second, as a management tool for making important decisions about the overall efficiency of the operation.



To that end, information such as cost tracking and analysis, inventory levels and compliance data is entered into the Data Management System and recorded. Any differences between expected and actual values or counts are immediately highlighted and addressed. Further, using various software privileges, individual employees are held accountable for their tasks and any issues that may arise in fulfilling those tasks. Each employee is given a specific password, such that his/her work input can be monitored and corrected, if necessary.

The software systems have a redundancy of backup. Data is stored in secured hardware off-site cloud storage servers (HIPAA-Compliant process), using the latest in encryption technology. All data collected is time and date specific, identified by the employee inputting the data and stored for at least the time required by the State rules. Further, backup data is taken at regular intervals and stored off-site in secondary secure locations using portable hard drives. The result is a highly secure, data processing system with redundancy of operations and storage built in.

POLICY NAME	RECORDS RETENTION
APPLICABLE LAW	Pursuant to California Code of Regulations §5037 and §5426. Element 7 management and staff will adhere to both local and state laws and regulations as it relates to record retention in the City of Ukiah.
POLICY OBJECTIVE	To ensure that Element 7 management, officers and employees keep and consistently maintain all records related to commercial cannabis activity at the premises.
ELEMENT 7 CORE VALUE	'Accountability'
SOP PROCEDURES	Record Overview - Record Retention - Employee Records - Records Management

Records Retention

Element 7 will keep and maintain the following records related to commercial cannabis activity 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.
- **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, including the source(s) of all products.
- **Permits, Licenses, and Other Local Authorizations** to conduct the licensee's commercial cannabis activity.
- **Security Records** except for surveillance.
- **Cannabis Records** relating to the composting or destruction of cannabis goods.
- **Documentation for Data** or information entered into the track and trace system.



- **Other Documents** prepared or executed by an owner or his employees or assignees in connection with the licensed commercial cannabis business.
- **Accurate Books and Records** in an electronic format, detailing all of the revenues and expenses of the business, and all of its assets and liabilities.
- **Employee Register** containing the names and the contact information (including the name, address, and telephone number) of anyone owning or holding an interest in Element 7, and separately of all the officers, managers, employees, and agents currently employed or otherwise engaged by Element 7.
- **Accurate Record of Sale** for every sale made to a customer. A record of a cannabis goods sale will contain the following information:
 - a) The first name and employee number of the retailer employee who processed the sale;
 - b) The first name of the customer and a retailer assigned customer number for the person who made the purchase;
 - c) The date and time of the transaction;
 - d) A list of all the cannabis goods purchased, including the quantity purchased; and
 - e) The total amount paid for the sale including the individual prices paid for each cannabis good purchased and any amounts paid for taxes.

Employee Records

Element 7 will keep the following records of each of its employees on file at the premises of the business:

- Name, address, and phone number of the employee;
- Age and verification of employee. A copy of a birth certificate, driver's license, government issued identification card, passport or other proof that the employee is at least twenty- one (21) years of age must be on file with the business;
- A list of any crimes enumerated in California Business and Professions Code Section 26057(b)(4) for which the employee has been convicted;
- Name, address, and contact person for all previous employers of the employee for the last ten (10) years, including, but not limited to, all



employers from which the employee was fired, resigned, or asked to leave and the reasons for such dismissal or firing;

- The fingerprints and a recent photograph of the employee;
- Verification that the employee is a qualified customer or primary caregiver, if applicable.

Financial Records

An appropriate Financial Software (e.g., QuickBooks) shall be installed and mandated for use by Element 7 with all revenues, expenses, assets and liabilities, accounted for. Annual records (or as requested) shall be made available to the City detailing all sales revenue on a per month basis. Taxes shall be estimated at agreed City rates and paid on time to all Local and State Tax Authorities.

Records Management

Records will be kept in a manner that allows the records to be produced for licensing authorities at the licensed premises in either hard copy or electronic form.

Records shall be maintained off-site, in electronic form on a secure SLL-encrypted server and secured and verified by the Head of Compliance for Element 7 as needed (consistent with requirements pertaining to patient confidentiality pursuant to applicable state and federal law).

All records required to be maintained by the business will be maintained for no less than three (3) years and are subject to immediate inspection by approved City Officials.



POLICY NAME	AUDITING PROCEDURES
APPLICABLE LAW	Pursuant to the California Code of Regulations §5800 (c-e) and Element 7 Internal Policies. Element 7 officers, management and staff will adhere to both local and state laws and regulations as it relates to auditing procedures in the City of Ukiah.
POLICY OBJECTIVE	To ensure accuracy of Element 7' systems and processes at the licensed facility in the City of Ukiah.
ELEMENT 7 CORE VALUE	<i>'Make Compliance an Advantage'</i>
SOP PROCEDURES	Auditing Procedures - Internal Auditing - External Auditing - City Audit Access

Internal Auditing

A dedicated and full-time internal audit, regulation and compliance management team will ensure that all operations are in adherence to both City and State Laws regarding all aspects of the cannabis operations.

Any standards will meet or exceed City and State Regulations and any changes must be approved by the Head of Compliance.

External Auditing

A dedicated third-party group (Marcum Group) has been appointed to conduct an annual audit of Element 7's financial records.

City Audit Access

Element 7 will fully cooperate with City officials in a timely and efficient manner to allow the City to have access to its books, records, accounts, together with any other data or documents relevant to its Commercial Cannabis Activities, for the purpose of conducting an audit or examination. Books, records, accounts, and any and all relevant data or documents will be produced no later than 24 hours after receipt of the City's request, unless otherwise stipulated by the City.

POLICY NAME	ANNUAL REVIEWS
APPLICABLE LAW	An Element 7 Internal Policy.
POLICY OBJECTIVE	To provide transparency to the City of Ukiah as it relates to Element 7' internal processes, records, community engagement, security measures, labor and employment and site management at the facility.
ELEMENT 7 CORE VALUE	<i>'Make Compliance an Advantage'</i>
SOP PROCEDURES	Annual Review

Annual Review

Element 7 will submit an **Annual Performance Review Report** for review and approval by the City Manager, Development Services Director, and Head of Planning at the City of Ukiah.

This Annual Performance Review Report will cover all financials, labor and employment, community engagement, localization initiatives, security measures and initiatives, odor control initiatives, environmental initiatives and site management procedures implemented and executed by Element 7.



POLICY NAME	RIGHT OF ACCESS
APPLICABLE LAW	Pursuant to the California Code of Regulations §5800 (c-e) and Element 7 Internal Policies. Element 7 officers, management and staff will adhere to both local and state laws and regulations as it relates to right of access in the City of Ukiah.
POLICY OBJECTIVE	To provide transparency to the City of Ukiah as it relates to Element 7 granting full access to the premises and records at the facility.
ELEMENT 7 CORE VALUE	<i>'Make Compliance an Advantage'</i>
SOP PROCEDURES	Right of Access

Right of Access

Element 7 understands that the company is required to allow City officials, employees, and their designees full access to the premises and records as per the Ukiah Municipal Code.

POLICY NAME	PACKAGING POLICY
APPLICABLE LAW	Pursuant to the California Code of Regulations §5303 and §5412-5413. Element 7 management and staff will adhere to both local and state laws and regulations as it relates to packaging in the City of Ukiah.
POLICY OBJECTIVE	To ensure packaging is compliant throughout the entire life-cycle of the cannabis and/or cannabis product.
ELEMENT 7 CORE VALUE	<i>'Make Compliance an Advantage'</i>
SOP PROCEDURES	Packaging Overview - Packaging Practices: Dispensary and Delivery Operations - Packaging Practices: Distribution Operations - Packaging Practices: Manufacturing Operations Label Content for Cannabis and Cannabis-Derived Products Informational Panel Labeling Child-resistant Packaging New and First-Time Cannabis Users (Additional Packaging)

Packaging Regulations

All packaging will meet the requirements of California Business and Professions Code section 19347 and as a best practice, Element 7 will also meet the packaging requirements as outlined by the following standards:

- Poison Prevention Packaging Act (PPPA), Title 16, Part 1700;
- Code of Federal Regulations, Title 40, part 157.2; and
- American Society for Testing and Materials (ATSM) D3475-15.

Packaging Practices: Dispensary Operations

- Any edible cannabis or edible cannabis products sold on-site shall be labelled and placed in tamper-evident packaging which meets the requirements of the Bureau of Cannabis Control (BCC) as may be amended from time-to-time or superseded or replaced by subsequent State legislation or by any department or division of Ukiah.
- All items to be sold or distributed shall be individually wrapped at the original point of preparation by the business permitted as a commercial cannabis manufacturer. Labeling must include a warning if nuts or other known allergens are used, and must include the total weight (in ounces or grams) of cannabis in the package.
- A warning that the item is a medication and not a food will be clearly legible on the front of the package and/or must comply with state packing requirements.



- The package will have a label warning that the product is to be kept away from children. The label will also state that the product contains cannabis and must specify the date of manufacture.
- Any edible cannabis product that is made to resemble a typical food product must be in a properly labelled opaque (non-see-through) package before it leaves the commercial cannabis manufacturing business.

Packaging Practices: Manufacturing Operations

A package used to contain a cannabis product will adhere to the following requirements:

- The package will protect the product from contamination and will not expose the product to any toxic or harmful substance.
- The package will be tamper-evident, which means that the product will be packaged in packaging that is sealed so that the contents cannot be opened without obvious destruction of the seal.
- The package will be child-resistant. A package will be deemed child-resistant if it satisfies the standard for "special packaging" as set forth in the Poison Prevention Packaging Act of 1970 Regulations (16 C.F.R. §1700.1 (b)(4)) (Rev. December 1983), which is hereby incorporated by reference.
- The package will not imitate any package used for products typically marketed to children.
- If the product is an edible product, the package will be opaque.
- If the package contains more than one serving of cannabis product, the package will be re-sealable so that child-resistance is maintained throughout the life of the package.

Label Content for Cannabis and Cannabis-Derived Products

- Each packaged and labeled product must bear on the label of its primary packaging in a type size no less than 6 point:
 - The identity of the product in a text size reasonably related to the most prominent printed matter on the panel;
 - The universal symbol as prescribed in Section 40412;
 - The net weight or volume of the contents of the package;
 - The THC content and CBD content for the package in its entirety, expressed in milligrams per package;
 - Name and place of business of the manufacturer or distributor.
- In addition to the above requirements, for edible products, each product label must contain a "Product Facts" box listing quantitative content and



nutrient information relevant to the product, including, as applicable to the product's content:

- The words “cannabis-infused” immediately above the identity of the product in bold type and a text size larger than the text size used for the identity of the product.
- The THC content and CBD content per serving, expressed in milligrams per serving.

Informational Panel Labeling

The label for a cannabis product will include an informational panel that includes the following:

- The licensed manufacturer and its contact number or website address;
- The date of the cannabis product's manufacture and packaging;
- The following statement in bold print: “GOVERNMENT WARNING: THIS PRODUCT CONTAINS CANNABIS, A SCHEDULE I CONTROLLED SUBSTANCE. KEEP OUT OF REACH OF CHILDREN AND ANIMALS. CANNABIS PRODUCTS MAY ONLY BE POSSESSED OR CONSUMED BY PERSONS 21 YEARS OF AGE OR OLDER UNLESS THE PERSON IS A QUALIFIED PATIENT. THE INTOXICATING EFFECTS OF CANNABIS PRODUCTS MAY BE DELAYED UP TO TWO HOURS. CANNABIS USE WHILE PREGNANT OR BREASTFEEDING MAY BE HARMFUL. CONSUMPTION OF CANNABIS PRODUCTS IMPAIRS YOUR ABILITY TO DRIVE AND OPERATE MACHINERY. PLEASE USE EXTREME CAUTION.”
- If the cannabis product is intended for sale in the medicinal-use market, the statement “FOR MEDICAL USE ONLY;”
- A list of all product ingredients in descending order of predominance by weight or volume;
- If the edible cannabis product contains an ingredient, flavoring, coloring, or an incidental additive that bears or contains a major food allergen, the word “contains,” followed by a list of the applicable major food allergens;
- If an edible cannabis product, the names of any artificial food colorings contained in the product;
- If an edible cannabis product, the amount, in grams, of sodium, sugar, carbohydrates, and total fat per serving;
- Instructions for use, such as the method of consumption or application, and any preparation necessary prior to use;
- The product expiration date, “use by” date, or “best by” date, if any; and
- The UID and, if used, the batch number.



Child Resistant Packaging

- Element 7 will draw its definition for child-resistant packaging from the PPPA. The Act defines child-resistant packaging as “designed or constructed to be significantly difficult for children under five years of age to open and not difficult for normal adults to use properly.”
- Prior to delivery by or sale at Element 7, BudTenders and Dispatch staff will package cannabis products in tamper-proof, child-resistant packaging, then label the packages. Labels will include a unique identifier, which will originate from manufacturers and cultivators for the purpose of identifying and tracking medical and adult-use cannabis.
- Child-resistant packages will not be attractive to children, nor will any package be sold that is not child-resistant, unless otherwise exempted by regulation. Milkman will only use generic food names on labels to describe edible medical cannabis products.

New and First-Time Cannabis Users (Additional Packaging)

Each package of medical cannabis sold will include a patient educational-safety insert. The insert will advise patients and customers on the following:

- Method or methods of administering individual doses of medical cannabis;
- Any potential dangers stemming from the use of medical cannabis;
- How to recognize what may be problematic usage of medical cannabis and how to obtain treatment for problematic usage;
- The side effects and contraindications associated with medical cannabis, if any, which may cause harm to the patient; and
- How to prevent or deter the misuse of medical cannabis by children.

It is a primary goal of Element 7 to ensure that all patients, caregivers and customers are fully informed about their medicine and cannabis. Element 7 BudTenders will welcome any question or potential concerns they have about information contained on labels and inserts, including how to access company information in languages other than English. Element 7 will contract with a translation service and use translation software to create safety inserts for patients in multiple languages. Providing multi-lingual services to all customers will ensure that Element 7 operates with a spirit of inclusiveness and patient-focused care.



POLICY NAME	STORAGE AND HANDLING POLICY
APPLICABLE LAW	Pursuant to the California Code of Regulations §5033, §5044(c)(2), §5301. Element 7 management and staff will adhere to both local and state laws and regulations as it relates to storage and handling in the City of Ukiah.
POLICY OBJECTIVE	To ensure cannabis and cannabis products are safe and secured in order to protect against deterioration, contamination and product diversion.
ELEMENT 7 CORE VALUE	<i>'Make Compliance an Advantage'</i>
SOP PROCEDURES	Storage Procedures - Storage and Handling - Withholding Materials from Use or Distribution

Storage Procedures

- Element 7 will store all cannabis and cannabis goods in a safe, vault, or secured room in order to prevent diversion, theft, or loss.
- Element 7 will store cannabis goods in a building designed to permit control of temperature and humidity and will prevent the entry of environmental contaminants such as smoke and dust.
- The area in which cannabis goods are stored will not be exposed to direct sunlight.
- Element 7 will not store cannabis goods outdoors.

Storage and Handling

- Components, packaging components, in-process materials, and products must at all times be handled, stored, and distributed in a manner to avoid deterioration, prevent contamination, and avoid mix-ups. Where necessary, appropriate conditions of temperature, humidity, and light must be established and maintained so that the identity, purity, strength, and composition of components, in-process materials, and products are not affected, and that adulteration is prevented.
- Containers of components, packaging components, in-process materials, and product must be stored off the floor and suitably spaced to permit cleaning and inspection.
- Components, in-process materials, and products that can support the rapid growth of microorganisms of public health significance must be held in a manner that prevents them from becoming adulterated.
- Labels, labeling, cannabis, cannabis-derived products, and cannabis waste must be stored in a controlled access area.



- Components, packaging components, and products must be used or distributed in a manner whereby the oldest batches or lots are used or distributed first. Deviation from this requirement is permitted if such deviation is temporary and appropriate.

Withholding Materials from Use or Distribution

- Manufacturing, packaging, and labeling operations must establish and implement written procedures for quarantine of any lot, batch, or other portion of component, packaging component, in-process material, or product whose suitability for use or distribution is in question, to prevent its use and distribution pending disposition by quality control personnel. This includes:
 - Newly received components and packaging components for use in manufacturing, packaging and/or labeling;
 - Batches newly completed in production;
 - Product returned to the operation for any reason;
 - Components, packaging components, in-process materials, or products that are or may be contaminated or adulterated; or
 - Components, packaging components, in-process materials, or products that are under investigation by quality control personnel for any other reason.
- Rejected components, packaging components, in-process materials, finished product, cannabis waste, and rejected labels and labeling (including any excess labeling bearing lot, batch, or control numbers which is not immediately destroyed after packaging operations are complete) must be appropriately segregated, controlled, and held in a controlled access area pending destruction or other disposal.
- Cannabis waste other than cannabis and cannabis-derived product that is rejected and returned to the vendor, and rejected labels and other labeling, must be destroyed in a manner which prevents unauthorized use. Destruction of any cannabis waste must be documented and witnessed by at least two workers, one of whom must be supervisory, managerial, or quality control personnel; except that if video surveillance is used, only one worker is necessary. Destruction may include composting.

POLICY NAME	COMPLAINTS, RETURNS AND RECALL POLICY
APPLICABLE LAW	Pursuant to the California Code of Regulations §5410 Element 7 management and staff will adhere to both local and state laws and regulations as it relates complaints, returns and recalls at the facility in the City of Ukiah.
POLICY OBJECTIVE	To provide a high level of customer service to patients, primary caregivers and customers who may want to complain or return cannabis /cannabis products purchased at our facility. In the event of a recall, Element 7 management and staff will be able to execute the process seamlessly by adhering to this policy.
ELEMENT 7 CORE VALUE	<i>'Trust is Earned, Not Given'</i>
SOP PROCEDURES	Customer Satisfaction - Complaints - Returned Products - Recall Procedures
KPI's	- All complaints must be acknowledged within 24-hours of receiving such complaint. - All complaints must be dealt with and completed within 72-hours of receiving such complaint.

CUSTOMER SATISFACTION

Element 7 has a complaint, returns, and recalls policy that is fair, just, and flexible (where needed) to deal with customer issues immediately. The policy has been designed to put customers first and adapt to the numerous circumstances where required to ensure that our patients and customers are managed fairly and justly.

The policy is rigid where it needs to be, particularly in relation to Product Recalls where there is minimal, or no, flexibility for front-line retail sales staff.

Complaints

- Element 7 appoints the General Manager as the qualified person that will receive all customer complaints. The General Manager must notify Element 7's Head of Compliance within 12-hours of any complaint by completing a "Complaint Notice" form which records the time, date, name, location and situation, regarding where the complaint was received (eg., phone, in-store, online etc.)
- Once a complaint is received, Element 7's Head of Compliance (Amber Norwood) will determine the following:
 - Receive and review product complaints to determine whether the product complaint involves a possible failure of a product to meet any of its specifications, or any other requirements, including but not limited to those specifications and other requirements that, if not met, may result in a risk of illness or injury; and



- Investigate any product complaint that involves a possible failure of a product to meet any of its specifications, or any other requirements of this part, including but not limited to those specifications and other requirements that, if not met, may result in a risk of illness or injury.
- The Head of Compliance is responsible for sending an initial 'Complaint Received' note to the person that made the complaint. Our Internal KPI for sending this note is within 24-hours of the complaint being received.
- The Head of Compliance will review and approve decisions about whether to investigate a product complaint and review and approve the findings and follow-up action of any investigation performed. This will be managed weekly in coordination with the General Manager for the Facility where the complaint was received.
- The review and investigation of the product complaint, and the review by the Head of Compliance about whether to investigate a product complaint, and the findings and follow-up action of any investigation performed, must extend to all related batches and relevant records. Related batches may include, but are not limited to, batches of the same product, other batches processed on the same equipment or during the same time period, or other batches produced using the same batches or lots of components or packaging components.
- A written record of the complaint, and where applicable, its investigation must be kept, including:
 - Identity of the product;
 - Batch, lot or other control number of the product;
 - Date the complaint was received and the name, address, or telephone number of the complainant, if available;
 - Nature of the complaint including, if known, how the product was used;
 - Names of personnel who do the following:
 - (i) Review and approve the decision about whether to investigate a product complaint;
 - (ii) Investigate the complaint, and
 - (iii) Review and approve the findings and follow-up action of any investigation performed.
 - Findings of the investigation and follow-up action taken when an investigation is performed; and a Response to the complainant, if

applicable, which should be sent no later than 72-hours after the complaint was received.

- The procedure for a product complaint that includes a report of an adverse event (an adverse event is a health-related event associated with use of a product that is undesirable, and that is unexpected or unusual), includes the following:
 - Reporting to any public health authority;
 - Reporting to the physician of record for the individual reported to have experienced the adverse event, if known; and
 - Product recall.

Returned Products

- Manufacturing, packaging, and/or labeling operations must establish written procedures describing the receipt, handling, and disposition of returned cannabis or cannabis-derived products.
- Returned products must be identified as such and be quarantined upon receipt.
- Returned product must be reviewed and approved or rejected by quality control personnel.
- If the conditions under which returned product has been held, stored, or shipped before or during its return, or if the condition of the product, its containers, or labeling, as a result of storage or shipping, casts doubt on the identity, purity, strength, composition, or freedom from contamination or adulteration of the product, the returned product will be rejected unless examination, testing, or other investigations prove the product meets appropriate standards of identity, purity, strength, and composition and its freedom from contamination or adulteration.
- If the reason a product is returned implicates associated batches, an appropriate investigation must be conducted and must extend to all related batches and relevant records. Related batches may include, but are not limited to, batches of the same product, other batches processed on the same equipment or during the same time period, or other batches produced using the same components or packaging components. (f) Rejected returned product returned to the manufacturing, packaging, labeling, and holding operation must be destroyed as per section 7.3(c).
- A written record must be kept of the return, and where applicable its investigation, including:
 - Identity of the product;
 - Batch, lot or other control number of the product;



- Date the returned product was received;
- Name and address from which it was returned, and the means by which it was returned;
- Reason for the return;
- Results of any tests or examinations conducted on the returned product, or on related batches, if any;
- Findings of the investigation and follow-up action taken when an investigation is performed;
- Any reprocessing performed on the returned product;
- The ultimate disposition of the returned product, and the date of disposition; and
- Names of the quality control personnel who do the following:
 - (i) Review the reason for the product return;
 - (ii) Review and approve any reprocessing, as applicable, and
 - (iii) Review and approve the findings and follow-up action of any investigation performed.

Recall Procedures

- Element 7 will establish and implement written procedures for recalling cannabis products manufactured at the facility that are determined to be misbranded or adulterated. These procedures will include:
 - Factors which necessitate a recall;
 - Personnel responsible for implementing the recall procedures; and
 - Notification protocols, including:
 - (i) A mechanism to notify all customers that have, or could have, obtained the product, including communication and outreach via media, as necessary and appropriate;
 - (ii) A mechanism to notify any licensees that supplied or received the recalled product; and
 - (iii) Instructions to the general public and/or other licensees for the return and/or destruction of recalled product.
- Procedures for the collection and destruction of any recalled product. Such procedures will meet the following requirements:



- (i) All recalled products that are intended to be destroyed will be quarantined for a minimum of 72 hours. The licensee will affix to the recalled products any bills of lading, shipping manifests, or other similar documents with product information and weight. The product held in quarantine will be subject to auditing by the Department.
- (ii) Following the quarantine period, the licensee will render the recalled cannabis product unusable and unrecognizable and will do so on video surveillance. A recalled cannabis product that has been rendered unusable and unrecognizable is considered cannabis waste and shall be disposed of.
- (iii) Element 7 shall dispose of chemical, dangerous, or hazardous waste in a manner consistent with federal, state, and local laws. This requirement shall include but is not limited to recalled products containing or consisting of pesticide or other agricultural chemicals, solvents or other chemicals used in the production of manufactured cannabis batches, and cannabis soaked in a flammable solvent for the purpose of producing manufactured cannabis batches.
- (iv) Element shall not dispose of recalled cannabis product in an unsecured area or waste receptacle that is not in the possession and/or control of Element 7.

In addition to the tracking requirements, Element 7 shall use the track-and-trace database and on-site documentation to ensure that recalled cannabis products intended for destruction are identified, weighed, and tracked while on the licensed premises and when disposed of. For recalled cannabis products, Element 7 shall enter the following details into the track and trace database: the weight of the product, reason for destruction, and the date the quarantine period will begin. Lastly, Element 7 shall notify the Department of any recall within 24 hours of initiating the recall.



POLICY NAME	COMPLIANCE MANAGEMENT
APPLICABLE LAW	An Element 7 Internal Policy.
POLICY OBJECTIVE	To ensure all requirements for operating a compliant cannabis operation in the City of Ukiah are implemented properly and are in alignment with the City's requirements.
ELEMENT 7 CORE VALUE	<i>'Make Compliance an Advantage'</i>
SOP PROCEDURES	Managing Compliance with Local and State Laws

Managing Compliance with Local and State Laws

The General Manager is the head of the business and all commitments thereunder including ensuring that all commitments to the City and State are being met. Element 7 will ensure that all obligations, taxes, fees and other operational procedures are in place.

Specifically, the General Manager will also ensure the following compliance measures take place:

- Providing all necessary information and reports to local and state regulatory agencies;
- Monitoring reports from the inventory control system;
- Tracking any discrepancies between known or expected values, counts, weights or other information back to the source of the error;
- Providing input and implementing changes to protocols to correct errors, and/or other deficiencies in the Facility operations;
- Monitoring shipping manifests, inventory levels, inventory weight amounts, and other seed to sale tracking information;
- Interfacing with Security;
- Engaging local counsel when necessary; and
- Any other responsibilities required by management.

POLICY NAME	PERMIT DISPLAY POLICY
APPLICABLE LAW	Pursuant to the California Code of Regulations §5039 and the City of Ukiah (Insert City Code) Element 7 management will comply with both local and state regulations pertaining to the display of permits and department licenses.
POLICY OBJECTIVE	To ensure that all local and state permits and licenses are properly displayed at the facility, in a manner requested by both licensing authorities.
ELEMENT 7 CORE VALUE	<i>'Make Compliance an Advantage'</i>
SOP PROCEDURES	Permit Display

Permit Display

The original copy of any Cannabis Business Permit issued by the City pursuant to the City of Ukiah Cannabis Ordinance, will be posted adjacent to the Lobby Entrance located at the Facility (Ukiah 5.19.080 (M)).

Element 7 understands that Permits will be required to renew every 12 months with both the City of Ukiah and State of California.

Filings will be placed at least 60 days before the existing Permit expires.

All applicable planning, zoning, building, and other applicable permits from the relevant governmental agency which may be applicable to the zoning district in which such commercial cannabis business intends to establish and to operate will be obtained by Element 7 prior to any operations commencing.

POLICY NAME	NOISE REDUCTION POLICY
APPLICABLE LAW	Pursuant to the Business and Professions Code §5808 (c)(2) and Element 7 Internal Policies.
POLICY OBJECTIVE	To create a peaceful and enjoyable environment around the Element 7 facility. Element 7 management and staff will be good stewards and neighbors in the Ukiah community.
ELEMENT 7 CORE VALUE	<i>'Make Compliance an Advantage'</i>
SOP PROCEDURES	Noise Reduction

Noise Reduction Policy

Element 7 has made plans to address concerns about noise emanating from its facility. Element 7 will favor equipment that makes minimal noise in its facility and will utilize other sound-dampening technologies.

Many of the security features Element 7 will use in the facility (such as reinforced doors, windows, and walls) have the added bonus of being sound-dampening as well.

Element 7 will design the facility so that any loud equipment in continuous use (such as the air-filtration system) is located inside the building, on the roof, or properly sound-proofed in order to minimize any disturbance it may cause neighbors.

Element 7's store hours will also serve to minimize the noise caused by customer traffic, and all public events held by the company will take place, with city permission, inside its facility during their normal business hours.

Element 7 will update all noise reduction practices to maintain compliance with the law and address any further concerns expressed by the public.



PROJECT REVIEW REFERRAL

Please provide comments by: July 26, 2019

The City of Ukiah Community Development Department is soliciting input on the project described below for use in the staff analysis, CEQA document, and public hearing documents. You are invited to comment on any aspect of the proposed project, including information required before you can finalize your comments and recommended conditions of approval for the project.

TO:

X Craig Schlatter, Director	Mendocino County Planning and Building
X Michelle Irace, Planning Manager	Mendocino County Public Health
X Matt Keiser, City Building Official	Mendocino Transit Authority
X Rick Seanor, City Public Works Dept.	US Army Corps of Engineers
X Kevin Jennings, Fire Marshall	Regional Water Quality Control Board
X Sean Kaeser, Ukiah Police Dept.	CA Dept. of Fish and Wildlife
X Nancy Sawyer, Community Service Officer	CA Dept. of Transportation
X Jimmy Lozano & Scott Bozzoli, Electrical	Sonoma State Northwest Information Center
Ukiah Municipal Airport Operations Manager,	AT & T
Greg Owen	
Airport Land Use Commission	PG & E (gas)
Mendocino County Air Quality	PG & E (Land Rights)
Mendocino County Environmental Health	

FROM PROJECT PLANNER:

Mireya G. Turner, Associate Planner
mturner@cityofukiah.com
707.463.6203

PROJECT INFORMATION:

Date Filed:	April 3, 2019	Date Referred:	7/12/2019
Prev. Projects on Site:	Professional office space	Resubmittal:	
File #(s)	19-4434	Agent:	Element 7, LLC
Project Name:	Element 7	Address:	8033 Sunset Blvd., Ste. 987
Site Location:	441 N. State St.		Hollywood, CA 90046
APN:	002-186-19	Phone:	(24) 285-0088
Zoning:	C-1 – Community Commercial	Email:	Robert@Element7.co
General Plan:	Commercial		

DESCRIPTION: Major Use Permit to allow a commercial cannabis manufacturing and retail facility in a two-story structure, previously used as professional office space. The applicant proposes no building additions.

ATTACHMENTS: Application, Project Description, Site Plans, Floor Plans, Zoning and Location Maps, Lighting Plan, Security Plan, Accessibility Evaluation.

Please indicate whether you have comments and sign and date below. Return this Project Referral Form by the date noted above to the Project Planner listed.

Name and Affiliation/Department (please print) Jimmy Lozano Electric Utility Department

- ☐ No Comment
- ☒ Comments / Conditions of Approval Attached

Jimmy Lozano
Signature

7/15/2019
Date

Comments / Conditions of Approval:

Hi Mireya,

Regarding Project Review Referral File # 19-4434 Element 7 (441 N. State Street), the Electric Utility Department offers the following comments/conditions :

- 1) This property will be served from existing underground facilities and a 75kva 3-phase Transformer that currently serves the address/building at 441 N. State Street. Should the project need to upgrade to a larger panel or increase the electric load in the future, they will need to contact the Electric Utility Office.
- 2) All future site improvements shall be submitted to the Electric Utility Department for review and comment. At this time, specific service requirements, service Voltage and developer costs and requirements will be determined.
- 3) Developer will need to provide EUSERC approved electrical equipment that is to be used on this project.
- 4) In the event that the existing Electric Main Service Panel/s need to be upgraded to a larger size, applicant shall provide projected load calculations to the COUEUD for their project.
- 5) Developer/customer shall incur all costs of this future project to include (labor, materials, equipment).

Should they have any questions please call Jim Lozano at 467-5774 or Scott Bozzoli at 707-467-5775

Thank you, Jimmy

Mireya Turner

From: Matthew Keizer
Sent: Tuesday, August 6, 2019 7:38 AM
To: Mireya Turner
Subject: RE: looking for Element 7 comments

1. A permit will be required for T.I. Please submit plans, building permit application, and hardship form see links below. Please submit four complete plan sets, two wet stamped and signed.

Useful City Hand outs and submittal documents links below.

<http://www.cityofukiah.com/NewWeb/wp-content/uploads/2012/07/Application-for-Unreasonable-Hardship-Determination-for-Accessibility.pdf>

<http://www.cityofukiah.com/NewWeb/wp-content/uploads/2019/02/Building-Permit-Application-02102014-fillable.pdf>

http://www.co.mendocino.ca.us/aqmd/pdf_files/ADRN-2791-revised.pdf

<http://www.cityofukiah.com/NewWeb/wp-content/uploads/2019/02/Special-Inspection-Agreement-2016-CBC-complete-fillable.pdf>

<http://www.cityofukiah.com/NewWeb/wp-content/uploads/2012/07/AB3002Notice.pdf>

<http://www.cityofukiah.com/NewWeb/wp-content/uploads/2012/07/Commercial-Building-Permit-Submittal-Documents1.pdf>

2. The design and construction of all site alterations shall comply with the 2016 California Building Code, 2016 Plumbing Code, 2016 Electrical Code, 2016 California Mechanical Code, 2016 California Fire Code, 2016 California Energy Code, 2016 Title 24 California Energy Efficiency Standards, 2016 California Green Building Standards Code and City of Ukiah Ordinances and Amendments.
3. If the Building is currently a B occupancy and will need to be converted to an F and/or M occupancy. Per 2016 CBC 3408 "No change shall be made in the character of occupancies or use of any building unless such building is made to comply with all current code requirements". This may be an extensive remodel and we recommend you hire an Architect or Engineer and a Casp to review your building for code compliance before you comment to a change of occupancy.



Matt Keizer, Building Official

Email: mkeizer@cityofukiah.com

300 Seminary Ave

Ukiah, CA 95482

Office 707-467-5718

Fax 707-463-6204

From: Mireya Turner <mtturner@cityofukiah.com>

Sent: Friday, August 2, 2019 10:27 AM



Ukiah Police Department

Safety, Professionalism, Community Service

Justin Wyatt
Chief of Police

To: Mireya Turner, Associate Planner
CC: Cpt. S. Kaeser, Chief J. Wyatt, M. Irace-Planning Manager
From: CSO N. Sawyer
Subject: **Element 7, 441 N. State St., File #19-4434**
Date: 12/2/19

On 12/2/19, Capt. Sean Kaeser and I reviewed the above named Major Use Permit, specifically related to the re-submitted site plan dated 11/25/19, as part of the Security Plan. After reviewing the newly revised site plans and various questions answered by the applicant, we find the current Security plan approved on 8/6/19, to be back in compliance.

This is with the understanding the fencing and gate on the State Street frontage will be moved to the east side of the creek bed. We find the current Security plan, which was approved on 8/6/19, to be back in compliance.

Respectfully submitted,

Nancy Sawyer, ICPS, CPD
Community Service Officer
Ukiah Police Department, Phone: 707-467-5708
nsawyer@cityofukiah.com

PROJECT REVIEW REFERRAL

Please provide comments by: July 26, 2019

The City of Ukiah Community Development Department is soliciting input on the project described below for use in the staff analysis, CEQA document, and public hearing documents. You are invited to comment on any aspect of the proposed project, including information required before you can finalize your comments and recommended conditions of approval for the project.

TO:

X	Craig Schlatter, Director	Mendocino County Planning and Building
X	Michelle Irace, Planning Manager	Mendocino County Public Health
X	Matt Keiser, City Building Official	Mendocino Transit Authority
X	Rick Seanor, City Public Works Dept.	US Army Corps of Engineers
X	Kevin Jennings, Fire Marshall	Regional Water Quality Control Board
X	Sean Kaeser, Ukiah Police Dept.	CA Dept. of Fish and Wildlife
X	Nancy Sawyer, Community Service Officer	CA Dept. of Transportation
X	Jimmy Lozano & Scott Bozzoli, Electrical	Sonoma State Northwest Information Center
	Ukiah Municipal Airport Operations Manager,	AT & T
	Greg Owen	
	Airport Land Use Commission	PG & E (gas)
	Mendocino County Air Quality	PG & E (Land Rights)
	Mendocino County Environmental Health	

From:

To:

FROM PROJECT PLANNER:

Mireya G. Turner, Associate Planner
mturner@cityofukiah.com
707.463.6203

PROJECT INFORMATION:

Date Filed:	April 3, 2019	Date Referred:	7/12/2019
Prev. Projects on Site:	Professional office space	Resubmittal:	
File #(s)	19-4434	Agent:	Element 7, LLC
Project Name:	Element 7	Address:	8033 Sunset Blvd., Ste. 987 Hollywood, CA 90046
Site Location:	441 N. State St.		
APN:	002-186-19	Phone:	(24) 285-0088
Zoning:	C-1 – Community Commercial	Email:	Robert@Element7.co
General Plan:	Commercial		

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ATTACHMENTS: Application, Project Description, Site Plans, Floor Plans, Zoning and Location Maps, Lighting Plan, Security Plan, Accessibility Evaluation.

Please indicate whether you have comments and sign and date below. Return this Project Referral Form by the date noted above to the Project Planner listed.

Name and Affiliation/Department (please print) Nancy Sawyer, Ukiah P.D.

☐ No Comment

☒ Comments / Conditions of Approval Attached

Additional info/crime stats

Signature

Nancy Sawyer

Date

10/7/19

** requested by Mireya Turner 10/1/19*

Block Activity 09/30/2018 thru 09/30/2019

<i>Block</i>	<i>Street</i>	<i>Complaint</i>	<i>Calls</i>	<i>Block</i>
400	N STATE ST			128
		Alarms	24	
		Stolen Vehicles	2	
		Assaults	1	
		Threats	2	
		Mental Health	2	
		Follow Up	4	
		Other Activity	1	
		Security Checks	8	
		Abandoned Auto	1	
		Bike Stop	1	
		Citizen Assist	1	
		Disturbance	4	
		Domestic Violence	1	
		Extra Patrol	2	
		Found Property	1	
		Information Taken	4	
		Loud Music	2	
		Parking Complaint	1	
		Reposessed Vehicle	4	
		Suspicious Circumstance	1	
		Suspicious Person	6	
		Suspicious Vehicle	2	
		Traffic Collision	4	
		Traffic Stop	38	
		Transient	2	
		Tresspasser	1	
		City Code Violation	1	
		Utility Call Out	2	
		Vandalism	2	
		Welfare Check	3	

<i>Block</i>	<i>Street</i>	<i>Complaint</i>	<i>Calls</i>	<i>Block</i>
300	MAIN ST			218
		Alarms	3	
		Stolen Vehicles	1	
		Child Abuse	1	
		Assault	2	
		Physical Fight	4	
		Verbal Fight	5	
		Threats	2	
		Burglary	5	
		Mental Health	2	
		Public Intoxication	1	
		Agency Assist	5	
		Follow Up	21	
		Other Activity	1	
		Security Checks	1	
		Suspicious Vehicle	12	
		Suspicious Person	21	
		911 Hangup	2	
		Animal	2	
		Abandoned Auto	3	
		Bike Stop	2	
		Citizen Assist	2	
		Civil Issue	4	
		Disturbance	20	
		Domestic Violence	7	
		Fraud	1	
		Drug Activity	1	
		Information Taken	8	
		Juvenile Danger	1	
		Loud Music	3	
		Misc Crime	1	
		Misc Service	1	
		Neighbor Problem	5	
		Parking Complaint	3	
		Probation Search	1	
		Shots Fired	1	
		Supplemental Report	3	
		Suspicious Circumstance	13	
		Theft	11	
		Traffic Stop	14	
		Transient	3	
		Vandalism	5	
		Violation of Court Order	1	
		Welfare Check	13	

Interoffice Memorandum



To: Alicia Tlelo, Assistant Planner
From: Jason Benson, Public Works Senior Engineer
Date: July 23, 2019
Re: Project Review Committee Referral File No. 4434, Major use permit,
Located at 441 N State St

The Department of Public Works has reviewed the above referenced project and recommends the following conditions of approval:

1. All work within the public right-of-way shall be performed by a licensed and properly insured contractor. The contractor shall obtain an encroachment permit for work within this area or otherwise affecting this area. Encroachment permit fee shall be \$45 plus 3% of estimated construction costs.
2. All sidewalks and driveway aprons that front the parcel shall be ADA compliant.
3. Based on the proposed use and no building additions are proposed, there are no fees for sewer and water at this time.

Mireya Turner

From: Kevin Jennings
Sent: Tuesday, July 16, 2019 10:15 AM
To: Mireya Turner
Subject: RE: Project Review Request - Cannabis Manufacturing & Retail - 441 N. State St.

Mireya,

After looking through the "stack" of information I finely came across a reference to the Fire and Safety Technical Report that will be prepared and presented to the Fire Official prior to opening for operations. Not only prior to but I will need this report for an appropriate plan review when the applicant applies for their building permit. The application only slightly mentions the use of CO2 in their process and no other distillates that I can see. I anticipate that this will be covered in the engineers technical Fire and Safety report.

Other fire and life safety requirements will include fire extinguishers, emergency lighting, visible address location and such that will be part of my plan review.

I have no other comments at this point.

Thanks, Kevin

From: Mireya Turner <mturner@cityofukiah.com>
Sent: Friday, July 12, 2019 11:12 AM
To: Michelle Irace <mirace@cityofukiah.com>; Matthew Keizer <mkeizer@cityofukiah.com>; Rick Seanor <rseanor@cityofukiah.com>; Kevin Jennings <kjennings@cityofukiah.com>; Sean Kaeser <skaeser@cityofukiah.com>; Nancy Sawyer <nsawyer@cityofukiah.com>; Jimmy Lozano <jlozano@cityofukiah.com>; Scott Bozzoli <sbozzoli@cityofukiah.com>
Subject: Project Review Request - Cannabis Manufacturing & Retail - 441 N. State St.

Good morning,

Attached please find a request for project review for Element 7, LLC's application for cannabis manufacturing and retail. Project location is 441 N. State Street.

The application is 210 pages long, so I broke it up into hopefully more easily digestible chunks, available at the link below.

<https://cityofukiah.box.com/s/mpracc21wd2f38xetuns9shx3b83f4bm>

Your consideration and comments no later than July 26, 2019, are greatly appreciated.
Cordially,



Mireya G. Turner, MPA
Associate Planner
300 Seminary Avenue
Ukiah, CA. 95482
Tel: (707) 463-6203

Mireya Turner

From: Arnhold, Christopher@DSS <Chris.Arnhold@dss.ca.gov>
Sent: Wednesday, July 24, 2019 3:41 PM
To: Mireya Turner
Subject: RE: Request for daycare proximity check

All of these addresses are at least 800 feet from a child care. Both Center and Family Child care homes. Hope that helps. I submitted my idea to my manager to make this a function of our HQ but who knows how that will turn out. In the meantime, if you or Lake Co needs a check done, just email me. Ill try and get back to you the same day, if not sooner, now that my template is created.

Chris

From: Mireya Turner <mturner@cityofukiah.com>
Sent: Wednesday, July 24, 2019 1:45 PM
To: Arnhold, Christopher@DSS <Chris.Arnhold@dss.ca.gov>
Subject: Request for daycare proximity check

Dear Chris,

Thank you so much for assisting us in finding a new way to check our daycare setbacks for our commercial cannabis permits.

We have three locations which need confirmation of any home daycares within a 250 foot radius.

The addresses are as follows:

441 North State Street

270-274 East Smith Street (they are using 3 suites in a strip mall)

1125 South State Street

Thank you again, for your help.

Cordially,



Mireya G. Turner, MPA
Associate Planner
300 Seminary Avenue
Ukiah, CA. 95482
Tel: (707) 463-6203
Fax: (707) 463-6204

Mireya Turner

From: Keith Gronendyke <gronendykek@mendocinocounty.org>
Sent: Thursday, March 26, 2020 4:50 PM
To: christopher@e7ca.com
Cc: Mireya Turner
Subject: Re: Fwd: Mendocino County request for ALUC application review

[EXTERNAL EMAIL] DO NOT CLICK links or attachments unless you recognize the sender and know the content is safe.

Good Afternoon Chris,

Actually, I talked with the Chief Planner this afternoon and she did confirm that under Section 1.4.4 of the Mendocino County Airport Comprehensive Land Use Plan, it states in part: "*The Airport Land Use Commission must respond to a local agency's request for a consistency determination on a project within **60 days** of referral. If the Commission fails to make the determination within that time period, the proposed action shall be deemed consistent with the Airport Land Use Compatibility Plan...*" Since your project was accepted and date stamped January 31, 2020 and the next hearing date is not until April 2, 2020, which is past the 60 day period, your project will not be required to have a public hearing and will be deemed consistent on March 31, 2020. I can compose a letter stating this, or if you want, you can accept this email as evidence of consistency. Let me know. Your next step is to contact the City of Ukiah's Planning Department and continue their process. I have included Mireya Turner, City of Ukiah planner, to receive this email as well. If you have any questions, please contact me again.

Thank You,

Keith Gronendyke
Mendocino County
Planner III

>>> Christopher Bloom <christopher@e7ca.com> 3/26/2020 4:04 PM >>>
Great, thank you for the update.

Chris

On Thu, Mar 26, 2020, 4:04 PM Keith Gronendyke <gronendykek@mendocinocounty.org> wrote:
Good Afternoon Christopher,

I will be discussing this with the Chief Planner tomorrow. If you want to contact me in the afternoon, I can let you know what I found out.

Thanks,

Keith Gronendyke
Mendocino County
Planner III

Mireya Turner

From: Thelma Levy <rosegirl502@sbcglobal.net>
Sent: Monday, January 6, 2020 4:29 PM
To: Mireya Turner
Subject: Element 7 Ukiah, LLC application

To Whom It May Concern,

We are unable to attend the public hearing on Wednesday night but wanted to **voice our concerns** regarding the cannabis manufacturing facility and dispensary proposed for 441 N. State St.

As owner of the office building located at 444 N. State St., which is located directly across from the site, we have the following concerns:

- We own a parking lot located on State Street and are concerned about overflow parking into this lot which would inconvenience our commercial and residential tenants.
- We have 5 rental units at this location and are concerned about the late hours for both the manufacturing and retail businesses potentially disturbing our residential tenants.
- Negative impact of cannabis production on air quality in the area - potentially disturbing both our commercial and residential tenants.
- Mama's Medicinals, which also retails CBD products, is located just down State St. - it seems that Element 7's product offering will at least partially overlap. Additionally, there seems to be another cannabis permit request for review on this same agenda. Does Ukiah really need this many cannabis dispensaries?

Sincerely,

Robert and Thelma Levy

Mireya Turner

From: jhoymanstudio <jhoymanstudio@gmail.com>
Sent: Tuesday, January 7, 2020 3:46 PM
To: Mireya Turner
Subject: Planning Commission Meeting for 441. N. State St.

Good Afternoon Mireya,

Thank you for talking with me yesterday. My business address is 323 N. Main which is directly behind the State Street address. I also reside at 327 N. Main St. I never received official notice that this hearing would be held at either of these addresses.

Here are some of the issues I am concerned with:

1. The news paper states that the business will be a non-volatile cannabis manufacturing facility. What does that mean? The paper also states there will be measures in place to control the odor. Will there be any odor? If so will there be steps to eliminate those odors.
2. Gibson creek. I know there is a set back from the creek that is required for any building. Is the construction of the security fence far enough from the creek? The creek sides are fragile and rickety in this stretch between State street and Main street. Will any construction safe guard the creek and the very large/old oak trees in this area?
3. Security measures that are associated with this business. It is stated that there will be a 6' iron fence erected around the perimeter for security. Will that be tasteful? Will there be barbed wire involved? What kind of activity will be occurring on the Main Street side of the business? Where will the security guard be stationed? Where will the video camera's be stationed?

I have been in business in this building 323 N. Main since 1984. We have retail customers park in front of and at the side of my building. They also park on the west side of the Main Street and walk over to the pottery. I am concerned that the look and the feeling of this new business be tasteful. Through these questions I want to make sure my supporters continue to feel welcoming and safe coming to my pottery.

I love this Ukiah community. Change is inevitable and needed to succeeded, thrive and grow. I appreciate those who have taken the step to work for the common good through government. Your jobs and opinions are not always easy. Thank you for your commitment to this work for the community.

I will appreciate this email being shared with the rest of the committee.

Jan Hoyman Studio

323 N. Main St. Ukiah CA 95428
707-468-8835
www.janhoymanstudio.com

doing dishes since 1984

DUNCAN M. JAMES
DONALD J. McMULLEN
K. J. FLAVETTA
DOUGLAS L. LOSAK

LAW OFFICE OF DUNCAN M. JAMES

LAMBS INN
P. O. BOX 1381
445 NORTH STATE STREET
UKIAH, CALIFORNIA 95482
(707) 468-9271

**Item 12a
Public Correspondence**

FAX (707) 468-0453
lawoffice@duncanjames.com

January 8, 2020

City of Ukiah Community Development Department
Attention: Planning Commission
300 Seminary Avenue
Ukiah, CA 95482

Re: 441 North State Street, Ukiah, CA - Major Use Permit; File No. 19-4434

Planning Commissioners:

I am writing on behalf of Duncan M. James. Mr. James owns a business located next door to the location of the proposed Cannabis Manufacturing and Dispensary/Retail Operation. Mr. James has been in business at this location since 1979. Mr. James has several concerns regarding the above described Major Use Permit, including, but not limited to, the proposed exemption from having the required number of off-street parking spaces, the number of customers as it relates to available on-street parking and the determination that the project is categorically exempt from CEQA requirements.

Regarding the parking exception being used for the Major Use Permit, Mr. James main concern is the lack of adequate parking and the resulting over-use of on street parking. The property in question has three small parking spaces on the eastern side of the property. The only other available parking is on Main Street and State Street. However, based on the application, the only entrance for customers will be on State Street. This will mean that the limited number of spaces on State Street will likely be unavailable for neighboring businesses' customers, including Mr. James' clients and customers of other nearby businesses, including North Coast Opportunities.

The fact that the only entrance for customers is from State Street means that all customers will either park on State Street, or if parking is not available, park on Main street and cut through neighboring private property (Mr. James') to gain access to State Street. This will likely cause Mr. James and other neighboring property owners to erect fences around their properties to prevent non-clients from parking on their properties or trespassing to access the State Street entrance. In addition, there is a mobile home park across the street from the proposed project on Main street, as well as a residence immediately south of the property and other residential properties in the vicinity.

Regarding use, the applicant states they could legally have a maximum occupancy of thirty-five (35) customers at any one time, but states the Maximum desired occupancy is seventeen (17) customers at a time. They also claim that the average customer visit time is only

five minutes and they expect 100 customers a day, between 10-20 customers an hour. However, based on their application, it appears that the Applicant's intent is to keep customers longer than five minutes per visit. "Element 7 isn't just a retail cannabis outlet. Our vision is to create an interactive learning hub that allows first time users, new cannabis consumers and connoisseurs with a welcoming experience where they can learn, engage and shop within an inviting, and open environment," The longer customers stay, the more vehicles there will be at any one time. Applicant admits that there is only a maximum of four spaces available on State Street. This would mean Applicants customers would park in other curb side parking, thus taking away space for other businesses' customers. It would also result in Applicant's customers either parking on the other side of State Street (which would likely result in many people jay-walking to gain access to the Applicants business), or parking on Main street and trespassing on other businesses property.

Finally, the determination that the project is categorically exempt from CEQA is incorrect. It should be noted that Gibson Creek runs through the property and the creek has a history of flooding. Any changes to the area surrounding the creek, including installation of fences, is likely to effect the flooding.

The City claims that the project is categorically exempt from CEQA review under Cal. Code Regs., tit. 14, § 15301, existing facilities, which states that a project is exempt from CEQA if the project "consists of the operation, repair, maintenance, permitting, leasing, licensing, or minor alteration of existing public or private structures, facilities, mechanical equipment, or topographical features, involving negligible or no expansion of existing or former use." Cal. Code Regs., tit. 14, § 15301. However, in making the determination that the project is categorically exempt, the City appears to ignore the term "involving negligible or no expansion of existing or former use"

The existing building is 1,586 square feet and has historically been used for office space. When used for office space the requirement for off-street parking is four spaces, as compared to the nine spaces that would be required if the application were approved without an exemption. The Applicant has stated in the application that he believes they will have 100 customers a day, which would equate to approximately between 10-20 customers an hour. Furthermore, the hours the business will be open is substantially more than the prior occupants. The proposed business will be open seven days a week, fifteen hours a day compared with the most recent occupant, which was open five days a week, eight to nine hours a day.

This increase in use, both hours of operation and number of customers will potentially have a significant impact on the environment and therefore does not qualify for a categorical exemption from a CEQA review.

In closing, permitting the proposed project will adversely effect neighboring business as well as residents, including the mobile home park, that are located on Main Street. The proposed project will greatly increase the number of vehicles traveling on Main Street and State Street, as well as greatly increase the number of cars needing parking spaces on both streets. In addition,

January 8, 2020

the proposed project is likely to have an adverse impact on the environment, including increased carbon monoxide from vehicles and the unknown impact on Gibson Creek. Therefore, on behalf of Mr. James, I am requesting that the requested Major Use Permit be denied

Sincerely

A handwritten signature in blue ink, appearing to read 'D. Losak', with a stylized flourish at the end.

DOUGLAS L. LOSAK

DLL/kmd

March 30, 2020

City of Ukiah
Planning Manager
planning@cityofukiah.com
300 Seminary Avenue
Ukiah, CA 95482

RE: Minor Subdivision Application
589 N School St, Ukiah, CA 95482
APN: 002-146-01
File Number: 19-4992

Community Development and Planning Department,

This letter is in support of the proposed subdivision at 589 N School St, as proposed. Please add this to the file for the record.

The current parcel is ± 0.60 acres at 26,136 sf. The proposed Parcel 1 is 6,161 sf, Parcel 2 is 6,254 sf, and Parcel 3 is 13,781 sf. All of the lots exceed the City's Zoning Code for R-1 parcel size requirements of 6,000 sf. It is also in accord with the City's Housing Element of the General Plan which allows 7 dwelling units maximum per acre of density requirements.

The City's land use policy has long opposed sprawl onto unincorporated and especially ag lands, and has encouraged infill development as the responsible approach to growth. For more than twenty-five years through community workshops and City Council approved initiatives the City has made it a General Plan Goal to increase density in the core of Ukiah and support infill development which reduces automobile use and promotes a more walkable, bikeable community.

With the well-recognized housing crisis so frequently in the news and the topic of conversations throughout the valley, this proposed subdivision is a poster child for these important infill growth policies and should be encouraged in all our residential neighborhoods, not opposed.

Respectfully,



Alan Nicholson
P.O. Box 577
Talmage, CA. 95481
707. 972. 8879

Mireya Turner

From: Dora Briley <dwbriley180@pacific.net>
Sent: Saturday, April 11, 2020 1:09 PM
To: Mireya Turner
Subject: file 19-4434 Public Hearing for 441 N. State St.

[EXTERNAL EMAIL] DO NOT CLICK links or attachments unless you recognize the sender and know the content is safe.

Hi Mireya,

I'm reading the public hearing notice for the proposed permit of Element 7 Ukiah's proposal to operate a cannabis manufacturing and retail/dispensary at 441 N. State St.

I have the following questions that I want to submit to the Planning Commission regarding this proposal.

1. What activities specifically will be allowed at this site under the term "manufacturing"?

- A. trimming of product
- B. honey oil production
- C. what exactly does manufacturing at this site mean.

2. Odors, what is the mitigation plan to contain the odor of marijuana and manufacturing process at this site? And if, there are odor complaints, what consequences or recourse do nearby neighbors and businesses have for mitigation?

3. If manufacturing includes honey oil production, possibly a highly flammable process, what safety for the neighborhood will be in place?

And what safety for first responder's will be in place? What is the plan? Specifically. How will possible flammable chemicals be stored, delivered, handled?

A. will this business, if it is to have flammable products/chemicals, be required to file a Hazardous Materials Business Plan with the County?

4. This area is a mix of businesses and residential. Mostly low income residents and seniors on fixed incomes. A similar business was just approved not far away from this site. Is there a plan for not saturating an area with the same type of manufacturing/sales? For the sake of those who live in the area?

Thank you for the opportunity to ask questions, I appreciate it.

Dora Briley

DUNCAN M. JAMES
DONALD J. McMULLEN
K. J. FLAVETTA
DOUGLAS L. LOSAK

LAW OFFICE OF DUNCAN M. JAMES

LAMBS INN
P. O. BOX 1381
445 NORTH STATE STREET
UKIAH, CALIFORNIA 95482
(707) 468-9271

Public Correspondence
04/22/2020

FAX (707) 468-0453
lawoffice@duncanjames.com

April 22, 2020

City of Ukiah Community Development Department
Attention: Planning Commission
300 Seminary Avenue
Ukiah, CA 95482

Re: 441 North State Street, Ukiah, CA - Major Use Permit; File No. 19-4434

Planning Commissioners:

I am writing to supplement the previous letter of objection that was submitted to you on behalf of Mr. James on January 8, 2020. I want to first state my disappointment with the Airport Land Use Commission's (ALUC) failure to hold a timely meeting, thus requiring the Commission to deem the project compatible. The county had brought up the fact that the project required approval by the ALUC at the initial hearing on this matter. However, despite bringing this matter to the attention of the Ukiah Planning Commission, the ALUC was unable to hold a meeting. If this project was required to get approval of the ALUC, the Commission should have taken their responsibility seriously and schedule a special meeting if they could not hear the matter at a regular meeting.

One of the main objections to permitting the proposed business in the location at 441 North State Street is the increased traffic and lack of adequate onsite parking. During normal times, there is little available on-street parking on Main Street behind 441 because of existing businesses, including North Coast Opportunities. In addition, there is also little available on street parking on the east side of State street in front of 441 State Street, again because it is used by customers of existing business.

UCC §7388 grants the Planning Commission the authority to reduce the required parking, based on one or more of the following grounds:

1. The refusal to allow a variance would make a proper use of the property unfeasible;
2. Physical impossibility or unsuitability of the property to comply with on-site parking requirement;
3. Proximity to an underutilized public parking lot which would reduce the need for on-site parking;

April 22, 2020

4. Specific conditions exist which particularly affect the subject property as opposed to other properties in the District similarly situated;

5. Specific conditions exist as to the type of business enterprise or use permitted by the Commission and which may affect the need for on-site parking.

The City's Draft Findings assert several basis for a variance. First it claims that "Without granting of a variance from the parking required by §9198(G)(1), the Applicant will be unable to accommodate the retail clientele, and its employees." (Paragraph 20 of Draft Findings) However, the City Code does not provide for this basis. (See above.) The second basis for an exception cited by City Staff is that "The project parcel is unable to comply with the on-site parking requirement due to the size, natural features (Gibson Creek and flood plain areas), and existing development on-site." Although this basis is permitted under the City Code, such an exception would not be required if the property was used for businesses offices, which is what the property has been previously used for. (See original letter dated January 8, 2020.) The next basis for the exemption is that public parking is available on both Main Street and State Street. However, the exemption requires that the proposed business be located near an "under-utilized **parking lot**, not off-street parking. The other problem with this exemption being applied to the applicant is that, although there is street parking on Main Street, the only access to the business will be on State Street, which will require customers to either walk north to Norton street, then south on State Street, or South on Main Street to Smith Street and then north on State Street – or as more likely will occur, trespass on neighboring property to access State Street, including Mr. James property as there is a walkway from our parking lot on Main Street to our front entrance on State Street. The last basis for the proposed exemption asserted by City staff is that "Other neighboring parcels are limited by existing structures, however, the project parcel is the only parcel in the area which is traversed by Gibson Creek, limiting the amount of useable space." This is simply inaccurate. Many property owners have Gibson Creek (or other creeks) running through their property and have had to adjust their use of their property to accommodate the creek(s).

In closing, permitting the proposed project will adversely effect neighboring business as well as residents, including the mobile home park, that are located on Main Street. The proposed project will greatly increase the number of vehicles traveling on Main Street and State Street, as well as greatly increase the number of cars needing parking spaces on both streets. In addition, the proposed project is likely to have an adverse impact on the environment, including increased carbon monoxide from vehicles and the unknown impact on Gibson Creek. Therefore, on behalf of Mr. James, I am requesting that the requested Major Use Permit be denied.

Sincerely



DOUGLAS L. LOSAK

DLL/kmd

Circle Trailer Park
317 North Main Street
Ukiah, CA 95482
(707) 462-3588 (Office)

Public Correspondence
5/6/2020

RECEIVED

April 14, 2020

APR 23 2020

City of Ukiah, Planning Division
300 Seminary Avenue
Ukiah, CA 95482

CITY OF UKIAH
COMMUNITY DEVELOPMENT

Re: Application for Element 7 Ukiah, LLC

Dear City of Ukiah Planning Division:

I am in receipt of the Notice of Public Hearing for the Application for the proposed new business at 441 North State Street, Element 7 Ukiah, LLC. I am the owner of the Circle Trailer Park located at 317 North Main Street, Ukiah, California which currently rents 54 spaces to senior residents. This mobilehome park is one of the oldest parks in the city and provides low income housing to seniors.

I am opposed to the new business consisting of cannabis manufacturing and retail/dispensary in such close vicinity to my park as I have concern there could be potential for increased and unwanted traffic through my park and in the area for my residents which is located on the street directly behind the new proposed business. There is a potential of the smell from the manufacturing of the cannabis that my residents might have to endure from the new business, along with the potential for even more non-residents bringing substance abuse into my park. I already deal with foot traffic from non-residents in the area that come through and use my park as a thoroughfare between Mason Street and Main Street and cause many of my tenants unease. Furthermore, there is already another business of this type wanting to establish itself in the area that I have also voiced my concerns about and I do not want my senior tenants to be surrounded on all sides by these types of businesses.

Thank you for considering my concerns as you make your decision on the Application.

Sincerely,

Bruce Ledford

Bruce Ledford, Owner
Circle Trailer Park



DATE: May 13, 2020
TO: Planning Commission
FROM: Mireya G. Turner, Associate Planner
SUBJECT: Review of Planning Commission Questions from the April 22, 2020 meeting, regarding Major Use Permit and Parking Variance Request to Allow a Cannabis Manufacturing (non-volatile) and Dispensary/Retail Operation in an Existing Building at 441 North State Street. APN 002-186-19; File No. 19-4434.

SUMMARY

During the April 22, 2020 meeting, the Planning Commission requested staff review and report on the following questions:

- 1) Whether the Academic Success and College Prep Center, located at 307 N. State Street, is a school, and if its proximity to the Project Site presents a conflict relating to the Location Limitations listed in UCC Section 9174.2; and
- 2) The proximity of the Project Site to the mobile home park, located at 317 N. Main Street, and any conflict relating to the Location Limitations listed in UCC Section 9174.2.

Staff has performed the review. As discussed below, neither the academic center, nor the mobile home park locations cause a conflict with the location limitations, as described and defined in the Ukiah City Code.

Staff recommends the Planning Commission adopt the findings and conditionally approve a Major Use Permit with a variance from parking regulations, for the Element 7 project, located at 441 North State Street.

STAFF ANALYSIS

Project Proximity to Academic Success and College Prep Center

All applications for cannabis-related businesses must include a Neighborhood Context Map, displaying the Project Site, and the property lines of any school within 600 feet of the site, as well as all youth-oriented facilities within 250 feet of the Project Site. The City's Cannabis Use Permit Application Packet is included as **Attachment 1**.

The application for Element 7's proposed manufacturing and dispensary/retail business included the Neighborhood Context Map, consisting of multiple pages displaying distances between the Project Site and the nearest school, youth-oriented facilities, churches, parks, and residential

Staff Report
Major Use Permit & Variance
Element 7 Ukiah, 441 North State Street
File No.: 19-4434



zoning district. The Academic Success and College Prep Resource Center was not identified on the map. This portion of the application is included as **Attachment 2**.

Ukiah City Code (UCC) Section 5702P defines a school as follows:

“School” means an institution of learning for minors, whether public or private, offering a regular course of instruction required by the California Education Code. This definition includes an elementary school, middle or junior high school, senior high school, or any special institution of education, but it does not include a vocation or professional institution of higher education, including any other college or university.”

UCC Section 5702AA defines youth-oriented facility as follows:

“Youth-oriented facility” means a public park, church, museum, library, or licensed daycare facility.”

Additionally, the Ukiah City Code Section 9277 defines an educational facility as, *“an elementary, secondary or higher learning facility, whether public, private, or parochial in ownership, which offers instruction in branches of learning.”*

The Academic Success and College Prep Resource Center is located at 307 N. State Street. The parcel line closest to the Project Site is approximately 383 feet away. It opened in December 2017, for the purpose of providing academic and career support for K-12 students of Native American descent. It does not offer a regular course of instruction, but instead provides tutoring and college and career counseling services.

The Academic Success and College Prep Resource Center does not provide a regular course of instruction, required by the California Education Code to qualify it as a school. The Center provides support to local students to achieve scholastic and career success with the course of instruction they receive from the local schools, similar to the definition of an educational facility.

UCC Section 9174.2.F.1 prohibits cannabis-related businesses in the following areas:

“a. Within six hundred feet (600’) of a school, as defined in section 5702P of this code, with that distance measured as the horizontal distance in a straight line from the property line of the school to the closest property line of the lot on which the cannabis related business is to be located without regard to intervening structures, pursuant to California Health and Safety Code section 11362.768; or

b. Within two hundred fifty feet (250’) of a youth-oriented facility other than a school, as defined in section 5702R of this code, with that distance measured by street frontage from the property line of the youth-oriented facility to the closest property line of the lot on which the dispensary (and cannabis business) is to be located, and not radial distance.”



The Academic Success and College Prep Resource Center does not fit the definition of youth-oriented facility, as defined by the Ukiah City Code. Educational facilities are not included in the Limitations on Locations of Cannabis-Related Businesses. Therefore, the proximity of the Academic Success and College Prep Resource Center to the Project Site is in compliance with the Ukiah City Code.

Project Site proximity to Main Street Mobile Home Park

Ukiah City Code Section 9174.2.F.1 prohibits cannabis-related businesses in the following area:

“e. On a parcel having a residential unit, or on a parcel directly abutting a residentially zoned property, unless there are intervening nonresidential uses between the cannabis-related business and the residential unit or the residentially zoned property that the decision-making entity charged with hearing and making the decision on the use permit application or the appeal of that decision determines sufficient to provide an appropriate separation.”

Section 9278.B includes the following definition, *“ABUTTING OR ADJOINING: Having lot lines, parcel lines or boundaries in common.”*



As shown by the image above, there are no common lot lines, parcel lines, or boundaries in common between the Project Parcel and the mobile home park located at 317 North Main Street. For this reason, the location proposes for this project is not in conflict with the location limitations listed in UCC Section 9174.2.F.1, nor is a determination of intervening nonresidential use required.

Staff Report
Major Use Permit & Variance
Element 7 Ukiah, 441 North State Street
File No.: 19-4434



NOTICE

During the April 22, 2020 Planning Commission meeting, this item was continued to the May 13, 2020 meeting. Due to its continuance with date and time certain, additional notification through mail, local newspaper, and on-site posting, was not required. The agenda was posted to the City's website on Thursday, May 7, 2020, and at City Hall, 300 Seminary Avenue no less than 72 hours prior to the hearing.

RECOMMENDATION

Staff recommends Planning Commission 1) conduct a public hearing; and 2) adopt the findings and conditionally approve a Major Use Permit with a variance from parking regulations, for the project.

ATTACHMENTS

1. City of Ukiah Cannabis Business Permit Application Packet
2. Element 7 Application – Neighborhood Context Map portion

CANNABIS USE PERMIT APPLICATION CHECKLIST

Updated July 16, 2019



Attachment 1

The following items are *required* for all Cannabis Use Permit Applications, per City of Ukiah Municipal Code Division 6 Chapter 8, Cannabis Retailers, and Division 9 Chapter 2 (Sections 9174, Cannabis Related Businesses and 9254, Marijuana Cultivation).

- ☐ Completed Application Form. *With Applicant(s)' Name, Telephone Number and Mailing Address. Include any current or prior aliases, other legal names, maiden names, etc.*
- ☐ Previous Addresses. *Include past 5 years, immediately prior to present address.*
- ☐ Copy of Driver's License verifying the identity and age of the applicant. *Applicant must be over 21 years of age.*
- ☐ Employment History. *All businesses, occupation, or employment of the applicant for the five years immediately preceding the date of the application.*
- ☐ Tax History. *Business tax history of applicant; including whether such person, if previously operating in this or another city, county or state under license, has had a business license revoked or suspended, the reason therefor, and the business or activity or occupation in which the applicant engaged subsequent to such action of suspension or revocation.*
- ☐ Management Information. *Name(s) and address(es) of person(s) managing or supervising the applicant(s)' business.*
- ☐ Criminal Background. *Background investigation verifying whether manager(s)/supervisor(s) have been convicted of crime(s) and the nature of any offense(s). Proof of a **successfully completed** Livescan is required for the applicant and employees prior to deeming the application complete. Contact the Ukiah Police Department for more information. <http://www.cityofukiah.com/live-scan-services/>*
- ☐ Employee Information. *List individual employees, volunteers, and others who will work at dispensary or other cannabis related business. Please include name, role or title, and total number of employees.*
- ☐ Plan of Operations. *A plan of operations describing how the cannabis-related business will operate consistent with the intent of State law, including obtaining all applicable State licenses, and the provisions of this section, including but not limited to ensuring that the cannabis-related business will not engage in cannabis-related commercial activities that violate California law or this chapter.*
- ☐ Written Project Description. *Statement including use size, qty. of patients, characteristics, and intent. Identify which State License you are applying for. Include a written description of all new construction that would take place, as well as renovations to existing buildings that are proposed including landscaping, parking, signage and other exterior modifications.*
- ☐ Written Response to Local and State Standards. *Statement of how cannabis related businesses comply with all the requirements listed in the Ukiah Municipal Code pertaining to cannabis. An individual response to each requirement must be included. Please specify what state license(s) you are applying for.*

- ☐ **Security Plan.** *Outline of measures to ensure safety of persons and protection of the premises from theft, including: installation of security cameras, alarm system monitored by a licensed operator, and security assessment of site by a qualified professional. Plan should include a description of:*
 - *Alarm System: description and locations of alarms, professionally monitored, maintained and in working condition. (5708 H 8)*
 - *Panic alarm system monitored by a licensed operator. (5708 H 5)*
 - *Surveillance system(s) & cameras: description & locations installed to monitor main entrance and exterior. (5708 H 6)*
 - *Security Video Retention: maintained for ninety (90) days. (5708 H 7)*
 - *Locked storage on premises for after-hours storage of medical marijuana. (5708 H 2)*
 - *Emergency Contact information provided (5708 H 9)*
- ☐ **Floor Plan.** *A sketch or diagram showing the interior configuration of the premises, including a statement of the total floor area occupied by the cannabis-related business. The sketch or diagram need not be professionally prepared, but must be drawn to a designated scale or drawn with marked dimensions of the interior of the premises to an accuracy of plus or minus six inches (6");*
- ☐ **Site Plan.** *A sketch or diagram showing exterior configuration of the premises, including the outline of all existing and proposed structures, parking and landscape areas, and property boundaries. The sketch or diagram need not be professionally prepared, but must be drawn to a designated scale or drawn with marked dimensions to an accuracy of plus or minus six inches (6"); Site Plan also needs to include accurate dimensions.*
- ☐ **Accessibility Evaluation.** *Written evaluation of accessibility to and within the building, and identification of planned accessibility improvements.*
- ☐ **Neighborhood Context Map.** *An accurate straight-line drawing depicting the building and the portion thereof to be occupied by the cannabis-related business, and: (1) the property lines of any school within six hundred feet (600') of the property line of the business for which a permit is requested, (2) the property lines of any cannabis-related business within two hundred fifty feet (250') of the primary entrance of the business for which a permit is requested, and (3) the property lines of any youth-oriented facility or residential zone or use within two hundred fifty feet (250') of the primary entrance of the business.*
- ☐ **Lighting Plan.** *Plan showing existing and proposed exterior and interior lighting levels minimum necessary to provide adequate security lighting for the use and in compliance with all City lighting design and installation standards.*
- ☐ **Other Information.** *Any items deemed necessary by the Planning and Community Development Department to demonstrate compliance with City of Ukiah Municipal Code.*



City of Ukiah

Community Development Department
 Planning Division
 300 Seminary Ave., Ukiah CA 95482
 Email: planning@cityofukiah.com
 Web: www.cityofukiah.com
 Phone: (707) 463 -6268
 Fax: (707) 463-6204

Planning Permit Application

PROJECT NAME:					
PROJECT ADDRESS/CROSS STREETS:				AP NUMBER(S):	
APPLICANT/AUTHORIZED AGENT:		PHONE NO:	FAX NO:	E-MAIL ADDRESS:	
APPLICANT/AUTHORIZED AGENT ADDRESS:			CITY:		STATE/ZIP:
PROPERTY OWNER IF OTHER THAN APPLICANT/AGENT:		PHONE NO:	FAX NO:	E-MAIL ADDRESS:	
PROPERTY OWNER ADDRESS IF OTHER THAN APPLICANT			CITY:		STATE/ZIP:
HAS YOUR PROJECT RECEIVED A PRELIMINARY REVIEW? ☐ YES ☐ NO					
☐ AIRPORT LAND USE COMM. DETERMINATION REFERRAL 100.0800.611.003	\$	☐ REZONING – PLANNED DISTRICT 100.0800.611.001	\$	☐ USE PERMIT – AMENDMENT 100.0400.449.001	\$
☐ ANNEXATION 100.0800.611.001	\$	☐ SITE DEVELOPMENT PERMIT – AMENDMENT 100.0400.449.001	\$	☐ USE PERMIT – MAJOR 100.0400.449.001	\$
☐ APPEAL 100.0400.449.001	\$	☐ SITE DEVELOPMENT PERMIT – MAJOR 100.0400.449.001	\$	☐ USE PERMIT – MINOR 100.0400.449.001	\$
☐ GENERAL PLAN AMENDMENT 100.0800.611.001	\$	☐ SITE DEVELOPMENT PERMIT – MINOR 100.0400.449.001	\$	☐ VARIANCE – MAJOR 100.0400.449.001	\$
☐ MURAL PERMIT 100.0400.449.001	\$	☐ SPECIFIC/MASTER PLAN 100.0800.611.003	\$	☐ VARIANCE – MINOR 100.0400.449.001	\$
☐ PRE-DEVELOPMENT MEETING 100.0800.611.003	\$	☐ MINOR SUBDIVISION/TENTATIVE PARCEL MAP (4 OR FEWER LOTS) 100.0800.610.001	\$	☐ ZONING AMENDMENT MAP OR TEXT 100.0800.611.001	\$
☐ STAFF RESEARCH (MORE THAN 1 HOUR) 10023100.41153	\$	☐ MAJOR SUBDIVISION/TENTATIVE SUBDIVISION MAP (5 OR MORE LOTS) 100.0800.610.001	\$	☐ REZONING 100.0800.611.001	\$
☐ LOT LINE ADJUSTMENT OR MERGER 100.0800.610.001	\$	☐ OTHER	\$	☐ OTHER	\$
COUNTY CEQA FILING FEE: CHECK PAYABLE TO MENDOCINO CO.	\$	MAJOR PERMIT DEPOSIT:	\$	FILING DATE:	
COUNTY CEQA (NEG DEC) FEE: CHECK PAYABLE TO MENDOCINO CO.	\$	MINOR PERMIT FEE:	\$	TOTAL AMOUNT PAID: \$	
COUNTY CEQA (EIR) FEE: CHECK PAYABLE TO MENDOCINO CO.	\$	TOTAL FEE:	\$	RECEIPT NUMBER:	
APPLICATION NUMBER(S):					

Recommendation: Prior to submitting an application, discuss your project with Staff to discover what fees (sewer, water, in-lieu park fees, traffic impact fees, etc.) may be required for your project. Also, ask about street tree requirements, required sidewalk repairs, drainage issues, storm water mitigation requirements, frontage improvements, etc.

Project Description

Please attach a written project description including summary of work (both interior and exterior for construction and operation) and/or business proposed. The purpose of the project description is to assist Staff in understanding the project. The project description will also be included in the Staff Report required to review (and ultimately approve or deny) the planning permit. Providing complete information will help expedite the project review process and in determining what additional information, if any, related to the project and required environmental review is required.

Environmental Review and Reports

Please be aware that projects are required to comply with the California Environmental Quality Act (CEQA). Projects will be reviewed by Staff for compliance with CEQA and Staff will determine the appropriate CEQA document to prepare for the project (exemption, negative declaration, etc.). In order to make this determination, specific reports (traffic, arborist, soils, etc.) and or additional information may be required.

Use Information

Please provide the following information related to the use of the site and building:

Description of Building & Site			
Parcel Size:	Building Size:	Number of Floors:	
Use of Building (check all that apply)	Description	Square Footage	Number of Units/Suites
☐ Office (business/professional)			
☐ Office (medical/dental)			
☐ Retail			
☐ Light Industrial			
☐ Residential			
☐ Other:			
Operating Characteristics			
Days and Hours of Operation:			
Number of Shifts:	Days and Hours of Shifts:		
Number of Employees/Shift:			
Loading Facilities: ☐ Yes ☐ No	Type/Vehicle Size:		
Deliveries: ☐ Yes ☐ No	Type:	Number (day/week/month):	Time(s) of Day:
Outdoor areas associated with use? (check all that apply) ☐ Yes ☐ No	Sales area: ☐ Yes ☐ No Square Footage:	Unloading of deliveries: ☐ Yes ☐ No Square Footage:	Storage: ☐ Yes ☐ No Square Footage:
Noise Generating Use? ☐ Yes ☐ No	Description:		

To Be Completed by Staff

General Plan Designation:	Zoning District:	Airport Land Use Designation:
City's Architectural & Historic Inventory: ☐ YES ☐ NO	Age of Building:	Demolition Policy:
Hillside: ☐ YES ☐ NO	Flood Designation FIRM Map:	Flood Designation Floodway Map:
Tree Policies		
General Plan Open Space Conservation ☐ NO ☐ YES GOAL/POLICY #:	Community Forest Management Plan ☐ NO ☐ YES GOAL/POLICY #:	
Landscaping and Streetscape Design Guidelines ☐ NO ☐ YES GUIDELINE #:	Commercial Development Design Guidelines ☐ NO ☐ YES GUIDELINE #:	
Tree Protection and Enhancement Policy ☐ NO ☐ YES NOTES:	Tree Planting and Maintenance Policy ☐ NO ☐ YES NOTES:	
UCC: Street Tree Policy, Purpose and Intent ☐ NO ☐ YES NOTES:	Other:	
Notes		

Submittal Requirements

1. Items marked (X) are required for a complete application unless their deletion is approved by staff.
2. Other information may be required at the discretion of staff in order to fully evaluate the project and/or to conduct required environmental review for the project.
3. Please review the application packet prior to submittal to the City. Application packets that do not include the required materials may not be accepted for processing or may be deemed "Incomplete."

Submittal Document	Application Type								
	LLA/VM	GPA	PRELIM	REZ	REZ-PD	SDP	Sub/TM	UP	VAR
Project Description	X	X	X	X	X	X	X	X	X
Building Elevations (1)			X		X	X		X	X
Floor Plan			X		X	X		X	X
Grading and Drainage Plan and SUSMP (7)					X	X	X		
Landscape Plan (2)			X CONCEPT		X	X			X
Site Plan (3)	X	X	X	X	X	X		X	X
Details – Architectural						X			
Details – Fence					X	X		X	
Details – Sign					X	X		X	
Site Contours (4)					X	X	X		
Street Sections							X		
Tentative Map (6)							X		
Preliminary Title Report	X			X			X		
Colors & Materials Board			X CONCEPT		X	X			
Number of Plan Sets – Initial Submittal (5)									

- (1) **Building Elevations.** Drawing must include all elevations (front, rear, and sides) and identify materials and colors. One set of colored drawings is required.
- (2) **Landscape Plan.** Plan must show all proposed trees, shrubs, and ground covers. Location, size and species must be indicated.
- (3) **Site Plan.** Must be prepared to scale and include: a north arrow, all property lines, adjoining streets, creeks, ponds, drainage ditches, existing curb, gutter, and sidewalk, existing and proposed buildings (with square footage noted), parking spaces, all existing trees, existing and proposed fences, buildings on adjacent parcels, existing fire hydrants within 600- feet, access and utility easements (with widths), location and width of all easements (access, drainage, utility, etc.) location of existing and proposed trash enclosures, and the percentage of average slope of the property. Site contours may also be required (see table above).
- (4) **Site Contours.** When required, site contours should be indicated on the site plan and grading plan. A separate site contour plan is not required.
- (5) Staff will determine the number of plans needed for the initial submittal. Once the application is complete, the number of plans sets required for the public hearing will be determined by staff. Plans are required to be provided prior to the hearing.
- (6) See Minor Subdivision Submittal Requirements or Major Subdivision Submittal Requirements handout for Tentative Map requirements.
- (7) **SUSMP – Standard Urban Storm Water Mitigation Plan – Required unless specifically exempt (Consult with Public Works Staff)**

LLA – Lot Line Adjustment
 REZ – Rezoning
 TM – Tentative Map
 VAR – Variance

VM-Voluntary Merger
 REZ-PD- Rezoning to Planned Development
 Sub- Subdivision
 UP – Use Permit

Prelim – Preliminary Review
 SDP – Site Development Permit
 GPA- General Plan Amendment

I, _____, owner authorize _____ to act on my behalf for this project and I have read and agree with all of the above. (Application must be signed by owner).

PROPERTY OWNER SIGNATURE

DATE

I, _____, am the ☐ owner / ☐ authorized agent of the property for which the development is proposed. The above information and attached documents are true and accurate to the best of my knowledge.
I have read and agree with all of the above.

I hereby authorize employees of the City of Ukiah, the City's authorized agents, and persons with review or decision making authority for the project to enter upon the subject property, as necessary, to inspect the premises, post notices, and process this application.

I understand that conditions of approval may be placed on my project by the city of Ukiah and it is my responsibility to fully understand the conditions and ask questions about them before action is taken on my planning permit.

☐ OWNER / ☐ AUTHORIZED AGENT

DATE

INDEMNIFICATION AGREEMENT

As part of this application, the applicant agrees to defend, indemnify, and hold harmless the City of Ukiah, its agents, officers, council members, employees, boards, commissions or Council from any claim, action or proceeding brought against any of the foregoing individuals or entities, the purpose of which is to attack, set aside, void, or annul any approval of the application or related decision, or the adoption or certification of any environmental documents or negative declaration which relates to its approval. This indemnification shall include, but is not limited to, all damages, costs, expenses, attorney fees or expert witness fees that may be awarded to the prevailing party arising out of it or in connection with the approval of the application or related decision, whether or not there is concurrent, passive, or active negligence on the part of the City, its agents, officers, council members, employees, boards, commissions of Council. If for any reason, any portion of this indemnification agreement is held to be void or unenforceable by a court of competent jurisdiction, the remainder of the agreement shall remain in full force and effect.

The City of Ukiah shall have the right to appear and defend its interests in any action through its City Attorney or outside counsel. The applicant shall not be required to reimburse the City for attorney's fees incurred by the City Attorney of the City's outside counsel if the City chooses to appear and defend itself in the litigation.

I have read and agree to all of the above.

☐ PROPERTY OWNER / ☐ AUTHORIZED AGENT
(PLEASE PRINT NAME)

☐ PROPERTY OWNER / ☐ AUTHORIZED AGENT
(SIGNATURE)

DATE

Revised 08/19/2019

PLOT PLAN REQUIREMENTS



Your application must include a Plot (or "Site") Plan, printed on no greater than 11 x 17" paper. The information shown on the plot plan should be legible, comprehensive, drawn to scale, and must include any of the following items that may apply:

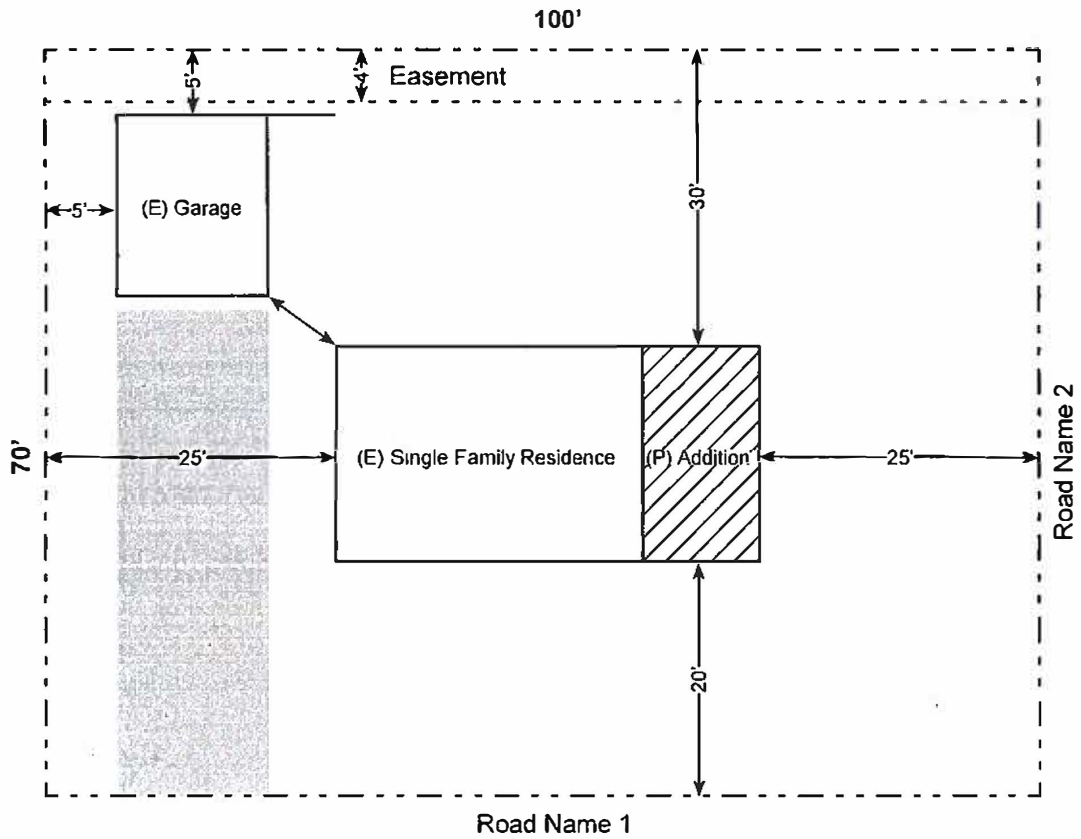
1. Property Owner's Name, Site Address, and Assessor's Parcel Number(s).
2. Legal Parcel Configuration clearly shown with all property boundaries, dimensions and acreage.
3. Adjacent streets and any access easements.
4. North Arrow and scale.
5. Proposed structure(s) or addition(s), including distance from property lines and other structures.
Example: *(P) Single Family Residence*
6. Any existing structures clearly labeled with use, and distance from property lines noted.
Example: *(E) Single Family Residence*
7. Driveways, Parking, and Loading areas. Parking space dimensions and setbacks from property lines must be shown.
8. Fences, retaining walls.
9. Existing and proposed septic systems/leach fields and wells, including distances from structures.
10. Easements and Utility lines (power, sewer, water, access etc...)
11. Finished and existing ground slope.
12. Drainage information.
13. Lakes, ponds or streams to be identified with names if appropriate. Setbacks from watercourse to proposed project.
14. Location of Floodplain/Floodway.
15. Location of any Signs and distances to property lines for commercial/industrial uses.

Plot Plans, which may not be acceptable:

- Portions of larger scaled plot plans
- Copies of plot plans used for previously approved permits, which may include redactions, previous approval signatures, and illegible notations.

Failure to include any of the required information may result in the rejection of your application, the delay of processing your building permit application, or invalidate your approved building permit.

SAMPLE PLOT PLAN



Applicant's Name
123 Road, Ukiah
APN: 000-000-00-00





ZONING DISTRICTS REFERENCE TABLE FOR CANNABIS-RELATED BUSINESSES

Zoning Designation	Use and Permitting Requirement
All Residential zoning districts (R1, R1H, R2, R3)	Cannabis related businesses of any type prohibited
Neighborhood Commercial (NC)	Cannabis related businesses of any type prohibited
Community Commercial (C1)	Major Use Permit: Cultivation - Nursery Manufacturing - Level 1 (Nonvolatile) Testing Laboratory Microbusiness (up to 10,000 square feet of cultivation area for businesses engaged in cultivation for all zones) Retail
Heavy Commercial (C2)	Minor Use Permit: Manufacturing - Level 1 (Nonvolatile)
Planned Development Light Manufacturing / Mixed Use	Testing Laboratory Distribution Major Use Permit: Specialty cottage cultivation Specialty indoor cultivation Specialty mixed-light cultivation Small indoor cultivation

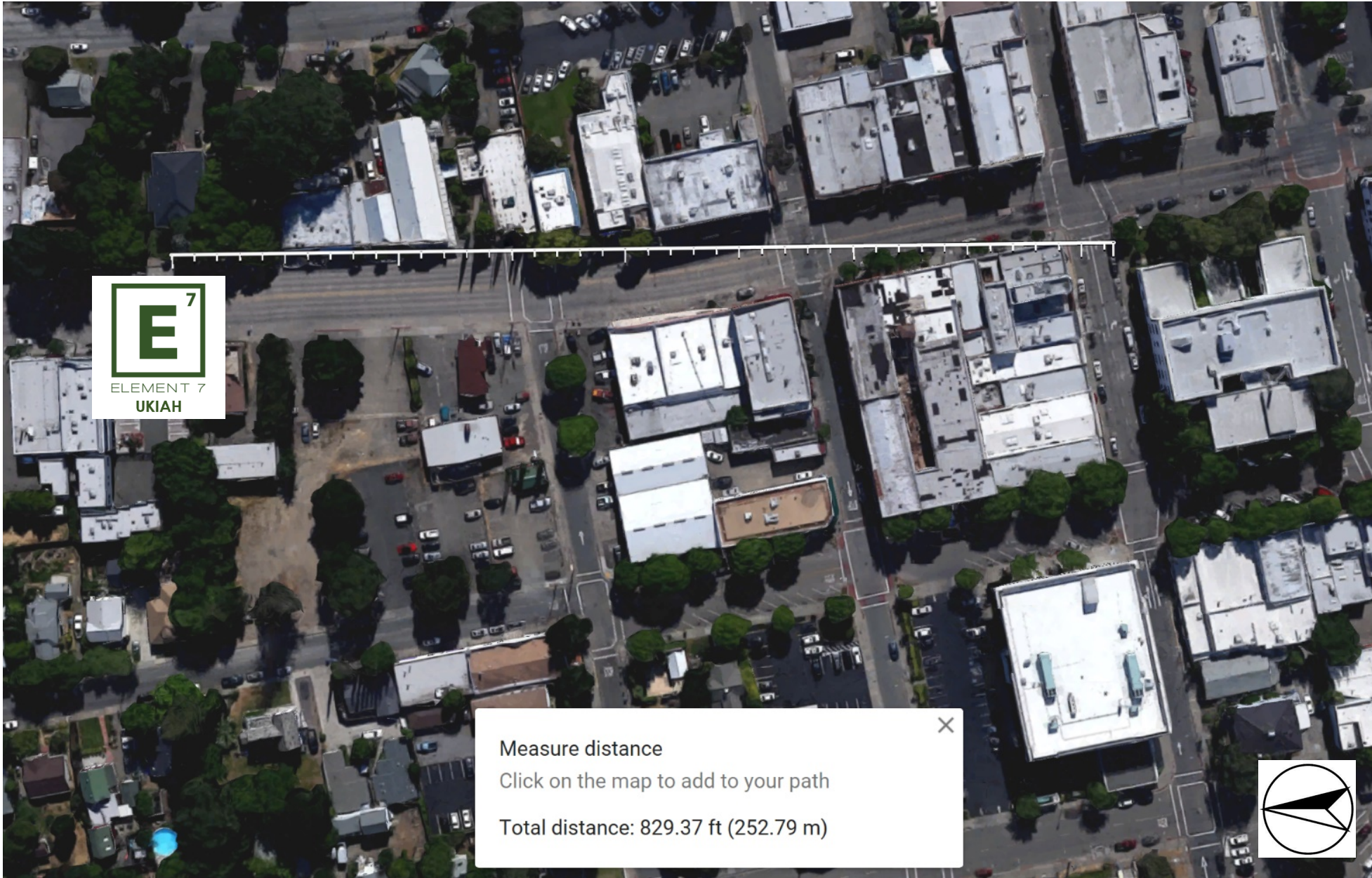
Zoning Designation	Use and Permitting Requirement
	Small mixed-light cultivation Medium indoor cultivation Medium mixed-light cultivation Large indoor cultivation Large mixed-light cultivation Cultivation - Nursery Microbusiness
All Downtown Zoning Districts: Downtown Core (DC) Urban Center (UC) General Urban (GU)	Major Use Permit: Testing Laboratory Microbusiness Retail
Manufacturing Planned Development Industrial Light Manufacturing / Mixed Use	Minor Use Permit: Manufacturing - Level 1 (Nonvolatile) Testing Laboratory Distribution Major Use Permit: Specialty cottage cultivation Specialty indoor cultivation Specialty mixed-light cultivation Small indoor cultivation Small mixed-light cultivation Medium indoor cultivation Medium mixed-light cultivation

Zoning Designation	Use and Permitting Requirement
	Large indoor cultivation Large mixed-light cultivation Cultivation - Nursery Microbusiness Retail
Public Facilities	Minor Use Permit: Manufacturing - Level 1 (Nonvolatile) Testing Laboratory Distribution Major Use Permit: Specialty cottage cultivation Specialty indoor cultivation Specialty mixed-light cultivation Small indoor cultivation Small mixed-light cultivation Medium indoor cultivation Medium mixed-light cultivation Large indoor cultivation Large mixed-light cultivation Cultivation - Nursery Microbusiness Retail

Zoning Designation	Use and Permitting Requirement
Location Restrictions	Uses identical distance restrictions to those imposed by adopted cannabis ordinances: 1. Within six hundred feet (600') of a school, measured as the horizontal distance in a straight line from the property line of the school to the closest property line of the lot on which the Cannabis Related Business is to be located; 2. Within two hundred fifty feet (250') of a youth-oriented facility as defined in Section 5702AA of the Ukiah City Code (public park, church, museum, library, or licensed daycare facility), measured by street frontage and not radial distance; 3. Abutting a parcel occupied by a youth-oriented facility or a school; 4. Within any residential zoned parcel or primary land use, or any property with an underlying residential or mobile homes general plan land use designation; or 5. On a parcel having a residential unit, or on a parcel directly abutting a residentially zoned property, unless there are intervening nonresidential uses 6. Within 250 ft of another cannabis dispensary. Measured parcel line to parcel line.

VICINITY MAP





ELEMENT 7
UKIAH

BUFFER ZONES MAP

PROPOSED ADDRESS:
441 North State Street
Ukiah, California 95482

NEAREST SCHOOL

**INSTILLING GOODNESS
ELEMENTARY**
2060 Virtue Way
Ukiah, California 95482

829.37 FEET



ELEMENT 7
UKIAH

BUFFER ZONES MAP

PROPOSED ADDRESS:
441 North State Street
Ukiah, California 95482

NEAREST YOUTH- ORIENTED FCILITY

**THE ARBOR YOUTH
RESOURCE CENTER**
810 North State Street
Ukiah, California 95482

1,877.19 FEET



Measure distance
Click on the map to add to your path
Total distance: 1,958.02 ft (596.81 m)



ELEMENT 7
UKIAH

BUFFER ZONES MAP

PROPOSED ADDRESS:
441 North State Street
Ukiah, California 95482

NEAREST PUBLIC PARK

MCGARVEY PARK
Ukiah, CA 95482

1,958.02 FEET



ELEMENT 7
UKIAH

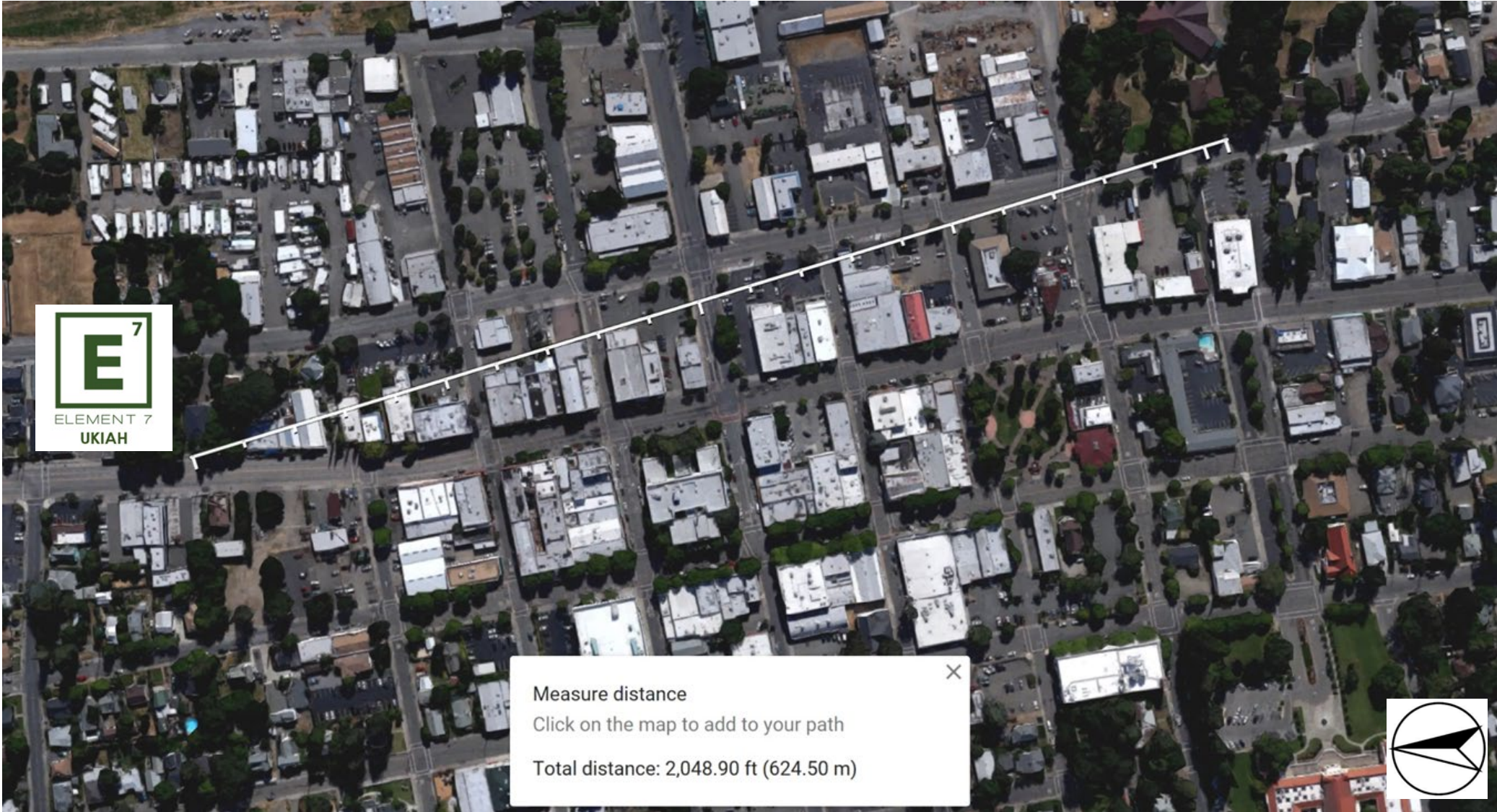
BUFFER ZONES MAP

PROPOSED ADDRESS:
441 North State Street
Ukiah, California 95482

NEAREST CHURCH

FIRST BAPTIST CHURCH
302 West Henry Street
Ukiah, CA 95482

720.72 FEET



ELEMENT 7
UKIAH

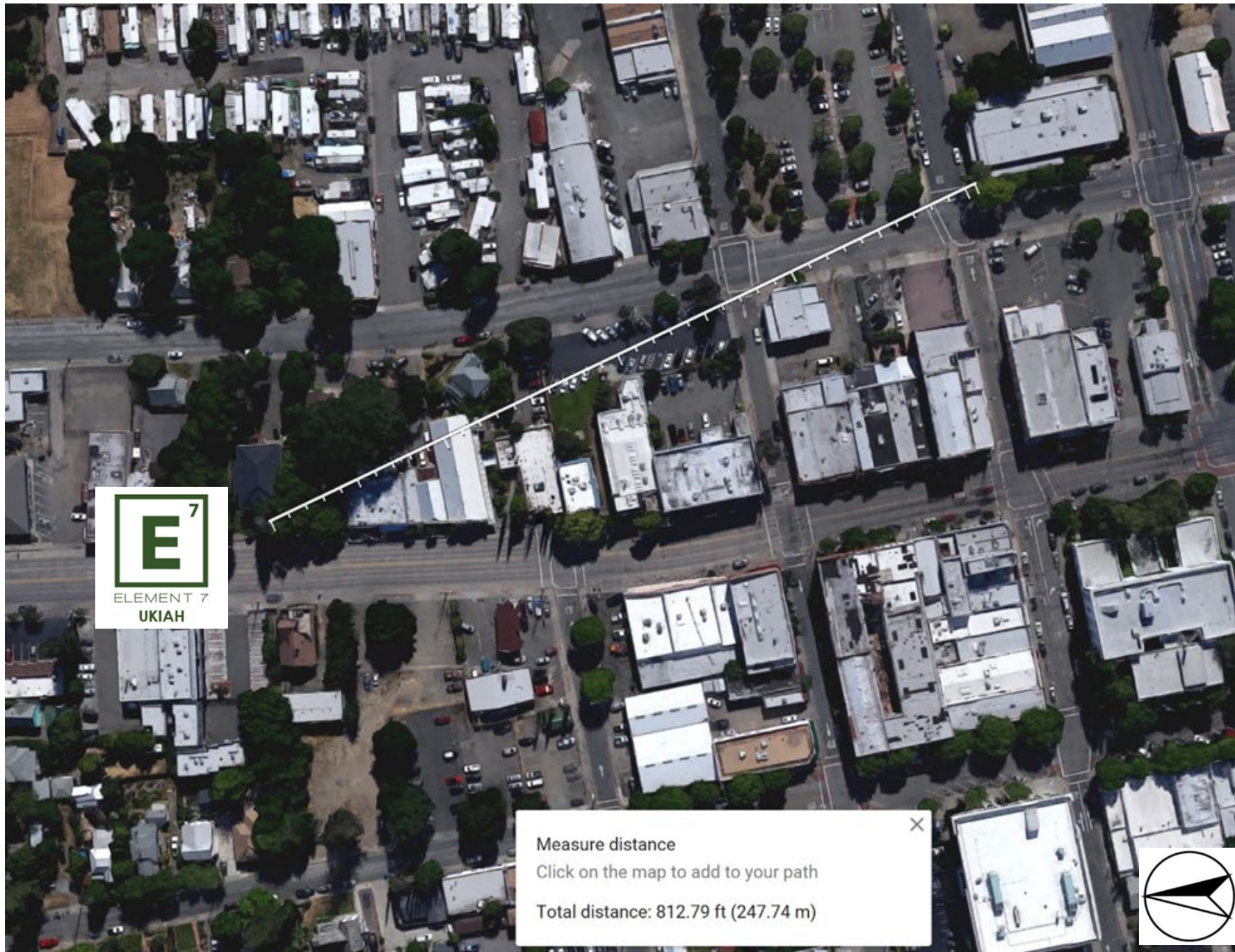
BUFFER ZONES MAP

PROPOSED ADDRESS:
441 North State Street
Ukiah, California 95482

NEAREST MUSEUM

**GRACE HUDSON MUSEUM –
SUN HOUSE**
431 South Main Street
Ukiah, CA 95482

2,048.90 FEET



ELEMENT 7
UKIAH

BUFFER ZONES MAP

PROPOSED ADDRESS:
441 North State Street
Ukiah, California 95482

NEAREST LIBRARY

UKIAH BRANCH LIBRARY
105 North Main Street
Ukiah, CA 95482

812.79 FEET



ELEMENT 7
UKIAH

BUFFER ZONES MAP

PROPOSED ADDRESS:
441 North State Street
Ukiah, California 95482

NEAREST LICENSED DAYCARE FACILITY

NEW LIFE PRESCHOOL
302 West Henry Street
Ukiah, CA 95482

720.72 FEET



ELEMENT 7
UKIAH

BUFFER ZONES MAP

PROPOSED ADDRESS:
441 North State Street
Ukiah, California 95482

NEAREST RESIDENTIAL ZONE

351 North Main Street
Ukiah, CA 95482

429.71 FEET