

Attachment B

Standard CCP Conditions (incorporated as Exhibit G to DAs)



CONDITIONS OF APPROVAL – EXHIBIT [G]

COMMERCIAL CANNABIS PERMIT No, CCP18-00#
DEVELOPMENT AGREEMENT No. DA18-00#
[SITE ADDRESS] – [OPERATOR/COMPANY]

GENERAL CONDITIONS OF APPROVAL

Condition of Approval No. 1 - Financial Responsibility for Compliance Monitoring and Enforcement

- a. **Cost Responsibilities:** The Permittee shall bear the full costs of all City staff time, materials, and City-retained consultants associated with condition compliance review and monitoring, CEQA mitigation monitoring, if any, other permit monitoring programs, and enforcement activities, actions, and processes conducted pursuant to the Ordinance No. 700 related to this Commercial Cannabis Permit (CCP) and Development Agreement (DA). Such condition compliance review, monitoring and enforcement activities may include (but are not limited to): periodic site inspections; preparation, review, and approval of studies and reports; review of permit conditions and related records; enforcement hearings and processes; drafting and implementing compliance agreements; and attending to the modification, suspension, or revocation of permits. Costs will be billed at the rates set forth in the Planning Division or other applicable City Fee Schedule, and at the contract rates of City-retained consultants, in effect at the time the costs are incurred.

Establishment of Compliance Account: Within 10 calendar days of the effective date of the final decision approving this CCP, the Permittee shall submit a new, updated, and completed reimbursement agreement for Condition Compliance Account No. CCP19-0###, in a form provided by the City, obligating the Permittee to pay all condition compliance review, monitoring, and enforcement costs, and any civil administrative penalties, subject to the Permittee's right to challenge all such charges and penalties prior to payment.

- b. **Billing Process:** The Permittee shall pay all City invoices within 30 days of receipt thereof. Failure to timely pay an invoice shall subject the Permittee to late fees and charges set forth in the City Fee Schedule, and shall be grounds for



suspension, modification, or revocation of this CCP. The Permittee shall have the right to challenge any charge or penalty prior to payment.

Condition of Approval No. 2 - Defense and Indemnification

- a. The Permittee shall defend, at the Permittee's sole expense with legal counsel acceptable to the City, against any and all claims, actions, or proceedings against the City, including staff and councilmembers, officials, contractors and agents (collectively, "Indemnified Parties") arising out of or in any way related to the City's issuance, administration, or enforcement of this CCP. The City shall promptly notify the Permittee of any such claim, action or proceeding and shall cooperate fully in the defense.
- b. The Permittee shall also indemnify and hold harmless the Indemnified Parties from and against any and all losses, damages, awards, fines, expenses, penalties, judgments, settlements, or liabilities of whatever nature, including but not limited to court costs and attorney fees (collectively, "Liabilities"), arising out of or in any way related to any claim, action or proceeding subject to subpart (a) above, regardless of how a court apportions any such Liabilities as between the Permittee, the City, and/or third parties.
- c. Except with respect to claims, actions, proceedings, and Liabilities resulting from an Indemnified Party's sole active negligence or intentional misconduct, the Permittee shall also indemnify, defend (at Permittee's sole expense with legal counsel acceptable to City), and hold harmless the Indemnified Parties from and against any and all claims, actions, proceedings, and Liabilities arising out of, or in any way related to, the construction, maintenance, land use, or operations conducted pursuant to this CCP, regardless of how a court apportions any such Liabilities as between the Permittee, the City, and/or third parties. The City shall promptly notify the Permittee of any such claim, action, or proceeding and shall cooperate fully in the defense.
- d. Neither the issuance of this CCP, nor compliance with the conditions hereof, shall relieve the Permittee from any responsibility otherwise imposed by law for damage to persons or property; nor shall the issuance of this CCP serve to impose any liability upon the Indemnified Parties for injury or damage to persons or property.

Condition of Approval No. 3 Relationship of CCP Conditions, Laws, and Other Entitlements

The Permittee shall implement the _____
Project in compliance with all applicable requirements and enactments of federal, state, and local authorities. In the event of conflict between various requirements, the more



restrictive requirements shall apply. In the event the City Administrator determines that any CCP condition contained herein is in conflict with any other CCP condition contained herein, when principles of law do not provide to the contrary, the CCP condition most protective of public health and safety and environmental resources shall prevail to the extent feasible.

Neither the approval of this CCP, nor compliance with the conditions of this CCP, shall relieve the Permittee from any responsibility otherwise imposed by law for damage to persons or property.

The Permittee shall obtain a business tax certificate and regulatory licenses for the operation of Commercial Cannabis operations.

Condition of Approval No. 4 – Site Contact and Community Liaison

PURPOSE: Permittee shall establish a contact person responsible for responding to City and/or community concerns.

The Permittee shall designate a contact person(s) to respond to concerns from citizens and the City which are related to the permitted uses of this CCP.

1. Each commercial cannabis business shall provide the name, telephone number, and email address of a community relations liaison contact to whom notice of problems associated with the commercial cannabis business can be provided. Each commercial cannabis business shall also provide the above information to all properties located within six hundred (600) feet of the commercial cannabis business.
2. Each commercial cannabis business shall provide the City Administrator with the name, telephone number (both landline and mobile) of an on-site manager or owner to whom emergency notice may be provided at any hour of the day.
3. Community Liaison must live within three (3) miles of CCP Permittees business address.

Timing: Within 60 calendar days of the effective date of the final decision approving this CCP, the Permittee shall provide the City Administrator the contact information of the Permittee's field agent(s) as stipulated above. If the address or phone number of the Permittee's field agent(s) should change, or the responsibility is assigned to another person, the Permittee shall provide the City Administrator with the new information in writing within three calendar days of the change in the Permittee's field agent.

During the first year of operation, The owner, manager, and community relations liaison from each commercial cannabis business holding a permit and Development Agreement issued pursuant to Ordinance No. 700 shall attend a quarterly meeting with



the City Administrator and other interested parties as deemed appropriate by the City Administrator, to discuss costs, benefits, and other community issues arising as a result of implementation of this Chapter. After the first year of operation, the owner, manager, and community relations liaison from each commercial cannabis business shall meet with the City Administrator when and as requested by the City Administrator.

The Planning Division maintains the contact information provided by the Permittee for the City Administrator in the Project file. The Planning Division and the City Administrator have the authority to periodically confirm the contact information consistent with the requirements of this permit.

Condition of Approval No. 5 - Resolution of Complaints

PURPOSE: To establish a process to resolve complaints.

The following process shall be used to resolve complaints related to the Project:

- a. The Permittee shall post the telephone number for the designated Contact Person as identified pursuant to Condition No. 4 in a visible location on the site. The Contact Person shall be available via telephone on a 24-hour basis. Persons with concerns about an activity as it is occurring may directly contact the Contact Person;
- b. If City staff receives a written complaint about the Project, the City Administrator, or his designee, may contact the Permittee's Contact Person or the Permittee to request information regarding the alleged violation; and
- c. If, following a complaint investigation by City staff, a violation of the City Municipal Code, Ordinance No. 700 or a condition of this CCP is confirmed, City staff may initiate enforcement actions, in accordance with City Municipal Code.

Condition of Approval No. 6 - Reporting of Major Incidents

PURPOSE: To ensure that the City Administrator is notified of major incidents associated with, or resulting from, the Project, the Permittee shall immediately notify the City Administrator by telephone, email, and/or voicemail of any incidents (e.g., fires, explosions, spills, or other events) that could pose a hazard to life or property inside or outside the Project Site.

Upon request of any City, County or State regulatory agency, the Permittee shall provide a written report of any incident that shall include, but not limited to: a description of the facts of the incident; the corrective measures used, if any; and the steps taken to prevent a recurrence of the incident.



Timing: The Permittee shall provide the written report to the requesting agency and Planning Division within seven days of receiving the request.

The Planning Division maintains any documentation provided by the Permittee related to major incidents in the Project file.

Condition of Approval No. 7 - Change of Permittee/Operator Request

PURPOSE: To ensure that the Planning Division is properly and promptly notified of any change of Permittee, the Permittee shall file, as an initial request with the City Administrator, the new name(s), address(es), telephone/FAX number(s), and email addresses of the proposed new owner(s), lessee(s), operator(s) of the permitted uses, and the company officer(s).

Upon the City Administrator's written approval of the proposed change, the Permittee/Operator shall provide the City Administrator with a final notice once the transfer of ownership and/or operational control has occurred.

The initial request must be submitted with the new Permittee's contact information. The final notice of transfer must include the effective date and time of the transfer and a letter signed by the new Property Owner(s), lessee(s), and/or operator(s) of the permitted uses acknowledging and agreeing to comply with all conditions of this CCP.

Timing: The Permittee shall provide a written request to the City Administrator 30 calendar days prior to the proposed change of ownership or change of Permittee. The Permittee shall provide the final notice to the City Administrator within 10 calendar days of the effective date of the transfer.

The Planning Division maintains notices submitted by the Permittee in the Project file and has the authority to periodically confirm the information consistent with the requirements of this permit.

Condition of Approval No. 8 – Zoning and Land Use.

PURPOSE: To ensure community quality of life is observed.

No new premises shall be established, developed, or operated within 600 feet of a Day Care Center, Youth Center, or public or private school providing K-12 instruction. The new premises must meet all the City's zoning and land use regulations.

COMMERCIAL CANNABIS CULTIVATION

PURPOSE: The purpose and intent of this section is to permit and regulate the commercial Cannabis Cultivation in order to promote the health, safety, morals, and general welfare of the residents and businesses within the City. The City is authorized to regulate this activity pursuant to State Law. All commercial cannabis cultivation



activities must be conducted in compliance with all applicable local and state laws, as they may change from time to time, without exception.

Condition of Approval No. 9 - Cultivation Operating Fees.

Operator/Permittee must pay all operating fees as stipulated within Development Agreement No. DA19-[Insert No].

Condition of Approval No. 10 – Outdoor Cultivation.

Outdoor Cultivation is prohibited within the City.

Condition of Approval No. 11 – Indoor Cultivation.

Indoor Cultivation is permitted only on properties within the applicable zone with a valid Development Agreement, Commercial Cannabis Permit (CCP) for Cultivation and other requisite permits and entitlements. Indoor Cultivation may include growing Cannabis plants, harvesting Cannabis plants, and drying Cannabis flowers but shall not include the Manufacturing or of Cannabis Products, unless otherwise authorized pursuant to Ordinance No. 700 and in accordance with State Law.

Condition of Approval No. 12 – Cultivation Security Control Plan.

Entrance to the Cultivation area, and all storage areas, of the applicable Premises shall be locked at all times and under the control of the staff of such Premises.

Timing: Within 60 calendar days of the effective date of the final decision approving this CCP, the Permittee shall prepare and submit a security plan compliant with and applicable State Law, including MAUCRSA, to the City Administrator, or his designee and obtain approval of said plan.

COMMERCIAL CANNABIS PRODUCTS MANUFACTURING

PURPOSE: The purpose and intent of this Section is to permit and regulate the commercial Cannabis Products Manufacturing to promote the health, safety, morals, and general welfare of the resident and businesses within the City. The City is authorized to regulate this activity pursuant to State Law. All commercial cannabis manufacturing activities must be conducted in compliance with all applicable local and state laws, as they may change from time to time, without exception.

Condition of Approval No. 13 - Manufacturing Operating Fees.

Operator/Permittee must pay all operating fees as stipulated within Development Agreement No. DA19-[Insert DA No.].

Condition of Approval No. 14 – Manufacturing Properties.

Commercial Cannabis Products Manufacturing is a permitted use only on properties within the applicable zone with a valid Development Agreement, CCP for Manufacturing and other requisite permits and entitlements.



Condition of Approval No. 15 – Quality Control Employee.

The Permittee must employ at least one (1) member of its personnel dedicated full time to quality control.

Condition of Approval No. 16 – Standard Operating Procedures and Batch Record.

The Manufacturing Permittee must establish standard operating procedures and batch record that comply with current good manufacturing practices and applicable State Law, including MAUCRSA.

Condition of Approval No. 17 – Labeling and Packaging.

- a) All Cannabis Products produced by a Manufacturing Permittee must be packaged in child resistant containers prior to leaving the Premises for such Manufacturing Permittee in accordance with applicable State Law, including MAUCRSA.
- b) All Cannabis Products produced by a Manufacturing Permittee must be labeled in compliance with applicable State Law, including MAUCRSA.
- c) Labeling Requirements – Edibles
 - i. Before a Manufacturing Permittee prepares any edible Cannabis or edible Cannabis Product for retail sale, it shall be labeled and placed in tamper-evident packaging which at least meets the requirements of State Law, including, but not limited to, MAUCRSA.
 - ii. All items to be sold or distributed shall be individually wrapped at the original point of preparation by the Cannabis Permittee.
 - iii. 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, not to exceed ten (10) milligrams of tetrahydrocannabinol (THC) per serving.
 - iv. A warning that the item is a medication and not a food must be clearly legible on the front of the package and/or must comply with state packing requirements.
 - v. The package must have a label warning that the product is to be kept away from children.
 - vi. The label must also state that the product contains Cannabis and must specify the date of Manufacture and the Manufacture Permittee's information, including, but not limited to, address, and phone number.
 - vii. Distribution must be in a properly labeled opaque package when distributed.
 - viii. The City Administrator, or designee, may impose additional packaging and labeling requirements on Cannabis or Cannabis Products.

Condition of Approval No. 18 – Use of Solvents.

- a) Manufacturing Permittees may conduct Manufacturing using any type of solvents, including Volatile Solvents, or Manufacturing processes if such



Manufacturing complies with the requirements of this Chapter and State or local law, including but not limited to Health and Safety Code Section 11362.775 (or any successive State Law) all applicable fire and building codes in the City and any other laws of the City designed to ensure the safety of such operation.

- b) Manufacturing Permittees using Volatile Solvents for Manufacturing Cannabis Products must operate in a manner to reduce the risk of explosion or danger to public health, including through the use of a close-loop or solvent dispersion system consistent with the requirements of Health and Safety Code Section 11362.775 (or any successive State Law).

Condition of Approval No. 19 – Use of Hazardous and Flammable Materials.

If hazardous materials, flammable gas, flammable liquefied gas, flammable and combustible liquids, or other flammable material, as those terms are defined in California Fire Code Section 202, are to be used in the processing of commercial Cannabis, then the provisions of California Fire Code Section 407 shall be applicable where hazardous materials are subject to permits under California Fire Code Section 50 (Hazardous Materials) are located on the Premises or where required by the applicable building or fire official.

Timing: Prior to the issuance of a Temporary/Certificate of Occupancy, the Permittee must obtain LA County Fire Approval for site design; sprinklers and alarms; water and access; hazardous materials use and storage; and any other areas deemed appropriate for review and approval by the Fire Department.

Condition of Approval No. 20 – Compressed Gases.

Storage, use, and handling of compressed gases in compressed gas containers, cylinders, tanks, and systems shall comply with California Fire Code Chapter 53. Partially full compressed gas containers, cylinders, or tanks containing residual gases shall be considered as full for the purposes of the controls required. Compressed gases classified as hazardous materials shall also comply with California Fire Code Chapter 50 for general requirements and California Fire Code Chapter 53 addressing specific hazards, including California Fire Code Chapter 58 (Flammable Gases), California Fire Code Chapter 60 (Highly Toxic and Toxic Materials), California Fire Code Chapter 63 (Oxidizers, Oxidizing Gases and Oxidizing Cryogenic Fluids, and California Fire Code Chapter 64 (Pyrophoric Materials). Prevention, control, and mitigation of dangerous conditions related to storage, use, dispensing, mixing, and handling of flammable and combustible liquids shall be in accordance with California Fire Code Chapters 50 and 57.

Timing: Prior to the issuance of a Temporary/Certificate of Occupancy, the Permittee must obtain LA County Fire Approval for site design; sprinklers and alarms; water and access; hazardous materials use and storage; and any other areas deemed appropriate for review and approval by the Fire Department.



COMMERCIAL CANNABIS AND CANNABIS PRODUCTS NON-STOREFRONT RETAIL DELIVERY

PURPOSE: The purpose and intent of this Section is to regulate the Non-Storefront Retail Delivery of commercial Cannabis and Cannabis Products in order to promote the health, safety, and general welfare of the residents and businesses within the City. The City is authorized to regulate this activity pursuant to the State Law. All commercial cannabis non-storefront Retail Delivery activities must be conducted in compliance with all applicable local and state laws, as they may change from time to time, without exception.

Condition of Approval No. 21 – Non-Storefront Retail Delivery Operating Fees.

Operator/Permittee must pay all operating fees as stipulated within Development Agreement No DA19-[Insert DA No].

Condition of Approval No. 22 – Non-Storefront Retail Delivery Permitted Use Locations.

Non-Storefront Retail Delivery of Cannabis and Cannabis Products is a permitted use only on properties within the applicable zone with a valid Development Agreement, CCP for Non-Storefront Retail Delivery and other requisite permits and entitlements.

Condition of Approval No. 23 – Non-Storefront Retail Delivery Customers.

The Non-Storefront Retail Delivery of commercial Cannabis and Cannabis Products may only include the Non-Storefront Retail Delivery of Cannabis and Cannabis Products by a Non-Storefront Retail Delivery Permittee to a customer, patient or primary caregiver, in accordance with State Law, including MAUCRSA.

Condition of Approval No. 24 – Non-Storefront Retail Delivery Security.

- a) Non-Storefront Retail Delivery Permittees shall implement sufficient security measures to both deter and prevent unauthorized entrance into areas containing Cannabis and Cannabis Products and theft of Cannabis and Cannabis Products from the Non-Storefront Retail Delivery Establishment or employees participating in Non-Storefront Retail Delivery.
- b) All Cannabis and Cannabis Products shall be stored in a secured and locked room, safe, or vault, and in a manner as to prevent diversion, theft, or loss.
- c) All security measures must be implemented at the approved facility in accordance with local and State Law, without exception.

Condition of Approval No. 25 – Non-Storefront Retail Delivery Premises.

Individuals shall not be allowed to remain on the Premises comprising of the Non-Storefront Retail Delivery Establishment unless they are engaging in activity expressly related to the operations of the Non-Storefront Retail Delivery Establishment or are a customer.

Condition of Approval No. 26 – Non-Storefront Retail Delivery 24 Hour Notifications.



A Non-Storefront Retail Delivery Permittee shall notify the City Administrator or the City Administrator's designee within 24 hours of discovering any of the following:

- a) Significant discrepancies identified during inventory. The level of significance shall be determined by the City Administrator or the City Administrator's designee.
- b) Diversion, theft, loss, or any criminal activity involving the Non-Storefront Retail Delivery Establishment or any agent or employee of the Non-Storefront Retail Delivery Establishment.
- c) The loss or unauthorized alteration of records related to Cannabis, Cannabis Products, registered qualifying patients, primary caregivers, or Non-Storefront Retail Delivery Establishment agents or employees.
- d) Any other material breach of security.

Condition of Approval No. 27 – Non-Storefront Retail Delivery Compliance.

The Non-Storefront Retail Delivery of commercial Cannabis and Cannabis Products shall comply with all State and local Law, including all laws requiring presentation of government-issued identification card, physician's recommendation, or commercial Cannabis identification card at the time of initial purchase.

Condition of Approval No. 28 – Non-Storefront Retail Delivery Physician Recommendation Verification.

With respect to commercial Cannabis, physicians' recommendations for commercial cannabis use shall be verified by a Non-Storefront Retail Delivery Permittee prior to the Non-Storefront Retail Delivery any commercial Cannabis to a qualified patient or primary caregiver and at least every six months thereafter.

Condition of Approval No. 29 – Non-Storefront Retail Delivery Physician Employment.

A Non-Storefront Retail Delivery Establishment may not employ or enter into any agreements with any physicians who recommend commercial Cannabis; Physician Services are prohibited from any and all Non-Storefront Retail Delivery Establishments.

Condition of Approval No. 30 – Non-Storefront Retail Delivery Inspection, Quality Testing and Quality Assurance.

- a) A Non-Storefront Retail Delivery Permittee shall inspect all Cannabis and Cannabis Products received for quality assurance prior to the Non-Storefront Retail Delivery to any Person.
- b) The Non-Storefront Retail Delivery of Cannabis and Cannabis Products shall occur only after such Cannabis and Cannabis Products have been inspected and quality tested in accordance with applicable State Law, including MAUCRSA.

Condition of Approval No. 31 – Non-Storefront Retail Delivery Monthly Inventories.



Each Non-Storefront Retail Delivery Establishment shall do regular monthly inventories and record the total quantity of Cannabis and Cannabis on the Premises. These records shall be maintained for three years from the date created and shall be open to inspection by the City Administrator, the City Administrator 's Designee, and law enforcement.

Condition of Approval No. 32 – Non-Storefront Retail Delivery Registration.

A Non-Storefront Retail Delivery Permittee shall register with the City each location where Cannabis or Cannabis Products are stored for purposes of Non-Storefront Retail Delivery by such Non-Storefront Retail Delivery Permittee within the City.

Condition of Approval No. 33– Non-Storefront Retail Delivery Business Records.

A Non-Storefront Retail Delivery Establishment shall maintain customer and patient and other business records in a secure location (including electronically or cloud-based) that is compliant with, as applicable, HIPAA and other federal and state privacy laws.

Condition of Approval No. 34 – Non-Storefront Retail Delivery Vehicle Driver Documents.

During the Non-Storefront Retail Delivery of Cannabis or Cannabis Products, each vehicle driver shall carry a copy of the Non-Storefront Retail Delivery Permit, a copy of the Non-Storefront Retail Delivery request, a form of government-issued identification, and all other information required by State and local Law. The driver shall present these documents upon the request of law enforcement, the City Administrator, or the City Administrator 's designee.

Condition of Approval No.35 – Non-Storefront Retail Delivery Labeling and Packaging.

Prior to Non-Storefront Retail Delivery of Cannabis and Cannabis Products, such Cannabis and Cannabis Products shall be labeled and placed in a tamper-evident package. Labels and packages of Cannabis and Cannabis Products shall, at minimum, meet the requirements specified under State Law, including MAUCRSA.

Condition of Approval No. 36 – Non-Storefront Retail Delivery Requirements.

All Non-Storefront Retail Delivery vehicles shall:

- a) Be equipped with, and utilize, a vehicle alarm system.
- b) Have and utilize a direct communication system with the related Non-Storefront Retail Delivery Establishment.
- c) Keep all Cannabis and Cannabis Products in a secure and locked container.
- d) Have an internal partition between the driver and all passengers from the Cannabis and Cannabis Products storage containers that prevents access by the driver and passengers to all cannabis products from inside the vehicle.
- e) Not carry more Cannabis and Cannabis Products than allowed by State and local Law and required to fulfill all immediate Non-Storefront Retail Delivery requests
- f) Not display any logo, signage, or other information that identifies, advertises, or lists the services or the products offered.



COMMERCIAL CANNABIS AND CANNABIS PRODUCTS DISTRIBUTION

PURPOSE: The purpose and intent of this Section is to permit and regulate the Distribution of Cannabis and Cannabis Products between Cannabis Permittees in order to promote the health, safety, morals, and general welfare of the residents and businesses within the City. The City is authorized to regulate this activity pursuant to State Law. All commercial cannabis manufacturing activities must be conducted in compliance with all applicable local and state laws, as they may change from time to time, without exception.

Condition of Approval No. 37 - Distribution Operating Fees.

Operator/Permittee must pay all operating fees as stipulated within Development Agreement No. DA19-[Insert DA No].

Condition of Approval No. 38 – Distribution Development Agreement and Location.

Distribution of Cannabis and Cannabis Products requires a Development Agreement with the City and must be located within the applicable zone.

Condition of Approval No. 39 - Distribution Activities.

Distribution activities includes the receiving and releasing of Cannabis and Cannabis Products for inspection, testing, and quality assurance, as required under applicable State Law and such other activities as are permitted pursuant to State Law.

Condition of Approval No. 40 – Distribution Customers.

A Distribution Permittee shall only Distribute Cannabis and Cannabis Products between Cannabis Permittees or to facilities or portions of facilities wholly controlled by such Distribution Permittee to the extent permitted by State Law.

Condition of Approval No. 41 – Distribution Quality Assurance.

- a) A Distribution Permittee shall inspect all Cannabis and Cannabis Products received by it for quality assurance prior to Distributing to any Cannabis Permittee, as required under applicable State Law.
- b) A Distribution Permittee shall Distribute Cannabis and Cannabis Products to Cannabis Permittees only after such Cannabis and Cannabis Products have been inspected and quality tested in accordance with applicable State Law, including MAUCRSA.

Condition of Approval No. 42 – Distribution Registration.

A Distribution Permittee shall register with the City each location within the City where Cannabis and Cannabis Products are stored for purposes of Distribution activities within the City.



Condition of Approval No. 43 – Multiple Permit Types.

A Distribution Permittee may also hold any other Permit type to the extent permitted by State Law. To the extent permitted by State law, a Distribution Permittee that also holds another Permit type may self-distribute its Cannabis Products.

OTHER OPERATIONAL CONDITIONS

PURPOSE: To ensure compliance with all applicable City, State and other regulatory agency requirements.

Condition of Approval No. 44 – Final Floor Plan Approval

Permittee must submit to and obtain approval from the City Administrator, or his designee, on all proposed Final Floor Plans. All Final Floor Plans shall be stamped and dated by the Planning Department. Changes to the floor plan design or other elements (including, but not limited to security, fire or hazmat details) require administrative approval by the Planning Department, prior to any construction activity or Building Permit Issuance.

Timing: Within 60 calendar days of the effective date of the final decision approving this CCP, Permittee shall prepare and submit a Final Floor Plan which demonstrates compliance with all City and State Commercial Cannabis regulations.

Condition of Approval No. 45 – Payment of Development Agreement Fees

Operator(s) must pay all required DA fees in accordance with DA terms. Failure to pay fees, as assessed by the City Administrator, will constitute a breach of the DA and may result in suspension or immediate revocation of the DA.

Condition of Approval No. 46 – Additional Plans and Approvals

Purpose: To ensure all Commercial Cannabis facilities meet the development standards of the zoning code, policies, goals and programs of the general plan and City economic development activities—including City beautification and future public improvement projects.

Site Design Plan – The Operator must submit a site design plan in compliance with all applicable development standards, as determined by the Planning Director. The Site Design Plan should include a complete site plan with landscaping, screening, façade improvements, parking, signage and any other proposed site changes.

- i. **Landscape Plan –** The Operator must submit a landscaping plan, prepared in accordance with CMC §19.23, designed by a licensed landscape architect or arborist. The plan must include drought tolerant plants, approved by the City.



- ii. Screening Plan – Fencing and/or Hedges, as determined by the Planning Department and in accordance with CMC §19.09.60, must be provided along the front perimeter of all Commercial Cannabis facilities. Screening must comply with applicable zoning development standards.
Materials: Corrugated metal, wrought iron, concrete and block wall are all allowed materials. Alternative materials may be allowed with City approval. Chain-link and razor wire are strictly prohibited. All facility screening plans must be submitted to and approved by the Planning Department prior to construction.
- iii. Façade Improvement Plan - All new Commercial Cannabis facilities must submit a Façade Improvement Plan for City approval. The plan must include new paint, siding or other building improvement materials, in a color scheme approved by the City. Plans must also include new paving, as needed, parking striping, and other site improvements, as determined by the City.
- iv. Sign Plans – All proposed signage must be designed in accordance with the provisions of CMC §19.25. All signage is subject to review and approval of the City Administrator. Off-site advertising signage is not permitted (i.e. billboards, banners, etc.) within or outside of the City limits.
- v. City Business License – All operators must file for a City business license to conduct business within the City, pay all required business license fees and obtain a City Business License prior to conducting sales transactions in the City. The original copy of the Commercial Cannabis Permit, the City issued business license, the state-issued Seller's Permit, and all applicable State-issued commercial cannabis licenses, shall be posted inside the commercial cannabis business in a location readily-visible to any City, County or State employee, official, or agent authorized to enforce the City's Code, or applicable cannabis-related laws.

Timing: Within 60 calendar days of the effective date of the final decision approving this CCP, the Permittee shall submit all plans to the City Planning Department for review and approval. Prior to operation, all City and State permits and licenses must be posted in the facility.

Condition of Approval No. 47 – Site Maintenance

PURPOSE: To ensure that the Project site is maintained in a neat and orderly manner so as not to create any hazardous conditions or unsightly conditions which are visible from outside of the Project site.

The Permittee shall maintain the Project site in a neat and orderly manner, and in compliance with the Project description. Only equipment and/or materials which the City Administrator, or his designee, determines to substantially comply with the Project description shall be stored within the Project site during the life of the Project.



The Permittee shall maintain the Project site in compliance with Condition No. 1 and the approved plans for the Project.

Monitoring and Reporting: The City Building Inspector, City Cannabis Enforcement staff, or Planning Department staff have the authority to conduct periodic site inspections to ensure the Permittee's ongoing compliance with this condition.

Condition of Approval No. 48 – Commercial Cannabis Permit (CCP) Modification

Prior to undertaking any operational or construction-related activity which is not expressly described in these conditions, the Permittee shall first contact the City Administrator, or his designee, to determine if the proposed activity requires a modification of this CCP. The City Administrator may, at his sole discretion, require the Permittee to file a written and/or mapped description of the proposed activity in order to determine if a permit modification is required.

Condition of Approval No. 49 - Construction Activities

Prior to any construction, the Permittee shall obtain a clearance for construction from the Planning Division and a Building Permit from the Building and Safety Department.

Condition of Approval No. 50 - Acceptance of Conditions and Schedule of Enforcement Responses

The Permittee's acceptance of this CCP and/or commencement of construction and/or operations under this CCP shall constitute the Permittee's formal agreement to comply with all conditions of this CCP. Failure to abide by and comply with any condition of this CCP shall constitute grounds for enforcement action provided in the City Municipal Code which shall include, but is not limited to, the following:

- a. Public reporting of violations to the Planning Commission and/or City Council;
- b. Suspension of the permitted land uses;
- c. Modification of the CCP conditions listed herein;
- d. Recordation of a "Notice of Noncompliance" on the deed to the subject property;
- e. The imposition of civil administrative penalties; and/or
- f. Revocation of this CCP.

The Permittee is responsible for being aware of and complying with the CCP conditions and all applicable federal, state, and local laws and regulations. In the event of any actual and direct conflict between these Conditions of Approval and the terms of the approved Development Agreement, the terms of the Development Agreement shall control and take precedence.

Condition of Approval No. 51. - Time Limits



- A. Use inauguration: The approval decision for this CCP becomes effective upon the expiration of the 15-day appeal period following the approval decision, or when any appeals of the decision are finally resolved. Once the approval decision becomes effective, the Permittee must obtain a clearance for Use Inauguration in order to initiate the land uses set forth herein.
- i. This CCP shall expire and become null and void if the Permittee fails to obtain a Clearance for use inauguration within 90 days –from the date the approval decision of this CCP becomes effective. The City Administrator may grant an extension of time to the Permittee in order to obtain the Clearance for use inauguration if the Permittee can demonstrate to the satisfaction of the City Administrator that the Permittee has made a diligent effort to implement the Project, and the Permittee has requested the time extension in writing at least 30 days prior to 90-day expiration date.
 - ii. Within 180 of the permit effective date, the Permittee must complete all Tenant Improvements and construction as indicated on the approved Final Floor Plan and obtain a Certificate of Occupancy from the City Building Department. The City Administrator may grant an extension of time to the Permittee to obtain the Certificate of Occupancy if the Permittee can demonstrate to the satisfaction of the City Administrator that the Permittee has made a diligent effort to implement the Project.
 - iii. Prior to issuance of Clearance for Use Inauguration, any final billed processing fees must be paid in full, or the City may revoke this CCP
 - iv. Prior to the issuance of all clearances, the Permittee shall pay all fees and charges billed to that date by the City, as well as any fines, penalties, and sureties, must be paid in full.

In the event of any actual and direct conflict between these Conditions of Approval and the terms of the approved Development Agreement, the most restrictive language, subject to the City's discretion, shall control and take precedence.

[end of conditions]