



City of Woodland
Meeting Agenda
Planning Commission

City Hall
Council Chambers
300 First Street
Woodland, CA 95695

February 7, 2019
6:30 PM

Please Note: The numerical order of items on this agenda is for the convenience of reference; items may be taken out of order. No new items shall begin after 10:30 pm unless unanimous consent exists to continue.

A. CALL TO ORDER

B. ROLL CALL

C. PLEDGE OF ALLEGIANCE

D. STAFF AND COMMISSIONER COMMENTS

This is an opportunity for the Planning Commission members and staff to make comments and announcements to express concerns, or to request Commission's consideration of any items a Commission member would like to have discussed at a future Commission meeting.

E. SUBCOMMITTEE REPORTS

F. COMMUNICATIONS FROM THE PUBLIC

G. APPROVAL OF MINUTES

H. PUBLIC HEARING

1. SUBJECT: Epic Bros Enterprises, Inc, Commercial Cannabis Manufacturing Facility. A proposed Conditional Use Permit to allow a non-volatile cannabis manufacturing facility at 1230 Harter Avenue, Suite J: PLNG 18-00103

RECOMMENDATION FOR ACTION: Staff recommends that the Planning Commission: (1) receive the staff report; (2) conduct a public hearing; (3) find that the project is exempt from further environmental review pursuant to Class 1 and Class 32 Categorical Exemptions under the California Quality Act (CEQA), and find that the exemptions reflect the independent judgement of the city as the lead agency under CEQA; and (4) Approve Planning Commission Resolution No. PC 19- 002 recommending that the City Council approve a Conditional Use Permit (CUP) amendment to allow a commercial cannabis non-volatile manufacturing facility at 1230 Harter Avenue, Suite J, conditioned upon approval of a cannabis business permit and appropriate conditions of approval.

I. BUSINESS ITEMS

J. STAFF OR COMMISSIONER COMMENTS

K. ADJOURNMENT

The Planning Commission of the City of Woodland encourages all parties interested in a matter scheduled to be reviewed, discussed and acted on at a meeting, to participate in the public discourse, which may include the submission of written comments and materials. The Planning Commission notifies the public that those materials received less than 24hours before a meeting date and time may not be able to be considered completely. Further, the Planning Commission encourages interested parties to attend the meeting to discuss any matter of concern and to explain their comments more fully.



TO: THE MEMBERS OF THE PLANNING COMMISSION
AGENDA: Planning Commission Meeting
DATE: February 7, 2019
ITEM #: H.1.
SUBJECT: **SUBJECT: Epic Bros Enterprises, Inc, Commercial Cannabis Manufacturing Facility.** A proposed Conditional Use Permit to allow a non-volatile cannabis manufacturing facility at 1230 Harter Avenue, Suite J: PLNG 18-00103

Recommendation for Action: Staff recommends that the Planning Commission:

1. Receive the staff report;
2. Conduct a public hearing;
3. Find that the project is exempt from further environmental review pursuant to Class 1 and Class 32 Categorical Exemptions under the California Environmental Quality Act (CEQA) and find that the exemptions reflect the independent judgement of the City as lead agency under CEQA; and
4. Approve Planning Commission Resolution No. PC19-002 recommending that the City Council approve a Conditional Use Permit amendment to allow a commercial cannabis non-volatile, manufacturing facility at 1230 Harter Avenue, Suite J, conditioned upon approval of appropriate Cannabis Business Permit and the recommended conditions of approval.

Staff Contact:

Cindy Norris, Principal Planner, (530) 661-5911, cindy.norris@cityofwoodland.org

Report in Brief:

The Applicant, Epic Bros Enterprises, Inc. received approval for a Conditional Use Permit for a cannabis distribution facility in this location. The applicant has requested to amend their original application from distribution to manufacturing of infused beverages. This is a non-volatile manufacturing process. The proposed use will include the ability to self-transport of wholesale product from the premises, consistent with the Zoning Definition for cannabis manufacturing. Staff is supportive of the proposed amendment.

Background:

On August 7, 2018, Epic Bros Enterprises, Inc. applied for a Conditional Use Permit (CUP) for a commercial cannabis distribution facility which was approved by City Council October 18, 2018. The applicant is requesting a recommendation of approval to the City Council for an amendment to the CUP in order to replace the distribution use with a non-volatile manufacturing use in order to prepare cannabis infused, non-alcoholic beverages.

On November 8, 2016 California voters approved Proposition 64, known as the Control, Regulate, and Tax Adult Use of Marijuana Act (AUMA). AUMA legalized non-medical cannabis use, possession and cultivation by persons 21 years of age and older. With the majority vote passage, the provisions related to personal use, possession and cultivation of non-medical cannabis went into effect on November 9, 2016. Commercial non-medical cannabis activities also became legal on November 9, 2016, although commercial activities require

state licenses. The state began issuing licenses for commercial activities on January 1, 2018.

On June 27, 2017, California Senate Bill 94 was signed into law, repealing the Medical Cannabis Regulation and Safety Act (MCRSA) and amending AUMA to consolidate state licensing of medical and non-medical commercial activities. The new law is now called the Medicinal and Adult-Use Cannabis Regulation and Safety Act (MAUCRSA).

On September 16, 2017, Assembly Bill 133 was signed into law by Governor Brown and it made numerous minor amendments to MAUCRSA. One of the amendments removed the requirement that cannabis businesses maintain separate and distinct premises for each use. Now multiple uses may be located at the same location, so long as a separate state license is obtained for each location where commercial cannabis activity occurs, subject to applicable state regulations.

There continues to be additional amendments to the State Regulations.

The City of Woodland has passed several Ordinances to update the Municipal Code to address both personal and commercial cannabis uses. On December 5, 2017 the City Council approved Ordinance 1629 to add Article 21.6 of Chapter 25 to the Municipal Code relating to the zoning of Commercial Cannabis uses. The Council also approved Ordinance 1630 to add Chapter 13A to the Municipal Code related to commercial cannabis business permits and operating regulations.

Ordinance 1629 allows consideration for up to six (6) conditional use permits for cannabis uses, which may be located in the Industrial or Industrial with Light Industrial Flex Overlay zones. The Ordinance allows the consideration of multiple cannabis license type in one location to be considered under one Conditional Use Permit. However, each business entity will be required to obtain separate Cannabis Business Permits (CBP). An operating agreement, to be approved by the Community Development Director, consistent with council approved conditions, will be required with each CBP.

To date, the City has approved three Cannabis CUP applications of which Epic Bros Enterprises, Inc. is one. Under the current ordinance the City may consider approval of six CUPs for commercial cannabis uses.

Discussion:

Project Site Description

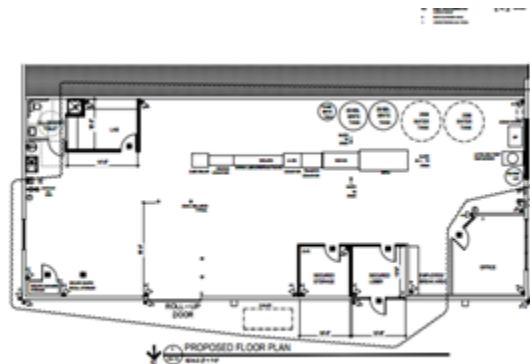
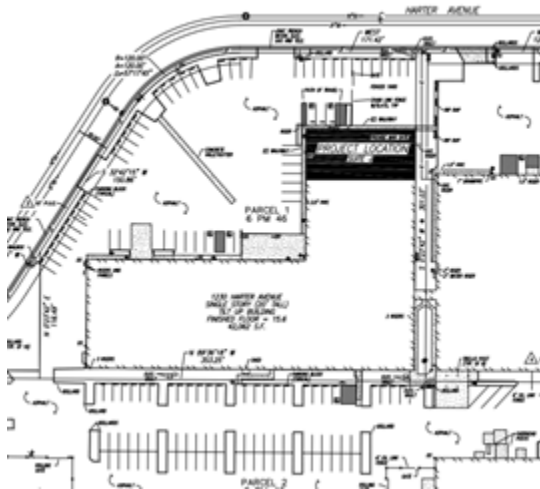
The overall project site is 3.66 acres in size and occupied by three buildings at 460, 1230, and 1250 Harter Avenue. The subject building at 1230 Harter Avenue is an existing one-story multi-tenant building approximately 42,241 square feet in size and houses multiple tenants (See Attachment 3, Site and Floor Plan). The property is bounded by vacant land, existing industrial development and East Street to the west, Harter Avenue and Interstate-5 to the north, and existing industrial development to the east and south. The applicant is proposing to occupy Suite J, which is 4,027 square feet in size, located in the north east corner of the building.



(1000 foot radius from the parcel)

The property is zoned for Industrial with a Light Industrial Flex Overlay and the proposed use may be considered with approval of a Conditional Use Permit by the City Council as the final acting body.

Epic Bros Enterprises, Inc (EBE) will occupy approximately 4,027 square feet in the existing building at 1230 Harter, Suite J. Approximately 251 square feet of space will be for office use with 3,776 square feet allocated for manufacturing purposes. (See Attachment 2, Statement of Justification and Vicinity Map and Attachment 5 – Business Plan). Under the terms and conditions of approval Epic Bros Enterprises, Inc. will be required to obtain a Cannabis Business Permit for a Non-volatile Manufacturing Facility. There will be no retail use at the site, or signage that identifies the type of business that is operating.



(Site Plan) (Floor Plan)

Analysis:

Environmental Assessment Status

Staff has determined that a Class 1 Categorical Exemption (Existing Facilities) pursuant to Section 15301 of the CEQA Guidelines and a Class 32 Categorical Exemption (Infill Development) pursuant to Section 15332 of

the CEQA Guidelines is the appropriate level of CEQA review for this document. Class 1 consists of the operation, repair, maintenance, permitting, leasing, or minor alteration of existing public or private structures, facilities, mechanical equipment, or topographical features, involving negligible or no expansion of use beyond that existing at the time of the lead agencies' determination. Class 32 exemption consists of projects characterized as in-fill development within urbanized areas. The class consists of environmentally benign in-fill projects located on sites that are less than 5 acres and consistent with local general plan and zoning requirements. The project will not have any biological, air, water, traffic, or noise impacts. The proposed use would occupy approximately 4,027 square feet space within an existing industrial multi-tenant building that has previously been occupied by industrial and manufacturing uses similar to the proposed project. The applicant has worked with the City's Environmental Services and Public Works Departments to ensure that all operating processes will meet safety and water quality treatment requirements. Further, additional conditions have been added to document and ensure that such measures are required in the future should the ownership of the use change.

Reviewing Agency Comments

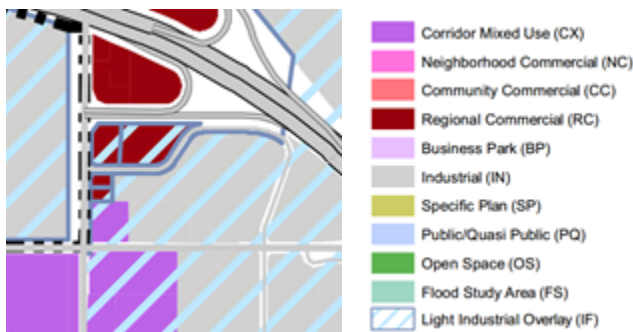
The project has been circulated to other city divisions and departments for review as well as to agencies outside the City of Woodland who have may have interest in the application including Air Quality, Waste Management, Yolo County, Yolo County Office of Education, and PG & E. All reviewing agency comments have been integrated into the conditions of approval.

Staff Analysis

2015 General Plan Consistency

The 2035 General Plan (GP) designation for the site is Industrial with a Light Industrial Flex Overlay (I/LIF). The proposed use of the site is consistent with the General Plan and shall be reviewed in accordance to the policies listed in conditional use permit discussion below. The General Plan describes this land use designation as follows:

When applied over the Industrial base designation, the Light Industrial Flex Overlay provides for a mix of general, light to custom industrial and manufacturing uses, including multi-tenant spaces with offices, contractor storage, agricultural processing, food producers, industrial technology, and other sensitive processing uses that require controlled performance standards.



(General Plan Land Use Diagram)

Climate Action Plan Consistency

The project involves the re-use of an existing building that will be re-purposed and upgraded to encourage new technology and an employment generating use. Strategy T/LU-2 encourages Redevelopment and Repurposing. The Climate Action Plan assumed that development would occur and continue within the urban areas of the city. In this instance, project has been conditioned to encourage and utilize energy saving features as appropriate including solar consistent with Strategy E-3. The applicant will be required to submit a statement with their building construction plans describing measures that they will be implementing.

Zoning Consistency

The zoning designation for the site is Industrial with Light Industrial Flex Overlay (I/LIF), which provides for types of animal and food processing uses, manufacturing uses, industrial yard uses, warehouse and storage uses and other related miscellaneous uses, such as office space and general agriculture.

The proposed future use of the site is industrial and is consistent with the Zoning Ordinance. Cannabis manufacturing is defined as shown below and not only includes the activities related to manufacturing but also includes self transport to allow distribution of wholesale product from the premises. Two state licenses may be authorized, Non-Volatile Manufacturing and Transport.

“Cannabis manufacturing” means the compounding, blending, extracting, infusing, or otherwise making or preparing a cannabis product. For purposes of this Article, cannabis manufacturing expressly includes the production, preparation, propagation, processing, or compounding of cannabis or cannabis products directly or indirectly, including through extraction and/or chemical synthesis methods. Cannabis manufacturing may include distribution of wholesale products from the premises, but shall not include any retail sales of cannabis or cannabis products or other sales to consumers.

The site is existing and developed as an industrial multi-tenant development. No significant exterior changes are proposed. The site meets all standards and criteria required in the Industrial District. The site has significant parking available. The building has existing loading doors that are located behind a secured fenced enclosure on the north side.

Parking:

There is adequate parking provided for use. The total site encompassing three buildings has approximately 258 parking spaces. The unit at 4,027 square feet would require 2 parking spaces based on the ratio of one space per 2,000 square feet of gross floor area (1/2000). The site is designed to accommodate truck loading and buildings have multiple loading doors.

Hours of Operation and Employees:

The operation will not be open to the public at any time. Regular business hours shall be between 6 AM and 9 PM, but may require staff to be present 24 hours per day. There will be between 3 and 8 employees on site and there will be 2-eight hour shifts per day.

Vehicular Traffic and Deliveries:

Raw material and finished cannabis products will be safely and securely transported to and from the facility in unmarked vehicles by a State licensed distributor. The city’s zoning code does allow the user the ability to transport their own finished product (wholesale) to another licensed business. However, raw product shall be delivered to the facility by a state licensed distributor.

The facility has a secure fenced in yard area and roll up door on the north side of the building which provides additional security for deliveries and loading of cannabis product. The secured yard will be locked immediately after a vehicle enters the yard area. Measures provided through the Safety and Security Plan and in conjunction with Woodland Police Department will help to ensure that this process is monitored and secure.

Landscaping:

The site has existing mature landscaping. The application will be conditioned to require on-going maintenance and replacement of any dead or dying plant materials.

600-foot Sensitivity Buffer

There are no sensitive uses within 600 feet of the parcel edge of the subject property. The site approximately 2090 feet from the proposed cannabis site at 1460 Tanforan Avenue, Suite B, and separated by the I5 freeway.

Conditional Use Permit Review

A conditional Use Permit (CUP) affords broad public review and evaluation of those uses which require special consideration to ensure proper integration into the community and mitigation of any potentially adverse impacts. The Planning Commission and City Council will be asked to make the required findings to permit the use.

In considering an application for a conditional use, due regard shall be given to the nature and condition of the proposed or existing use and all adjacent uses and structures. The City may impose requirements and conditions with respect to construction, maintenance, and the operation of the use, as may be deemed necessary for the protection of adjacent properties and the public interest. Conditional Use Permit analysis typically includes consideration of the proposed use; hours of operation; consistency with zoning standards such as parking; compatibility with existing uses and structures in the surrounding area; and other criteria as may be deemed appropriate.

A CUP runs with the land unless the use ceases or the CUP is revoked. Once approved, should ownership of the land or the business change, the CUP would remain valid at the location approved. In addition to the CUP land use considerations above, the Cannabis Ordinance 1629 (Municipal Code 25-21.6.50(c)): provides other specific factors that shall be considered by the Planning Commission and ultimately the City Council which include the following:

(1) The type of proposed use by the applicant:

The requested use is a conditionally allowed use in the zone regulations. The use would fit the category of cannabis manufacturing defined the Zoning Land Use Matrix. The use is consistent with the General Plan. General Plan policies that specifically relate to this request include the following:

2.D.3 – Technology Sector: Grow the technology sector in Woodland by leveraging the research strength at U.C. Davis. Encourage smaller companies and start-ups to locate in incubator spaces in Downtown and in areas with the Light Industrial Overlay designation.

2.E.7 – Public Safety and Community Design: Promote design that enhances public safety and discourages crime by providing buildings that engage the street, as well as adequate lighting and sight lines.

4.C.6 – Monitor Trends: Monitor economic trends to identify emerging industries, new market opportunities, and the performance and mix of businesses to allow the City to be proactive and adjust to market changes.

4.C.9 – Importance of Agricultural Industry: Recognize the importance of agriculture-related business and industries to the City and region, and support the continuation and development of agriculture and agriculture-related enterprises in and around Woodland.

4.E.1 – Job Expansion through Business Expansion: Encourage the expansion and attraction of diverse businesses and industries that create and increase the quality and amount of stable, year-round jobs locally.

(2) Whether the proposed use will be detrimental to the health, safety and welfare of the community:

The proposed facility would be contained within the existing building with numerous redundant security measures employed via a security plan reviewed and approved by the City of Woodland Police Department. The facility would not have exterior signage and would not be open to the public. Vehicles used to transport cannabis and the resulting beverage products would be unmarked but also secure. The tenant improvement plans will undergo review and inspection by both the Building and Fire Divisions to ensure the proper construction, installation and operation of the manufacturing facilities. The City will conduct annual review of the facilities and annual review of the general business operations. The applicant must also comply with all other agencies including health and state operating requirements.

(3) Whether the use would enhance the economic viability of the area in which it is proposed to be located, including adjacent and surrounding properties:

The proposed facility will provide a new source of employment and revenue to the City while remaining under close regulation and oversight by both the City and State. The use will be complementary to uses already existing in and around the project location, many of which are food or related industries.

(4) Whether the applicant has adequately addressed potential community benefits of the use to offset potential adverse impacts:

At the time of approval of a Cannabis Business Permit, the applicant will be required to pay a fee which has been determined to provide adequate cost recovery to the city for all activities, including police surveillance, associated with the proposed business. Further, as provided in a required operating agreement, a generalized contribution will be determined based on gross receipts derived from cannabis uses that will generate essential funds for protecting vital City services and facilities, help fund general municipal services, and place such businesses on more equal footing with existing City businesses.

The applicant has also included a Community Relations Plan and assigned a Community Relations Manager, Bejan Farahbakhsh. In a letter to adjacent businesses on December 2, 2018, the applicant provided contact information and explained their intent and mission to be a compliant business and to be a model for other similar businesses (Attachment 6).

(5) The extent of support or opposition to the proposed use and the location from members of the community:

Prior to submittal of the initial application, EPE provided a letter to adjacent businesses on December 2, 2018, and public notice of the proposed cannabis use was provided in accordance with state law and in accordance with city requirements for 1,000-foot radius.

(6) The number of cannabis uses located or proposed to be located within 1,000 feet of the proposed location:

The closest proposed cannabis use is for a cannabis manufacturing facility located within the same building in Suite F, ProTerp Manufacturing. An additional commercial cannabis facility is proposed at 1460 Tanforan Avenue which is approximately 2,090 feet from this project site (measured from parcel to parcel) and separated by the I5 Freeway.

However, the reality is that there are a limited number of sites and/or buildings currently available to cannabis uses. This limitation may be due to a number of reasons, such as the reluctance of some owners to lease space to cannabis uses; a lack of availability of smaller spaces within industrial buildings, which are more suitable to smaller scale manufacturing uses; and a number of restricted sites due to their proximity to sensitive uses. It is possible in the future that more cannabis related uses may request to locate in this proximate area due to the appropriate facility size available and a willing property owner.

(7) The extent to which the proposed use would cause a further overconcentration of that particular type of use in the area:

At this time, there is no overconcentration of cannabis uses. See discussion above. The City may find that on a limited scale that it is acceptable to have multiple cannabis uses located in a specific area.

(8) The background and history of the applicant, including the nature and extent of problems on any premises where he or she has operated a cannabis business in the past:

The applicants have completed all request for “Live Scan” and provided all relevant background information concerning past history with regard to Cannabis uses. The Police Department have not identified any significant concerns identified.

(9) Whether there is a history of police or crime related problems in the area of the proposed location which may be exacerbated by the establishment of the proposed cannabis use.

The Police Department ran review of calls for service within a 1000-foot radius from the project site for the past calendar year. The calls for service do not reflect a high volume of police activity, especially for crime related calls. It is believed that establishment of the proposed cannabis operation, as conditioned, would not exacerbate crime related activities.

Cannabis Business Permit Review

The Cannabis Business Permit (CBP) provides for the review of operational features for each cannabis business entity and is required in addition to a business license. A CBP is required prior to initial operation and requires annual review. Prior to issuance of the CBP fees must be paid and a final Operating Agreement authorized. The CBP is approved by the Community Development Director. Operating details including a Security Plan, Lighting Plan, Odor Control Plan, Business Plan, Community Relations Plan, as well as an Operating Agreement and Indemnification statement are required as part of the CBP review. Some of these items, such as the Odor Control Plan and Community Relations Plan have been provided as part of the Conditional Use Permit review and are included as Attachments.

Community Relations Plan

A plan that describes who is designated as being responsible for outreach and communication with the

surrounding community, including the neighborhood and businesses, and how the designee can be contacted. The community relations plan must include a description of the community benefit the business will provide, or proposes to provide, to the surrounding community. The applicant has provided an initial Community Relations Plan with the CUP application (Attachment 6).

Business Plan

A plan describing how the cannabis business will operate in accordance with this code, state law, and other applicable regulations. The plan must include plans for hours of operation, handling cash, and transporting cannabis and cannabis products to and from the business site, as may be applicable. Some aspects of this plan may be confidential. The applicant has provided an initial Business Plan with the CUP application (Attachment 5).

Odor Control Plan

A detailed ventilation plan describing the air treatment system, or other methods implemented to prevent offensive odors generated from the manufacturing, testing, and /or storage of cannabis from being detected outside the building. A discussion is provided in the Business Plan and will be assessed at the time of construction plan submittal.

Security Plan

The Draft Security Plan is a confidential document that generally addresses safety concerns related to vandalism, internal and external theft, lighting, video surveillance, security personnel, and other crime prevention. Because this document is confidential, it cannot be attached to this report. All interested parties to a cannabis business permit application are subject to fingerprinting and a criminal background investigation. The security plan has been reviewed by the Police and Fire Departments as part of the conditional use permit review. A final plan will be reviewed and approved with the Cannabis Business Permit.

Operating Agreement and Indemnification:

The City and applicant shall enter into an operating agreement, in a form approved by the city attorney, in which the applicant releases the city from any damages or liabilities of any kind for violation of state or federal law and agrees to defend, indemnifies, against any and all claims or actions. In addition, the applicant agrees to operating terms and conditions mutually agreed upon that ensure that the community benefits derived from the proposed cannabis business adequately address potential adverse effects.

Appeal

The Planning Commission action on the Conditional Use Permit shall be final unless, within **fourteen (14) calendar days** after the decision, the applicant or any other person, including the City Council, any individual City Council member, or the City Manager, not satisfied with the decision of the Planning Commission, may appeal to the City Council. No conflict of interest shall exist solely by reason of the filing of an appeal by the City Council, an individual City Council member, or the City Manager. Any appeal shall be filed with the City Clerk and, except an appeal by the City Council, a Council member, or the City Manager, shall be accompanied by a filing fee as prescribed by City Council resolution. *It is noted that in the case of the Cannabis Conditional Use Permits, the final action will be taken by the City Council.*

Public Notification:

Public notice advertising for the public hearing on this project was prepared by the Community Development Department in accordance with notification procedures set forth in the City of Woodland's Municipal Code and State Planning Law. Two methods of public notice were used:

- Legal notice was published in the Woodland Daily Democrat at least ten days prior to the public hearing.
- Notices were mailed to all property owners within 1,000 feet of the project site.

Conclusion:

Staff recommends that the Planning Commission:

1. Receive the staff report;
2. Conduct a public hearing;
3. Find that the project is exempt from further environmental review pursuant to Class 1 and Class 32 Categorical Exemptions under the California Environmental Quality Act (CEQA) and find that the exemptions reflect the independent judgement of the City as lead agency under CEQA; and
4. Approve Planning Commission Resolution No. PC 19-002 recommending that the City Council approve a Conditional Use Permit amendment to allow a commercial cannabis non-volatile, manufacturing facility at 1230 Harter Avenue, Suite J, conditioned upon approval of appropriate Cannabis Business Permit and the recommended conditions of approval.

Attachments:

1. Project Information Summary Sheet
2. PC Reso Epic Bros w. Conditions
3. Application Justificaiton and Site Plan
4. EBE Business Plan
5. Community Relations Plan and Letter to Businesses
6. EBE Waste Management Plan
7. Energy Efficiency Plan

Project Information Summary Sheet

Epic Bros Enterprises, Inc Commercial Cannabis Manufacturing Facility: A Proposed Conditional Use Permit Amendment to allow a Commercial Cannabis Non-Volatile, Manufacturing Facility Located at 1230 Harter Avenue, Suite J: PLNG 18-00103

Location: 1230 Harter Avenue, Suite J, Woodland CA 95776

Applicant/Owner: Epic Bros Enterprises, Inc, LLC/Ethan Conrad Properties

Environmental Report: Categorical Exemption

APN: -027-420-023

Project Planner: Cindy Norris, Principal Planner

Staff Recommendation: Conditional Approval

Report For: Planning Commission Public Hearing – February 7, 2019

General Plan Designation: Industrial/ Light Industrial Flex Overlay (I/LIF)

Existing Land Uses: The site is currently developed with a 42,241 square foot industrial building of which the applicant is proposing to occupy 4,027 square feet.

Adjacent Land Uses & Zoning:

<u>DIRECTION</u>	<u>LAND USE</u>	<u>ZONING</u>
North	Existing Industrial/Harter Avenue	I/LIF
South	Existing Industrial	I/LIF
East	Existing Industrial	I/LIF
West	Existing Industrial/Harter Avenue	I/LIF

Flood Zone: Flood Zone AE – Map #06113C0 455H dated May 16, 2012.

Street Access: East Street and Harter Avenue

Applicable Laws, Codes & Ordinances

This project is subject to several laws, codes and ordinances:

- The City of Woodland General Plan
- The City of Woodland Zoning Ordinance
- City of Woodland Cannabis Business Permit Requirements
- Community Design Standards
- California Environmental Quality Act (CEQA)

**PLANNING COMMISSION
RESOLUTION NO. PC 19-02**

**A RESOLUTION OF THE PLANNING COMMISSION OF THE CITY OF
WOODLAND RECOMMENDING THE CITY COUNCIL OF THE CITY OF
WOODLAND APPROVE A CONDITIONAL USE PERMIT FOR A CANNABIS
MANUFACTURING BUSINESS LOCATED AT 1230 HARTER AVENUE,
SUITE J**

WHEREAS, the applicant, Epic Bros Enterprises, Inc., has applied for a Conditional Use Permit to manufacture cannabis infused beverages in a 4,027 square foot suite within an existing one-story multi-tenant 42,241 square foot building on a 3.66 acre parcel in the Industrial with a Light Industrial Flex Overlay zone.

WHEREAS, the project is exempt from further environmental review under the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines Section 15301 (Class 1 Categorical Exemption, Existing Facilities) and CEQA Guidelines Section 15332 (Class 32 Categorical Exemption, Infill Development), as the Planning Commission of the City of Woodland finds as follows:

- The project consists of the permitting and minor alterations of an existing private structure that involves negligible expansion of the use beyond that existing at the time of the lead agencies initial determination as the existing facility is already zoned to allow industrial and manufacturing uses similar to the proposed project;
- The project consists of minor alterations for additional mechanical and security equipment to operate a cannabis business that utilizes existing utility infrastructure;
- The project is located on a site that is less than 5 acres and will not have any biological, air, water, traffic, or noise impacts;

WHEREAS, the proposed use and its operating characteristics are consistent with the general plan, as the site is located in the Industrial/ Light Industrial Flex Overlay designation, which provides for industrial and manufacturing uses that occur entirely within an enclosed building and are employment generating;

WHEREAS, The Planning Commission finds that the proposed use is consistent with policies that encourage job expansion through business expansion, that encourage emerging industries and new market opportunities, that support agricultural related industry as well as the technology sector;

WHEREAS, the Planning Commission finds that the proposed use and its operating characteristics are consistent with the applicable standards, requirements, and regulations of the zoning district in which it is located, and of all other provisions contained in Article 25-21.6 pertaining to commercial cannabis uses, and all operations will be conducted inside of the existing building;

WHEREAS, the proposed use is in on a site and in a building that is physically suitable in terms of location, size, topography, and access, and that is adequately served by public and private services and utilities;

WHEREAS, the proposed cannabis business uses will not adversely affect the peace or general welfare of the surrounding neighborhood, as follows:

- The proposed use is not consumer based (no retail sales will occur at the premises) and therefore, will result in low vehicle traffic;
- The odor control plan will ensure no odors will be detectable outside the building;

- All activities will take place inside the building and will not be visible from the outside;
- All signage will be limited and the applicant will have a final lighting and security plan approved by the Police and Fire Departments to ensure internal and external safety;

WHEREAS, the proposed use will enhance the economic vitality of the area in which it is proposed to be located, including adjacent and surrounding properties, the applicant will provide tenant improvements to the building including the addition of walls, partitions, a new entrance, loading door and fenced secure loading and trash enclosures out side the building, and the project will be required to maintain the site in a clean and well kept manner;

WHEREAS, based on existing circumstances, police data, and the background and history of the applicant, the Planning Commission finds that proposed use will not cause an overconcentration of cannabis uses in the area, potential community benefits of the use are likely to offset potential adverse impacts, and the proposed use is not likely to exacerbate crime-related problems in the area;

WHEREAS, a public notice describing the proposed cannabis conditional use permit was published in the Daily Democrat, a newspaper of general circulation, in accordance with Government Code section 60661 and mailed to properties within 1,000 feet; and

NOW, THEREFORE BE IT RESOLVED, that the Planning Commission of the City of Woodland, based on substantial evidence in the administrative record of proceedings and pursuant to its independent review and consideration, does hereby make the above findings, determinations, and recommendations with respect to the proposed Conditional Use Permit and recommends to City Council approval of the proposed Conditional Use Permit, as conditioned and attached hereto.

PASSED AND ADOPTED by the Planning Commission this 7th day of February, 2019, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Marco Lizzaraga Chairperson

ATTEST:

Cindy A. Norris, Principal Planner

RESOLUTION NO. CC 19-0_

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF WOODLAND APPROVING A CONDITIONAL USE PERMIT FOR A CANNABIS MANUFACTURING BUSINESS LOCATED AT 1230 HARTER AVENUE, SUITE J

WHEREAS, the applicant, Epic Bros Enterprises, Inc., has applied for a Conditional Use Permit to allow for the manufacture of cannabis infused beverages in a 4,027 square foot suite within an existing one-story multi-tenant 42,241 square foot building on a 3.66-acre parcel in the Industrial with a Light Industrial Flex Overlay zone. The manufacturing use allow for the self distribution of wholesale products from the premises; and

WHEREAS, the project is exempt from further environmental review under the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines Section 15301 (Class 1 Categorical Exemption, Existing Facilities) and CEQA Guidelines Section 15332 (Class 32 Categorical Exemption, Infill Development), as the City Council of the City of Woodland finds as follows:

- The project consists of the permitting and minor alterations of an existing private structure that involves negligible expansion of the use beyond that existing at the time of the lead agencies initial determination as the existing facility is already zoned to allow industrial and manufacturing uses similar to the proposed project;
- The project consists of minor alterations for additional mechanical and security equipment to operate a cannabis business that utilizes existing utility infrastructure;
- The project is located on a site that is less than 5 acres and will not have any biological, air, water, traffic, or noise impacts; and

WHEREAS, the proposed use and its operating characteristics are consistent with the general plan, as the site is located in the Industrial/ Light Industrial Flex Overlay designation, which provides for industrial and manufacturing uses that occur entirely within an enclosed building and are employment generating; and

WHEREAS, the Planning Commission, at its regularly scheduled meeting on September 20, 2018, conducted a public hearing to consider the proposed use and after review, public testimony, and deliberation voted to recommend approval of the Epic Bros Enterprises, Inc conditional use permit to the City Council as follows: (-) Ayes; (-) Noes; (-) Abstain; and (-) Absent; and

WHEREAS, The City Council finds that the proposed use is consistent with policies that encourage job expansion through business expansion, that encourage emerging industries and new market opportunities, that support agricultural related industry as well as the technology sector; and

WHEREAS, the City Council finds that the proposed use and its operating characteristics are consistent with the applicable standards, requirements, and regulations of the zoning district in which it is located, and of all other provisions contained in Article 25-21.6 pertaining to commercial cannabis uses, and all operations will be conducted inside of the existing building; and

WHEREAS, the proposed use is in on a site and in a building that is physically suitable in terms of location, size, topography, and access, and that is adequately served by public and private services and utilities; and

WHEREAS, the proposed cannabis business uses will not adversely affect the peace or general welfare of the surrounding neighborhood, as follows:

- The proposed use is not consumer based (no retail sales will occur at the premises) and therefore, will result in low vehicle traffic;
- The odor control plan will ensure no odors will be detectible outside the building;
- All activities will take place inside the building and will not be visible from the outside;
- All signage will be limited and the applicant will have a final lighting and security plan approved by the Police and Fire Departments to ensure internal and external safety; and

WHEREAS, the proposed use will enhance the economic vitality of the area in which it is proposed to be located, including adjacent and surrounding properties, the applicant will provide tenant improvements to the building including the addition of walls, partitions, a new entrance, loading door and fenced secure loading and trash enclosures out side the building, and the project will be required to maintain the site in a clean and well kept manner; and

WHEREAS, based on existing circumstances, police data, and the background and history of the applicant, the City Council finds that proposed use will not cause an overconcentration of cannabis uses in the area, potential community benefits of the use are likely to offset potential adverse impacts, and the proposed use is not likely to exacerbate crime-related problems in the area; and

WHEREAS, a public notice describing the proposed cannabis conditional use permit was published in the Daily Democrat, a newspaper of general circulation, in accordance with Government Code section 60661 and mailed to properties within 1,000 feet; and

NOW, THEREFORE BE IT RESOLVED, that the City Council of the City of Woodland, based on substantial evidence in the administrative record of proceedings and pursuant to its independent review and consideration, does hereby make the above findings, determinations, and recommendations with respect to the proposed Conditional Use Permit, approves of the proposed Conditional Use Permit, as conditioned and attached hereto.

PASSED AND ADOPTED by the City Council this **5th day of March, 2019**, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

ATTEST:

Ana Gonzalez, City Clerk

Xochitl Rodriguez, Mayor

APPROVED AS TO FORM:

Kara K. Ueda, City Attorney

DRAFT

CONDITIONS OF APPROVAL
Epic Bros Enterprises, Inc – 1230 Harter Avenue, Suite J

1. The project is as described in the staff report prepared for the February 7, 2019, Planning Commission meeting and the March , 2019 City Council meeting and shall consist of administrative offices, cannabis manufacturing facility (non-volatile extraction) to create infused beverages within an existing 4,027 square foot tenant space. Manufacturing allows for the self-distribution of wholesale products from the premises. The project shall be established and operated as depicted in the staff report, except as modified in these conditions of approval and with any changes necessary to comply with City codes and specifications.
2. The applicant shall defend, indemnify, and hold harmless the City of Woodland, its agents, officers or employees from any claim, action or proceeding against the City or its agents, officers or employees to attack, set aside, void or annul an approval of the subject application by the City, its legislative body, advisory agencies or administrative officers. The City will promptly notify the applicant of any such claim, action or proceeding against the City and the applicant will either, at the City's discretion, undertake defense of the matter and pay the City's associated legal costs, or will advance funds to pay for defense of the matter by the City Attorney.
3. The applicant shall secure approval and satisfy requirements of all agencies with jurisdiction prior to operating the cannabis business.
4. The Conditional Use Permit shall not be issued until the appeal period has expired or final action on an appeal has been rendered.
5. The Conditional Use Permit must be exercised within one year of issuance, or it shall be deemed null and void by act of law (Section 25-27-70).
6. The project approval is for the project as described in the above staff report and related attachments, which depict the projects proposed map, site and floor plans, business plan, community relations plan, odor control plan, energy efficiency plan, and waste disposal plan. Should there be a change in the use or an intensification of the described use, the change shall be described and provided in writing to be evaluated by the Community Development Director to determine general consistency with the provisions of the use permit. The Director shall either approve the proposed changes based on a finding that the changes shall not result in significant traffic, noise, safety or security concerns or other potential nuisance to surrounding property owners or within public right-of-ways beyond that anticipated by the original approval, or, if these findings cannot be made, the Director shall make a determination that a Conditional Use Permit Modification is required, which shall include Planning Commission review including applicable processing and development fees.
7. Environmental Recording Fee. Applicant shall provide the Community Development Department with a check for the sum of \$50 made out to Yolo County to record the CEQA environmental document (Notice of Exemption) with the County.
8. The applicant shall comply with all state and local laws and ordinances, including the provisions of Chapter 13A of the Municipal Code and the requirement to secure a Cannabis Business Permit, including approval of an Operating Agreement, for each business entity operating at the location as part of the approved conditional use permit. The applicant shall obtain and maintain, prior to operation of the business and continuing at all times the business is in operation, a valid Cannabis Business Permit and all applicable state license(s). All requirements, terms and conditions of the

Cannabis Business Permit, Operating Agreement, and applicable state license(s) shall be considered conditions of this conditional use permit. Failure to comply with all applicable state and local laws and ordinances, the Cannabis Business Permit, Operating Agreement, and/or applicable state license(s) shall be deemed a violation of the conditional use permit and may result in revocation of the use permit.

9. As set forth and agreed to in the Operating Agreement for each approved Cannabis Business Permit, the business/applicant shall pay a fee in the form and in the amount and manner agreed upon between the City and the business receiving a Cannabis Business Permit. If, during the term of the Operating Agreement, the city imposes an alternative revenue mechanism, specifically related to cannabis operations (e.g. cannabis tax), the business/applicant will pay the city the greater of the two payments, or as otherwise agreed by the city or mandated by law.
10. If the applicant wishes to relocate, significantly modify the approved site layout and/or allowed cannabis uses, the applicant shall secure a new conditional use permit, or modification to the existing conditional use permit prior to any modification or occupancy of the site by a new or modified use.
11. If the Community Development Director finds evidence that conditions of approval have not been fulfilled or that the use or uses has or have resulted in a substantial adverse effect on the health, and/or general welfare of users of adjacent property, or have a substantial adverse impact on public facilities or services, the Community Development Director may refer the Conditional Use Permit to the Planning Commission for further review. If, upon such review, the Commission finds that any of the adverse results above have occurred, the Planning Commission shall recommend to the City Council to modify or revoke the Conditional Use Permit. If upon such review the City Council finds that any of the above results have occurred, the City Council shall modify or revoke the Conditional Use Permit.
12. Upon receipt of a Cannabis Business Permit the applicant shall be subject to provisions relating to violations contained in Municipal Code [Section 13A-1-09](#), or as may be amended.
13. The applicant shall submit a final security plan for review and approval by the Police Department prior to operation and shall comply with requirements included in Section [13A-4-02](#), or as may be amended..
14. The applicant's business shall not employ any juvenile under the age of 21.
15. No customers or sales shall occur at the facility.
16. All cannabis related activities shall take place in the interior of the building and any cannabis related activities outside the premises are strictly prohibited with the exception of the lawful receipt of raw cannabis materials received by the business and the delivery of finished lawful cannabis products to another lawful cannabis business, in accordance with all applicable state and local laws governing transportation of cannabis goods. There shall be no exterior storage of materials or equipment. Storage of non-cannabis related items may be allowed in the enclosed area where it is not visible to public view.
17. Approved numbers or addresses shall be placed on all new and existing buildings in such a position as to be plainly visible and legible from the street or road fronting the property. Said numbers shall contrast with their background.

18. The main entrance to the facility shall be clearly identified with proper signage to include name of business and address. Main entrance shall also provide adequate lighting per the City Security Ordinance and lighting regulations.
19. Applicant shall comply with the design requirements as stated in the Community Design Standards for any exterior changes, modifications, and additions to the subject building. All exterior changes beyond those stated in the original approval will require staff level design review.
20. The site shall be inspected and maintained daily to be clear of litter.
21. Any new signage, modifications or changes to the signage the applicant shall conform to the City Zoning Code and Sign Ordinance and shall comply with provisions of Section 13A-4-04 of the Municipal Code. Except as otherwise approved by the City in writing or by law, project signage shall include nothing in word or symbol, identifying the fact that the property is used for cannabis related activities.
22. No vehicle owned or operated by the business, or used for the transportation of product or individuals associated with the Facility shall include markings (in words or symbols) identifying the vehicle as a vehicle used for cannabis-related activities, unless otherwise required by law.
23. Photometric data shall be provided, and indicate that the parking area will be equipped with one (1) foot-candle of minimum maintained illumination per square foot of parking surface to include the entire paved area. The parking area shall be illuminated from dusk until the termination of business every operating day. Photometric data must also confirm the absent of "Hot Spots" or areas of ten (10) foot-candle of illumination per square foot or more.
24. All existing landscape planter areas shall be replanted and maintained per City Standards. Vegetative matter shall cover no less than 75% of the required landscape area unless otherwise approved by the Community Development Director. Maintenance shall include but is not limited to watering, fertilizing, weeding, cleaning, pruning, trimming, spraying and cultivation.
25. The applicant shall utilize building energy saving measures to reduce energy usage. The applicant shall submit a statement with the initial submittal of their building construction plans describing energy conserving measures that they will be implementing.
26. The applicant shall provide a minimum of two bike parking spaces for employees. Bike parking shall be provided in a safe a secure location.
27. Waste materials shall be appropriately handled. The applicant shall describe methods that will be used to make cannabis waste unusable and unrecognizable, and how cannabis waste will be stored prior to removal from the business. The applicant shall describe methods used to transport cannabis waste from the manufacturing site to a solid waste facility. The waste management plan shall be reviewed and approved by the City prior to certificate of occupancy.
28. The applicant shall include a waste disposal plan, including projected accumulation volumes and where on the property the solvent waste will be stored. The applicant shall describe how the business will transport solvent waste from the manufacturing site to a waste facility.
29. The applicant shall have an appropriate plan that considers all possible fire, hazardous material, and inhalation issues/threats and will have both written and physical mechanisms in place to deal with each specific situation.

30. The applicant shall establish safety protocols that will be adopted, including, but not limited to: staff training, protective equipment, hazardous material handling, emergency communication/response protocols, etc. The applicant shall conform to all Cal OSHA workplace safety standards.
31. The applicant shall develop a quality control guidelines and standard operating procedures that are in strict adherence to MAUCRSA and applicable state regulations. The applicant shall establish quality control procedures for each business, manufacturing and testing to ensure that cannabis products are safe and suitable for human consumption and /or use. Quality control procedures will consider the proper handling and storage of raw materials, in-process materials, and finished product throughout the production process and shall ensure uniformity between each separately produced batch of cannabis product. This includes equipment inspection and maintenance, internal controls for each step in the process, internal batch sampling and testing.
32. The applicant shall institute policies and procedures used by the business to help prevent contamination of any cannabis product. This will include hand washing, employee training, use of facemasks/gloves, prohibiting employees who are showing signs of illness, open wounds, sores or skin infections from handling cannabis, etc.
33. A toxic material control plan will be provided with the Cannabis Business Permit application that contains a description of all toxic, flammable, or other materials that will be used or kept at the cannabis business, the location of such materials, and how such materials will be stored. The toxic material control plan will include all materials regulated by a federal, state, or local government that would have authority over the business if it was not a cannabis business.
34. The applicant will establish and utilize Standard Operating Procedures that describe the steps the manufacturing facility will take when notified from a testing agency, Health Officials, or California State Regulators, that the tested cannabis product does not meet appropriate health standards. The manufacturing operator shall describe how the business will dispose of all rejected cannabis product associated with the test sample, and ensure that rejected cannabis product is not released to the public. In addition, the manufacturing operator shall provide a recall procedure which describes the policy for communicating with customers and businesses who have purchased the product from the manufacturing facility, as well as health officials. The recall plan shall describe the method to collect recalled product and dispose of it in a manner that ensures it will not be consumed.
35. Any Cannabis manufacturer shall comply with all requirements provided by the California Department of Public Health (CDPH)

BUILDING

The following comments are from the City of Woodland Building Division and are applicable to the reference project:

36. This project must meet all criteria and mandates for these City adopted codes or the most current code:
 - a. 2016 California Building Code
 - b. 2016 California Plumbing Code
 - c. 2016 California Mechanical Code
 - d. 2016 California Electrical Code
 - e. 2016 Building Energy Efficiency Standards

- f. 2016 California Green Building Code
 - g. The Code of the City of Woodland
37. The project will require engineered building plans for the proposed work to be plan reviewed and inspected to ensure safety. This would include compliance with California Building Codes (including the 2016 California Fire Code Chapter 38 in the July 1st, 2018 Supplement, Plant Processing and Extraction Facilities) and applicable NFPA standards.
38. Other City and County Agencies (Health, Fire, Public Works, and Planning) are be required to approve the project prior to a building permit being issued.
39. A licensed architect or licensed engineer shall be responsible for reviewing and coordinating all submittal documents prepared by others, including deferred submittal items, for compatibility with the design of the building.
40. The project will provide a final odor control plan for review and approval prior to issuance of building permits.

FIRE

41. One-hour separation wall shall be inspected for integrity and conformance to original installation standards. Inspection shall be performed on both sides of the rated wall.
42. Exit doors shall be provided with panic hardware. Exit doors shall swing in the direction of egress travel.
43. Provide exit signs and emergency means of egress illumination.
44. Prior to final occupancy, provide confirmation from a licensed professional (fire protection engineer) indicating the existing fire sprinkler system adequately provides the level of protection required for the specific operation and associated hazardous materials involved.

ENVIRONMENTAL SERVICES

45. Management of Waste
- a. If the waste generated from the cannabis facility contains green byproduct, meaning that it contains buds or that the byproduct can still be used for the making of oils or the like, then the materials must be serviced as waste (trash). Yolo County Central Landfill requires these loads to obtain a certificate of destruction with each disposal.
 - b. If the waste generated is brown and does not contain buds or usable byproduct, then the materials should be hauled as organic waste, which will be composted and considered diverted materials. If loads taken to the Yolo County Central Landfill contain any green byproduct, they will be processed as waste and will require a certification of destruction.
 - c. Any hazardous waste materials generated (i.e. solvents, pesticides, chemicals, lamp ballasts, canisters/cylinders, personal protection equipment with residual, etc.) must be disposed of through a hazardous waste facility. Yolo County Central Landfill accepts commercial hazardous waste through their Conditionally Exempt Small Quantity Generator (CESQG) business program.

- d. Recycling (cardboard, paper, and plastic, glass, or metal containers) is also required and should be separated from any waste or organics recycling loads.
- e. Materials may be self-hauled to a waste or compost facility by the business in which the materials were generated. If self-hauled to the Yolo County Central Landfill, the above disposal procedures will be in effect.
- f. If the materials are not self-hauled, Waste Management is the exclusive waste, recycling and organics recycling hauler for Woodland and must be used for disposal services. The business may not pay another company besides Waste Management to haul waste, recyclables, or organic materials.
- g. The types of services, collection frequency, and bin sizes for waste and/or organics recycling services should be determined through Waste Management upon an assessment of the facility and types of materials generated.
- h. Depending on the amount of materials generated, all waste generated from the facility should be removed from the premise no less than one time per week.
- i. The City of Woodland, its residents and businesses have an obligation to meet state-mandated waste diversion requirements and requests that businesses make the highest effort possible to divert their waste through recycling or composting (organics recycling). Waste generated by a business should be processed in a manner that meet the landfill's requirements for acceptance as organic waste/composting.
- j. Bins (dumpsters), roll-offs (debris boxes), or trailers used to collect materials must be stationed in an area not generally accessible to the public. Bins should be either padlocked, located inside a non-accessible enclosure or inside of the business to deter scavenging.

POLICE

- 46. A final security plan, including assessment of the delivery system, shall be reviewed and approved by the Woodland Police Department, prior to issuance of building permits.
- 47. Site plans and floor plans shall be completed to the satisfaction of the Police Department CPTED requirements prior to issuance of building permits.
- 48. Exterior lighting shall be white light using LED lamps with full cutoff fixtures to limit glare and light trespass. Color temperature should be between 2700K and 4200K with a color rendering index of 75 or better and a light loss factor of 0.95 or better. All existing exterior fixtures shall be replaced with fixtures that meet this requirement.
- 49. Broken or damaged exterior lighting shall be repaired or replaced within 48 hours of being noted.
- 50. Exterior lighting shall be shielded or otherwise designed to avoid spill-over illumination to adjacent streets and properties.

51. Tree canopies shall not interfere with or block lighting. This creates shadows and areas of concealment. The landscaping plan shall allow for proper illumination and visibility regarding lighting and surveillance cameras through the maturity of trees and shrubs.
52. All solid core doors shall be equipped with a 180 degree viewing device to screen persons before allowing entry.
53. The business shall be equipped with and maintain a security system with an alarm system with a valid UL Certificate in accordance with ANSI/UL Standard 681-2014 (Standard for Installation and Classification of Burglar and Holdup Alarm), Extent No 3; and a Video Assessment and Surveillance System (VASS).
54. A hold up alarm shall be employed near the transport area, lobby, employee entrance and safe(s).
55. Burglar alarms shall cause the dispatch of a properly licensed private patrol.
56. Hold up alarms shall cause the dispatch of the Woodland Police Department.
57. The Security system shall be equipped with at least 24 hours of continued operation time in case of power failure.
58. The Security system shall be equipped with cellular backup in case of phone line disruption.
59. The facility shall be staffed at all times that the security system is not fully functional.
60. A log shall be maintained that shows when the alarm system was armed and disarmed, and by whom.
61. VASS storage shall be kept off-site or in a secured area accessible only to management.
62. VASS shall be capable of no less than 30-days worth of activity and shall provide comprehensive coverage of: safe, areas of ingress and egress, parking lot, loading areas, areas not clearly visible from public streets, and coverage of all exterior areas of the building.
63. Monitors displaying the employee parking area shall be mounted in a visible location near the door from which employees will arrive and depart so that employees may monitor the outside environment prior to departing the facility.
64. The applicant is responsible for reasonably controlling the conduct of persons of the site and shall immediately disperse loiterers.
65. Applicant shall install a "Knox Box" for police access of the exterior areas of the property after hours.

DRAFT



Community Development Department

300 First St, Woodland CA 95695
Phone (530) 661-5820 Fax (530) 406-0832
www.cityofwoodland.org

General Application Form

1. OWNERY/APPLICANT

Property Owner:

Ethan Conrad

Mailing Address:

1300 National Drive Suite 100

City State Zip Code:

Sacramento, CA 95834

Phone Number:

916-779-1000

E-mail Address:

ethan@ethanconradprop.com

Project Applicant:

Epic Bros Enterprises, Inc

Mailing Address:

1230 Harter Ave Suite J

City State Zip Code:

Woodland, CA 95776

Phone Number:

925-785-4950

E-mail Address:

beifara@hotmail.com

2. PROJECT DESCRIPTION

Project Name:

Epic Bros Enterprises, Inc

Total Acres or Square Feet:

3,776 sqft warehouse + 251 sqft office

General Plan Land Use Designation:

Industrial with light Industrial Flex Overlay

Existing Zoning:

Industrial with light Industrial Flex overlay

Site Address or Location:

1230 Harter Ave Suite J Woodland

Assessor's Parcel Number(s):

027-420-030-000

Is Project in Flood Zone? ☐ Yes ☒ No

Requested Entitlement/ Permit Type:

Type 6 cannabis manufacturing and self-transport

PROJECT NARRATIVE/ JUSTIFICATION STATEMENT: On a separate sheet, please provide a written description of the project being proposed for development including justification. It must include a description of the project and detailed scope of work including how the project will address potential negative effects on the community. A Design Concept Narrative is also required for Site Plan and Design Review entitlement requests.

3. AUTHORITY TO FILE APPLICATION

Check one: ☒ Property Owner ☐ Power of Attorney* ☐ Contract to Purchase* ☐ Other*

* Attach Evidence of Authority/ Letter of Agency (see attached template)

ACKNOWLEDGEMENT: I hereby certify that the above information and accompanying documents are true and accurate to the best of my knowledge and acknowledge that the processing of this application may require additional fees and expenses for the preparation of necessary environmental documentation and planning studies. I certify that I have reviewed the current Hazardous Waste and Substances Site List, developed pursuant to AB 3750, and found that my project is not on the list.

APPLICATION WILL NOT BE ACCEPTED WITHOUT SIGNATURE OF LEGAL OWNER OR OFFICIAL AGENT

Applicant

Date

Applicant

Date

Legal Owner

Date

Legal Owner

Date

DEPARTMENT USE ONLY

Entitlement Type

- | | | |
|--|---|---|
| ☐ Zoning Administrator Permit (ZAP) | ☐ Zoning Amendment | ☐ Sign Plan |
| ☐ Conditional Use Permit (CUP) | ☐ Zone Interpretation | ☐ Tentative Parcel Map |
| ☐ CUP/ PUD/ ZAP Modification | ☐ Design Review | ☐ Tentative Subdivision Map |
| ☐ Annexation Application | ☐ Site Plan Review | ☐ Amendment to Tentative Map |
| ☐ Lot Line Adjustment | ☐ General Plan Petition | ☐ Variance |
| ☐ Lot Merger | ☐ General Plan Amendment | ☐ Other: _____ |

Is this request related to another development? _____

☐ Yes ☐ No

Explain: _____

Intake

Amount Paid: _____

Amount Owed: _____

Logged by: _____ Date: _____

Planner: _____ Date: _____

Project No: _____



City of Woodland

Community Development Department, 300 First Street, Woodland CA 95695, (530) 661-5820 fax (530) 406-0832

LETTER OF AGENCY

If the applicant is not the owner of record of the subject site, a Letter of Agency from the owner, or the owner's authorized representative must be submitted which grants the applicant permission to apply for the requested entitlement(s). The Letter of Agency must be notarized.

Date: 1/17/2019

To: City of Woodland
Community Development Department
300 First Street
Woodland, CA 95695

Community Development Department:

I, the undersigned legal owner of record, hereby grant permission to:

Applicant: Epic Bros Enterprises, Inc Phone: 925-785-4950

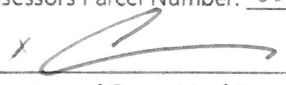
Applicant's Address: 1230 Harter Ave Suite J Woodland CA 95776

To apply for the entitlement(s) listed below

☐ General Plan Amendment	☐ Zoning Amendment	☐ Tentative Subdivision Map
☐ Tentative Parcel Map	☐ Specific Plan Amendment	☐ Lot Line Adjustment
☐ Variance	☒ Conditional Use Permit	☐ Planned Development
☐ Site Plan Review	☐ Design Review	☐ Zoning Administrator Permit
☐ Specific Plan	☐ Cannabis Business Permit	☐ Cannabis Conditional Use Permit
Is this request part of another application? Yes ☐ No ☐		Other:

The subject property is located at: 1230 Harter Ave Suite J Woodland CA 95776

Assessors Parcel Number: 027-420-030-000


Signature of Owner(s) of Record (must be an original signature)

Ethan Conrad
Print Legal Owner(s) of Record Name

1300 National Drive #100 Sacramento, CA 95834 916-779-1000
Address of Legal Owner (attach title report) Phone:

E-mail Owner(s) of Record: ethan@ethanconradprop.com

ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

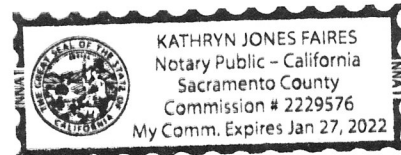
STATE OF CALIFORNIA)
) ss.
COUNTY OF Sacramento

On January 17, 2019 before me, Kathryn Jones Faires, Notary Public, personally appeared Ethan Conrad, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is ~~are~~ subscribed to the within instrument and acknowledged to me that he ~~she/they~~ executed the same in his ~~her/their~~ authorized capacity(ies), and that by his ~~her/their~~ signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature Kathryn Jones Faires (Seal)



EPIC BROS ENTERPRISES, INC
1230 Harter Avenue Suite J
Woodland, CA 95776

Applicant Narrative/ Justification

Preamble. Epic Bros Enterprises, Inc (hereinafter referred to as “Applicant”) is pleased to present our Commercial Cannabis Application Package to the City of Woodland’s Community Development Department for Type 6 Medical and Adult Commercial Cannabis Non-volatile manufacturing.

Applicant recognized the need for strict adherence to legal guidelines and requirements as outlined by the City of Woodland, the State of California as well as other relevant stakeholders. Our team of qualified business professional looks forward to working with all necessary agencies and authorities having jurisdiction to ensure compliance with all requirements. We believe that we are offering a comprehensive solution that can help satisfy the growing demand for cannabis in a safe and clean manner, while being a good member to the community and contributing in a significant way to the local economy.

Summary of Proposed Location. Applicant is proposing their project to be located at 1230 Harter Avenue in the City of Woodland in suite J within the proposed building. Property is zoned as Industrial with a Light Industrial Flex Overlay in the City of Woodland with an immediate access to I-5 freeway. The building has 120/208 and 277/480 Volts with a 3-phase power and natural gas service available. The boundaries of the property are greater than 600 feet from any K-12 school, commercial daycare center and youth center, and are greater than 600 feet of any residences of libraries on a neighboring property.

The existing facility needs some modifications. The facility currently has two roll up doors, a secured fenced in yard for secure intake, an office space and warehouse area. Applicant is planning to construct a secured two-point access to lobby area and to warehouse space that will not be accessible to public unless authorized and escorted by Applicant and to City/State officials for inspections.

Applicant shall seal off non-functional roll-up door that is not secured by a fence. Within the lab itself, applicant is proposing to construct a secured storage area for any finished cannabis products as well as any raw materials necessary for Applicant’s infusion process.

Applicant will also have a secured safe for any cash storage (Please see “**Security Plan**”).

Project Size. The project itself occupies 3,776 sq ft of warehouse space, 251 sq ft of office space, and a fenced/paved yard as a portion of a 42,241 sq ft commercial building. The warehouse clear height is 19’ and is equipped with fire sprinklers, 120/208 and 277/480 Volts with a 3-phase power, has natural gas service and heavy parking.

Currently, the space has two roll up doors, a yard secured with razor wire and opaque fencing, an office space, and a warehouse space. Applicants are planning to construct a secured two-point access to the lobby area with restricted access to the warehouse space. Only authorized visitors, City and State inspectors, and law-enforcement can be escorted within by management. Applicants also propose changes that include sealing off one of the two roll-up doors that is not

secured by a fence as well as constructing a food safe, commercial lab room. Applicants will designate an area for storing cannabis waste, as well as secured storage of high valued products and cash.

Facility Advantages. The following are advantages of the facility at 1230 Harter Ave, Suite J:

- Located in a concealed location that is not immediately visible
- Warehouse space with sufficient power
- Sufficient yard for secure intake/output area
- Facility comes with fire sprinklers
- Facility will not impact the peace, order, or welfare of the local community

Additional Advantages.

Applicant ensured that surrounding neighborhood businesses are aware of applicant's intentions of amended their current use from Commercial Cannabis Distribution to non-volatile manufacturing business. Letters were sent out December 4th, 2018 to inform all neighbors of Applicant's business intentions.

Addressing Negative Effects on the Community. Applicant recognizes City's concerns surrounding commercial cannabis businesses. Pursuant to both City of Woodland ordinance, California State's regulations and reasonable good neighbor policies, our operation will include the following:

Security. Our facility will employ a comprehensive security plan mandated by ordinance which includes security patrols, use of security cameras, and strategic placement of lighting that will deter crime in the area. **Please see Security Plan.**

Odor Control. Our facility will have a comprehensive odor control system which will make odors typically associated with cannabis undetectable. **Please see Odor Control Plan.**

Cross Contamination. Our facility is subject to strict guidelines under local and State's regulations. It requires us to establish and implement written non-volatile manufacturing operation procedures to ensure that all of our product handling is conducted properly. Our operations shall be conducted under conditions and controls that are necessary to eliminate contamination that could potentially affect our product and other surrounding businesses' production.

Community Benefits. A critical component to our operating model is deeply rooted in good stewardship to our community and the populations we serve. Applicant intends to engage in a responsibility agreement with the City of Woodland to remit \$48,280 annually to City of Woodland, for the purpose of mitigating any adverse impacts the facility might have on our neighborhood. Second, Applicant shall remit 5% of gross revenue sales or \$1,500 per month to the City of Woodland as community benefit fee that shall be executed in an Operating Agreement. Third, a well-run non-volatile manufacturing business does much more for a dispensary and its patients and customers than merely providing access to cannabis. Our vision includes fostering a

sense of community among our neighbors to build stronger, healthier populations. Our organization is committed to creating a community-based entity to support the needs of dispensaries, their customers and patients, and improve our community by creating more jobs for residents.

Applicant believes that this facility is a great choice for this type of business and will enhance the local neighborhood, providing added security, economic viability, and responsible partnerships.

EPIC BROS
ENTERPRISES, INC.

1230 HARTER AVE.
SUITE J
WOODLAND, CA 95776

PREPARED BY:

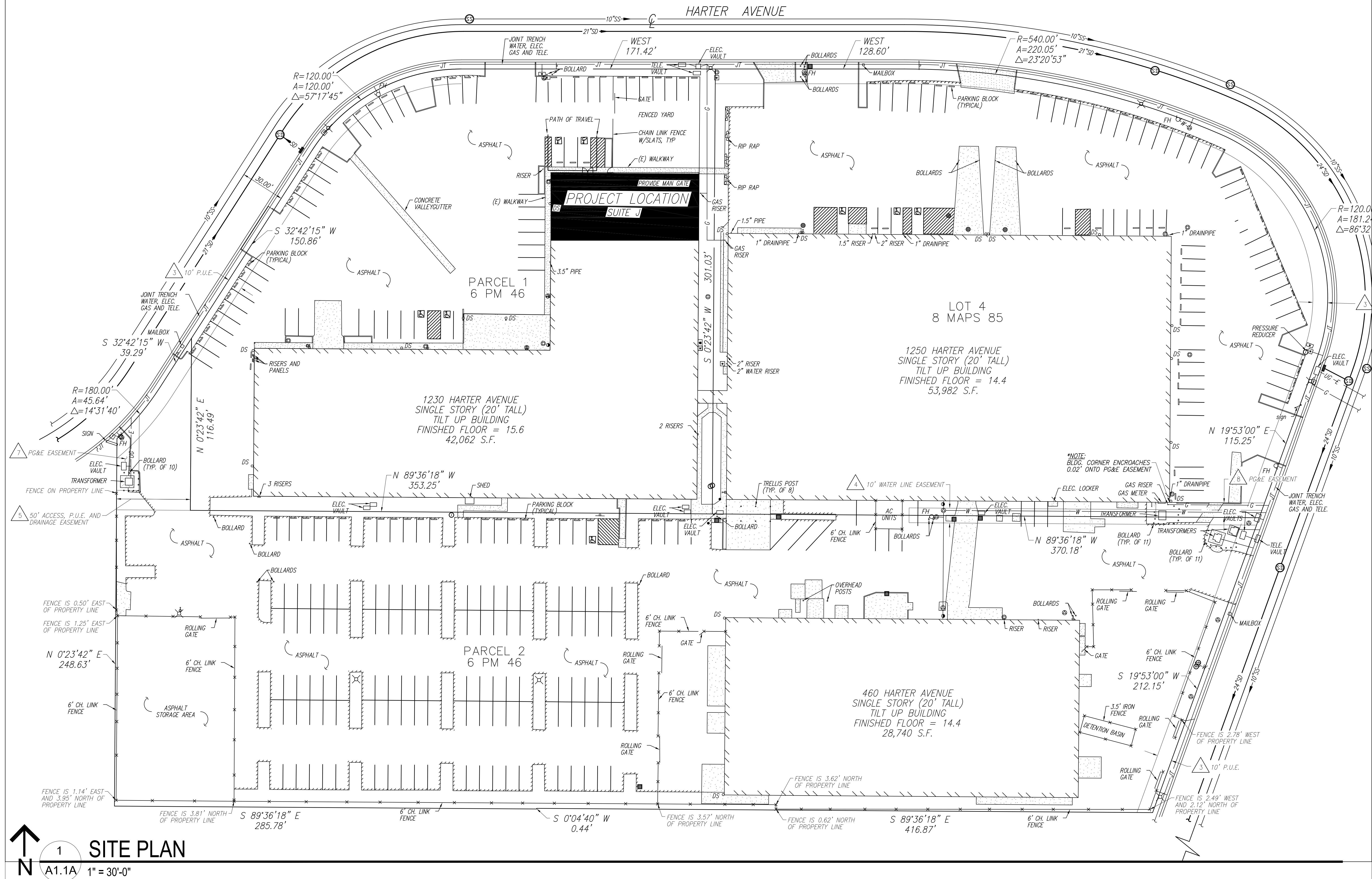
STACEY HALL
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DRAWING:
SITE PLAN

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DATE:
AUGUST 6, 2018

CUP
SUBMITTAL
DRAWINGS



EPIC BROS ENTERPRISES, INC
1230 Harter Avenue Suite J
Woodland, CA 95776

Business Plan

• **MISSION STATEMENT**

To widely provide the highest quality, tested medicinal and recreational cannabis infused beverages for California State's consumers.

To aid and eliminate illegal, problematic grow and manufacturing houses and the nuisances surrounding them. Those nuisances include, but are not limited to, increased opportunity for crimes against property and persons at unsecured locations, obnoxious odors, fire hazards and the like. These individuals hope to profit by selling cannabis on the black market, avoiding regulated and compliant dispensary operations which pay taxes and benefit the community at large. Our business aids in eliminating this behavior by providing legally grown and manufactured cannabis to dispensaries in the surrounding areas of Woodland.

To provide employment opportunities for local residents, will pay taxes in accordance with City and state requirements, which in turn will benefit our City at large, including our neighborhood.

• **QUALIFICATION OF PRINCIPLES**

Epic Bros Enterprises, Inc ("EBE" and "Company") is owned and managed by individuals with many years of experience in successfully starting and running highly regulated businesses such as oil companies. Our team is highly familiar with best practices in regulatory compliance, community relations, financial planning as well as all functions required for successfully managing day-to-day operations of the company. Our team will meet or exceed all criteria set forth by the City of Woodland and the State of California.

Bejan Farahbakhsh (President) - In 1995, Bejan opened his first Arco Am Pm in the city of Roseville. He built the site from the ground up going through entitlements, permitting & licensing, construction and had a grand opening for the site. As a direct result of establishing close relationships with City Staff, Police and, most importantly, the Community, the first store was a great success and has launched Bejan into his career of 10 years of running and managing a thriving and a successful business. Bejan then sold the store and utilized his acquired skills in working and consulting with dozens of other gas station franchisees, convenience store and car wash owners to help them achieve success and stay successful with good business practices, vendor relations, employee relations as well as government and franchisee/franchisor relations. With this expertise, Bejan has developed a solid network of quality business associates and a great network of friends to take his career to the next level. Another opportunity to build from ground up an Arco Am Pm has approached Bejan and his team in the City of Oakley. Impressively, within less than two years, the team has been able to open their doors, and yet again, establish another successful gas station that has been recognized to have the second highest Am Pm sales in the Northern California. This project has also supported the local High School sports programs, sports leagues in the community, grand opening events and multiple

customer appreciation events. Through the years Bejan has learned and now prides himself on offering the highest paying wages to staff members, which created desire for his employees to work hard with full dedication, great customer service, true care for the business. Later, Bejan and his team has opened three additional gas stations that were built from ground up and bought four more stations from the oil company since then. Bejan has won multiple awards such as Rookie of the Year, Franchisee of the Year and multiple high Sales and Standard awards. Over the last twenty-three years of owning, operating and consulting, Bejan has put great importance in his reputation by managing all aspects of gasoline, alcohol and tobacco sales and storage in a very cautionary and responsible manner. Bejan strongly believes that his knowledge will help him and his team establish a fully compliant, community oriented commercial cannabis distribution company in the City of Woodland.

Inderveer Takhar (Chief Financial Officer) – Inderveer has been a Yolo County resident for the last twenty years and attended Davis University of California where he received a degree in communications. In the early 1999, Inderveer and his family began with their first fuel station in the City of Woodland which became a successful business model. After establishing themselves in the City of Woodland over the course of ten years, Inderveer and his family opened two more fuel stations and has recently built a fourth one in the city of West Woodland. Similar to the cannabis industry, Inderveer has experienced a highly-regulated industry that always faces new laws and changes in regulations. He has learned how to work through these obstacles, acquired skills on how to maneuver and adapt and deliver consistency to his work product. Additionally, Inderveer has a great experience and knowledge in employee management as he has managed over fifty employees. Inderveer has built a team of dedicated, hard-working staff members that brought value to his businesses and positive growth in communities. Inderveer recognizes the importance of proper business management and proper handling of staff members to ensure their safety, competency in laws and regulations and enjoyment of their work environment.

Inderveer feels that he has acquired a significant amount of appreciation of good business practices. Such knowledge will benefit the commercial cannabis distribution business model that his team and he will be building together by bringing their individual expertise to the table. Inderveer is looking forward to be involved with the local community and help promote new positive changes that will benefit the City and its community.

Robert Takhar (Vice President) – Robert was born in 1975 in a small town of Yuba City. He grew up on a family farm where he helped his grandparents with their peach tree farm business. Later, Robert and his family moved to Seattle, Washington to help his father achieve his dream of becoming an entrepreneur. They purchased a family “Mom and Pop” shop/restaurant and that’s when Robert’s experience in restaurant management and day-to-day operations had begun. While helping his family run their restaurant, Robert was attending University of Washington. Once he received a business degree from the University of Washington, Robert decided to expand his knowledge in a financial world and became a financial advisor. Having an extensive portfolio of clients, Robert has various expertise on how to properly utilize funds, being able to determine good investment opportunities and properly establish financial roadmaps for businesses. Due to illness of his grandparents, Robert returned to California to continue help operate his grandparents’ peach farm. Concurrently, his family purchased a gas station in Woodland in 1999 along with his brother Inderveer. Robert’s was heavily involved in the construction process as well as day to day operations. Over the years, Robert had acquired great

knowledge of accounting and finances and day-to-day operations. Being in a highly-regulated industry, Robert also has very good understanding on how to properly apply regulatory processes to daily operations and appreciation of establishing transparent working relationships with community members and governmental/state and city officials.

John Terrell (Secretary) - John Terrell is a Secretary of Vision of Success, Inc. and Bay Area Gold Standard, Inc. Before becoming a co-partner in his own small business, John has spent 28 years as an Operations Director for a retail grocer. As a senior executive manager, John's expertise includes quality control, protection against diversion, reconciliation of product, and personnel management.

Growing up in Southern California, John worked for his family owned franchise restaurant. This experience afforded him with strong work ethic and first-hand experience engaging with the local community. Since then John has honed his expertise with governmental regulatory agencies such as OSHA and EPA. As a meticulous manager of quality control, John makes every effort to incorporate the highest standard in labeled product. While demonstrating impeccable customer service, John strives to build relationships with the community, supporting my local Kiwanis Club and Girl Scout Troop. John's dedication to a strong community is also demonstrated currently in my grassroots-level recruiting efforts. John have remained passionate about business ever since those early days and stay knowledgeable on changes in industry innovation, standards and practices.

As a pro-Cannabis citizen, John knows that legal and regulated access has the power to improve lives. John has been certified with numerous business training programs as well as the environmental management training (EMT), which provides instruction on maintaining compliance with laws and regulations. John brings to this partnership over 30 years of business knowledge, product experience, and dedication to excellence.

Matt McGinn (Operations Manager). Matt McGinn is an experienced ready to drink (RTD) beverage entrepreneur. Matt founded Blackeye Roasting Co, in Saint Paul, MN in 2013 out of his basement. Relying on bootstrap financing from friends and family, Matt was able to purchase a cafe where he used the profits to get his cold brew coffee drink to market. He eventually raised 3mm in investments to build 2 additional cafes, a 5,000 sqft coffee roastery, and a 30,000 sq ft manufacturing facility. Matt was the President, and oversaw a team of 21 employees.

Since 2013, Blackeye has expanded into 30 states, and is sold in over 3000 accounts including Target, Casey's General, Kum and Go, Hy-Vee, Whole Foods, Sprouts, Holiday gas and more. Seeing an opportunity to better utilize manufacturing capacity, Matt decided the company should pivot and focus most of its time on contract manufacturing. Capitalizing on the industry's demand for cold brew packing that exploded in 2016, Blackeye now produces contract manufacturing services for 23 different beverage companies. Additionally, Matt founded and launched Bad Larry's Cold Hard Coffee in 2017. Bad Larry's was a pet project that turned into a national spectacle when it received national press. Converging malt liquor and cold brew coffee, Bad Larry sold out of it's entire first production run before even hitting the market. Matt utilized Blackeye as the key vendor for the cold brew concentrate, and worked with a massive contract manufacturer to package the liquid. This was a very challenging drink to formulate and produce, yet Matt was able to bring the drink into the market successfully.

Matt's experience with RTD beverage production including facility build-out, food safety, operations, industry and vendor contacts, and brand building will be integral to EBE Infusions success.

Macai Polansky. Macai has been an entrepreneur and business owner for over ten years. Prior to that he rose quickly through the ranks to be one of the most awarded and reliable managers for a cell phone and service retailer. With the uncertainty of the cannabis industry, he took his entrepreneurial drive and management experience to help develop a couple of technology startups, coming back to the cannabis industry when it looked as though legitimacy was on the horizon. He started a medical cannabis collective to provide high quality, medicinal cannabis for patients and when it was shuttered pending proper licensure, the collective served close to four thousand members in the greater Woodland area, with home delivery from the collective's delivery service.

In 2016, Macai joined forces with other cannabis delivery service operators in Woodland and became one of the founding members, and soon elected president, of the California Cannabis Courier's Association (CCCA). The CCCA successfully lobbied the state of California, as well as the City of Woodland, to allow for licensing of non-storefront cannabis delivery businesses, paving the way for thousands of delivery businesses to start or continue doing business in California. Most recently, he has helped unite many regional delivery associations from across the state to join the CCCA and become one, statewide delivery association.

- Five years' experiences in retail sales and management.
- Ten years Cannabis industry experience including two years as a collective cultivation and delivery service operator. Experienced in cannabis cultivation and processing, wholesale distribution and retail delivery.
- Two years in technology startups.
- Founding member and elected President of the California Cannabis Couriers Association (CCCA). Successfully lobbied the State of California, as well as the City of Sacramento, to allow non-storefront cannabis delivery businesses to be licensed. Also convinced the City of Sacramento to implement a tiered license structure to lower the costly barrier to entry for small business owners and start-ups among other industry concessions from policy makers.

- **BUSINESS OBJECTIVES**

The company's principal objective is to manufacture the highest quality cannabis infused beverages for distribution to licensed medical and recreational cannabis dispensaries throughout California. The company will focus its initial outreach on bringing to market the analgesic and mollifying effects of EBE, cannabis, and concurrently further establish its brand as among the highest quality products available. These objectives contemplate expansion of operations by procuring additional manufacturing sites, inside and outside of City of Woodland, with an eye toward maximum allowable manufacturing under State of California statutes and the associated regulatory environments.

• OPERATING PROCEDURES

All proposed activities to be conducted on the property. In full compliance with state and local regulations, we propose to develop a 4,027 sqft suite at the street address of 1230 Harter Avenue Suite J to conduct commercial cannabis activity, specifically Type 6 Manufacturing. We will be manufacturing cannabis infused beverage by emulsion and brew process described below.

DAY-TO-DAY OPERATIONS

Epic Bros Enterprises (hereinafter referred to as “EBE”) will be manufacturing and canning/bottling cannabis infused ready-to-drink (RTD) beverages. We’ll procure clean cannabis products from licensed manufacturers only, through licensed distributors and with Certificates of Analysis (COA) ensuring they meet or exceed state guidelines for tolerable amounts of contaminants.

EBE will have a lab, set up to meet or exceed FDA standards for food safety, where the cannabis products are made into a solution to be mixed into drinks and filled into cans or bottles.

Once packaged, the drinks will be loaded to approved vehicles and transferred to a distributor batch testing and distribution.

All of EBE’s proprietary standard operating procedures and processes have been, and will be further developed with the help of cannabis consultant and business woman Nuri Safarova, security expert Matt Carroll from Paladin Private, and checked for legal and regulatory compliance by cannabis attorney Arianna Van Alstine from Kennedy Leavitt Owensby PC.

Emulsion and Brew Process 1. Employees clock into work and follow food and safety protocols (wear required gloves and food safety attire. 2. Any raw materials used for the day are moved to the wet production area. 3. Any deliveries or shipments take place in designated receiving hours 4. All onsite employees will begin setting up brewing equipment, and checking to ensure equipment is clean, sanitized, and ready for operation. 5. Once equipment setup is complete, we begin the emulsion and brew process 6. Our master brewer prepares Cannabis emulsion in our “concentrate preparation room” 7. They then transfer emulsified concentrate into mixing vat 8. They then add in flavoring ingredients into mixing vat 9. The emulsion and flavoring ingredients are then pumped into a brite tank 10. Once the emulsion and flavoring ingredients are in the brite tank, the brewer then fills the brite tank with filtered water. 11. The brewer then force carbonates the liquid in the bright tank using a carbonation stone and the liquid is circulated via an agitation arm within the brite tank 12. Upon completion of the carbonation process, the brewer pumps the liquid through to our canning line.

Packaging Process 1. The de-palletizer automatically feeds the canning line cans where two employees oversee the line. 2. Cans are filled automatically with liquid and then automatically seamed (the tops of the can are put on) 3. Once the seams go on the cans they are pushed onto a

rotary conveyor (think lazy Susan). 4. These accumulate until the conveyor is full and automatically pushes the cans onto another conveyor. 5. This conveyor lifts the cans up and moves over an ink jet printer/date coder. It gets a batch code, and Best by date printed on the bottom of the can. 6. The can then continues down the conveyor where our labeler shoots a shrink wrap over the can. 7. The can then moves through a steam tunnel and the label is shrunk onto the can. 8. The cans accumulate at the end of the conveyor where an employee puts them into boxes. 9. The boxes are put through a box sealer. 10. Cases are palletized manually by employees. 11. Pallets of finished product are moved to our designated secure storage area.

Post Production 1. Once packaging is finished, employees will follow our standard operating procedures for sanitizing, cleaning, and properly shutting down all equipment. 2. Employees will clock out and an executive employee will close down and secure facility upon exit.

- **HOURS OF OPERATION AND NUMBER OF EMPLOYEES.**

The operation will not be open to the public at any time. This facility is for the manufacturing of medical and recreational cannabis infused beverages and may require staff to be present on premises 24 hours per day. Only authorized staff and delivery personnel will be allowed to enter the premises. We will have between 4 and 8 employees on site at any given time and run up to 2 eight hour shifts per day. There is parking sufficient for all employees at all times even if there is overlap in staff times.

- **AUTHORIZED PERSONS.**

We prohibit individuals from remaining on the premises if they are not engaging in activity expressly related to the operations of the business. Access will be limited only to authorized Golden State Sciences personnel each of whom has his or her own door code and access card, which is centrally deployed and controlled. guest access and records site visits, and access to each secure area by identity. Internal access to secured areas will be only for authorized employees. At no time will anyone under the age of 18 be allowed on the premises as a visitor or employee. Our gate may be entered only with a secure access code or via permission received after intercom exchange.

- **LIGHTING.**

Interior lighting will be typical office lighting. Outdoor lighting will be typical lighting commensurate with a secure well-lit exterior. Exterior lighting is shielded and will not impact the night sky (Please see Safety and Security Plan included with the Business Operating Permit Packet).

- **UNAUTHORIZED PERSONS.**

Employees must have the employee badge visible at all times while on the premises. Guests will

be issued temporary pass. Lab Manager or dedicated employee will conduct periodic walk-throughs of the facility to ensure that no unauthorized person is in the facility. Unauthorized persons will be escorted off the premises or the Woodland City police will be contacted as the circumstances dictate.

- **YOUTH ACCESS.** As a manufacturing facility, we will not be open to the public, we will not have to conduct medical recommendation verification and youth will not be allowed on site. The doors will remain locked during business hours with only authorized personnel allowed inside the premises. This will ensure that youth may not access the facility. Persons under the age of twenty-one (21) years shall not be allowed on the premises as visitors or employees.
- **CHEMICAL HANDLING AND DISPOSAL.**

Chemicals will be handled according to OSHA standards. They will be disposed of according to the following:

- Isopropyl alcohol – release according to city ordinance into the sanitary sewer.

- **DELIVERIES FOR OPERATIONS**

Cannabis products manufactured on site will be safely and securely transported from the facility in unmarked vehicles (cargo vans) only by a licensed distributor. Outbound transport will occur only within the building itself through the secure roll up door.

This business will not conduct a large volume of inbound or outbound shipping. Our hours for receipt of delivery will be between 8 AM-12 Noon M-F. Anticipated deliveries are as follows:

- ISOPROPYL ALCOHOL – 8 gallon containers will be delivered as often as once per week.
- RAW MATERIAL –1-2 times/week via a secure cargo van or 15ft truck.
- GENERAL and OFFICE SUPPLIES – 1 time/week office supply delivery via UPS or USPS van/truck, amounts will be commensurate with the usual office supply deliveries for a business of this size.

- **STORAGE OF CHEMICALS.**

- Isopropyl alcohol will be stored in chemical safety rooms except for the quantities in use during operations. Anticipated storage and use quantities are expected to be less than 8 gallons.
- Cleaning supplies shall be stored in a designated “cleaning supplies” storage area.
- There will be no fertilizers on site.

This is the complete list of chemicals used in manufacturing.

- **ALL MATERIALS USED, STORED, SOLD AND/OR PROCESSED.**

The materials used and stored will be: extracted cannabis oil, finished infused beverage products. No retail sales will be conducted on premises.

- **ENHANCED PRODUCT SAFETY**

Manufacturing components. In no case shall any hazardous, flammable or explosive substances be used to process or manufacture cannabis products on site. Food grade alcohol solely for the purposes of cleaning machinery and dissolving wax, unless otherwise prohibited by the State of California, is used and permitted. City of Woodland Environmental Services may inspect the commercial cannabis business at any time during business hours to ensure compliance with this Section.

Food standards. We agree that all food products, food storage facilities, food-related utensils, equipment and materials will be approved, used, managed and handled in accordance to the provisions of the California Retail Food Code, California Health and Safety Code sections 113700- 114437. All food products shall be protected from contamination at all times, and all food handlers must be clean, in good health and free from communicable diseases. Food handlers shall be required to take and complete a food handler course accredited by the American National Standards Institute (ANSI) within 90 days of commencing employment at the premises and again every three years during employment. For licensees in operation pursuant to Section 40140, applicable personnel shall complete the ANSI-accredited food handler course no later than 90 days after the effective date of the license.

Quality and safety of sources. All of our source materials are tested for pesticides, fungus, pests, molds, and other contaminants throughout our processes to guard against adulteration prior and post manufacturing process. We source from only the most responsible cultivators to ensure that ingredients are clean and pure. We track all inbound and outbound materials (component and manufactured product) using the MJ Freeway platform.

Labeling and packaging. Any applicable product will be labeled and in tamper-evident packaging which at least meets the requirements of California Business and Professions Code section 19347, as the same may be amended from time-to-time or superseded or replaced by subsequent State legislation or by any department or division of the State of California, and in compliance with any City packaging and labelling requirements on cannabis or cannabis products.

- **SECURITY INFORMATION**

Security is of the utmost importance to us and our group intends to meet or exceed all City of Woodland and State of California requirements. Full details on our security plan can be found in “**Safety and Security Plan**”.

- **RECORD KEEPING**

Scrutinizing company operations and maintaining precise records will not only ensure that we meet all required regulations, but also that our business is run most efficiently. Our management team has a reputation in business for being proactive instead of reactive and will incorporate business process to ensure compliance in all aspects of the business. At a minimum, our team will make and maintain complete, accurate and legible records of the permitted Cannabis Operations evidencing compliance with the requirements of MCRSA and Ordinance No. 786 which shall be subject to audit. The additional tasks related to this function will include, verifying accounting (audit) and accounting practices, verification of required insurances, permits, indemnification requirements, and investigations related to violations.

- **TRACK AND TRACE**

Information technology and software will be widely deployed through the standard operating procedures of our company. Applicant recognizes the need for customized platforms to ensure the highest levels of compliance. Areas of particular concern and focus include without limitation: verifying state required labeling, dosage, accounting practices and independent testing of product.

Additional, Applicant is currently reviewing the compatibility of various software packages (e.g. MJ Freeway) with some of our potential partners to ensure a seamless integration from the first day of operations. Our systems will be state-of-the-art and may include features such as RFID tagging of products so that a detailed history of movement can be gathered simply by entering or exiting our facilities or vehicles. Our team will work closely with the City and the State to deploy systems that are efficient, accurate and fully compliant with all regulations.

- **WATER USAGE AND HAZARDOUS MATERIALS**

Applicant intends to use approximately 18,000 gallons of water per month for infused products. Other water usage will be limited to the use of toilets and sinks in restrooms for on-site employees. No other on-site water usage is expected as drinking water will be provided by water coolers and delivery of water.

EBE will not be using any hazardous materials.

- **OTHER OPERATIONAL REQUIREMENTS (STATE and LOCAL COMPLIANCE)**

Applicant shall always operate in compliance to local and state regulations. We intend to thoroughly screen our employees and maintain a respectful and law-abiding staff. EBE will have a zero tolerance for any employees that demonstrate behaviors that display anything but the highest levels of professionalism.

Our team will work with officials to ensure the compliance measures related to signage, prohibited activities such as consumption of cannabis and alcohol on site, presents of minors, building and fire code compliance, odor control, compliance with department of public health, security compliance (video monitoring), monitoring manifests for deliveries and transports,

water usage, disposal, and confirming proper safeguards for our manufacturing facility (non-volatile) will be upheld at all cost. EBE will maintain a zero tolerance for any employee acting outside of the bounds of these important compliance areas.

Through constant oversight, responsible hiring practices, and a priority on safety, compliance and security, we will ensure quality of products. We engage a team of lawyers, community relations staff and industry advisors to assist with governance, compliance, legal adherence, and updates to laws and regulations.

Each employee shall undergo an annual background check and have their own access key cards that will allow them to access the premises and record in and out activities within the premises.

Premises shall have a sign that is 8 inches by 10 inches in size and shall be displayed at all times in a conspicuous place so it is able to be readily seen by persons entering the business:

- “This site is not open to the public”
- “Onsite retail sales of any goods and services is prohibited”
- “Juveniles are prohibited from entering this site”
- “Smoking, ingesting, or consuming cannabis on site is prohibited”

• **DISTRIBUTION**

EBE is going to have an exclusive engagement of licensed and compliant based distribution or transportation companies. EBE is currently engaged with (2) State licensed distributors that will be engaged in transportation, quality control and testing for EBE’s products. EBE will require its contracted companies to employ best practices when engaged in the transportation of its cannabis, including without limitation licensing, shipping manifests, uncompromising compliance with the state track and trace program, maintaining a physical copy of the shipping manifest for the availability of law enforcement officers, secure vehicles with all regulatory requirements.

• **INVENTORY CONTROL**

Inventory Control and Tracking. To track our inventory, inbound supply and outbound product, we will employ record-keeping using MJ Freeway. This platform tracks the product throughout its entire lifecycle within the facility and as it is transferred in and out of the facility. MJ Freeway is a nationally recognized a point-of-sale tracking system that easily reports on all aspects of the business including, but not limited to, batch cannabis tracking, inventory data, and gross sales (by weight and by sale). This system and information is compatible with the City's record-keeping systems and our financial system, Quickbooks. The system has the capability to produce historical transactional data for review by the City of Woodland. As mentioned, MJ Freeway’s software integrates with our QuickBooks system and integrates with most other software platforms, which makes it a dominant choice for cities that track their cannabis businesses and for the cannabis industry. All of the tracking activity occurs using only an Internet connection so the information is secure, but accessible remotely. MJ Freeway incorporates all cannabis compliance regulations and enables the entire supply chain management from seed-to-sale and across the whole enterprise, managing all of our goods, labor,

supplies, customers, and sales in one place.

Storage, location and amount of on-site cannabis and cannabis product. We place the highest concern on securing cannabis and cannabis product. To prevent diversion of cannabis and cannabis product, we will incorporate employee screening, secure storage of cannabis and cannabis products, and personnel policies governing access to, use and removal of inventory. Additionally, physical and electronic inventory control measures will prevent unauthorized access, theft, loss and diversion. We store all medical cannabis and medical cannabis products, including live plants in secured and locked rooms. Access to any storage area is allowed only with badged entry. Only those with authorized access will be able to access the storage rooms. Each entrance and exit records the activity by employee, time and date. The cold storage room for the cannabis plant that shares an exterior wall will have theft-prevention barriers installed on the exterior of the steel wall.

Inventory control. As set forth above, we control inventory by maintaining a secure – badged entry system to areas that store cannabis, cannabis products, and chemicals and by hiring the right people. Security cameras record areas where the plant material and cannabis product is stored and produced. Removal of inventory from the facility without prior notice to the security guards and logging the activity in MJ Freeway is strictly prohibited. Also, only authorized personnel may handle plant or cannabis product with an even stricter level of authorization controlling who may leave the facility with plant or plant product.

• HUMAN RESOURCES AND PERSONEL POLICIES

All employees and managers will be fully vetted, permitted, and registered in accordance with City's and State's requirements. In addition to government required background checks and Live Scan. All applicants will be thoroughly screened through a private background and reference checking process to ensure only the highest caliber of employees. All employees will receive thorough training for their respective responsibilities and will be subject to management oversight in the form of random inspections, performance reviews, and remote monitoring through IP camera system.

Employee benefit packages and performance bonus structures are currently under consideration and will be deployed as appropriate for individual responsibilities. EBE has a strong desire to create and enjoyable workplace where hard work is rewarded. Employee happiness and retention is of great concern to senior management.

Because our company does not currently employ more than 20 employees, it does not trigger the requirement for a Labor Peace Agreement to be in place. However, we do anticipate growth and acknowledge this requirement. We fully intend to comply with all labor and/or union requirements.

Minimum age. At no time will anyone under the age of 21 be employed by the business.

Youth Access. As a manufacturing facility, we will not be open to the public, we will not have to conduct medical recommendation verification and youth will not be allowed on site. The

doors will remain locked during business hours with only authorized personnel allowed inside the premises. This will ensure that youth may not access the facility. Persons under the age of twenty one (21) years shall not be allowed on the premises as visitors or employees.

Background Checks. Every person listed as an owner, manager, supervisor or employee of the business will submit fingerprints and other information deemed necessary by the Chief of Police or his designee for a background check by the City of Woodland Police Department or Yolo City Sheriff's Department. All potential employees will be subject to our background check via a service approved by the police such as LiveScan. Once the Police Department or the Sheriff's department approves the potential employee, we will proceed with the interview and hiring process. Potential employees are vetted (background checks) to the satisfaction of the City of Woodland Chief of Police and in compliance with the Regulatory Application Package. An agreed upon third party will perform the check and results will be shared with the City and the Police Chief and EBE as well as with any consultant the City engages to assist with background check reviews. When Livescan is available, employees will submit to Livescan reviews.

Employee Records. EBE will maintain on-site a current register of all the employees currently employed and shall produce such register to the City Manager or his/her designee or any other City of Woodland official authorized to enforce the Woodland City Code for purposes of determining compliance with this Chapter.

Employee training. All staff will undergo initial and ongoing training in manufacturing and machinery safety, OSHA and personal protective equipment requirements, documentation, testing, hazard response, chemical handling, labeling documentation, and emergency procedures. We offer mandatory training in a module similar to the programs outlined at <https://www.osha.gov/Epic> Bros Enterprises, Inc/. MJ Freeway conducts extensive training on the tracking software. MJ Freeway's professional trainers provide this training on their tracking platform. Training will also include secure facility protocols to ensure against theft and diversion.

Transport. Cannabis products will be safely and securely transported to and from the facility in unmarked vehicles only by known partners. EBE will only accept transport to and from the facility using licensed cannabis distribution transporters according to State law. Transportation transactions will be documented on a manifest in a clear and consistent format that provides key details including: driver and vehicle identification, weight and/or unit counts of all products, route traveled, departure and expected arrival times, and alerts when shipments are late. We inspect each inbound and outbound transport to ensure that the product arrives on time, is not tampered with or diverted, and that the inventory levels are properly accounted for.

Loitering. Loitering by persons outside the facility both on the premises and within fifty (50) feet of the premises is prohibited.

Identification. Each person to whom a work permit is issued shall wear his or her personal identification card, issued by the City of Woodland, at a prominent and readily-visible location on the outermost garment and approximately chest-high. Such identification card shall at all times be in good and readable condition.

Change of Employment. In the event a person changes employment from one commercial cannabis business within the city to another, EBE shall notify the City Manager or his/her designee in writing of the change of employment within ten (10) days of such change or the work permit shall be suspended or revoked and such person shall not be permitted to work within any commercial cannabis business within the city.

Onsite consumption prohibited. Cannabis shall not be consumed on the premises.

- **SUPPLY CHAIN**

Vendors and suppliers. It is the highest priority for EBE to obtain raw material from the most cleanly extracted sourced strictly from other licensed manufacturers in California licensed by the State of California. All of our purchases and transactions will be fully compliant with State and local law.

Transport tracking. We ensure compliant supply chain by conducting transport to and from the facility with licensed cannabis transporters or licensed cannabis businesses according to State law when that law comes into effect. Transportation transactions will be documented on a manifest in a clear and consistent format that provides key details including: driver and vehicle identification, weight and/or unit counts of all products, route travelled, departure and expected arrival times, and alerts when shipments are late. We inspect each inbound transport to ensure that the product arrives on time, is not tampered with or diverted, and that the inventory levels are properly accounted for. Every vehicle and delivery is accompanied by compliance paperwork reflecting state and local required detail.

Transporters. In accordance with current state law, all transports occur by and between fully compliant and licenses businesses of both the growing and manufacturing businesses by individuals licensed and authorized for distribution to transport. EBE will adhere to only using licensed distribution transporters and operate according to state law. EBE is also implementing a transport-only license and shall utilize such license conforming to local and state's requirements.

Handling inbound product. All inventory deliveries are scheduled in advance with a EBE laboratory manager. No unscheduled or ad-hoc deliveries will occur. If the credentials match, the delivery driver is met by a manager on site at the loading dock in a secured intake area where each item is weighed immediately. Only a EBE manager can sign off on the delivery. Every item is then taken into inventory and logged into the MJ Freeway system for accurate tracking.

Types of deliveries to the facility. This business will not conduct a large volume of inbound or outbound shipping. Our hours for receipt of delivery will be between 8 AM-12 Noon M-F. Anticipated deliveries are as follows:

- ISOPROPYL ALCOHOL – 8 gallon containers will be delivered as often as once per week accompanying the ethyl alcohol.
- RAW MATERIAL –1-2 times per week via a secure cargo van or 15ft truck.

- **GENERAL and OFFICE SUPPLIES** – 1 time/week office supply delivery via UPS or USPS van/truck, amounts will be commensurate with the usual office supply deliveries for a business.

- **TRANSPORTATION PLAN (OUT)**

Readying the product for transport. When products are ready for transport, they are labeled and packaged according to the procedures outlined herein for labeling and transport. Cannabis-Infused beverages are securely placed onto pallets for transportation.

Safety. Cannabis products manufactured on site will be safely and securely transported from the facility in unmarked vehicles only by a licensed distributor. Outbound transport will occur only within the building itself through the secure roll up door. Every vehicle and delivery is accompanied by compliance paperwork reflecting state and local required detail.

Tracking. Every outbound product will be documented on a manifest in a clear and consistent format that provides key details including: weight and/or unit counts of all products, batch id, and product type. All of the inventory transported from our facility will be tracked using the MJ Freeway system.

Inspection. An EBE manager inspects each outbound transport to ensure that the product is properly packaged and labeled and is secured against tampering or diversion.

Transporters. In accordance with current state law, all transports occur by and between members of both the growing and manufacturing businesses, by individuals authorized to transport for both businesses through a licensed distributor.

Handling outbound product. Every item taken out of our facility will be reflected as transferred or sold from inventory in the MJ Freeway system for accurate tracking. All inventory sent off site will be handled by an EBE manager. No item may leave the facility unless the laboratory manager know in advance that the inventory will be transported away from the facility. No unscheduled or ad-hoc outbound deliveries will occur. Only an EBE manager can sign off on the outbound delivery. We maintain strict inventory control by maintaining a secure – badged entry system to areas that store cannabis, cannabis products, and chemicals and by hiring the right people. Security cameras record areas where the plant material and cannabis product is prepared for transport. Removal of inventory from the facility without prior notice to the security guards and logging the activity in MJ Freeway is strictly prohibited. Also, only authorized personnel may handle plant or cannabis product with an even stricter level of authorization controlling who may leave the facility with plant or plant product.

- **BUSINESS MANAGEMENT PLATFORM**

Management. EBE is in the process of establishing positions for the business. The management company will have responsibility for oversight of the manufacturing operations. EBE will also contract outside CPA and HR specialists that includes without limitation governance of employees,

quality control, reporting, record and bookkeeping under the guidance of EBE's tax advisor and compliance with all aspects of the operations. EBE will employ laborers and to the extent possible, bear all costs of goods.

In order to operate at optimal efficiency as well as to remain compliant with state and local rules and regulations regarding Cannabis non-volatile manufacturing, all inventory pertaining to the business operations of EBE will be carefully monitored and controlled by means of inventory management computer software and surveillance. The inventory management system will include internally-generated Excel spreadsheets as well as third-party inventory tracking software as deemed applicable by management and in compliance with state and local requirements as implemented from time to time. The responsibility of oversight regarding data and inventory tracking for the shall lay with the Controller of the company.

The company will implement a cloud-based inventory tracking and operations coordination system to manage labor allocation and supply chains in order to best care for large crops of Cannabis plants. An operations schedule, established by the Chief Operations Officer, will be implemented by the lead manufacturer and adjusted as necessary according to the real-time conditions of the plants as they develop and grow. Schedules for each manufacturing room will be organized into a master schedule overseen by the Chief Operations Officer and communicated to the lead manufacturer.

- **TAX COMPLIANCE / HANDLING CASH**

EBE like all other cannabis manufacturing facilities has the difficult task of managing cash, in a world where banking through formal channels is virtually impossible for any sustained period of time. Addressing the considerable challenges of tax compliance, particularly at the federal level, along with accurate books and records keeping, will be paramount in this emerging regulatory environment. EBE will engage the services of a Certified Public Accountancy firm to both set up its operations and assist in keeping the books and records. Doing so ensures compliance with tax obligations at all levels and assists EBE. in classifying different activities and costs within the business.

State and Local. EBE will be required to obtain a Woodland Business Operating License and pay a Business Operating annual permit fee estimated at \$4,440+ annually. EBE has registered with the Board of Equalization and obtained a seller's permit. Moreover, statewide regulations will likely dictate that EBE will also be required to pay licensing fees to the State of California to remain compliant with the local jurisdiction and the State. City of Woodland is currently establishing an annual community benefits local tax fee; EBE shall comply with Local requirements for payment of fees as soon as it is established.

Federal. At the federal level, deductible expenses under IRC 263A and 280E and the filing requirements of Form 8300 are challenging for many manufacturers. Under federal guidelines, only expenses that qualify to be classified as Cost of Goods Sold (COGS) are allowable deductions for a business that is involved in a federally illegal activity. Manufacturers, as it happens, are better positioned than retailers to write off a considerable amount of their costs as COG's.

Expenses deductible at the federal level may include, rent, utilities - electricity and water, nutrients and fertilizer, packaging materials, and labor, provided each can be rightfully attributed to production. Rent for flowering space would be deductible, but rent for office administration would not. Questions remain as to whether costs for security for the inventory, insurance, scales, excise taxes and potentially, accounting and traceability software costs qualify. Appropriate classification can maximize the COG deductions and remain compliant.

Form 8300. The law requires that trades and businesses report cash payments of more than \$10,000 to the federal government by filing IRS/FinCEN Form 8300, report of cash payments over \$10,000 received in a trade or business. The information contained in the form assists law enforcement in its anti-money laundering efforts to investigate possible tax evasion, drug dealing, terrorist financing and other criminal activities. Transactions that require Form 8300 are widespread. Cash includes the coins and currency of the United States and a foreign country, may also include cashier's checks, bank drafts, traveler's checks, and money orders with a face value of \$10,000 or less. If the business receives more than one payment in cash, totaling \$10,000 or more Form 8300 must be filed within 15 days of receipt. When businesses comply with the reporting laws they provide authorities with an audit trail, however failure to file same carry penal and pecuniary penalties.

Payments to Employees. Until such time as EBE finds a payroll service to handle the cash conundrum all cannabis companies face, it will pay its employees in cash, retain appropriate tax withholdings in conformity with the law and provide its employees with check stubs setting forth all information required pursuant to federal, state, FICA, SSDI, SSI and all other required withholdings.

Cash Storage. Cash will be stored in a secured fire proof vault labeled on the floor plan in the Business Operating Permit Application. Cash will be removed from the site by contracted security services company and stored at a secure location upon the accumulation of \$100,000 or more (See "Security Plan").

- **SAFETY, HEALTH, AND ENVIRONMENTAL CONCERNS**

Upon rebuilding the facilities, working conditions will not only meet, but exceed the standards established by OSHA, state, and local laws. EBE will contract with an Occupational Health & Safety consultant that provides comprehensive Health, Safety, and Environment (HSE) services. Said consultant shall provide counselling to ensure that we EBE. employees and contractors have a thorough understanding of the work environment and any potential risks. EBE. will seek a range of realistic options and control measures to provide for the safety of its employees and others.

Epic Bros Enterprises, Inc
1230 Harter Avenue Suite J
Woodland, CA 95776

Community Relations Plan

Community relationships are the keystone of success in any business and our management team strongly believes in being a steward of the community. Our team of ardent professionals will display nothing but the highest levels of business acumen and respect for our neighbors and greater community. We will work closely with government and citizen leaders as well as law enforcement to be a beneficial addition to the community.

Bejan Farahbakhsh is the designated Community Relations Manager for the cannabis non-volatile manufacturing business and is responsible for outreach and communication with the surrounding community. Bejan has already taken initial steps toward reaching out to the community by introducing himself in person to all of the surrounding business neighbors and the neighbors adjacent to the site. In addition to initial in-person introduction, Bejan had sent out a notification letter “**Neighborhood Manufacturing Site**” on December 4th, 2018 notifying the neighbors of the use change from Distribution to Manufacturing. In this letter, Bejan provided his phone number and an email specifically established for the intake of any concerns or questions neighboring businesses may have, and invited them to contact him directly to set up an individual appointment.

Epic Bros Enterprises, Inc
1230 Harter Avenue Suite J
Woodland, CA 95776
925-785-4950

December 2, 2018

BUSINESS NAME
ADDRESS 1
CITY, STATE, ZIP

Re: Neighborhood Manufacturing Site

Dear Neighbor:

My name is Bejan Farahbakhsh, and I am writing to introduce myself and my cannabis manufacturing business Epic Bros Enterprises, Inc. I am the designated Community Relations Manager and will be your point of contact for any inquiries or concerns you may have in relation to our business. I can be reached by phone at 925-785-4950 or email at bejfara@hotmail.com. The proposed distribution site will be located at 1230 Harter Avenue Suite J Woodland, CA 95776.

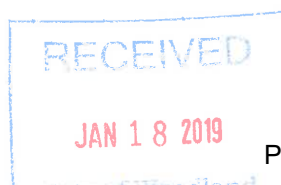
As some of you may have already been notified, I have acquired a Conditional Use Permit from the City of Woodland for commercial cannabis distribution. I have made a business decision to modify my conditional use permit to manufacturing. Epic Bros Enterprises, Inc has partnered with highly qualified professionals that will be part of our team and we will be manufacturing cannabis infused beverages.

Our vision includes running a compliant manufacturing business that can be modeled for other like cannabis businesses. We will provide employment opportunities to City of Woodland residents and create a safe and pleasant environment within the community and in the surrounding areas.

Some of the ways that our business strives to serve the community include:

Pursuant to both City of Woodland ordinance and reasonable good neighbor policies, our business operation will include the following:

- Odor Control. Our manufacturing site will have a comprehensive odor control system which will make odors typically associated with cannabis site undetectable.
- Comprehensive Security Plan. Our manufacturing site will employ a comprehensive security plan mandated by ordinance which includes the use of 24-hour security cameras, and strategic placement of lighting that will deter crime in the area.
- Community Employment. Our manufacturing site will provide employment opportunities for local residents.



- Economic Stimulation. Our manufacturing business will pay taxes in accordance with city and state requirements, which in turn will benefit our city at large, including our neighborhood.

In order to better address any initial inquiries or concerns you may have concerning our business, we welcome you to contact me directly to set an appointment for a meeting.

We look forward to becoming a part of the community and build positive and mutually-beneficial relationships with our new neighbors.

Sincerely,

Bejan Farahbakhsh
c/o Epic Bros Enterprises

Waste Management Plan

Epic Bros takes waste management and our environment very seriously and will work closely with Waste Management to ensure we handle our waste properly and responsibly and in accordance with all applicable laws and regulations and with security in mind.

We anticipate having three waste streams - cannabis waste, landfill waste and recyclable waste.

Our cannabis waste will be generated through spillage in our packaging process and damaged or defective cans or batches. - Damaged cans/bottles will need to be logged, emptied and recycled. Liquid gets collected into cannabis waste collection bins and logged.

All cannabis waste will be collected throughout the day and logged at end of day and stored in a secured cannabis waste area. We plan to have liquid storage containers as receptacles and have Waste Management pick up weekly or more as needed, providing a manifest at pick up to satisfy Track and Trace logging requirements. If necessary, we'll be equipped and able, and may choose from time to time to self-haul cannabis waste to the WM facility for disposal.

- a) We will not be producing any green byproduct. No buds, trim, stems or other plant waste will be used or generated at this facility at this time.
- b) There will be no brown waste generated or anything that needs to be composted unless that is how Waste Management wants to handle our liquid cannabis waste.
- c) Besides cleaning supplies, we will not be using or generating any hazardous waste materials unless that is how Waste Management wants to handle our liquid cannabis waste.
- d) All recyclable waste will be segregated from landfill waste and both receptacles will be stored within our locked and secured gated area to prevent people from rummaging through our waste for cannabis products.

EPIC BROS ENTERPRISES, INC
1230 Harter Avenue Suite J
Woodland, CA 95776

Energy Efficiency Plan

Energy and water usage. Very small amounts of water are used for cleaning purposes. Hand-washing will likely be the largest water use in our facility. No wastewater is generated in our processing. We anticipate using 16- 24 hours per day of power. Amperage will be consumed by air conditioning consistent with normal office park use for a 4,000-square foot area located in a climate comparable to Woodland City's. Our warehouse must stay at 74 degrees Fahrenheit; some storage areas defined on the floor plan will have additional air cooling system for perishable products. Our facility will not create undue amounts of heat from light or power or other operations and will not require any power upgrades.