



City of Woodland
Meeting Agenda
Planning Commission

City Hall
Council Chambers
300 First Street
Woodland, CA 95695

September 19, 2024
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

This is an opportunity for the public to speak to the Planning Commission on any item other than those listed on this agenda. Speakers are requested to use the microphone in front of the Commission and to begin by stating their name, whether they reside in Woodland and the name of the organization they represent if any. The Chair may impose a time limit on any speaker depending on the number of people wanting to speak and time available for the rest of the agenda. In the event comments are related to an item scheduled on the agenda, speakers may be required to wait to make their comments until that item is considered. The option to submit a public comment via voicemail is no longer available. Written Public Comments Members of the public are welcome to submit written comments prior to the meeting. Comments should be submitted by email to planningcommissionmeetings@cityofwoodland.org. Written Comments received at least two (2) hours prior to the scheduled start time of the Planning Commission meeting will be provided to the Commissioners and posted to the City website as part of the official record of the meeting but will not be read into the record. Written Comments received within two (2) hours of the scheduled start time of the Planning Commission meeting and during the meeting will be provided to the Commissioners the day following the Commission meeting. If you are submitting written comments on a particular item on the agenda, please identify the agenda item number and letter. If you are submitting written comments on an item not listed on the agenda, please identify your e-mail/comment as a General Public Comment. Note: Public comments at special meetings are limited to items on the agenda only.

G. APPROVAL OF MINUTES

H. PUBLIC HEARING

1. SUBJECT: Perfect Union - Woodland, LLC Retail Cannabis Conditional Use Permit

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 judgment of the City as lead agency under CEQA;
 4. Approve Planning Commission Resolution No. PC 24-04 recommending that the City Council approve a Conditional Use Permit and Operating Agreement for a storefront retail cannabis dispensary at 1810 E. Main Street, Ste. 101 in the City's Regional Commercial with Light Industrial Flex Overlay zone conditioned upon approval of the appropriate Cannabis Business Permit and the recommended conditions of approval.
2. SUBJECT: Woodland Cannabis Dispensary Retail Cannabis Conditional Use Permit

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 judgment of the City as lead agency under CEQA;
 4. Approve Planning Commission Resolution No. PC 24-05 recommending that the City Council approve a Conditional Use Permit and Operating Agreement for a storefront retail cannabis dispensary at 163 Court Street in the City's Community Commercial zone conditioned upon approval of the appropriate Cannabis Business Permit and the recommended conditions of approval.
3. SUBJECT: Sundial Collective Retail Cannabis Conditional Use Permit

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 judgment of the City as lead agency under CEQA;
 4. Approve Planning Commission Resolution No. PC 24-06 recommending that the City Council approve a Conditional Use Permit and Operating Agreement for a storefront retail cannabis dispensary at 3 Court Street in the City's Community Commercial Mixed Use zone conditioned upon approval of the appropriate Cannabis Business Permit and the recommended conditions of approval.
4. SUBJECT: Yolo Cannabis Club Cannabis Conditional Use Permit

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 judgment of the City as lead agency under CEQA;
4. Approve Planning Commission Resolution No. PC 24-07 recommending that the City Council approve a Conditional Use Permit and Operating Agreement for a storefront retail cannabis dispensary with delivery at 367 West Main Street, Ste. 353-D in the City's Corridor Mixed Use – West Main Street zone conditioned upon approval of the appropriate Cannabis Business Permit and the recommended conditions of approval.

I. BUSINESS ITEMS

5. SUBJECT: Election of Officers for Chair and Vice-Chair of the Planning Commission

RECOMMENDATION FOR ACTION: Staff recommends that the Planning Commission: (1) hold elections; and (2) select and vote among current membership, the appointments of Chair and Vice-Chair of the Planning Commission.

6. SUBJECT: Appointment of Two Members to the Undergrounding Committee

RECOMMENDATION FOR ACTION: Staff recommends that the Planning Commission appoint two members to the Undergrounding Committee.

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 24 hours 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: September 19, 2024
ITEM #: H.1
SUBJECT: Perfect Union - Woodland, LLC Retail Cannabis
Conditional Use Permit

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 judgment of the City as lead agency under CEQA;
4. Approve Planning Commission Resolution No. PC 24-04 recommending that the City Council approve a Conditional Use Permit and Operating Agreement for a storefront retail cannabis dispensary at 1810 E. Main Street, Ste. 101 in the City's Regional Commercial with Light Industrial Flex Overlay zone conditioned upon approval of the appropriate Cannabis Business Permit and the recommended conditions of approval.

Staff Contact:

Anna Canales, Assistant Planner, anna.canales@cityofwoodland.gov

Fiscal Impact:

Application Processing Costs. The project applicant covers all costs associated with processing the subject Conditional Use Permit application and related Operating Agreement through an Advanced Funding Agreement. Similarly, the selection process for all applicants was covered through individual funding agreements.

The City collects two types of revenue associated with cannabis businesses outside of the specific Conditional Use Permit application processing costs noted above. Those include Permit fees and Cannabis Tax.

Permit Revenue. When a new business applicant for a Cannabis Business Permit, contingent in this case on approval of a Conditional Use Permit and Operating Agreement, the City will collect \$50,056 to allow for staff to review and process the application. This includes site visits by both Community Development and Police staff. Thereafter, businesses are responsible for requesting a renewal of the permit on an annual basis and subject to a renewal fee of \$21,222. The permit renewal fee pays for program oversight, business plan review by the Community Development Department, Police site visits and Police compliance, accounting and an annual financial audit. The City does not make revenue above the cost of service on these fees and is legally only allowed to charge the City's cost of doing business. New Cannabis Business Permit and renewal fees adjust annually based on CPI.

Cannabis Tax. In November 2022, Woodland voters approved a local tax on cannabis businesses that would help to fund general city services. Retail cannabis businesses are subject to a 10 percent tax based on gross receipts. It is difficult to estimate the future potential cannabis tax revenue that may be realized from cannabis retail sales as it will depend upon the success of the business. At minimum, assuming a similar realized revenue generation as existing commercial cannabis manufacturing, distribution and testing businesses, it is estimated that the city will see additional annual revenue from the four retail cannabis businesses of \$250,000, but likely much greater given

the higher volume of taxable sales from retail uses. To date, the City has collected \$1.1 Million in tax (formerly “community benefit”) revenue from existing commercial cannabis businesses.

Report in Brief:

Commercial Cannabis Business, Perfect Union - Woodland, LLC (“Perfect Union”) (PLNG 24-00030), has applied for a Conditional Use Permit (CUP) to operate a storefront retail cannabis dispensary at 1810 E. Main Street, Ste. 101 in the City’s Regional Commercial with Light Industrial Flex Overlay; Assessor’s Parcel Number 027-310-058. This application follows a recent zoning code update, effective June 7, 2022, which allows retail cannabis land use in certain zones and allows the city to consider up to four conditional use permits for this land use citywide.

The process for considering retail cannabis operators began with a competitive preliminary review on February 27, 2023, where four of a total of 12 applicants were selected to advance to the Conditional Use Permit application stage. Perfect Union was selected as one of these four applicants.

Perfect Union’s project proposal entails the use of a project site located at 1810 E. Main Street, Ste. 101 and has undergone a comprehensive review by City departments, including the City Planning Division, Engineering Division, Public Works Department, Fire Department, Building Division, and the City Police Department. The applicant’s location and proposed operation are consistent with applicable zoning and development standards, and a preliminary Security Plan has been submitted and reviewed by the Woodland Police Department and a final plan shall be approved prior to operation.

As part of the review process, an Operating Agreement (Attachment 3) has been negotiated between the City and the applicant. This agreement will be reviewed by the City Council and will incorporate the commitments outlined in the Community Benefit Plan and Social Policy and Local Enterprise Plan. These documents are attached to the operating agreement for reference as part of permitting and annual reporting.

In conformance with Woodland Municipal Code (WMC) Section 17.84.120, a highly visible posting measuring 4 feet by 8 feet has been displayed on the project site, notices were sent to property owners and tenants within a 600-foot radius of the site, and a notice of the meeting was published in the local newspaper twelve days before the Planning Commission meeting date.

Upon issuance of a Conditional Use Permit and prior to operating, the applicant will be required to obtain a City Cannabis Business Permit and corresponding City Building Permits for tenant improvements necessary for the proposed operation.

The purpose of this hearing is for the Planning Commission to review the project proposal and provide a recommendation to the City Council to approve a resolution, awarding the requested Retail Cannabis Conditional Use Permit and Operating Agreement.

Background:

On December 5, 2017, the City Council approved Ordinance 1629, adding Article 21.6 (now Section 17.84.120) to Chapter 25 (now Chapter 17) of the Municipal Code, which regulates the zoning of commercial cannabis. At the same time, the council approved Ordinance 1630, adding Chapter 13A (now Chapter 5.28) to the Municipal Code, establishing regulations for commercial cannabis business permits. These regulations allowed for up to six conditional use permits for manufacturing, distribution, and testing cannabis operations within Industrial or Industrial/Light Industrial Flex Overlay zones as defined in the General Plan.

On June 7, 2022, the City Council amended Chapter 17.110 (now Section 17.84.120) through

Ordinance 1685 and Chapter 5.28 through Ordinance 1686, updating the regulations for cannabis retail businesses, which now authorizes City Council to consider up to four retail cannabis conditional use permits, allowing the sale of cannabis at authorized storefront retail cannabis dispensary locations, with the option for delivery from these locations. These four permits may be issued in designated commercial and corridor mixed-use zones.

On February 27, 2023, the City issued a request for applications, inviting interested parties to participate in the selection process for a Preliminary Cannabis Business Permit to authorize applicants to apply for a Retail Cannabis Conditional Use Permit and enter into Operating Agreement negotiations to establish a commercial cannabis business. Applications were to be submitted in person by 3:00 pm on April 5, 2023. The City received a total of 12 proposals.

As part of the preliminary process, which involved three phases of review, applicants were required to submit detailed plans for the safety, security, and operational characteristics of the proposed storefront retail cannabis dispensary use, including the following:

- Business Plan
- Odor Control Plan
- Tax Compliance
- Insurance
- Community Benefit Plan
- Social Policy and Local Enterprise Plan
- Security Plan
- Neighborhood Compatibility and Community Relations Plan

A Proposal Review Committee was formed, consisting of staff members from the Police, Finance, and Community Development Departments, as well as a representative from HdL (consultants retained by the City for their subject matter expertise) to conduct a competitive selection process. As required by the City of Woodland Municipal Code, the Committee gave particular consideration to each proposal's capacity, capitalization, security measures, and history, as well as the community benefits offered by the proposed commercial cannabis business. After an initial review, the Committee met on July 17-18, 2023 to interview the twelve applicants for the Preliminary Cannabis Business Permit. Following the interviews, the city invited the top four ranked applicants to the fourth phase of the review process, which entails the negotiation of an Operating Agreement and application for the Conditional Use Permit.

The purpose of this hearing is for the Planning Commission to review and provide a recommendation to the City Council to approve a resolution, awarding the requested Retail Cannabis Conditional Use Permit and Operating Agreement. The award of this Retail Cannabis Conditional Use Permit is at the sole discretion of the City Council upon recommendation from the Planning Commission.

The attached draft Resolution (Attachment 1) lists all the findings relating to the issuance of the Retail Cannabis Conditional Use Permit and includes a discussion of the community benefits that Perfect Union committed to in their proposal and as part of their operating agreement. These are discussed below.

Discussion:

Project Proposal

On June 10, 2024, Perfect Union applied for a Retail Cannabis Conditional Use Permit. The applicant is requesting a recommendation of approval to the City Council for a Conditional Use Permit by the City Planning Commission, which will allow Perfect Union to occupy an approximately 2,331 square foot tenant space in an existing building at 1810 E. Main Street, Ste. 101, as a storefront retail cannabis dispensary. (See Attachments 2 and 4, Project Application and Site

Plan). Under the terms and conditions of approval, Perfect Union will be required to obtain a Cannabis Business Permit for a Storefront Retail Cannabis Dispensary, (Ordinance 1685 and 1686), and appropriate State Licensing (Type 10 – Storefront Retailer). A Type 10 license allows for a storefront retailer to have a physical location where cannabis goods are sold. Storefront retailers can also deliver cannabis goods.



Context Map

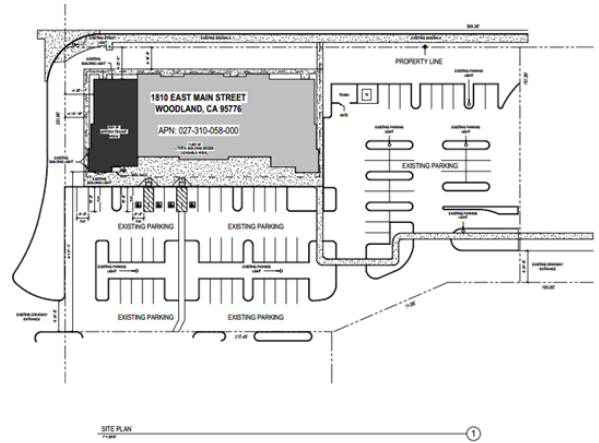
The project estimates a total of 20 employees and Perfect Union – Woodland, LLC intends to hire all employees directly from the City of Woodland (i.e. “local hire”). The proposed operating hours are Monday – Sunday from 9 am to 9 pm.

Project Site Description

Perfect Union 's project site covers approximately 2.76 acres and includes a single multi-tenant building located at the southwest corner of the parcel. This building and the subject parcel are part of a larger commercial shopping center with multiple buildings. The subject building at 1810 E. Main Street is an existing one-story multi-tenant building (See Attachment 4 , Site Plan). Neighboring businesses include Fusion Boba & Snacks, InStyle Nails, AT&T, West Coast Barbers, Ivan's Auto Detailing and Supplies, A1 Auto Repair & Detail Center, Burger King, DaVita Yolo Dialysis, Home Depot, Game Stop, Goodwill, CPR Cell Phone Repair, Treasure Dragon, Tacos Jalisco, and Applebee's. The property is bordered by commercial land uses on the east, west, and south, with East Main Street forming the northern boundary. The applicant is proposing to occupy Suite 101 which is 2,331 square feet in size and is the tenant space located at the northeast corner of the building.

Interior “tenant improvements” will be made to the existing Suite 101; no new construction is proposed.

The property is zoned for Regional Commercial with Light Industrial Flex land uses. The proposed use is permitted in this zone with the approval of a Conditional Use Permit and Operating Agreement by the City Council as the final acting body.



Site Plan

Community Benefit and Social Policy and Local Enterprise Plan Review

Community Benefit and Social Policy and Local Enterprise Plans have been included with this report as Exhibits to Attachment 3 for the Commission's review/reference. A summary is provided below.

Below is an overview of the Community Benefit commitments of Perfect Union (Outlined in detail in Attachment 3):

Community Benefit Payment

Perfect Union will commit to contributing 2% of their annual business gross receipts per year to active 501(c)(3) non-profits active in the City of Woodland.

Community Support for Local Non-Profits and Organizations

Perfect Union commits to contributing to community-based projects and, with guidance from the City, identifying local funding opportunities. Perfect Union commits to partnering with charities and non-profit organizations to support and fund projects through grants and volunteerism. The main areas of focus for Perfect Union include hunger, homelessness, education, youth development, and public services.

Present Donations:

Employee Volunteer Program

- Perfect Union is committed to ensuring that staff volunteer at local non-profits and community organizations each month.
- Perfect Union is committed to encouraging employees to participate in company-sponsored community activities.
- Perfect Union commits to compensating employees for up to ten (10) hours per month for volunteer work with designated organizations.

Non-Profit Partnerships

Perfect Union commits to continuing to work with local non-profits within the City of Woodland and Yolo County that focus on food insecurity, homelessness, youth education and development, domestic violence, rehabilitation, drug abuse prevention, and community-based services.

Perfect Union commits to continued work with groups such as the following non-profits in the City of Woodland and Yolo County:

- Yolo Meals on Wheels

- Thriving Pink
- Yolo County Heritage Foundation
- Yolo Conflict Resolution Center
- Woodland Food Closet
- Woodland Recreation Foundation
- Yolo County Public Defender's Office CARES Program

Perfect Union commits to providing In-house Services such as the following:

- Compassion Program
- Under H&S § 11362.71, qualified individuals may receive free cannabis once a month. All individuals must comply with the aforementioned Health and Safety Code to be eligible.

- Reduced Pricing Plan
- Seniors and veterans receive a 10% discount

Youth Education and Outreach:

Perfect Union – Woodland, LLC commits to partnering with local government to create a comprehensive approach that reaches youth, families, schools, neighborhoods, and communities and reflects the cultural, ethnic, racial, linguistic, and LGBTQ diversity of the city. The framework includes:

- Developing targeted media messaging
- Limiting youth access to cannabis
- Addressing current laws, policies, and practices
- Understanding and redirecting social norms
- Using evidence-driven methods, we believe an expansive menu of environmental prevention strategies and cohesive partnerships have the highest potential to produce population-level change and promote public safety.

Below is an overview of the Social Policy and Local Enterprise commitments of Perfect Union (Outlined in detail in Attachment 3):

Local Hiring

Perfect Union is committed to hiring all employees directly from the City of Woodland, creating twenty (20) jobs once operations are fully established. The company is committed to working with UFCW, the Woodland Chamber of Commerce, Woodland Express Employment Professionals, and other local job search organizations to find qualified candidates.

Employee Wages and Compensation

Perfect Union is committed to offering a living wage starting at \$20 per hour, which may be higher based on experience, knowledge, and position, and employees will also be able to receive tips and gratuities.

Perfect Union is committed to providing employees with monthly volunteer hours with local non-profits. The company is committed to paying employees for each hour they participate in community service, up to ten (10) hours per month. This allows employees to earn up to one hundred and twenty (120) hours of paid volunteer work per year.

Continuing Education

Perfect Union is committed to partnering with the United Food and Commercial Workers International Union (UFCW) to develop the UFCW Cannabis Pharmacy Technician Apprenticeship which would include 2,000 hours of training focused on safety, packaging, patient/customer verification, and best

business practices.

Perfect Union is committed to utilizing programs such as the RISE for continuing education on state and local law, internal policies and procedures, products, consumption, cannabinoids, and the endocannabinoid system. Perfect Union is committed to providing employee training on topics such as cannabis compliance, Emergency Action Plan, Illness and Injury Prevention Plans, active shooter, robberies and burglaries, the history of cannabis, sexual harassment, and discrimination.

Support for Local Enterprises

Perfect Union is committed to carrying locally manufactured brands to the Woodland community. It will offer 20% of its retail floor shelf space to local brands.

Security Plan

The interior of the facility will be remodeled to model Perfect Union stores and to meet state and local requirements for the proposed operation. Perfect Union will install a secured lobby at the main front entrance to verify IDs before allowing access into the facility. This will include the installation of two walls and an electronic access door, creating a secured vestibule. Additional walls will be constructed to provide a secured storage area and a manager's office. Perfect Union will also create a secured vendor intake room at the facility's back entrance. In addition to manual commercial-grade locks, electronic access doors will be installed on all doors leading to rooms with cannabis, cannabis products, or cash. Security cameras, motion sensors, panic buttons, analytical cameras, and glass break sensors will be installed throughout the facility. Any necessary upgrades to the HVAC system will be made to ensure there is no emittance of odor from the building. A fire alarm panel will be installed inside the facility. Handheld extinguishers will be mounted in every room and serviced annually. These and any additional security measures required by the Woodland Policy Department shall be included in the final Security Plan approved by the Police Department and made a part of the Cannabis Business Permit.

Discussion

Applicable Laws, Codes & Ordinances

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

- The City of Woodland General Plan
- The City of Woodland Zoning Ordinance
- City of Woodland Cannabis Business Permit Requirements
- California Environmental Quality Act (CEQA)
- Regulations of the California Department of Cannabis Control

2035 General Plan Consistency

The proposed project is consistent with various policies and actions in the General Plan; including Land Use Policy 2.A.6 (Infill Development); Policy 2.D.I (Jobs/Housing Relationship); and Policy 4.C.16 (Safety and Security).

Specifically, the project is consistent with General Plan goals and policies which encourage Woodland residents and visitors to support retail establishments that are located in the City of Woodland (Policy 4.C.8). Currently, Woodland residents and visitors do not have the opportunity to purchase cannabis products locally and instead rely on delivery services from neighboring counties and cities. Establishing storefront retailers in Woodland will gain the City some share in this market through the generation of sales tax.

As previously mentioned in this report, applicants for a retail commercial cannabis conditional use permit and operating agreement were required to prepare and provide a Security Plan for proposed sites and facilities which support the deterrence of crime through site planning and design, consistent

with Policy 4.C.16 (Safety and Security) and Policy 2.E.7(Public Safety and Community Design). This plan was reviewed by the City of Woodland Police Department and shall meet State requirements.

The proposed use is located on a parcel designated for commercial land uses and will operate out of an existing commercial building (Policy 2.J.I – Enhanced Design Character of Existing Centers).

Zoning Consistency

The project site is zoned Regional Commercial with Light Industrial Flex. The City Regional Commercial with Light Industrial Flex zone is applied to areas near entry access nodes to the community and supports regional commercial uses and light industrial uses.

Pursuant to City of Woodland Municipal Code 17.36.020, Table 17.36.020-1, a Cannabis Retail use may be established in the Regional Commercial with Light Industrial Flex zone subject to use permit approval.

Development Standards

The proposed storefront retail cannabis dispensary use would be established in an existing multi-tenant commercial building previously occupied by commercial uses. Tenant improvements will be made to the existing building to meet the operational requirements of the proposed use, including those outlined in the project's security plan; no new construction is proposed onsite.

The project is consistent with land use, lot coverage, landscaping, building type, building height, and setback requirements for the Regional Commercial with Light Industrial Flex zone. Vehicle access to the site is provided from an existing driveway from East Main Street. At the time of tenant improvements, staff will conduct a staff-level architectural review consistent with existing practice for minor improvements to existing buildings.

Parking

The number of required off-street parking spaces for the proposed storefront retail cannabis dispensary use shall be consistent with the parking requirements for retail land use per City of Woodland Municipal Code Section 17.68.

The parking lot is fully paved and striped, providing adequate parking, pedestrian pathways and ADA ramps leading from the provided ADA parking spaces. No modifications to the parking lot will be needed at this time. Two parking spots in front of the proposed location will be reserved for electric vehicle parking.

Zoning Verification

A zoning verification was conducted as part of the associated preliminary cannabis business permit to verify compliance with the location limitations for commercial cannabis land uses established in the City of Woodland Municipal Code Section 17.84.120, which is also consistent with State requirements.

At the time of staff's analysis of the location proposed for the storefront retail cannabis dispensary use, no known sensitive uses were identified within the minimum buffer distance of 600 feet from any property containing a school providing instruction in any grades Kindergarten through twelve (12), a day care center or a youth center, and is not within 600 feet of a public park. There were no more than two retail cannabis dispensaries within 1,000 feet of the project site. The proposed site would be more than 500 feet away from any other storefront retail cannabis dispensary use.

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; mitigation of any potentially adverse impacts; and making 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 and may impose such requirements and condition with respect to location, construction, maintenance, and operation, as may be deemed necessary for the protection of adjacent properties and public interest. Conditional Use Permit analysis typically includes consideration of 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 CUP is revoked. Once approved, should ownership of the land or the business change, the CUP would remain valid at the location approved.

Following a public hearing, the Planning Commission may recommend approval of a use permit application, with or without conditions, if all of the following findings can be made:

Use Permit Findings

1. The proposed use is consistent with the General Plan;

The proposed storefront retailer use would be compatible with the underlying General Plan designation and zoning district and operate similarly to other existing retail businesses subject to use-specific standards. The proposed project is consistent with various policies and actions in the General Plan; including Land Use Policy 2.A.6 (Infill Development); Policy 2.D.I (Jobs/Housing Relationship); and Policy 4.C.16 (Safety and Security).

Specifically, the project would be consistent with General Plan goals and policies which encourage Woodland residents and visitors to support retail establishments that are located in the City of Woodland (Policy 4.C.8). The preparation and provision of a security plan support the deterrence of crime through site planning and design, consistent with Policy 4.C.16 (Safety and Security) and Policy 2.E.7(Public Safety and Community Design).

The proposed use would be located on a parcel designated for commercial land uses and would operate out of an existing commercial building (Policy 2.J.I – Enhanced Design Character of Existing Centers).

2. The proposed use is consistent with the purposes of the Zoning Code, and the purposes of the applicable zone;

The proposed use would be located on a commercial site designated Regional Commercial with Light Industrial Flex on the 2035 General Plan land use diagram and is zoned Regional Commercial with Light Industrial Flex. Pursuant to City of Woodland Municipal Code 17.36.020, Table 17.36.020-1, a Cannabis Retail use may be established in the Regional Commercial with Light Industrial Flex zone subject to use permit approval.

The proposed project site is not within a 600-foot radius of a school providing K-12 instruction, a daycare center, a youth center, or a public park.

The proposed retail storefront cannabis dispensary will not be located within 500 feet of another retail storefront cannabis dispensary.

3. The site is physically suitable for the type, density, intensity of the use being proposed, including

access, utilities, and the absence of physical constraints;

The operations of Perfect Union are based in retail and will not impact any other commercial retail business in the area. The project site is located within a commercial shopping center with easy freeway ingress and egress.

Perfect Union proposes no substantial changes to the exterior of the facility, ensuring it remains consistent with the rest of the shopping center. Main building entries will be emphasized through building articulation and form to be easily identifiable and visible from the street and parking areas. The building has ADA access and is pedestrian oriented, including awnings, trashcans, and accent lighting that complement the main building's architectural features. Perfect Union will install a bicycle rack outside of the facility entrance.

The parking lot is fully paved and striped, providing adequate parking, pedestrian pathways and ADA ramps leading from the provided ADA parking spaces. No modifications to the parking lot will be needed at this time. Two parking spots in front of the proposed location will be reserved for electric vehicle parking.

Perfect Union will ensure the landscaping proximate to their tenant space is maintained and free of litter or debris. No modifications are proposed to the project site's landscaping, which is currently maintained by the property owner and includes mature trees within the parking lot and a number of small to medium shrubs along the exterior of the existing commercial businesses.

The interior of the facility will be remodeled to model Perfect Union stores and to meet state and local requirements for the proposed operation. Perfect Union will install a secured lobby at the main front entrance to verify IDs before allowing access into the facility. This will include the installation of two walls and an electronic access door, creating a secured vestibule. Additional walls will be constructed to provide a secured storage area and a manager's office. Perfect Union will also create a secured vendor intake room at the facility's back entrance. In addition to manual commercial-grade locks, electronic access doors will be installed on all doors leading to rooms with cannabis, cannabis products, or cash. Security cameras, motion sensors, panic buttons, analytical cameras, and glass break sensors will be installed throughout the facility. Any necessary upgrades to the HVAC system will be made to ensure there is no emittance of odor from the building. A fire alarm panel will be installed inside the facility. Handheld extinguishers will be mounted in every room and serviced annually.

4. The design, location, size, and operating characteristics of the proposed activity would be compatible with the existing and future land uses in the vicinity, including transportation and service facilities;

The proposed use is compatible with the surrounding commercial area. The storefront retailer would be located within an existing commercial building similar in design, size and operating characteristics as other single-story retail and restaurant buildings along East Main Street.

No new construction is proposed onsite. The building architecture and site improvements including lighting, landscaping, parking have previously been found consistent with land use, lot coverage, building type, building height, and setback requirements for the Regional Commercial with Light Industrial Flex district.

5. Granting the Conditional Use Permit would not constitute a nuisance or be injurious or detrimental to the public interest, health, safety, convenience, or welfare, or materially injurious to persons, property, or improvements in the vicinity and zone in which the property is located; and

The nearest school, Ramon S. Tafoya Elementary, is 1,880 feet from the proposed site. Perfect Union - Woodland, LLC's operations will not affect any children or community members visiting Klenhard Park as it is located over 2,000 feet from the proposed facility. The suite is attached to a building with commercial retail use businesses operating. Perfect Union is not requesting to modify the exterior of the premises as the exterior already ensures that it blends seamlessly with the surrounding area.

Perfect Union - Woodland, LLC's security guards will monitor the site and are required to ensure there is no loitering in the area.

Perfect Union will queue customers in a manner that will not affect any surrounding businesses during busy times and will control the ingress and egress of guest traffic inside the facility.

6. The proposed project has been reviewed in compliance with CEQA.

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 2,331 square feet of space within an existing building that has previously been occupied by commercial uses similar to the proposed project.

In addition to the CUP findings outlined above, the Cannabis Ordinance 1685 (Municipal Code 17.84.120): provides other specific factors that shall be considered by the Planning Commission and ultimately the City Council including the following:

1. The type of proposed use by the applicant.

The proposed use would be located on a commercial site designated Regional Commercial with Light Industrial Flex on the 2035 General Plan land use diagram and is zoned Regional Commercial with Light Industrial Flex. Pursuant to City of Woodland Municipal Code 17.36.020, Table 17.36.020-1, a Cannabis Retail use may be established in the Regional Commercial with Light Industrial Flex zone subject to use permit approval.

2. Whether the proposed use will be detrimental to the health, safety and welfare of the community;

The project site is a commercial area comprised of a variety of commercial retail and service uses along East Main Street, with residential uses present further west and south of Pioneer Avenue. The zoning verification conducted as part of the associated preliminary request for proposals process verified compliance with the location limitations for storefront retailers established in WMC Section 17.84.120. At the time of staff's analysis of the location proposed for the storefront retail cannabis dispensary use, no known sensitive uses were identified within the minimum buffer distance of 600 feet from any property containing a school providing instruction in any grades Kindergarten through twelve (12), a day care center or a youth center, and is not within 600 feet of a public park.

Furthermore, operation of the proposed storefront retailer in accordance with the standards established in WMC Section 5.28 as well as the applicant's Safety and Neighborhood Compatibility Plans will ensure that a storefront retailer use at this location would not have detrimental effects on the surrounding neighborhood.

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.

At the time of approval of a Cannabis Business Permit, an application will be required to Prepare and submit a Community Benefit Plan and Social Policy and Local Enterprise Plan describing the applicant's plans for local outreach and hiring of residents of the City of Woodland for open positions and/or compensation for continuing education, and any other actions proposed by the applicant that are intended to benefit the local workforce and/or applicant's local employees.

4. Whether the applicant has adequately addressed potential community benefits of the use to offset potential adverse impacts;

Below is an overview of the Community Benefit commitments of Perfect Union (Outlined in detail in Attachment 3):

Community Benefit Payment

Perfect Union will commit to contributing 2% of their annual business gross receipts per year to active 501(c)(3) non-profits active in the City of Woodland.

Community Support for Local Non-Profits and Organizations

Perfect Union commits to contributing to community-based projects and, with guidance from the City, identifying local funding opportunities, commits to partnering with charities and non-profit organizations to support and fund projects through grants and volunteerism. The main areas of focus for Perfect Union include hunger, homelessness, education, youth development, and public services.

Present Donations:

Employee Volunteer Program

- o Perfect Union is committed to ensuring that staff volunteer at local non-profits and community organizations each month.
- o Perfect Union is committed to encouraging employees to participate in company-sponsored community activities.
- o Perfect Union commits to compensating employees for up to ten (10) hours per month for volunteer work with designated organizations.

Non-Profit Partnerships

Perfect Union commits to continuing to work with local non-profits within the City of Woodland and Yolo County that focus on food insecurity, homelessness, youth education and development, domestic violence, rehabilitation, drug abuse prevention, and community-based services.

Perfect Union commits to continued work with groups such as the following non-profits in the City of Woodland and Yolo County:

- o Yolo Meals on Wheels
- o Thriving Pink
- o Yolo County Heritage Foundation
- o Yolo Conflict Resolution Center
- o Woodland Food Closet
- o Woodland Recreation Foundation
- o Yolo County Public Defender's Office CARES Program

Perfect Union commits to providing In-house Services such as the following:

- Compassion Program
Under H&S § 11362.71, qualified individuals may receive free cannabis once a month. All individuals must comply with the aforementioned Health and Safety Code to be eligible.
- Reduced Pricing Plan
Seniors and veterans receive a 10% discount

Youth Education and Outreach:

Perfect Union – Woodland, LLC commits to partnering with local government to create a comprehensive approach that reaches youth, families, schools, neighborhoods, and communities and reflects the cultural, ethnic, racial, linguistic, and LGBTQ diversity of the city. The framework includes:

- o Developing targeted media messaging
- o Limiting youth access to cannabis
- o Addressing current laws, policies, and practices
- o Understanding and redirecting social norms
- o Using evidence-driven methods, we believe an expansive menu of environmental prevention strategies and cohesive partnerships have the highest potential to produce population-level change and promote public safety.

Below is an overview of the Social Policy and Local Enterprise commitments of Perfect Union (Outlined in detail in Attachment 3):

Local Hiring

Perfect Union is committed to hiring all employees directly from the City of Woodland, creating twenty (20) jobs once operations are fully established. The company is committed to working with UFCW, the Woodland Chamber of Commerce, Woodland Express Employment Professionals, and other local job search organizations to find qualified candidates.

Employee Wages and Compensation

Perfect Union is committed to offering a living wage starting at \$20 per hour, which may be higher based on experience, knowledge, and position, and employees will also be able to receive tips and gratuities.

Perfect Union is committed to providing employees with monthly volunteer hours with local non-profits. The company is committed to paying employees for each hour they participate in community service, up to ten (10) hours per month. This allows employees to earn up to one hundred and twenty (120) hours of paid volunteer work per year.

Continuing Education

Perfect Union is committed to partnering with the United Food and Commercial Workers International Union (UFCW) to develop the UFCW Cannabis Pharmacy Technician Apprenticeship which would include 2,000 hours of training focused on safety, packaging, patient/customer verification, and best business practices.

Perfect Union is committed to utilizing programs such as the RISE for continuing education on state and local law, internal policies and procedures, products, consumption, cannabinoids, and the endocannabinoid system. Perfect Union is committed to providing employee training on topics such as cannabis compliance, Emergency Action Plan, Illness and Injury Prevention Plans, active shooter, robberies and burglaries, the history of cannabis, sexual harassment, and discrimination.

Support for Local Enterprises

Perfect Union is committed to carrying locally manufactured brands to the Woodland community. It will offer 20% of its retail floor shelf space to local brands.

Perfect Union has prepared a Community Relations and Neighborhood Compatibility Plan (Attachment 5) describing 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 plan describes how the cannabis business will proactively address and respond to complaints from the surrounding community related to noise, light, odor, litter, vehicles and pedestrian traffic and any other activities that could become a nuisance or have impacts on the cannabis business's neighbors and the surrounding community.

5. The extent of support or opposition to the proposed use and location from members of the community, and the applicant's plans to ensure strong community relations and compatibility with the surrounding neighborhood;

Prior to submittal of the initial application, Perfect Union met with the businesses immediately surrounding our proposed site and discussed planned operations, and public notice of the proposed retail cannabis use was provided to owners and tenants within a 600-foot radius of the project site, the site was posted with a highly visible notice, of a minimum four foot by eight foot in size mounted on a freestanding sign or posted on the building frontage, 10 days before the scheduled public hearing date, and a Legal notice was published in the Woodland Daily Democrat at least ten days before the public hearing date.

In 2022 and 2023, Perfect Union hosted National Night Out for the Plaza and any community members who didn't have an organized event in their neighborhood.

Perfect Union has committed to supporting and hosting a number of local community events which are outlined in detail in the Community Benefit Plan.

Perfect Union will plan to have a Director of Community Relations who will be responsible for outreach and communication for the Woodland community and will be the liaison between Perfect Union and the surrounding community.

6. The number of cannabis uses located or proposed to be located within 1,000 feet of the proposed location;

There are no cannabis uses located or proposed to be located within 1,000 feet of the proposed location at 1810 E. Main Street, Ste. 101.

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.

8. The background and history of the applicant, including the experience and qualifications of the applicant and those persons involved in the management, oversight, and day-to-day operations of the proposed use, the professional training and certifications of the applicant and/or persons involved in the management, oversight and day to day operations of the proposed use, and the nature and extent of the problems on any premises where the applicant has operated a cannabis business in the past.

Perfect Union has an experienced team and a well-considered and documented business plan that appear to be potentially successful with an identified supply line.

Perfect Union's management team includes the following:

Thomas Sheridan - Chief Executive Officer, Director & Founder

Experience:

- Juris Doctorate, McGeorge School of Law, 2006
- Order of the Coif
- Traynor Honor Society
- McGeorge School of Law Dean's List
- Recipient of the Witkin Award in Land Finance
- Founder of Perfect Union
- 14 years of experience operating commercial cannabis businesses

Day-to-day Operational Involvement:

- Daily store visits to review individual store needs and hold meetings with the general managers
- Business development and implementation of the overall strategy for market positioning, growth, and competitive analysis.
- Product pricing and review
- Risk management
- Legal affairs
- Corporate governance

Shawn Samery - Retail Operations Manager

Experience:

- 15 years of experience operating Cannabis Dispensaries in the State of California
- BSIS Private Patrol Guard - Certified since 2016
- BSIS Private Patrol Operator Manager – Certified since 2016
- CAL/OSHA Certified
- San Luis Obispo Quarter Horse Association Board Member
- American Quarter Horse Association Member

Day-to-day Operational Involvement:

- Daily store visits to meet with employees and address any needs, averaging 90% of his working hours in the stores
- Oversees all dispensary employees and general managers
- Provides assistance, extra training, and one-on-one guidance for staff
- Monitors weekly sales, inventory status, and demographic reports
- Facilitates vendor pop-ups, promotions, and budtender education
- Guarantees the guest experience for all customers is positive. He will personally meet with any

customer to ensure Perfect Union always meets customer expectations

- Assists retail dispensaries with monthly inventory audits

Angelica Sanchez - Sr. Director of Government Affairs & Compliance

Experience:

- CAL/OSHA Certified
- Notary, 2019
- UFCW Total Trust Retirement Board Trustee, 2019
- Director, Sacramento Rainbow Chamber of Commerce Foundation, 2020
- Community Organizer, State Regulatory Committee for the National Cannabis Industry Association, 2024
- Member, Legislative Committee for the California Cannabis Industry Association, 2023
- Gubernatorial Appointee – 52nd n d District Agricultural Association, Sacramento County Fair Board of Directors, 2024
- Former Communications Chair, United Nations Association
- Over 500 hours logged in METRC
- Board and Commissions Leadership Institute Certified, 2021

Day-to-day Operational Involvement:

- Oversees compliance for all of Perfect Union, including routine in-store self-audits
- Assists in inventory management with her knowledge of DCC requirements for shipping manifests, certificates of analysis, labeling requirements, and track and trace (METRC), including monthly inventory audits
- Creates and maintains Standard Operating Procedures (SOPs), assists in the implementation of new SOPs, and provides hands-on training to employees
- Reviews all marketing materials and product labels before distribution
- Works with the DCC and local jurisdiction on compliance matters

Mark Pemberton - Community Relations Director

Experience:

- BS in Civil Engineering, CSU Chico, 1994
- Structural Engineers Association of Central California
- Davis Chamber of Commerce Member
- Woodland Chamber of Commerce Member
- California SE 4681
- California CE 58163
- Owner and Founder of Pemberton Engineering, Inc.
- Approved Special Inspector for the City of Woodland, Davis, Sacramento, and County of Yolo

Day-to-day Operational Involvement:

- Liaison between Perfect Union and the community of Woodland for any community concerns and/or questions
- Represents Perfect Union in the community and at special community events
- Assists in identifying non-profits and organizations in the community that Perfect Union can work with for community benefits and volunteerism
- Advises on green business policies and implementation

Michael Baer – Controller

Experience:

- BA in Business Administration, Cal Poly, 2003
- Master of Business Administration, Ashford University, 2010

- Certified Public Accountant, State of California, #135866 (Inactive)

Day-to-day Operational Involvement:

- Oversees all financial matters for the company
- Manages the finance team
- Reviews cash handling requests
- Approves cash handling SOPs and assists with training
- Reviews any discrepancies in funds and provides Tom Sheridan with the findings
- Approves deposits and coordinates with the bank for deposit pickups
- Analyzes daily sales at each and coordinates with Tom Sheridan and Shawn Samery to make determinations if product lines or prices need to be altered

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

There is no 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.

10. Whether the proposed license would enhance recreational or entertainment opportunities in the area.

Currently, Woodland residents and visitors do not have the opportunity to purchase cannabis products locally and instead rely on delivery services from neighboring counties and cities. Establishing storefront retailers in Woodland will provide an amenity that does not presently exist in the City.

Cannabis Business Permit Review – Municipal Code Section 5.28

The Cannabis Business Permit provides for the review of operational features for each cannabis business entity and is required in addition to a business license. A Cannabis Business Permit is required before initial operation and requires annual review. Before issuance of the Cannabis Business Permit, fees must be paid, and a Conditional Use Permit and final Operating Agreement authorized. The Cannabis Business Permit is approved by the Community Development Director. Operating details including a Security Plan, Lighting Plan, Community Benefit Plan, Social Responsibility, and Local Enterprise Plan, as well as an Operating Agreement and Indemnification statement, are required as part of the Cannabis Business Permit review. Some of these items have been provided as part of the Conditional Use Permit review and are included as attachments.

Revocation of Permit

In the event of a violation of the terms and conditions of a retail cannabis business permit, the City may take various enforcement actions as provided under City Code Section 5.28.090 - Violations. These actions may include fines, penalties, suspension, or revocation of the permit.

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 2,331 square feet of space within an existing building that has previously been occupied by commercial uses similar to the proposed project.

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 on September 8, 2024, twelve days prior to the public hearing.
- Notices were mailed to all property owners and tenants within a minimum of 600 feet of the project site on September 6, 2024.
- Pursuant to City of Woodland Municipal Code 17.110.100.D., the site was posted with a highly visible notice, of a minimum four foot by eight foot in size mounted on a freestanding sign or posted on the building frontage, 10 days prior to the scheduled public hearing date on September 19, 2024.

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 an interest in the application, including Waste Management and Yolo County. All reviewing agency comments have been integrated into the conditions of approval.

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 judgment of the City as lead agency under CEQA;
4. Approve Planning Commission Resolution No. PC 24-04 recommending that the City Council approve a Conditional Use Permit and Operating Agreement for a storefront retail cannabis dispensary at 1810 E. Main Street, Ste. 101 conditioned upon approval of the appropriate Cannabis Business Permit and the recommended conditions of approval.

Prepared by: Anna Canales, Assistant Planner

Reviewed by: Erika Bumgardner, Deputy Director of Community Development

Attachments:

1. Resolution and Conditions of Approval
2. Redacted Project Application
3. Operating Agreement Draft_Perfect Union Woodland LLC
4. Site Plan
5. Neighborhood Responsibility and Community Relations Plan
6. Odor Control Plan

**PLANNING COMMISSION
RESOLUTION NO. PC 24-04**

**A RESOLUTION OF THE PLANNING COMMISSION OF THE CITY OF WOODLAND
RECOMMENDING CITY COUNCIL APPROVE A CONDITIONAL USE PERMIT AND
OPERATING AGREEMENT FOR A STOREFRONT RETAIL CANNABIS
DISPENSARY AT 1810 E MAIN STREET, STE. 101 WITHIN THE CITY REGIONAL
COMMERCIAL WITH LIGHT INDUSTRIAL FLEX OVERLAY CONDITIONED UPON
APPROVAL OF THE APPROPRIATE CANNABIS BUSINESS PERMIT AND THE
RECOMMENDED CONDITIONS OF APPROVAL**

WHEREAS, On June 7, 2022, the City Council approved Ordinance no 1685 and 1686 to amend City Zoning and Municipal Code to enact regulations to allow the consideration and permitting of retail commercial cannabis uses as set forth in Woodland Municipal Code section 17.84.120 which allows for consideration of up to four (4) cannabis retail conditional use permits and Chapter 5.28 of the Municipal Code to incorporate retail commercial cannabis business and operational requirements for Cannabis Business Permits; and

WHEREAS, as set forth in Woodland Municipal Code section 17.84.120, proposed cannabis retailers are required to obtain a conditional use permit, subject to the recommendation of the Planning Commission and final approval of the City Council; and

WHEREAS, on February 27, 2023, the City issued a request for proposals, inviting interested parties to participate in the selection process for a Preliminary Cannabis Business Permit, which would authorize applicants to apply for a Retail Cannabis Conditional Use Permit and enter into Operating Agreement negotiations to establish a commercial cannabis business, and requiring that applications be submitted in person by 3:00 pm on April 5, 2023; and

WHEREAS, the City received a total of 12 proposals in response to the request for applications; and

WHEREAS, a Proposal Review Committee was formed, consisting of staff members from the Police, Finance, and Community Development Departments, as well as a representative from HdL, a consultant retained by the City for their subject matter expertise, to conduct a competitive selection process; and

WHEREAS, after an initial review of the proposals, the Proposal Review Committee met July 2023 to interview 12 proposal teams for the Preliminary Cannabis Business Permit and subsequently awarded Preliminary Cannabis Business Permits to the top four applicants, making them eligible to apply for a Retail Cannabis Conditional Use Permit; and

WHEREAS, as required by the City of Woodland Municipal Code, the Proposal Review Committee gave particular consideration to each proposal's capacity, capitalization, security measures, and history, as well as the community benefits offered by the proposed commercial cannabis business, and also considered any other factors deemed necessary by the City to maintain and promote public health, safety, and general welfare; and

WHEREAS, the Proposal Review Committee ranked Perfect Union – Woodland LLC as 4

out of 12, with a score of 93.56%; and

WHEREAS, the City of Woodland Planning Commission hereby finds that the proposed cannabis retailer use to be located at 1810 E. Main Street, Ste. 101 (“Site”), as set forth in Planning Application No. PLNG 24-00030 submitted by business applicant Perfect Union – Woodland LLC (“Applicant”), conforms to the requirements and intent of Chapter 17.84.120 of the Woodland Zoning Code regarding commercial cannabis uses and the City General Plan, and further that, under the circumstances of the particular case, the use will not constitute a nuisance or be detrimental to the public welfare of the community; 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 Planning Commission of the City of Woodland finds as follows:

- The project consists of minor alterations for interior tenant improvements to operate a cannabis business that requires specific spaces to conform with state and local regulations.
- 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, a public notice describing the proposed cannabis conditional use permit was published in the Woodland Daily Democrat, a newspaper of general circulation, and mailed to property owners and property tenants within 600 feet of the project site; and, a highly visible site posting of four (4) feet by eight (8) feet was posted in a visible location on the project site for ten (10) days before the Planning Commission public hearing date; and

WHEREAS, the Planning Commission held a duly-noticed public hearing on September 19, 2024, as required by law to consider all of the information presented by staff and public testimony presented in writing and at the meeting.

NOW, THEREFORE, BE IT RESOLVED, that the Planning Commission of the City of Woodland, based on facts in the staff report, written and oral testimony, and exhibits presented, hereby recommends to the Woodland City Council: (1) Approval of a Conditional Use Permit for a cannabis retail use located at 1810 E. Main Street, Ste. 101, as set forth in Planning Application No. PLNG 24-00030, prepared by Perfect Union – Woodland, LLC; and (4) Approval of an Operating Agreement between the City of Woodland and Perfect Union – Woodland, LLC, as follows and based on the following findings:

SECTION 1. Recitals. The City of Woodland Planning Commission hereby adopts the above recitals as true and correct findings of the City of Woodland Planning Commission and incorporates them into this Resolution by this reference.

SECTION 2. Findings. In support of issuing a conditional use permit for the proposed cannabis retailer use to be located at 1810 E. Main Street, Ste. 101, as set forth in Planning Application No. PLNG 24-00030, the City of Woodland Planning Commission hereby makes the following additional findings, pursuant to the requirements of Woodland Municipal Code (“WMC”) Section 17.100.100(H) and 17.84.120(c)(3):

- 1) The proposed use is consistent with the General Plan and Zoning Code, in that the use is conditionally permitted consistent with zoning and general plan requirements, and appropriate conditions to address potential concerns and impacts have been made part of the approval.
- 2) The site is physically suitable for the type, density, intensity of the use being proposed, including access, utilities, and the absence of physical constraints.
- 3) The design, location, size, and operating characteristics of the proposed activity are compatible with the existing and future land uses in the vicinity including transportation and service facilities.
- 4) Granting the Conditional Use Permit would not constitute a nuisance or be injurious or detrimental to the public interest, health, safety, convenience, or welfare, or materially injurious to persons, property, or improvements in the vicinity and zone in which the property is located.
- 5) The proposed project is categorically exempt from further environmental review pursuant to CEQA sections 15301 and 15303 as the proposal involves operation, repair, maintenance, leasing and licensing of existing facilities, and involves the conversion of a small structure not exceeding 2,500 square feet where retail cannabis dispensing is a conditionally permitted use.
- 6) The proposed use at the Site is subject to additional findings and considerations set forth in WMC section 17.84.120(3). The City of Woodland Planning Commission has considered all relevant evidence regarding the Site and the Applicant's proposed use, and finds that Applicant's proposed cannabis retailer use at the Site satisfies those considerations, as follows:
 - a) Pursuant to WMC section 17.84.120(3)(a), the City of Woodland Planning Commission has considered the type of proposed use by the Applicant. The proposed cannabis retailer will provide sales of cannabis and cannabis products. The City of Woodland Planning Commission finds that these goods and services will provide unique, currently unavailable, and varied goods and services to the community by the Applicant's use at the proposed location.
 - b) Pursuant to WMC section 17.84.120(3)(b), the City of Woodland Planning Commission has considered all evidence and testimony relevant to the Applicant's proposed use, and determines that the proposed use will not be detrimental to the health, safety and welfare of the community. The use is located in the Regional Commercial with Light Industrial Flex Overlay and not adjacent to sensitive uses; and therefore will not result in negative impacts on existing uses in the area. The project is subject to approval of a conditional use permit, including conditions of approval incorporated into the project, and subject to local and state regulatory standards, licenses and permits, to ensure that the use will not be detrimental to the health, safety and welfare of the community. Applicant's failure to abide by those conditions of approval may result in permit revocation.
 - c) Pursuant to WMC section 17.84.120(C)(3)(c), the City of Woodland Planning Commission finds that the proposed use would enhance the economic viability of the area in which it is proposed to be located because it will provide new goods and services not currently

available to the surrounding area and will bring retail activity to the proposed location.

- d) Pursuant to WMC section 17.84.120(C)(3)(d), the City of Woodland Planning Commission finds that the Applicant has adequately addressed the potential community benefits of the use to offset potential adverse impacts. The City of Woodland Planning Commission has determined that these community benefits adequately offset any potential adverse impacts of the proposed use.
- e) Pursuant to WMC section 17.84.120(C)(3)(e), the City of Woodland Planning Commission has considered all evidence and testimony pertaining to Applicant's proposed use, including the extent of support or opposition to the proposed use and location from members of the community. No opposition to the proposed use or location was expressed by the community or the surrounding neighborhood.
- f) Pursuant to WMC section 17.84.120(C)(3)(f), the City of Woodland Planning Commission further finds that, based on other proposed locations considered concurrently with the Site, there will be no more than two (2) cannabis retailers located within a one thousand (1,000) radius of the Site at the time of this Resolution, except otherwise approved by City Council, which protects against an overconcentration of the type of proposed use and further protects the public health and safety.
- g) Pursuant to WMC section 17.84.120(C)(3)(g), and consistent with the above findings, the City of Woodland Planning Commission further finds that the proposed use would not lead to a further overconcentration of that particular type of premises in the area.
- h) Pursuant to WMC section 17.84.120(C)(3)(h), the City of Woodland Planning Commission has considered the Applicant's application, including the relevant background and history of the Applicant. Based on the information provided, the City of Woodland Planning Commission has determined that there are no prior problems or complaints pertaining to Applicant's operation of other businesses or cannabis operations on premises giving rise to public health, safety, and welfare concerns. The applicant has additionally operated retail cannabis businesses in other jurisdictions with no known problems or complaints.
- i) Pursuant to WMC section 17.84.120(C)(3)(i), the City of Woodland Planning Commission is not aware of a history or high prevalence of police or crime-related problems in the area of the Site giving rise to specific safety concerns.
- j) Pursuant to WMC section 17.84.120(C)(3)(j), the City of Woodland Planning Commission finds that the proposed use would enhance recreational or entertainment opportunities in the area.

In light of the above findings and considerations regarding the proposed use and location, the City of Woodland Planning Commission therefore finds that the conditional use conforms to the requirements and intent of WMC Chapter 17.84.120 regarding commercial cannabis uses and the City's General Plan, and that any conditions and requirements stipulated in Applicant's conditional use permit have been or will be met, and that the use will not constitute a nuisance or be detrimental to the public welfare of the community. These findings are further established and incorporated into

the project approval, attached hereto as Exhibit “A” and incorporated herein by reference.

SECTION 3. Approval. In accordance with the City of Woodland Planning Commission findings stated in Section 2 and Exhibit A of this Resolution, the City of Woodland Planning Commission hereby recommends that the City Council approve Planning Application Number PLNG 24-00030 for the issuance of a Retail Cannabis Conditional Use Permit to Perfect Union – Woodland, LLC for the proposed cannabis retailer use at 1810 E. Main Street, Ste. 101. The recommended approval and issuance of the conditional use permit is expressly conditioned on Applicant’s continued compliance with all of the findings and conditions of approval specified in Applicant’s conditional use permit, Article 17.84.120 of the Woodland Zoning Code, Chapter 5.28 of the Woodland Municipal Code, and all other applicable local and state laws and regulations pertaining to commercial cannabis retailers. Nothing in this Resolution shall be deemed to waive the City’s right to revoke Applicant’s conditional use permit in the event Applicant violates any of the aforementioned conditions.

PASSED AND ADOPTED, by the Planning Commission of the City of Woodland at a regular meeting of the Planning Commission held on the 19th day of September 2024, by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

Marco C. Lizarraga, Chairperson

ATTEST:

Erika Bumgardner, Deputy Community Development Director

Exhibit A – Conditions of Approval

EXHIBIT A

**Conditions of Approval
PLNG 24- 00030**

**Address: 1810 E. Main Street, Ste. 101
Cannabis Business: Perfect Union – Woodland LLC**

Conditions of Approval

General Conditions

- 1. Approval.** Planning Application # PLNG 24-00030, submitted by Applicant Perfect Union – Woodland, LLC for the proposed cannabis business “Perfect Union” is approved to permit retail sales of cannabis and cannabis products, and, in a building size of approximately 2,331 square feet located at 1810 E. Main Street and with hours of operation of Monday – Sunday 9 am – 9 pm.
- 2. Substantial Conformance.** The use shall be implemented in substantial conformance with the Conditional Use Permit (Planning Application: PLNG 24-00030) as approved by the City Council, and subject to all applicable provisions of Woodland Municipal Code Section 5.28, Commercial Cannabis Business Permits, and Section 7.84.120, Commercial Cannabis Businesses, except as modified herein. Prior to issuance of a Cannabis Business Permit and, if applicable, Certificate of Occupancy, all conditions of approval and required improvements shall be completed to the satisfaction of the city. Changes in the use or an increase in the intensity or size of operation may require approval of a new use permit or a modification to the existing use permit.
- 3. Regulatory Permit.** The approval of the Conditional Use Permit and commencement of business operations shall be contingent upon the applicant submitting a Cannabis Business Permit application and all of the materials and documentation required by Woodland Municipal Code Chapter 5.28.180, Applications for Cannabis Business Permits, to the Community Development Director for review and approval. Applicants shall obtain and maintain at all times a valid Cannabis Business Permit including approval of an Operating Agreement, prior to occupancy of the building and continuing at all times that the business is in operation, including payment of all required fees for application review. The Cannabis Business Permit shall be timely renewed and maintained in accordance with the applicable procedures set forth in Woodland Municipal Code Chapter 5.28 as a condition of continuing the retailer use under the approved conditional use permit.

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.
- 4. Indemnification.** 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.

5. **Other Permits and Licenses.** The applicant shall obtain all other permits and licenses required by the City for the use, including a Cannabis Business Permit pursuant to Woodland Municipal Code Chapter 5.28, and any other City permits required for retail cannabis uses prior to occupancy of the building and operation of the business, and shall pay all required fees in the amount currently established as applicable, or in the amount to be adopted by City Council. All cannabis businesses must, prior to establishing and operating any such cannabis business, obtain and maintain at all times a valid license issued by the State, as may be applicable, and any other applicable local or regulatory licenses.
6. **Building and Fire Requirements.** Prior to occupancy and/or issuance of a Cannabis Business Permit, applicant shall comply with all applicable Building and Fire requirements to the satisfaction of the Building Official and the Fire Marshall. The applicant shall obtain all necessary and appropriate permits for the project prior to occupancy, including but not limited to building and encroachment permits, and pay all required fees.
7. **Runs with the Land.** The terms and conditions of approval of the conditional use permit shall run with the land, and shall be binding upon and be to the benefit of the heirs, legal representatives, successors, and assignees of the property owner. Where a conditional use has abandoned the site or has ceased activity for a period of six (6) months, expressly including due to the failure to obtain or maintain other necessary regulatory licenses and permits to operate the business, the approved conditional use permit may be subject to revocation for non-use. Under these circumstances, and if such non-use results in revocation of the conditional use, a new application for a conditional use permit must be processed per the requirements of the City's then-existing zoning ordinance.
8. **Permit Expiration.** The Conditional Use Permit must be exercised within one year of issuance, or it shall be deemed null and void by act of law (Woodland Municipal Code Section 17.96.130, Expiration and Extension). A permit for use of a building or a property is exercised when a valid City business license, Cannabis Business Permit, and all necessary permits have been issued, and the permitted use has commenced on the site in accordance with applicable conditions of approval contained herein.
9. **Other Applicable Requirements.** The project approval is subject to all applicable requirements of the Federal, State, City of Woodland and any other affected governmental agencies. Approval of this request shall not waive compliance with all sections of the Municipal Code, all other applicable Federal, State and City Ordinances, and applicable Community or Specific Plans or Design Guidelines in effect at the time of building permit issuance. The duty of inquiry as to such requirements shall be upon the applicant.
10. **Compliance with Conditions.** Prior to any use of the project site, all Conditions of Approval shall be completed to the satisfaction of the Community Development, Police, and Fire Departments. In the event that any of the conditions of this permit are not satisfied, the Community Development Director may request a public hearing be set before the Planning Commission to determine whether the Conditional Use Permit should be revoked. Additionally, upon showing of a compelling public necessity demonstrated at a noticed public hearing, the City of Woodland, acting through the appropriate entity, may add, amend, or delete conditions of this permit.

11. **Violations.** Upon receipt of a Cannabis Business Permit the applicant shall be subject to provisions relating to violations contained in Municipal Code Section 5.28.090, or as may be amended.
12. **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.
13. **Applicant's Responsibility to Inform.** The applicant shall be responsible for informing all subcontractors, consultants engineers, or other business entities providing services related to the project of their responsibilities to comply with all pertinent requirements herein in the City of Woodland Municipal Code, including the requirement that a business license be obtained by all entities doing business in the City as well as hours of operation requirements in the City.

Planning Conditions

16. **Education.** The cannabis retailer shall provide information or disclaimers to all customers regarding the effects of cannabis consumption and legal consequences of consumption or possession under federal law, in a form approved by the City.
17. **Parking.** The project shall provide and maintain the number of on-site parking spaces consistent with the requirements of Section 17.68 of the Woodland Municipal Code, based on gross square footage of retail use, consistent with City standards unless otherwise approved by the Community Development Director.
18. **Bicycle Parking.** The project shall provide bicycle parking, consistent with the requirements of Section 17.68.070 of the Woodland Municipal Code. The location of the racks and locking mechanism details shall be subject to review and approval by the Community Development Department prior to issuance of permits. Bicycle parking shall be installed prior to occupancy.
19. **Signage.** Signage shall require a Sign Permit subject to approval by the Community Development Department in compliance with Woodland Municipal Code Section 17.100.140, Sign Permits – Permanent Signs, and may require a Building permit prior to installation.,
20. **Trash Maintenance.** The site shall be kept free of trash or debris at all times. Graffiti or any other type of vandalism shall be removed or otherwise remediated within 72 hours of occurrence.
21. **Landscape.** Prior to operation, 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.
22. A storefront cannabis dispensary permittee shall not allow cannabis, cannabis products, or cannabis accessories on the dispensary site to be visible from the public right of way, the unsecured areas surrounding the buildings on the site, or the site's main entrance and lobby.
23. No storefront cannabis dispensary shall grow or cultivate cannabis, except for immature nursery stock cannabis plants, on the dispensary site.

Building Conditions

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

24. This project must meet all criteria and mandates for these City adopted codes or the most current code:
 - A. 2022 California Building Code
 - B. 2022 California Plumbing Code
 - C. 2022 California Mechanical Code
 - D. 2022 California Electrical Code
 - E. 2022 Building Energy Efficiency Standards
 - F. 2022 California Green Building Code
 - G. The Code of the City of Woodland
25. Other City and County Agencies (Health, Fire, Public Works, and Planning) may be required to approve the project prior to a building permit being issued.
Recycle plan is required at time of permit issuance along with a \$1000 deposit.
Prior to **any** demolition work being performed, clearance from Yolo Solano Air Quality Management District is required.
26. Any deferred submittals that are not a part of the initial permit application must be listed on the cover sheet of the plan at the time of application for the project.
27. All plans, computations and specifications to be prepared and designed by an architect or engineer licensed by the state of California.
28. 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.

Fire Conditions

The following comments are from the City of Woodland Fire Department and are applicable to the referenced project:

29. **Project Condition. Prior to permit approval to install gates or barriers:** The installation of perimeter fencing, gates, or obstacles that obstruct fire apparatus access roads shall require a separate plan submittal, review, and approval by the Woodland Fire Department prior to installation.
30. **Advisory:** An operational permit for a Cannabis dispensary will be required. The permit(s) will cost \$342.00 and be billed at the time of the fire inspection.
31. **Advisory:** Addressing and suite numbers shall be readily visible, contrasting in color to the background.
32. **Project Condition. Prior to permit approval:** Tennant improvement plans shall be submitted to the City of Woodland Building and Fire Department for review and approval due to the interior remodel of the space.
33. **Advisory:** Please be aware that, at a minimum or as applicable, the following items will be inspected, tested, or reviewed at the time of inspection.

- Existing exit signs and emergency lighting shall be in good working order and capable of supplying illumination for not less than 90 mins. Testing records are required. Test to be conducted at fire inspection.
- New and existing fire extinguishers shall be current and labeled with a State Fire Marshal-approved service label.
- Existing exits, exit doors, and door hardware are not obstructed, are in good working order, and shall meet the minimum requirements of the CFC.
- Housekeeping shall be orderly, and storage shall be stored in an approved manner per the CFC.
- All electrical and cords shall comply with the CFC.
- All electrical panels shall have a minimum 36-inch clearance before the panel.
- Verify that the address and suite numbers are visible from the assigned street.
- Verify fire lanes are marked.
- Verify all landscaping is three feet away from fire department equipment.
- Verify that fire department equipment is painted, marked, labeled, and secured as applicable.
- Existing walls and ceilings are free from holes that would lead to fire extension.
- Verify Knox Box keys.

Police Conditions

The following comments are from the City of Woodland Police Department and are applicable to the referenced project:

34. Security personnel shall be on site twenty-four hours a day or alternative security as authorized by the city manager or his/her designee(s), and must have a verified response security patrol when closed. Security personnel must be licensed by the state of California Bureau of Security and Investigative Services personnel and shall be subject to the prior review and approval of the city manager or his/her designee (s), with such approval not to be unreasonably withheld. Firearms may be carried by security personnel while they are on duty if authorized by the chief of police.
35. **Security Plan.** Prior to issuance of a Business Cannabis Permit, applicant shall submit a final Security Plan and Lighting Plan pursuant to Woodland Municipal Code Section 5.28.260, Cannabis Business Site Security, for review and approval by the Police Chief and Community Development Director. Photometric data may be required to indicate that parking and public areas are equipped with one (1) foot-candle of minimum maintained illumination per square foot of parking surface to include the entire paved area or public/employee exterior access ways. Photometric data must also confirm the absence of “hot spots” or areas of ten (10) foot-candle of illumination per square foot or more.

Engineering and Public Works Conditions

The following comments are from the City of Woodland Engineering Division and Public Works Department and are applicable to the referenced project:

General Conditions

36. Prior to building permit issuance, applicant shall obtain an encroachment permit for all work within the public right-of-way including utility connections and water meter, sewer cleanouts, and backflow devices, along with any activity requiring traffic control. The submittal shall include an engineer's

estimate of cost for the public improvements and applicant shall pay a plan check and inspection fee in accordance with the fee schedule. This submittal is separate from the building permit submittal. All public improvements shall conform to the current City of Woodland Standard Specifications.

37. All public improvements are required as a condition of development of this site, and shall be completed prior to certificate of occupancy of the building.

Fees:

38. Owner shall pay all permit fees for construction of offsite infrastructure improvements under the encroachment permit, as approved by City Council and defined in the City Fee Schedule.
39. The conditions of approval set forth herein include certain fees, dedication requirements, reservation requirements and/or other exactions. Pursuant to Government Code, Section 66020(d), these conditions constitute written notice of the amount of such fees, and a description of the dedications, reservations and other exactions.

The applicant is hereby notified that the 90-day protest period, commencing from the date of project approval, has begun. If the applicant fails to file a timely protest regarding any of the fees, dedication requirements, reservation requirements and/or other exactions contained in this notice, complying with all the requirements of Government Code, Section 66020, the applicant will be legally barred from later challenging such fees, dedications requirements, reservation requirements and/or other such exactions. Notwithstanding the foregoing, the City does not waive any rights it may have to enforce any settlement agreement, memorandum of understanding, or other agreement with the applicant which authorizes the City to impose certain fees, and which may waive the applicant's right to challenge the imposition of some or all of the fees, dedication requirements, reservation requirements, and/or other exactions set forth in these conditions of approval.

Easements Dedications: N/A

Site Design and Frontage Improvements

40. Onsite fire water lateral is in very poor condition and has been a continued issue causing the use of City staff time for both Fire and Public Works Departments. Applicant or Owner shall repair the lateral and damage caused to private and City infrastructure in the following ways:

Applicant shall replace fire lateral and post indicator valve.

The leak washed substantial amounts of soil into the nearest private storm drain inlet and further downstream into the City's storm drain system. Applicant shall jet and vacuum the private storm drain main to E Main St and the next two segments along E Main St downstream to the east to clean up the storm water pollution issues.

During the recent excavation to access the Fire lateral for repair, the conduit for the private parking lot lighting was broken. This needs to be repaired by a qualified electrician to meet lighting requirements for the site.

Parking lot asphalt shall be repaired. Unrepaired asphalt will continue to cause storm water quality issues.

41. The irrigation system (located on the north side of the bldg. is broken and non-operational.
42. The entrance median to the west of the building is filled w/ weeds (some over 4' tall) and needs to have the irrigation repaired and then the median re-planted.

General Application Form

1. OWNER/APPLICANT

Property Owner:

Refoua, LLC & Trojan Investment Group, LLC

Mailing Address:

City State Zip Code:

Phone Number:

E-mail Address:

Project Applicant:

Perfect Union - Woodland, LLC

Mailing Address:

City State Zip Code:

Phone Number:

E-mail Address:

2. PROJECT DESCRIPTION

Project Name:

Perfect Union - Woodland, LLC

Total Acres or Square Feet:

2,695 sq. feet

General Plan Land Use Designation:

Regional Commercial w/ Light Industrial Flex Overlay

Existing Zoning:

RC

Site Address or Location:

1810 E Main Street, Ste 101, Woodland, CA. 95776

Assessor's Parcel Number(s):

027-310-058-000

Is Project in Flood Zone? ☐ Yes ☒ No

Requested Entitlement/Permit Type:

Cannabis Retail Dispensary CUP

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

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

**OPERATING AGREEMENT FOR A CANNABIS RETAIL BUSINESS AND
PRELIMINARY CANNABIS BUSINESS PERMIT
LOCATED IN THE CITY OF WOODLAND**

**PERFECT UNION – WOODLAND, LLC
1810 E MAIN STREET, STE 101, WOODLAND, CA 95776**

This Operating Agreement for a Cannabis Business (hereinafter “Agreement”), dated ____, 2024, (“Effective Date”), is entered into by and between the City of Woodland (the “City”), a California municipal corporation, and Perfect Union – Woodland, LLC, a cannabis retail facility (“Cannabis Business”). The City and Cannabis Business may be referred to herein individually as a “Party” and collectively as the “Parties.”

RECITALS

WHEREAS, On June 21, 2022, the City Council of the City of Woodland approved Ordinance Nos. 1685 and 1686 to allow consideration for up to four retail cannabis businesses within the City of Woodland.

WHEREAS, on February 27, 2023, the City of Woodland opened a competitive application review process for preliminary cannabis business permit applications, which closed on April 5, 2023. A total of 12 Preliminary Cannabis Business Permit applications were received.

WHEREAS, after conducting a complete, thorough, and objective review in consideration of all applications, the four top scoring applications were selected to continue through the final application review process, including the approval of an operating agreement to memorialize the requirements as provided for in the regulations governing commercial cannabis retail permits, Chapter 17.84.120 and 5.28 of the Woodland Municipal code, as well as statements and agreements provided in the application materials and as part of the interview process; and

WHEREAS, Cannabis Business is one of the four top scoring applicants and has applied for and received a Conditional Use Permit concurrently with the approval of this Agreement for the operation of a retail cannabis business at 1810 E. Main Street, Ste. 101, Woodland California, as more specifically described in Exhibit “A”, attached hereto and incorporated herein by this reference (the “**Subject Property**”).

WHEREAS, Section 5.28.180(A)(9) of the Woodland Municipal Code provides that the City shall enter into an Operating Agreement and Indemnification, in conjunction with the issuance of a Cannabis Business Permit, in which the Cannabis Business agrees to abide by the requirements of the Municipal Code and any other operating terms and conditions as mutually agreed by the parties; and

WHEREAS, the City Council of the City of Woodland has determined that there may be both community benefit and potential adverse impacts that may result from the operation of cannabis businesses in the City, and therefore desires to ensure all such impacts are adequately mitigated and offset through the requirement for community benefits the businesses provide to the City and its residents; and

WHEREAS, the Cannabis Business and the City have mutually agreed to certain minimum payments or actions to the City of Woodland to provide for community support projects, programs, and other services and activities that will positively contribute to the community and minimize any adverse impacts or increases in need for services caused by the operation of the Cannabis Business in the community.

NOW, THEREFORE, in consideration of the mutual promises, conditions, and covenants set forth herein, the Parties agree as follows:

AGREEMENT

1. Incorporation of Recitals. The Recitals, and all defined terms set forth in this Agreement, are hereby incorporated into this Agreement as if set forth herein in full.

2. Definitions. The following terms shall have the following meanings for purposes of this Agreement, but other terms may be defined elsewhere in this Agreement.

- A. “Assignment” means: (i) a sale, exchange or other transfer of this Agreement, the Cannabis Business’s rights hereunder, or substantially all of the Cannabis Business’s assets dedicated to operation of the retail cannabis business under this Agreement to a third party; (ii) a sale, exchange or other transfer of thirty (30) percent or more of the outstanding common stock of the Cannabis Business; (iii) any reorganization, consolidation, merger re-capitalization, stock issuance or re-issuance, voting trust, pooling agreement, escrow arrangement, liquidation or other transaction to which Cannabis Business or any of its shareholders is a party which results in a change of ownership or control of thirty (30) percent or more of the value or voting rights in the stock of Cannabis Business; and (iv) any combination of the foregoing (whether or not in related or contemporaneous transactions) which has the effect of any such transfer or change of ownership, provided that the effect of such occurrence is to change control of Company or responsibility for this Agreement to an entity that is not controlled by Company’s ultimate parent entity (as defined on the Effective Date of this Agreement in 16 CFR § 801.1(a)(3)).
- B. “Cannabis business permit” means the regulatory permit issued by the City to the Cannabis Business pursuant to the provisions of Chapter 5.28 of the Woodland Municipal Code.
- C. Cannabis retailer” means a premises permanently located in the City licensed by the State of California pursuant to the Medicinal and Adult-Use Cannabis Regulation and Safety Act, California Business and Professions Code Section 26000 et seq., as may be amended, where cannabis is provided for retail sale to consumers, including an establishment that delivers cannabis as part of a retail sale, as permitted by Chapter 17.84.120 of the Woodland Municipal Code.
- D. “City” means the City of Woodland.
- E. “City Permits” means all building permits, conditional use permits, zoning amendments, operating agreements, and other permits, including the Cannabis

Business Permit, licenses, entitlements, and agreements that the City, acting in its governmental capacity, must issue or approve for the Cannabis Business to operate in accordance with this Agreement.

- F. “Commencement Date” means the date that all of the following have occurred: (1) the City has issued all necessary City Permits; (2) the Cannabis Business has obtained all necessary State Licenses to operate; and (3) the Cannabis Business has obtained a certificate of occupancy.
- G. “Community Development Director” means the Community Development Director and his or her designee.
- H. “Conditional Use Permit” means the conditional use permit issued by the City to the Cannabis Business pursuant to Chapter 17.100.100 of the Woodland Municipal Code.
- I. “Effective Date” means the date first entered above as the Effective Date that both Parties have signed this Agreement.
- J. “Gross Receipts” means the total amount actually received or receivable from sales and the total amounts actually received or receivable for the performance of any act or service, of whatever nature it may be, for which a charge is made or credit allowed, whether or not such act or service is done as a part of or in connection with the sale of materials, goods, wares or merchandise. Included in “gross receipts” shall be all receipts, cash, credits and property of any kind or nature, without any deduction therefrom on account of the cost of the property sold, all cost of materials used, labor or service costs, interest paid or losses or other expenses. The following shall not be included in the definition of “Gross Receipts: (1) Cash discounts allowed and taken on sales; (2) Such part of the sale price of property returned by purchasers upon rescission of the contract of sale as is refunded either in cash or by credit; and (3) Receipts of refundable deposits, except that refundable deposits forfeited and taken into income of the business shall not be excluded.
- K. “Manager” means a person with responsibility and authority over the establishment, management, supervision, or oversight of the operation of the Cannabis Business.
- L. “State License” means all licenses required to be issued by the State of California for operation of the Cannabis Business pursuant to Division 10 of the Business and Professions Code and applicable state regulations, including Division 42 of Title 16, Division 8 of Title 3, and Division 1 of Title 17 of the California Code of Regulations, as those provisions may be amended.
- M. “Subject Property” means that certain property located at 1810 E. Main Street, Ste. 101 Woodland California, as more specifically described in Exhibit “A”, attached hereto and incorporated herein by this reference, which is the location of the Cannabis Business’s retail cannabis business.
- N. “Term” means the period of time this Agreement is in effect, and any renewal periods, as specified in Section 3.

3. Term of Agreement. The Term of this Agreement shall commence on the Effective Date and continue for a period of two (2) years therefrom (“Initial Term”), unless earlier terminated as specified in this Agreement. Prior to the expiration of the Initial Term and any subsequent Renewal Period, the Parties may mutually agree to extend the Term of this Agreement for up to two (2) additional two-year (2-year) terms to run consecutively (each a “Renewal Period”).

4. General Terms and Conditions. The Cannabis Business shall comply with all of the following terms and conditions for the Term of this Agreement:

- A. This Agreement is only valid for the Cannabis Business at the Subject Property identified in this Agreement. An assignment of this Agreement or any interest herein by the Cannabis Business is not permitted unless consented to in advance in writing by the City, which consent may be conditioned, granted or withheld in City’s sole and absolute discretion.
- B. The applicant shall apply for and receive approval for a final Cannabis Business Permit and all other required City permits, such as building permits, including receipt of a Certificate of Occupancy, prior to commencement of operations.
- C. Any conditions placed on the Cannabis Business Permit and the Conditional Use Permit are hereby incorporated as conditions of this Agreement. Violations of the Cannabis Business Permit, the Conditional Use Permit and/or applicable State Licenses shall be deemed violations of this Agreement and shall constitute a material breach of this Agreement.
- D. The applicant shall commence operation of the cannabis business within 12 months of the approval date of the CUP consistent with Section 17.96.130 of the Woodland Municipal Code, or the City will withdraw the preliminary business permit award and this agreement shall be null and void.
- E. The Cannabis Business shall obtain and maintain at all times a valid Cannabis Business Permit, Conditional Use Permit, and applicable State License(s) prior to and during operation of the Cannabis Business.
 - i. As soon as practicable, the Cannabis Business shall inform the City when it obtains its necessary State License(s), and shall provide a copy of the State License(s) to the Community Development Director. The City shall cooperate with the Cannabis Business as appropriate and as needed to facilitate the State’s issuance of a State License(s) to the Cannabis Business.
 - ii. The City shall diligently process the Cannabis Business’s applications for all City Permits. This Agreement does not commit the City in advance to approve the City Permits; nor does this Agreement constrain the City’s discretion to determine compliance with all requirements regarding issuance of any City Permits. Nothing in this Agreement relieves the Cannabis Business of the obligation to comply with all requirements and application procedures set forth in Chapter 5.28 and Section 17.84.120 of the Woodland Municipal Code.

- F. The Cannabis Business understands, acknowledges and agrees to comply with all applicable then-existing state and local laws and regulations applicable to operation of the Cannabis Business, including Chapter 5.28 of the Woodland Municipal Code.

5. Operational Requirements. In addition to all operating requirements set forth in Article IV of Chapter 5.28 of the Woodland Municipal Code, the Cannabis Business shall comply with the following specific operational requirements:

- A. The Cannabis Business shall immediately notify the City Police Department of any criminal activity, or suspected criminal activity, occurring at the Subject Property. In the event of any internal security system breach, including a faulty alarm system, broken or damaged surveillance cameras or other video recording equipment, or broken or damaged locks, doors, or lighting which may increase risk of criminal activity at the Subject Property, the Manager of the Cannabis Business shall notify the City Police Department as soon as practicable after becoming aware of the security system breach. The Cannabis Business shall diligently attempt to fix or resolve any such security breach immediately; if circumstances require additional time and delay to remedy, the Cannabis Business shall so notify City police and provide an estimated timeline the breach will be cured.
- B. If the Cannabis Business receives any criminal threats, or otherwise suspects any criminal targeting related to movement of product or cash from or to the Subject Property, the Cannabis Business shall immediately notify the City Police Department.
- C. The City's Chief of Police, or his or her designee, may perform site inspections of the Cannabis Business during hours of operation, upon reasonable notice. The scope of the inspection shall be to ensure compliance with all conditions on the Cannabis Business, including compliance with state rules and regulations, such as but not limited to, track and trace requirements, product storage, labeling, and disposal of product, as well as accounting, ledgers for distribution, and other records and operating procedures. Upon reasonable notice by the City, the Cannabis Business shall provide proof, including through visual observation and confirmation by City staff, of any storage, disposal or distribution of product as may be necessary to ensure business compliance. Should the City discover any evidence of falsification of records or other practices inconsistent with City or State requirements, the Cannabis Business shall, upon written notice from the City, immediately cease and desist operations until such time that the issues have been resolved, to the satisfaction of the City, in accordance with state and local regulations.

6. Consideration. As consideration for the rights and benefits it enjoys under this Agreement, including its operation of approved cannabis uses in the City during the Term, the Cannabis Business shall do all of the following:

- A. Tax Payment. The cannabis business shall pay the required ten (10%) percent tax as required per Woodland Municipal Code Chapter 3.36, Cannabis Business Tax.

- i. Monthly Payments shall be calculated per calendar month, due and payable on the 15th day of the subsequent calendar month in accordance with Woodland Municipal Code Section 3.36(B). By way of example only, a Monthly Payment for the month of September would be calculated from September 1 through September 30, due and payable on October 15.
 - ii. If a Monthly Payment is not paid in full within fifteen (15) days after it is due and payable, penalties and interest shall accrue as set forth in Woodland Municipal Code Section 3.36.100.
 - iii. Monthly Payments shall be made to the City's Finance Department. In the event the Cannabis Business intends to pay a Monthly Payment in cash in an amount that exceeds \$5,000, the Cannabis Business shall notify the City in advance to make prior arrangements.
 - iv. Accompanying the Monthly Payment, the Cannabis Business shall deliver to the City a report ("the Monthly Report") showing (1) Gross Receipts of the Cannabis Business for the immediate prior month; 2) a cumulative total of all amounts of Gross Receipts received by the Cannabis Business to date for the calendar year, (3) a calculation of the Monthly Payment currently due to the City; and (4) a calculation of the cumulative total of all Monthly Payments made to the City to date for the calendar year.
- B. Community Benefits Plan. Pursuant to Section 5.28.180 (A)(6)(b), Exhibit "B" to this agreement, Community Benefit Plan, which is attached hereto and incorporated into this Agreement by this reference, describes the benefits the cannabis business has provided or will provide to the local community including direct aid, participation in, and commitment to funding the work of local nonprofits, community, civic, or social service based organizations, as well as the development of public outreach and education program related to risks of youth and drugs, and any other agreed upon community benefit between the City and applicant. The Cannabis business shall comply with and implement that Community Benefit Plan as a requirement of this Agreement.
- i. Each year, at the time of the annual Cannabis Business Permit review, the Cannabis business shall submit a Community Benefits Plan Summary Report in which all activities in support of local community organizations or events as outlined in the Community Benefit Plan (Exhibit "B"), including the Community Benefit Payment, shall be identified, including the community service hours provided by the cannabis business (inclusive of staff service volunteer hours) in the year, and the Cannabis Business shall provide to City or its designee all appropriate receipts, payment verification and any other documentation requested by City as deemed necessary by City in its discretion to verify the Cannabis business's compliance with the Community Benefit Plan.

C. Social Policy and Local Enterprise Plan. Pursuant to Section 5.28.180(A)(6)(c), Exhibit “C” to this Agreement describes the Cannabis Business’s Social Policy and Local Enterprise Plan.

i. Each year, at the time of the annual Cannabis Business Permit review, the Cannabis Business shall submit an updated Social Responsibility and Local Enterprise Plan in which the employee benefits, workforce development actions, local hiring practices, and minimum employee wage paid are identified for the prior year.

i. Minimum agreed upon hourly wage (living wage). The Cannabis Business hereby agrees to provide a minimum hourly working wage in the amount of \$20 for remainder of the calendar year following the Effective Date of this Agreement. The wages for employees of the Cannabis Business shall increase at the same rate as the state minimum wage.

D. Cannabis Business agrees to abide by the requirements of Chapter 5.28 of the Woodland Municipal Code and any other operating terms and conditions as mutually agreed by the parties to ensure that the social policy and local enterprise plan commitments and community benefits derived from the proposed cannabis business adequately address potential adverse impacts stemming from the operation of the Cannabis Business.

E. Records. The Cannabis Business shall keep accurate and adequate records and documentation to reflect its monthly gross receipts and information concerning required payments. Pursuant to section 5.28.340 of the Woodland Municipal Code, the Cannabis Business shall maintain all such records for at least three (3) years, and shall produce those records to the City within 24 hours after receipt of the City’s request.

7. **Termination.** The City and/or Cannabis Business may terminate this Agreement prior to expiration of the Term for the reasons and subject to the requirements set forth below. The Cannabis Business understands and acknowledges that the right to operate the Cannabis Business is expressly contingent on full execution of an Operating Agreement, as required by section 5.28.180(A)(9) of the Woodland Municipal Code. As such, termination of this Agreement shall result in the immediate termination of the Cannabis Business’s operations, unless and until a new Operating Agreement is executed by the Parties

A. City’s Termination Rights. Without prejudice to its other remedies at law or in equity, the City may terminate this Agreement, at any time and in its sole discretion, effective thirty (30) days after the City provides written notice of termination to the Cannabis Business, if any of the following circumstances occurs:

i. The Cannabis Business breaches its obligation to pay the Monthly Payments of the Cannabis business tax when due and fails to cure the breach within thirty (30) days after the City provides the Cannabis Business with a written notice of default.

- ii. The Cannabis Business breaches its obligation to perform in accordance with any material provision of this Agreement, other than the obligation to pay the Monthly Payment, and: (A) does not cure the breach within thirty (30) days after the City provides the Cannabis Business with a written notice of breach or, if the breach cannot reasonably be cured within 30 days, (B) does not begin work to cure the breach within thirty (30) days after the City provides the Cannabis Business with a written notice of breach. The Parties may mutually agree in writing to extend the time period to cure the breach. The express designation in this Agreement of a provision as “material” does not imply that other provisions are not material.
 - iii. The Cannabis Business fails to obtain and maintain at all times prior to and during operation of the Cannabis Business a valid Cannabis Business Permit and State License(s), or violates any condition of approval of the Conditional Use Permit.
 - iv. The uses and business activities of the Cannabis Business are declared unlawful by order of Court, or become illegal by operation of State law.
- B. Cannabis Business’s Termination Rights. The Cannabis Business may, at any time and in its sole discretion, effective thirty (30) days after the Cannabis Business provides written notice of termination to the City, may terminate this Agreement if the Cannabis Business has permanently ceased operations, or intends to cease operations within thirty (30) days, in the City of Woodland.

8. Release & Indemnification. The Cannabis Business shall release and hold harmless the City, its agents, officers, elected officials, staff and employees (collectively, “City Parties”) from any and all claims, injuries, damages, or liabilities of any kind arising from: (i) any repeal or amendment of Chapter 5.28 of the Woodland Municipal Code, or any provision of the Zoning Code relating to the Cannabis Business, and (ii) any arrest or prosecution of the Cannabis Business or its owners, Managers, staff, employees, or members for violation of state or federal laws. The Cannabis Business shall further defend, indemnify and hold harmless the City Parties from and against any and all claims or actions: (i) brought by adjacent or nearby property owners or any other parties for any damages, injuries, or other liabilities of any kind arising from or related to the Cannabis Business operations at the Subject Property, and (ii) brought by any party for any problems, injuries, damages, or other liabilities of any kind, including bodily injury, death or property damage, arising out of the distribution of cannabis or cannabis products at the Subject Property. The obligations in this Section 8 Release & Indemnification shall survive any expiration or termination of this Agreement.

9. Insurance.

- A. Time for Compliance. The Cannabis Business shall not begin operations until it has provided evidence satisfactory to the City that it has secured all insurance required under this section. Failure to provide and maintain all required insurance shall constitute a material breach of this Agreement.

B. Types of Required Coverages. Without limiting the indemnity provisions of this Agreement, the Cannabis Business shall procure and maintain in full force and effect during the term of the Agreement, the following policies of insurance:

- i. Commercial General Liability. Commercial General Liability Insurance which affords coverage at least as broad as Insurance Services Office “occurrence” form CG 0001, with minimum limits of at least \$1,000,000 per occurrence. Defense costs shall be paid in addition to the limits.

The policy shall contain no endorsements or provisions limiting coverage for (1) products and completed operations; (2) contractual liability; (3) third party action over claims; or (4) cross liability exclusion for claims or suits by one insured against another.

- ii. Automobile Liability. Automobile Liability Insurance with coverage at least as broad as Insurance Services Office Form CA 0001 covering “Any Auto” (Symbol 1) with minimum limits of \$1,000,000 each accident.
- iii. Workers’ Compensation. Workers’ Compensation Insurance, as required by the State of California and Employer’s Liability Insurance with a limit of not less than \$1,000,000 per accident for bodily injury and disease.

If coverage is written on a claims-made basis, the retroactive date shall precede the effective date of the initial Agreement and continuous coverage will be maintained or an extended reporting period will be exercised for a period of at least three (3) years from termination or expiration of this Agreement.

C. Endorsements.

- i. The policy or policies of insurance required by this section for Commercial General Liability and Automobile Liability shall be endorsed to provide the following:
 - a. Additional Insured. The City’s indemnified parties shall be additional insureds with regard to liability and defense of suits or claims arising out of the performance of the Agreement. Additional Insured Endorsements shall not (1) be restricted to “ongoing operations”; (2) exclude “contractual liability”; (3) restrict coverage to “sole” liability of Consultant; or (4) contain any other exclusions contrary to the Agreement.
 - b. Primary Insurance and Non-Contributing Insurance. This insurance shall be primary and any other insurance, deductible, or self-insurance maintained by the indemnified parties shall not contribute with this primary insurance.
 - c. Severability. In the event of one insured, whether named or additional, incurs liability to any other of the insureds, whether named or additional,

the policy shall cover the insured against whom claim is or may be made in the same manner as if separate policies had been issued to each insured, except that the limits of insurance shall not be increased thereby.

- d. Cancellation. The policy shall not be canceled or the coverage suspended, voided, reduced or allowed to expire until a thirty (30) day prior written notice of cancellation has been served upon the City except ten (10) days prior written notice shall be allowed for non-payment of premium.
 - e. Duties. Any failure by the named insured to comply with reporting provisions of the policy or breaches or violations of warranties shall not affect coverage provided to the indemnified parties.
 - f. Applicability. That the coverage provided therein shall apply to the obligations assumed by the Cannabis Business under the indemnity provisions of this Agreement, unless the policy or policies contain a blanket form of contractual liability coverage.
- ii. The policy or policies of insurance required by this section for Workers' Compensation shall be endorsed, as follows:
- a. Waiver of Subrogation: A waiver of subrogation stating that the insurer waives all rights of subrogation against the City's indemnified parties.
 - b. Cancellation. The policy shall not be canceled or the coverage suspended, voided, reduced or allowed to expire until a thirty (30) day prior written notice of cancellation has been served upon the City except ten (10) days prior written notice shall be allowed for non-payment of premium.
- D. Deductible. Any deductible or self-insured retention must be approved in writing by the City and shall protect the City's indemnified parties in the same manner and to the same extent as they would have been protected had the policy or policies not contained a deductible or self-insured retention.
- E. Evidence of Insurance. The Cannabis Business shall, concurrently with execution of this Agreement or as soon thereafter as may be authorized by the City, deliver either certified copies of the required policies, or original certificates and endorsements on forms approved by the City. The certificates and endorsements for each insurance policy shall be signed by a person authorized by that insurer to bind coverage on its behalf. At least fifteen (15) days prior to the expiration of any such policy, evidence of insurance showing that such insurance coverage has been renewed or extended shall be filed with the City. If such coverage is cancelled or reduced, the Cannabis Business shall, within ten (10) days after receipt of written notice of such cancellation or reduction of coverage, file with the City evidence of insurance showing that the

required insurance has been reinstated or has been provided through another insurance company or companies.

- F. Failure to Maintain Coverage. The Cannabis Business agrees to suspend and cease all operations hereunder during such period of time if the required insurance coverage is not in effect and evidence of insurance has not been furnished to the City.
- G. Acceptability of Insurers. Each such policy shall be from a company or companies with a current A.M. Best's rating of no less than A:VII and authorized to do business in the State of California, or otherwise allowed to place insurance through surplus line brokers under applicable provisions of the California Insurance Code or any federal law.
- H. Insurance for Subcontractors. All subcontractors shall be included as additional insureds under the Cannabis Business's policies, or the Cannabis Business shall be responsible for causing subcontractors to purchase the appropriate insurance in compliance with the terms of this Agreement, including adding the City as an Additional Insured.

10. Notice. Any notice or other communication provided pursuant to this Agreement must be in writing and shall be considered properly given and effective only when mailed or delivered in the manner provided by this Section 11 to the persons identified below. A mailed notice or other communication shall be considered given and effective on the third day after it is deposited in the United States Mail (certified mail and return receipt requested). A notice or other communication sent in any other manner will be effective or will be considered properly given when actually delivered. A Party may change its address for these purposes by giving written notice of the change to the other Party in the manner provided in this Section 11.

If to the City:

City of Woodland
City Manager's Office
300 First Street
Woodland, California 95695
Attention: Ken Hiatt

If to Cannabis Business:

11. Force Majeure.

- A. "Force Majeure Event" means a cause of delay that is not the fault of the Party who is required to perform under this Agreement and is beyond that Party's reasonable control, including the elements (such as floods, earthquakes, windstorms, and unusually severe weather), fire, energy shortages or rationing, riots, acts of terrorism, war or war-defense conditions, acts of any public enemy, epidemics, the actions or inactions of any governmental entity (excluding the City) or that entity's agents, litigation, labor shortages (including shortages caused by strikes or walkouts), and materials shortages.

- B. Except as otherwise expressly provided in this Agreement, if the performance of any act required by this Agreement to be performed by either the City or Cannabis Business is prevented or delayed because of a Force Majeure Event, then the time for performance shall be extended for a period equivalent to the period of delay, and performance of the act during the period of delay will be excused.

12. Waiver. A Party's failure to insist on strict performance of this Agreement or to exercise any right or remedy upon the other Party's breach of this Agreement shall not constitute a waiver of any performance, right, or remedy. A Party's waiver of the other Party's breach of any provision in this Agreement shall not constitute a continuing waiver or a waiver of any subsequent breach of the same or any other provision. A waiver is binding only if set forth in writing and signed by the waiving Party.

13. Relationship of Parties. This Agreement does not create any employment relationship, ownership interest, or other association between the City and Cannabis Business. Nothing herein shall be construed to create the relationship of principal and agent, partnership or other joint venture between the City and Cannabis Business.

14. Attorneys' Fees. The Party prevailing in any litigation concerning this Agreement, the Subject Property, or the Cannabis Business operations, shall be entitled to an award by the court of reasonable attorneys' fees and litigation costs. If the City is the prevailing party, then this Section shall apply whether the City is represented in the litigation by the designated City Attorney or by outside counsel.

15. Severability. If a court with jurisdiction finds any provision of this Agreement to be invalid, void, or unenforceable, then the remaining provisions shall remain in full force and effect, and to this end this Agreement shall be severable.

16. Counterparts. The parties may execute this Agreement in counterparts, each of which shall constitute an original, but all of which shall collectively constitute this same Agreement.

17. Integration and Modification. This Agreement sets forth the Parties' entire understanding and agreement regarding the matters addressed herein. This Agreement supersedes all prior or contemporaneous agreements, representations, and negotiations (written, oral, express, or implied) and may be modified only by written agreement signed by both Parties.

(Signature Page Follows)

IN WITNESS WHEREOF, the parties enter into this Agreement as of the date first set forth on this Agreement.

City of Woodland

**Cannabis Business:
Perfect Union – Woodland, LLC**

By: _____
Ken Hiatt, City Manager
Dated: _____, 2024

By: _____
Dated: _____, 2024

Approved as to Form
Woodland City Attorney

By: _____
Dated: _____, 2024

By: _____
Ethan Walsh, City Attorney

EXHIBIT “A”

DESCRIPTION OF SUBJECT PROPERTY

[Insert Legal Description]

DRAFT

EXHIBIT “B”

COMMUNITY BENEFIT PLAN

Perfect Union – Woodland LLC

Community Benefit Payment

Perfect Union will commit to contributing 2% of their annual business gross receipts per year to active 501(c)(3) non-profits active in the City of Woodland.

Community Support for Local Non-Profits and Organizations

Perfect Union commits to contributing to community-based projects and with guidance from the City identifying local funding opportunities commits to partnering with charities and non-profit organizations to support and fund projects through grants and volunteerism. The main areas of focus for Perfect Union include hunger, homelessness, education, youth development, and public services.

Present Donations:

Employee Volunteer Program

- Perfect Union is committed to ensuring that staff volunteer at local non-profits and community organizations each month.
- Perfect Union is committed to encouraging employees to participate in company-sponsored community activities.
- Perfect Union commits to compensating employees for up to ten (10) hours per month for volunteer work with designated organizations.

Non-Profit Partnerships

Perfect Union commits to continue to work with local non-profits within the City of Woodland and Yolo County that focus on food insecurity, homelessness, youth education and development, domestic violence, rehabilitation, drug abuse prevention, and community-based services.

Perfect Union commits to continued work with groups such as the following non-profits in the City of Woodland and Yolo County:

- Yolo Meals on Wheels
- Thriving Pink
- Yolo County Heritage Foundation
- Yolo Conflict Resolution Center
- Woodland Food Closet
- Woodland Recreation Foundation
- Yolo County Public Defender’s Office CARES Program

Perfect Union commits to providing In-house Services such as the following:

- *Compassion Program*

Under H&S § 11362.71, qualified individuals may receive free cannabis once a month. All individuals must comply with the aforementioned Health and Safety Code to be eligible.

- *Reduced Pricing Plan*

Seniors and veterans receive a 10% discount

Youth Education and Outreach:

Perfect Union – Woodland, LLC commits to partnering with local government to create a comprehensive approach that reaches youth, families, schools, neighborhoods, and communities and reflects the cultural, ethnic, racial, linguistic, and LGBTQ diversity of the city. The framework includes:

- Developing targeted media messaging
- Limiting youth access to cannabis
- Addressing current laws, policies, and practices
- Understanding and redirecting social norms
- Using evidence-driven methods, we believe an expansive menu of environmental prevention strategies and cohesive partnerships have the highest potential to produce population-level change and promote public safety.

EXHIBIT “C”

SOCIAL POLICY AND LOCAL ENTERPRISE PLAN

Local Hiring

Perfect Union is committed to hiring all employees directly from the City of Woodland, creating twenty (20) jobs once operations are fully established. The company is committed to working with UFCW, the Woodland Chamber of Commerce, Woodland Express Employment Professionals, and other local job search organizations to find qualified candidates.

Employee Wages and Compensation

Perfect Union is committed to offering a living wage starting at \$20 per hour, which may be higher based on experience, knowledge, and position, and employees will also be able to receive tips and gratuities.

Perfect Union is committed to providing employees with monthly volunteer hours with local non-profits. The company is committed to paying employees for each hour they participate in community service, up to ten (10) hours per month. This allows employees to earn up to one hundred and twenty (120) hours of paid volunteer work per year.

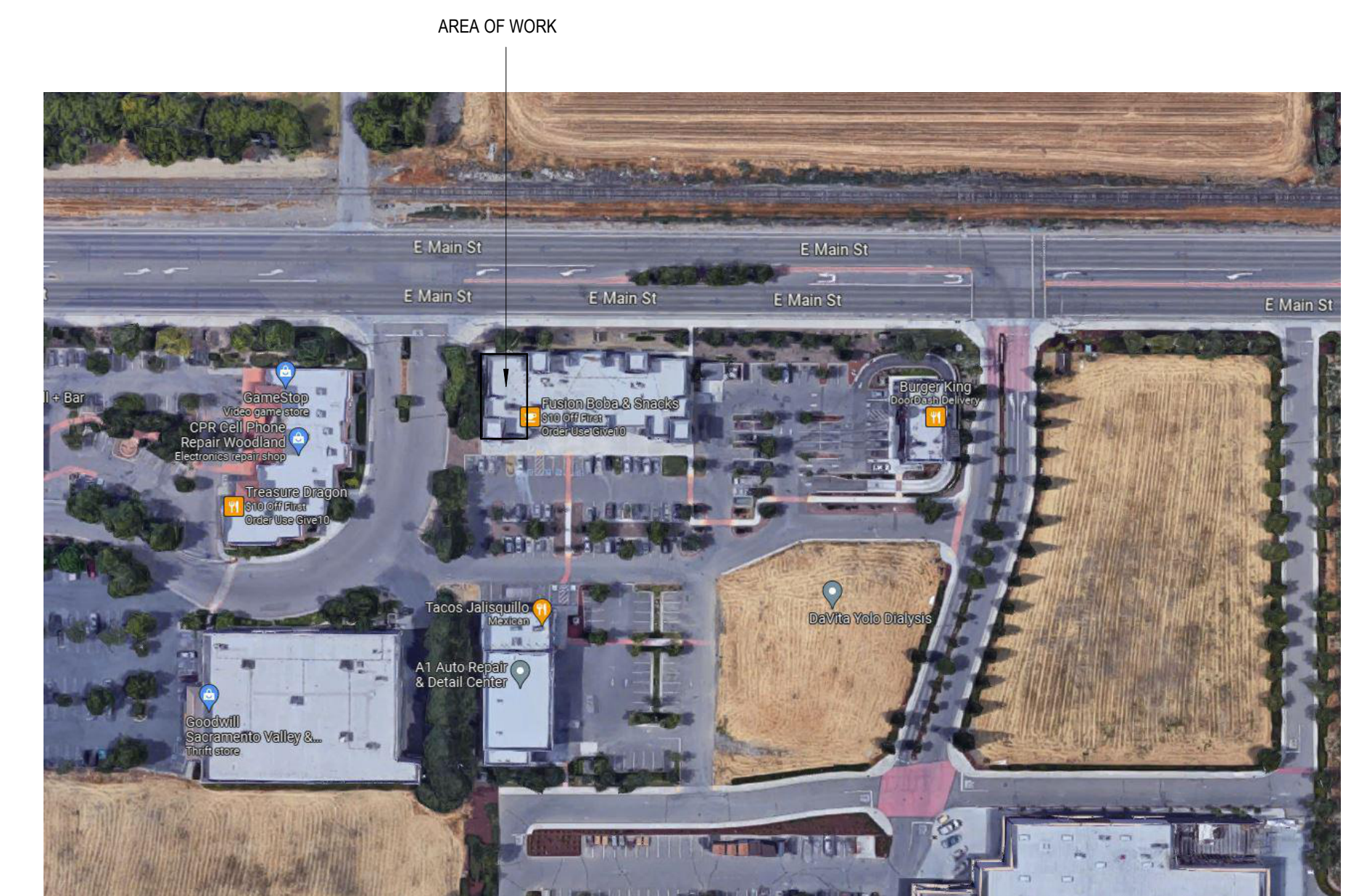
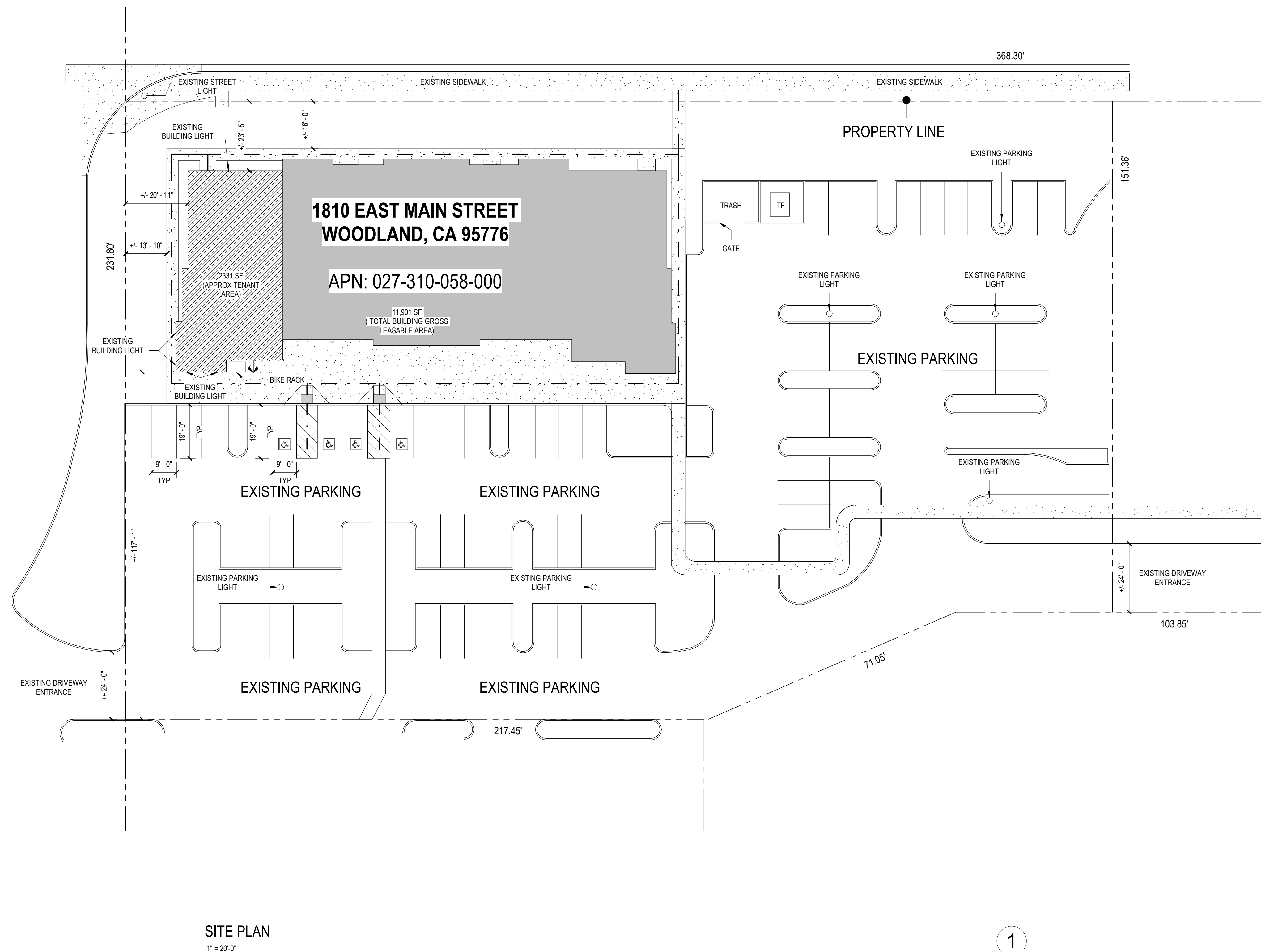
Continuing Education

Perfect Union is committed to partnering with the United Food and Commercial Workers International Union (UFCW) to develop the UFCW Cannabis Pharmacy Technician Apprenticeship which would include 2,000 hours of training focused on safety, packaging, patient/customer verification, and best business practices.

Perfect Union is committed to utilizing programs such as the RISE for continuing education on state and local law, internal policies and procedures, products, consumption, cannabinoids, and the endocannabinoid system. Perfect Union is committed to providing employee training on topics such as cannabis compliance, Emergency Action Plan, Illness and Injury Prevention Plans, active shooter, robberies and burglaries, the history of cannabis, sexual harassment, and discrimination.

Support for Local Enterprises

Perfect Union is committed to carrying locally manufactured brands to the Woodland community. It will offer 20% of its retail floor shelf space to local brands.



VICINITY MAP
SCALE: NOT TO SCALE

2)

SITE PLAN

A2.0

10/04/2023
2204041.10

WOODLAND
1810 EAST MAIN STREET WOODLAND, CA 95776



16. Neighborhood Compatibility and Community Relations Plan

This information has been included in the Preliminary Cannabis Business Permit Application. Please see Section E, page 94.

Neighborhood Compatibility and Community Relations Plan Summary

Director of Community Relations & Local Owner

Mark Pemberton, Perfect Union's Director of Community Relations, will be responsible for outreach and communication with the surrounding community. His email, phone number, and address will be provided to the City Manager or designee, the Woodland Police and Fire Department, and any surrounding businesses and neighbors within 1,000 feet of the facility. This inclusive approach underscores Perfect Union's commitment to engaging with the entire community.

Open House – National Night Out

Perfect Union has held two open house events to address the community and neighbors' concerns on National Night Out. Surrounding businesses, neighbors, Woodland PD, and Woodland FD, have attended both open houses. The community was welcoming to our business and we are honored at the opportunity to serve them.

Good Neighbor Commitment

Perfect Union is committed to being a good neighbor, to ensure we uphold our standards, we have a Good Neighbor Commitment Policy.

- Restricting membership to legally qualified customers
- Providing adequate security to protect customers and the neighborhood
- Maintaining a clean facility in good repair
- Educating members about rules and appropriate behavior in and around the facility
- Preventing nuisance activity like loitering or litter
- Excluding customers who break the rules or divert medication for non-medical use
- Keeping lines of communication open with neighbors, officials, and law enforcement
- Responding to community concerns

Good Neighbor Policy

Perfect Union has a stringent Good Neighbor Policy that all customers and staff are expected to adhere to. This includes being mindful of parking, reducing noise in the parking lot, and refraining from illegal parking. If a guest or employee feels unsafe, they can request a security escort. We expect everyone to be respectful and report any suspicious activity to security. Failure to comply with this policy may result in a guest being removed from the approved customer list. All employees must also abide by this policy; failure to abide may result in formal disciplinary action.

Mitigation Plan for Noise, Light, Odor, and Traffic

Noise

The interior design will be constructed to baffle the noise from the facility's exterior. To prevent noise from the facility from accidentally bleeding out into the exterior of the premises, Perfect Union will utilize security staff to monitor the exterior noise levels.

Light

The interior of the facility is lit with a warm, soft glow that makes products readily discernable. The exterior lighting is designed to keep guests and employees safe at all times while not imposing on our neighbors with light pollution. This is implemented using pedestrian-friendly techniques and Crime Prevention Through Environmental Design (CPTED) features to direct light away from neighbors but directly onto the premises, pedestrian walkways, and parking areas.

Odor

Further detailed in the Odor Control Plan, Perfect Union has proven its odor control techniques successful throughout its existing retail dispensaries. Perfect Union uses carbon filters and a high-velocity HVAC system to mitigate odor. To prevent odor complaints, security staff will walk the premises throughout the day to monitor for any odor from the facility. They will also ensure no customers are consuming products on-site, smoking cannabis or cigarettes, or loitering within 50 feet of the facility. If a guest or an individual is found to be violating this policy, security will ask them to leave the premises. Guests who consume on-site will be banned from revisiting the store.

Odor Detection Form

This form is available for the community to submit if they have any concerns regarding the odor they believe is coming from Perfect Union. Mark Pemberton, along with Angelica Sanchez, will oversee the ODF forms received by the community. Management will be required to walk the site premises to see if they smell the odor; further steps include changing the carbon filters, having a certified contractor inspect the HVAC system for any problems, making repairs if needed, and following up with the original complainant to inform them of the source of the odor and what steps were taken to resolve it.

Vehicle and Pedestrian Traffic

The proposed location has adequate ingress and egress access for vehicles and sufficient parking to meet the needs of our customers. Increased traffic from the suite's prior use as a convenience store is not expected. If that should change, security staff will be deployed to direct the flow of vehicles into and from the parking lot safely and efficiently. Foot traffic is also not expected to increase from the prior use. If foot traffic is heavy, security will create a queue for customers that does not block the pedestrian walkways and allows access for all individuals to use walkways and the parking lot.

Property Maintenance

Perfect Union will ensure the surrounding property is well-maintained, neat, clean, and free from litter or graffiti always. Our staff will conduct visual inspections of our property daily, and we will address any problems with cleanliness or property maintenance as quickly as possible. Property management maintains the parking lot, sidewalks, and vegetation.

Security Culture

Safety for customers and the community is a top priority at our cannabis businesses. Well-run cannabis businesses adopt a security culture to ensure safety. Security culture refers to a set of practices and strategies that work together to maintain community standards.

Security culture may involve the following elements:

- Employing professional, trained security personnel
- Staying alert to prevent any issues that may arise
- Mitigating traffic through the parking lot
- Education customers on Perfect Union's Good Neighbor Policy
- Implementing policies to prevent diversion
- Restricting access to the facility to authorized personnel
- Using security technology and equipment to monitor and secure the facility
- Maintaining communication with local law enforcement
- Conducting yearly safety and security training with the local police and fire department
- Educating staff and members of their rights and responsibilities under the law

Sensitive Uses

Perfect Union has ensured our proposed cannabis business is not located within any State or locally designated buffer zones. In compliance with WMC §17.110.040(C) and the Department of Cannabis Control, Perfect Union's facility will not be within 600 feet of any school providing instruction in kindergarten or grades 1 through 12, a commercial daycare center, youth center, or public park.

Smoking and Alcohol

In compliance with WMC §§5.28.320 – 5.28.330, 5.28.360(C), no person will smoke, ingest, or otherwise consume cannabis in any form within 50 feet of the premises of a cannabis business, and no person will possess, consume, or store any alcoholic beverage on the premises of a cannabis business. Security will enforce this policy by monitoring the facility's premises for anyone in violation. Employees will alert security if they are aware of this policy violation.

Cannabis Recommendations

There will not be a physician located on the premises at any time for the purpose of evaluating patients for the issuance of a cannabis recommendation or card where applicable.

Restrooms

Perfect Union will ensure all restroom facilities will remain locked and under the control of management.

Preventing Youth from Accessing Cannabis

Avoiding Marketing to Youth

In compliance with CCR §15040, any advertising or marketing, as defined in Business and Professions Code §26150, that is placed in broadcast, cable, radio, print, and digital communications will adhere to the following:

- Only to be displayed after we have reliable audience composition data demonstrating **at least 71.6% of the audience is reasonably expected to be 21** years of age or older.
- Will **NOT** use any depictions or images of minors or anyone under 21 years of age.
- Will **NOT** contain the use of toys, inflatables, movie characters, cartoon characters, or include any image designed to be appealing to anyone under 21 years of age.
- Will **NOT** advertise free cannabis goods or giveaways of any type of products, including non-cannabis products. This includes promotions such as:
 - E.g., Buy one product, get one product free, free product with a donation, and contests/raffles.
- The Perfect Union website **requires age verification before entering**. This is to ensure that no persons under twenty-one (21) are viewing our website, in compliance with State and local regulations.

Verification of Age

All IDs are checked at the entrance of the facility before a customer is granted access to the retail floor. No persons under the age of 21 are allowed entry unless they have a verified Medical Marijuana Identification Card or a Verified Doctor's Recommendation.

- Employees and Security are trained on ID Verification and retain a copy of the *I.D. Checking Guide, 2023*, at the front desk to verify any suspicious IDs.
- IDs are scanned using a 2D scanner into the PoS system (Treez) during check-in, where a photo of the ID is saved along with identifying information of the guest. This acts as a backup to ID verification as a preventative method of misuse of a stolen ID.
- Medicinal patient recommendations are verified using the following methods:
 - Doctor's Recommendations will be verified by calling the doctor who wrote the recommendation to confirm its authenticity.
 - MMIC will be verified by using the CDPH online verification system.
 - http://mmic.cdph.ca.gov/MMIC_Search.aspx

Signage

The facility will be posted with signage indicating that no persons under the age of 21 are allowed on the premises. With the exception of medicinal patients at least 18 years of age who hold a valid MMIC or doctor's recommendation.



Child Resistant Packaging

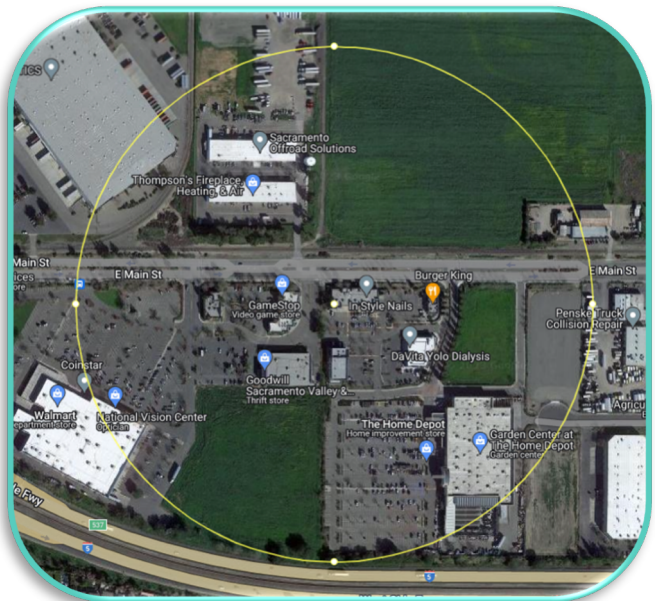
All product at Perfect Union stores will comply with DCC Regulations surrounding Child Resistant and Tamper Proof Packaging, CCR §17412, and WMC §5.28.360(H). If the packaging does not meet legal requirements, the inventory intake manager will reject the shipment before receiving it in METRC, and the vendor will deliver it back to the originating license. Employees are trained to detect packaging types and utilize the Department of Cannabis Control's Packaging Checklist when reviewing product quality.

Child Resistant Packaging Types:

- Single Use (Initial CRP) Initially child-resistant, but once opened, it is no longer child resistant. Package must say "This package is not child-resistant after opening."
 - Cannabis Flower
 - Pre-rolls
 - Topicals
 - Dab, Shatter, Wax
 - Vape Cartridges
- Multiple Use ("Lifetime CRP") The package maintains its child-resistance throughout the life of the package. It can be opened and closed, but remains child-resistant.
 - Edibles
 - Orally Consumed concentrates (tinctures, capsules)
 - Suppositories

1,000-foot Radius Map

Perfect Union – Woodland is located in the Plaza Woodland Shopping Center, directly off E Main Street. Our surrounding neighbors include Fusion Boba & Snacks, InStyle Nails, AT&T, West Coast Barbers, A1 Auto Repair & Detail Center, Burger King, DaVita Yolo Dialysis, Home Depot, Game Stop, Goodwill, CPR Cell Phone Repair, Treasure Dragon, Tacos Jalisquillo, and Applebee's. It is surrounded by the Southeast Area Specific Plan, Community Commercial, Industrial, Open Space, and Interstate uses. While the area is heavily focused on business, agriculture use, and industrial use, the Southeast Area Specific Plan does allow for Residential Use. The nearest residential home is over 1,000 feet away, measuring from property line to property line. The residential area is also separated by Interstate 5, putting a distinct barrier between Perfect Union and any family homes.





CITY OF MARYSVILLE

POLICE DEPARTMENT

316 6th Street • Marysville, CA 95901
Phone: (530) 749-3900 • Fax: (530) 749-3990

Christian S. Sachs
Chief of Police

March 1, 2023

City of Woodland
300 First Street
Woodland Ca. 95695

To Whom It May Concern,

Perfect Union has operated in the City of Marysville since November of 2018 and has gone above and beyond to work collaboratively with law enforcement to protect their employees, customers, and the public safety in the area they serve.

When the City of Marysville first started down the path of considering cannabis business licensing, there were significant concerns about cannabis from both city leadership and the community. To mitigate these concerns, Perfect Union offered to keep two security staff on the premises 24 hours a day. The Police Department has 24/7 access to IP cameras that cover the interior and exterior of the facility. The Police Department always has inspection access. We have had no security issues since its opening and find Perfect Union to be an excellent operator.

Perfect Union recently completed a remodel within their store and immediately contacted me and invited myself and my staff to review the remodel, step-by-side process, and address any safety and security concerns. They are proactive in ensuring they are providing the safest environment possible.

I hope you will consider Perfect Union's long-standing commitment to working with law enforcement to ensure community safety during your application process.

If you have any questions or concerns, please feel free to contact me at (530) 749-3957 or csachs@marysvillepd.org

Christian S. Sachs
Chief of Police
Marysville Police Department

11. Odor Control Plan

Where Does Cannabis Odor Come From?

Essential oils are widely used worldwide today for their healing properties, as well as for perfumes, air fresheners, and more. Inside the essential oil are terpenes, which lock in the pungent scent and hold the key to these strong oils. When peeling an orange, that strong citrus smell is released instantaneously due to the terpenes being discharged. The peel had been shielding the terpenes inside the orange, locking in the stout citrus scent. Cannabis goes through a similar terpene process.

Terpenes are located inside the trichome of the flower. The trichome is the outer “hair” of the flower. This part of the plant is highly delicate; while the trichome acts like the peel of an orange, it is not as resilient as an orange peel. Several steps have been taken to keep the plant from releasing the terpenes. Cannabis and cannabis products are transported, stored, and sold in sealed jars and sealed packaging. Each product is individually packaged and sealed to prevent air from entering or exiting. This ensures the product's quality and safety and reduces odor release in compliance with CCR §15406. Trichomes remain intact in stable environments. By maintaining the facility's temperatures and monitoring the humidity, we can ensure the trichomes protect the terpenes and hold in the cannabis odor.

Transparency is critical to the success of our organization. Our Odor Control Plan and all associated records will be made available to the public for review, and documents can be requested at our facility. All requests for documentation will occur via written request only (email is acceptable). The Odor Control Plan covers the retail storefront facility. All cannabis and cannabis products will be secured within the storage area in a secure fashion. All cannabis areas will have an exhaust air system for odor control. The importance of cannabis odor mitigation is very well understood, and we will make decisions that best prevent the issue of odor in the surrounding areas. If odors are detected outside the facility, this plan will serve as a guideline for corrective action.

Potential Sources of Odor

While all products that are received by Perfect Union come in sealed, tamper-proof packaging and jars, there is the potential that a package and/or jar could have been damaged in transport, leading to an odor being released into the facility. In the event of damaged packing. When shipments are received at Perfect Union, the Inventory Manager must inspect each product to ensure there are no discrepancies in labeling or packing and that each item matches the manifest. The Inventory Specialist would quickly identify the damaged product and reject the shipment from the distributor. Our HVAC and Carbon Air Filtration System will sufficiently handle any odor experienced in such an event.

Perfect Union customers are not allowed to open any packaging or jars for inspection. Additionally, the retail display cases on the floor do not have “smellable” jars, eliminating another potential odor source. Additionally, Perfect Union’s designated waste containers are sealed at all times, ensuring no odor escapes from products waiting to be picked up from our third-party waste hauler, Easy Waste Management.

Odor Prevention Devices

Perfect Union takes a preventative approach to odor control in our facilities. Perfect Union’s HVAC and air filtration systems are critical factors in mitigating odor from escaping the building and property boundary line. Our building has been designed to keep all air inside the structure, ensuring it has gone through filtration

before exiting the building. Additionally, Perfect Union has enacted company policies to preserve the air quality surrounding our facility with respect to the community and neighborhood.

HVAC System

Perfect Union's HVAC System is designed to always maintain temperature control and the interior environment of the facility while preventing odors from escaping the building and exceeding the property lines.

The HVAC System will continuously be running during operating hours. During non-working hours the HVAC System will be on a maintenance schedule to maintain the appropriate environmental temperatures for odor control and cannabis quality. **By maintaining appropriate environmental temperatures, the HVAC system can control the humidity throughout the building. Humidity (RH) levels will be kept at such a desired level that terpenes (the odor-releasing agent of cannabis) will not be activated, reducing odor pollution and preserving the quality of the cannabis products.**

The purpose of the Odor Control Plan is to eliminate the odor of cannabis caused by normal business practices inside the facility, around the exterior of the facility, and in surrounding areas. Perfect Union will work with the City of Woodland to determine if this is the best method of Air Filtration.

All cannabis and cannabis products that are not on the retail sales floor for immediate sale will be held inside the secured storage area at all times with the door shut, allowing no odor to escape. **All areas containing cannabis will be provided with an exhaust air system for odor control.** The exhaust system will be provided with a carbon filter that will mitigate any odors that may emanate from the cannabis products. Any areas positively pressurized will be treated with activated carbon filtration and high-velocity discharge to dissipate any potential odors immediately. **The exhaust discharge from the HVAC system hall is designed with a high-velocity outlet to eject the exhaust up and away from any neighbors or vehicular traffic.** The combination of carbon exhaust air filtration and building pressure control represents the current best available technology. **This building will also be provided with carbon filters for particulate filtration of supply air into the building.**

On-Site Consumption

On-site usage of cannabis products is strictly prohibited, WMC §§5.28.320, 5.28.360(C). It will assist in mitigating odors to the surrounding neighbors. Perfect Union is a smoke, vapor, and aerosol-free place of employment. Smoking, vaping, and aerosolizing is prohibited inside all Perfect Union offices and facilities, including all Perfect Union work areas and break areas. Smoking is permitted only in areas outside of the workplace that are designated as smoking areas, smoking must be at least 50 feet from a doorway/entryway, WMC §§5.28.320, 5.28.360(C). The prohibition against smoking in the workplace includes e-cigarettes.

Odor Monitoring

The manager will assess the on-site and off-site odors daily for the potential release of objectionable odors. The manager/supervisor on duty will be responsible for assessing and documenting odor impacts daily.

Odor Complaints, Reporting, and Documentation Process

Complaints of odor detection from beyond property boundaries can be made in writing with Perfect Union. Residents of Woodland may submit complaints through our website at perfect-union.com via email, written letter, or a formal complaint can be made in person on-site by filling out an Odor Detection Form (ODF).

- Location of Odor Source
- Date, time, & current weather conditions at the time of the report
- Contact information for:
 - Reporting party
 - Management on duty
 - Employees involved in the response
- A detailed account of:
 - The findings upon investigation
 - Actions taken to remedy the complaint
 - Were professional services required?
 - Is further action needed?
- A response to the complaint, if applicable
- Perfect Union Managers will follow up with complainants when appropriate

PERFECT UNION



Odor Detection Form

Date: _____ Time: _____

Name of Reporting Party: _____

Phone Number: _____ Email: _____

Location of Odor: _____

Weather Conditions: _____

Time & Date First Reported (if different than ODF): _____

Notification Method: ☐ ODF on-site ☐ E-Mail ☐ In Writing

Administrative Use Only

Date Response Taken: _____ Time Response Taken: _____

Mitigation Response Taken: _____

Source of objectionable odor: _____

Were Mitigation Measures Successful? _____

Follow Up Action Required (if Applicable): _____

Manager on Duty: _____

Employees who Responded: _____

Manager Signature: _____ Date: _____

In the event reported off-site cannabis odors are detected by the public and we are notified in writing, the complaint will be logged and investigated in the following manner:

Security will ensure there are no persons in the parking lot or exterior of the property who are consuming cannabis in public. The Security Team will also ensure that the source of odor did not travel from off-site by surveying the perimeter and observing existing wind patterns. If customer on-site cannabis consumption is found to be the cause of the odor source, our trained Security Team will remind the customer of Perfect Union's Policy against on-site consumption and Woodland Regulations and ask the customer to leave the facility. The customer will be reminded that on-site consumption at Perfect Union will result in the termination of their customer purchasing privileges at Perfect Union dispensaries.

If the cannabis odor comes from Perfect Union due to a malfunction in equipment, the Facility Manager will immediately notify the store's General Manager. The managers will take direct steps to reduce the source of the objectionable odor. If applicable, a Certified Engineer will be retained to review the cause of the odor and make the necessary recommendations and corrective actions. **All communication will be documented and retained for seven (7) years in compliance with CCR §15037(a).**

- Inspect and repair any malfunctioning HVAC Systems
- Inspect and repair any malfunction with the Carbon Air Filtration System
- Replace the Carbon Air Filters, if necessary

If repeated odor complaints are verified and it is found that the systems are not malfunctioning by a Certified Engineer, the following steps will be taken.

- A Certified Engineer will inspect the building for potential areas where odor may be escaping from
- The engineer will evaluate every aspect of our facility and make recommendations
- Facility upgrades will be made based on those recommendations as quickly as possible

Document the event for further operational review. We will maintain records of all odor detection notifications and/or complaints that include the remediation measures employed. The records will be made available to the city and general public upon written request.

Staff Training & System Maintenance

Staff Training

Upon hire, all employees will be trained on how to detect, prevent, and remediate odors outside our facility and all corrective options outlined herein.

Training for Odor Control will include:

- Changing charcoal-activated carbon scrubbers every 6 months or more frequently if needed.
- Keeping doors to storage areas closed at all times
- Ensuring all cannabis waste is kept in enclosed bins inside the appropriate storage rooms
- Keeping the facility at a proper temperature to promote the preservation of all cannabis and cannabis products
- If odor is detected, notify the General Manager immediately so they can contact a certified engineer if necessary.

System Maintenance

The HVAC System will have regular maintenance inspections occurring as often as recommended by the System's manufacturer but no less than annually in compliance with CCR §15142(b). During inspections, all maintenance and/or repairs will be made. If there is a repair that cannot be completed at the time of the inspection, an appointment will be made to immediately have the Certified HVAC Specialist return to complete the repair.

The carbon filters will be replaced every six (6) months, as the manufacturer requires. If the manufacturer recommends further maintenance or an increase in filter replacement, Perfect Union will follow their recommendations.



TO: THE MEMBERS OF THE PLANNING COMMISSION
AGENDA: Planning Commission Meeting
DATE: September 19, 2024
ITEM #: H.2
SUBJECT: Woodland Cannabis Dispensary Retail Cannabis Conditional Use Permit

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 judgment of the City as lead agency under CEQA;
4. Approve Planning Commission Resolution No. PC 24-05 recommending that the City Council approve a Conditional Use Permit and Operating Agreement for a storefront retail cannabis dispensary at 163 Court Street in the City's Community Commercial Mixed Use zone conditioned upon approval of the appropriate Cannabis Business Permit and the recommended conditions of approval.

Staff Contact:

Anna Canales, Assistant Planner; anna.canaless@cityofwoodland.gov

Fiscal Impact:

Application Processing Costs. The project applicant covers all costs associated with processing the subject Conditional Use Permit application and related Operating Agreement through an Advanced Funding Agreement. Similarly, the selection process for all applicants was covered through individual funding agreements.

The City collects two types of revenue associated with cannabis businesses outside of the specific Conditional Use Permit application processing costs noted above. Those include Permit fees and Cannabis Tax.

Permit Revenue. When a new business applicant for a Cannabis Business Permit, contingent in this case on approval of a Conditional Use Permit and Operating Agreement, the City will collect \$50,056 to allow for staff to review and process the application. This includes site visits by both Community Development and Police staff. Thereafter, businesses are responsible for requesting a renewal of the permit on an annual basis and subject to a renewal fee of \$21,222. The permit renewal fee pays for program oversight, business plan review by the Community Development Department, Police site visits and Police compliance, accounting and an annual financial audit. The City does not make revenue above the cost of service on these fees and is legally only allowed to charge the City's cost of doing business. New Cannabis Business Permit and renewal fees adjust annually based on CPI.

Cannabis Tax. In November 2022, Woodland voters approved a local tax on cannabis businesses that would help to fund general city services. Retail cannabis businesses are subject to a 10 percent tax based on gross receipts. It is difficult to estimate the future potential cannabis tax revenue that may be realized from cannabis retail sales as it will depend upon the success of the business. At minimum, assuming a similar realized revenue generation as existing commercial cannabis manufacturing, distribution and testing businesses, it is estimated that the city will see additional annual revenue from the four retail cannabis businesses of \$250,000 , but likely much greater given

the higher volume of taxable sales from retail uses. To date, the City has collected \$1.1 Million in tax (formerly “community benefit”) revenue from existing commercial cannabis businesses.

Report in Brief:

Commercial Cannabis Business, P.F.F. Consulting dba Woodland Cannabis Dispensary (“Woodland Cannabis Dispensary”) (PLNG 24-00029), has applied for a Conditional Use Permit (CUP) to operate a storefront retail cannabis dispensary at 163 Court Street in the City’s Community Commercial Mixed Use zone; Assessor’s Parcel Number 005-562-023. This application follows a recent zoning code update, effective June 7, 2022, which allows retail cannabis land use in certain zones and allows the city to consider up to four conditional use permits for this land use citywide.

The process for considering retail cannabis operators began with a competitive preliminary review on February 27, 2023, where four of a total of 12 applicants were selected to advance to the Conditional Use Permit application stage. Sundial Collective was selected as one of these four applicants.

Woodland Cannabis Dispensary’s project proposal entails the use of a project site located at 163 Court Street and has undergone a comprehensive review by City departments, including the City Planning Division, Engineering Division, Public Works Department, Fire Department, Building Division, and the City Police Department. The applicant’s location and proposed operation are consistent with applicable zoning and development standards, and the applicant has prepared a preliminary Security Plan that has been submitted and reviewed by the Woodland Police Department and a final plan shall be approved prior to operation.

As part of the review process, an Operating Agreement (Attachment 3) has been negotiated between the City and the applicant. This agreement will be reviewed by the City Council and will incorporate the commitments outlined in the Community Benefit Plan and Social Policy and Local Enterprise Plan. These documents are attached to the operating agreement for reference as part of permitting and annual reporting.

In conformance with Woodland Municipal Code (WMC) Section 17.84.120, a highly visible posting measuring 4 feet by 8 feet has been displayed on the project site, notices were sent to property owners and tenants within a 600-foot radius of the site, and a notice of the meeting was published in the local newspaper ten days before the Planning Commission meeting date.

Upon issuance of a Conditional Use Permit and prior to operating, the applicant will be required to obtain a City Cannabis Business Permit and corresponding City Building Permits for tenant improvements necessary for the proposed operation.

The purpose of this hearing is for the Planning Commission to review the project proposal and provide a recommendation to the City Council to approve a resolution, awarding the requested Retail Cannabis Conditional Use Permit and Operating Agreement.

Background:

On December 5, 2017, the City Council approved Ordinance 1629, adding Article 21.6 (now Section 17.84.120) to Chapter 25 (now Chapter 17) of the Municipal Code, which regulates the zoning of commercial cannabis. At the same time, the council approved Ordinance 1630, adding Chapter 13A (now Chapter 5.28) to the Municipal Code, establishing regulations for commercial cannabis business permits. These regulations allowed for up to six conditional use permits for manufacturing, distribution, and testing cannabis operations within Industrial or Industrial/Light Industrial Flex Overlay zones as defined in the General Plan.

On June 7, 2022, the City Council amended Chapter 17.110 (now Section 17.84.120) through

Ordinance 1685 and Chapter 5.28 through Ordinance 1686, updating the regulations for cannabis retail businesses, which now authorizes City Council to consider up to four retail cannabis conditional use permits, allowing the sale of cannabis at authorized storefront retail cannabis dispensary locations, with the option for delivery from these locations. These four permits may be issued in designated commercial and corridor mixed-use zones.

On February 27, 2023, the City issued a request for applications, inviting interested parties to participate in the selection process for a Preliminary Cannabis Business Permit to authorize applicants to apply for a Retail Cannabis Conditional Use Permit and enter into Operating Agreement negotiations to establish a commercial cannabis business. Applications were to be submitted in person by 3:00 pm on April 5, 2023. The City received a total of 12 proposals.

As part of the preliminary process, which involved three phases of review, applicants were required to submit detailed plans for the safety, security, and operational characteristics of the proposed storefront retail cannabis dispensary use, including the following:

- Business Plan
- Odor Control Plan
- Tax Compliance
- Insurance
- Community Benefit Plan
- Social Policy and Local Enterprise Plan
- Security Plan
- Neighborhood Compatibility and Community Relations Plan

A Proposal Review Committee was formed, consisting of staff members from the Police, Finance, and Community Development Departments, as well as a representative from HdL (consultants retained by the City for their subject matter expertise) to conduct a competitive selection process. As required by the City of Woodland Municipal Code, the Committee gave particular consideration to each proposal's capacity, capitalization, security measures, and history, as well as the community benefits offered by the proposed commercial cannabis business. After an initial review, the Committee met on July 17-18, 2023 to interview the twelve applicants for the Preliminary Cannabis Business Permit. Following the interviews, the city invited the top four ranked applicants to the fourth phase of the review process which entails the negotiation of an Operating Agreement and application for the Conditional Use Permit.

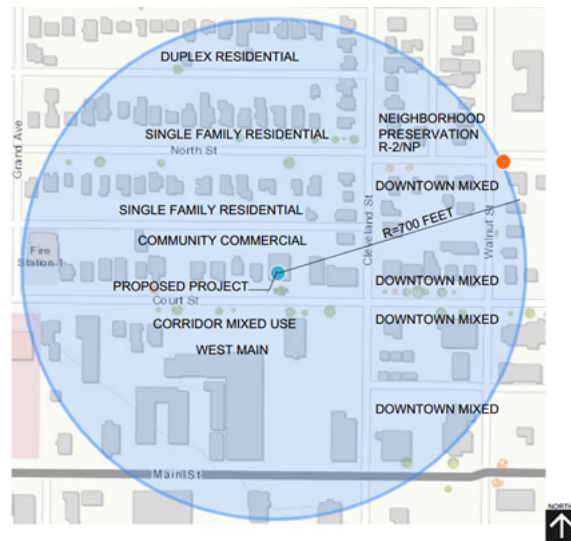
The purpose of this hearing is for the Planning Commission to review and provide a recommendation to the City Council to approve a resolution, awarding the requested Retail Cannabis Conditional Use Permit and Operating Agreement. The award of this Retail Cannabis Conditional Use Permit is at the sole discretion of the City Council upon recommendation from the Planning Commission.

The attached draft Resolution (Attachment 1) lists all the findings relating to the issuance of the Retail Cannabis Conditional Use Permit and includes a discussion of the community benefits that Woodland Cannabis Dispensary committed to in their proposal and as part of their operating agreement. These are discussed below.

Discussion:

On June 10, 2024, Woodland Cannabis Dispensary applied for a Retail Cannabis Conditional Use Permit. The applicant is requesting a recommendation of approval to the City Council for a Conditional Use Permit by the City Planning Commission, which will allow Woodland Cannabis Dispensary to occupy an approximately 3,512 square foot existing building at 163 Court Street, as a storefront retail cannabis dispensary. (See Attachment 2 and 4, Project Application and Site Plan). Under the terms and conditions of approval, Woodland Cannabis Dispensary will be required

to obtain a Cannabis Business Permit for a Storefront Retail Cannabis Dispensary, (Ordinance 1685 and 1686), and appropriate State Licensing (Type 10 – Storefront Retailer). A Type 10 license allows for a storefront retailer to have a physical location where cannabis goods are sold. Storefront retailers can also deliver cannabis goods.



Context Map

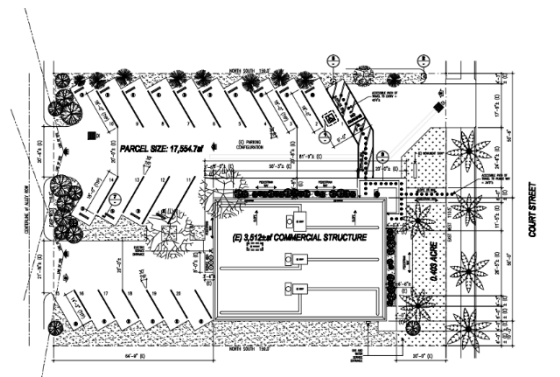
Upon the start of operations, Woodland Cannabis Dispensary intends to hire 10 employees from the City of Woodland, 10 of which will be full-time. With the growth of business, Woodland Cannabis Dispensary anticipates hiring up to 25 employees.

Project Site Description

Woodland Cannabis Dispensary's project site covers approximately .40 acres and includes a single building. The subject building at 163 Court Street is an existing one-story building (See Attachment 4 , Site Plan). The property is bordered by residential and office uses to the west, residential and office land uses on the east, residential land uses to the north, with Court Street forming the southern boundary.

Interior "tenant improvements" will be made to the existing building; no new construction is proposed.

The property is zoned for Community Commercial Mixed Use land uses. The proposed use is permitted in this zone with the approval of a Conditional Use Permit and Operating Agreement by the City Council as the final acting body.



Site Plan

Community Benefit and Social Policy and Local Enterprise Plan Review

Community Benefit and Social Policy and Local Enterprise Plans have been included with this report as Exhibits to Attachment 3, respectively, for the Commission's review/reference. A summary is provided below.

Below is an overview of the Community Benefit commitments of Woodland Cannabis Dispensary (Outlined in detail in Attachment 3):

Community Benefit Payment

Woodland Cannabis Dispensary commits to donating 2% of the company's annual business gross receipts to local 501(c)(3) non-profit(s) that are active in the City of Woodland.

Event Sponsorships

WCD commits to providing support and education to the community through sponsorships and educational booths and would like to sponsor at least one event per year and have an educational booth at the event. The cost of sponsorship will vary according to the event. Including but not limited to the Farmers' markets, Woodland's Annual Tomato Festival, Yolo Farm to Fork, Dinners on Main, Woodland Holiday Parade, Fall Harvest Fest, Christmas Tree Lighting, Craft is Art Christmas Fair, Woodland's First Friday, The Honey Festival, The Almond Festival, Woodland Chamber of Commerce events, Woodland Rotary events, and Golf tournaments.

Big Days of Giving

In addition to the 2% of the company's annual business gross receipts, WCD will provide 5% of net profits to a local charity one day a year called the Big Day of Giving. WCD commits to advertising Big Days of Giving through social media, website and in house signs to ensure customers/members are informed of the best days to shop to contribute to the community.

Adopt-A-Highway Program

WCD has committed to maintaining the stretch of roadside on Highway 5 heading North between E Kentucky Ave. and East St. exits through the Caltrans Adopt-A-Highway Program. WCD has contracted with an Adopt-A-Highway approved vendor to maintain the beautification of this area.

Meals on Wheels Program

Yolo County Meals on Wheels is closed for 10 holidays each year. On those days, they provide a sack lunch (delivered the day before along with a regular hot meal) to their home delivery clients so they don't miss a meal. WCD has committed to being a sponsor of one of these 10 holidays by providing donations that help to provide a more substantial meal with extra nutrition, such as additional protein, a carton of eggnog, fresh fruit, and a treat. The donation would include items for special occasions, like flags for the 4th of July, to make the meal special for the holiday.

Volunteer Services: Hours of Commitment

As part of the Community Benefit Plan to the City of Woodland, WCD commits to providing paid time for employees who want to volunteer for local charities and events. 8 hours per month will be provided for full time employees and 4 hours per month for part time employees.

WCD will provide an in-house employment position for a Community Outreach Coordinator. The Community Outreach Coordinator will coordinate with local charities and the Chamber of Commerce to ensure that WCD employees are volunteering effectively.

Below is an overview of the Social Policy and Local Enterprise commitments of Woodland Cannabis Dispensary (Outlined in detail in Attachment 3):

Local Hiring

Upon the start of operations, Woodland Cannabis Dispensary intends to hire 10 employees from the City of Woodland, 10 of which will be full-time. With the growth of business, Woodland Cannabis Dispensary anticipates hiring up to 25 employees.

WCD is committed to hiring 100% Woodland and Yolo County residents, and is committed to creating a diverse environment in terms of age, race, ethnicity, national origin, gender, and socioeconomic status.

Employee Wages and Compensation

WCD is committed to providing a living wage to all employees, with starting wages ranging from \$20 to \$40 per hour depending on position and experience, and is committed to granting raises after a 90-day probationary, educational, and training period, with additional raises possible on an annual basis, upon promotion, or based on performance. WCD is committed to offering bonus incentive programs, including an annual monetary holiday bonus based on tenure and additional bonuses or gift certificates for exceptional performance. The company is committed to providing staff with regular paid meals on busy days and holidays, as well as winter and summer company parties. As part of the Community Benefit Plan, WCD is committed to providing paid time for employees to volunteer for local charities and events, up to 8 hours per month for full-time employees and 4 hours per month for part-time employees.

Continuing Education

WCD is committed to providing employees with paid continuing education, including weekly education, field trips, guest speakers, and online training. WCD is also committed to staying updated on cannabis science, therapeutic uses, and safe consumption. WCD will provide lectures on cannabis updates, products, research, and industry standards, and is also committed to offering outside continuing education options, including industry conferences and online courses from platforms such as Healer.com, AmericansForSafeAccess.com, GreenFlowerMedia.com, and ProjectCBD.com.

WCD is committed to promoting from within through the Ownership Incubator Program ("OIP"). The company is committed to supporting employees' professional growth and offering opportunities to found their own cannabis ventures.

Security Plan

Minimal physical modifications inside of the building will be required in order to comply with the City ordinance and State regulations regarding cannabis businesses. This will include adding a few walls and doors, new flooring, paint and security and ADA upgrades. There will be no exterior building modifications. There will be no outdoor activities at this location. There will be no odor, dust or glare at this location. There will be no hazardous or volatile materials or chemicals at this location. Woodland Cannabis Dispensary will ensure the property and surrounding area are free of litter and graffiti. The property will be maintained in a neat and clean manner. All vegetation will be maintained at the facility on a regular schedule

Discussion

Applicable Laws, Codes & Ordinances

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

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

- Regulations of the California Department of Cannabis Control

2035 General Plan Consistency

The proposed project is consistent with various policies and actions in the General Plan; including Land Use Policy 2.A.6 (Infill Development); Policy 2.D.I (Jobs/Housing Relationship); and Policy 4.C.16 (Safety and Security).

Specifically, the project is consistent with General Plan goals and policies which encourage Woodland residents and visitors to support retail establishments that are located in the City of Woodland (Policy 4.C.8). Currently, Woodland residents and visitors do not have the opportunity to purchase cannabis products locally and instead rely on delivery services from neighboring counties and cities. Establishing storefront retailers in Woodland will gain the City some share in this market through generation of sales tax.

As previously mentioned in this report, applicants for a retail commercial cannabis conditional use permit and operating agreement were required to prepare and provide a Security Plan for proposed sites and facilities which support the deterrence of crime through site planning and design, consistent with Policy 4.C.16 (Safety and Security) and Policy 2.E.7(Public Safety and Community Design). This plan was reviewed by the City of Woodland Police Department and shall meet State requirements.

The proposed use is located on a parcel designated for commercial land uses and will operate out of an existing commercial building (Policy 2.J.I – Enhanced Design Character of Existing Centers).

Zoning Consistency

The project site is zoned Community Commercial Mixed Use. The City Community Commercial Mixed Use zone is applied to areas near entry access nodes to the community and supports commercial uses.

Pursuant to City of Woodland Municipal Code 17.36.020, Table 17.36.020-1, a Cannabis Retail use may be established in the Community Commercial Mixed Use zone subject to use permit approval.

Development Standards

The proposed storefront retail cannabis dispensary use would be established in an existing building previously occupied by office uses. Tenant improvements will be made to the existing building to meet the operational requirements of the proposed use, including those outlined in the project's security plan; no new construction is proposed onsite.

The project is consistent with land use, lot coverage, landscaping, building type, building height, and setback requirements for the Community Commercial Mixed Use zone. Vehicle access to the site is provided from an existing driveway from Court Street. At the time of tenant improvements, staff will conduct a staff-level architectural review consistent with existing practice for minor improvements to existing buildings.

Parking

The number of required off-street parking spaces for the proposed storefront retail cannabis dispensary use shall be consistent with the parking requirements for retail land use per City of Woodland Municipal Code Section 17.68.

Zoning Verification

A zoning verification was conducted as part of the associated preliminary cannabis business permit to verify compliance with the location limitations for commercial cannabis land uses established in the

City of Woodland Municipal Code Section 17.84.120, which is also consistent with State requirements.

At the time of staff's analysis of the location proposed for the storefront retail cannabis dispensary use, no known sensitive uses were identified within the minimum buffer distance of 600 feet from any property containing a school providing instruction in any grades Kindergarten through twelve (12), a day care center or a youth center, and is not within 600 feet of a public park. There were no more than two retail cannabis dispensaries within 1,000 feet of the project site. The proposed site would be more than 500 feet away from any other storefront retail cannabis dispensary use.

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; mitigation of any potentially adverse impacts; and making 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 and may impose such requirements and condition with respect to location, construction, maintenance, and operation, as may be deemed necessary for the protection of adjacent properties and public interest. Conditional Use Permit analysis typically includes consideration of 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 CUP is revoked. Once approved, should ownership of the land or the business change, the CUP would remain valid at the location approved.

Following a public hearing, the Planning Commission may recommend approval of a use permit application, with or without conditions, if all of the following findings can be made:

Use Permit Findings

1. The proposed use is consistent with the General Plan;

The proposed storefront retailer use would be compatible with the underlying General Plan designation and zoning district and operate similarly to other existing retail businesses subject to use-specific standards. The proposed project is consistent with various policies and actions in the General Plan; including Land Use Policy 2.A.6 (Infill Development); Policy 2.D.I (Jobs/Housing Relationship); and Policy 4.C.16 (Safety and Security).

Specifically, the project would be consistent with General Plan goals and policies which encourage Woodland residents and visitors to support retail establishments that are located in the City of Woodland (Policy 4.C.8). The preparation and provision of a security plan support the deterrence of crime through site planning and design, consistent with Policy 4.C.16 (Safety and Security) and Policy 2.E.7(Public Safety and Community Design).

The proposed use would be located on a parcel designated for commercial land uses and would operate out of an existing commercial building (Policy 2.J.I – Enhanced Design Character of Existing Centers).

2. The proposed use is consistent with the purposes of the Zoning Code, and the purposes of the applicable zone;

The proposed use would be located on a commercial site designated Community Commercial on the 2035 General Plan land use diagram and is zoned Community Commercial Mixed Use. Pursuant to

City of Woodland Municipal Code 17.36.020, Table 17.36.020-1, a Cannabis Retail use may be established in the Community Commercial Mixed Use zone subject to use permit approval.

The proposed project site is not within a 600-foot radius of a school providing K-12 instruction, a daycare center, a youth center, or a public park.

The proposed retail storefront cannabis dispensary will not be located within 500 feet of another retail storefront cannabis dispensary.

3. The site is physically suitable for the type, density, intensity of the use being proposed, including access, utilities, and the absence of physical constraints;

The operations of Woodland Cannabis Dispensary are based in retail and will not impact any other commercial retail business in the area.

4. The design, location, size, and operating characteristics of the proposed activity would be compatible with the existing and future land uses in the vicinity including transportation and service facilities;

The proposed use is compatible with the surrounding commercial area. The storefront retailer would be located within an existing commercial building similar in design, size and operating characteristics as other single-story retail and restaurant buildings along Court Street.

No new construction is proposed onsite. The building architecture and site improvements, including lighting, landscaping, parking have previously been found consistent with land use, lot coverage, building type, building height, and setback requirements for the Community Commercial district.

5. Granting the Conditional Use Permit would not constitute a nuisance or be injurious or detrimental to the public interest, health, safety, convenience, or welfare, or materially injurious to persons, property, or improvements in the vicinity and zone in which the property is located; and

Woodland Cannabis Dispensary's security guards will monitor the site and are required to ensure there is no loitering in the area.

6. The proposed project has been reviewed in compliance with CEQA.

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 3,512 square foot existing building that has previously been occupied by commercial uses similar to the proposed project.

In addition to the CUP findings outlined above, the Cannabis Ordinance 1685 (Municipal Code 17.84.120): provides other specific factors that shall be considered by the Planning Commission and ultimately the City Council including the following:

1. The type of proposed use by the applicant.

The proposed use would be located on a commercial site designated Community Commercial on the 2035 General Plan land use diagram and is zoned Community Commercial Mixed Use. Pursuant to City of Woodland Municipal Code 17.36.020, Table 17.36.020-1, a Cannabis Retail use may be established in the Community Commercial Mixed Use zone subject to use permit approval.

2. Whether the proposed use will be detrimental to the health, safety and welfare of the community;

The project site is a commercial area comprised of a variety of commercial retail and service uses along Court Street, with residential uses present further east and west along Court Street. The zoning verification conducted as part of the associated preliminary request for proposals process verified compliance with the location limitations for storefront retailers established in WMC Section 17.84.120. At the time of staff's analysis of the location proposed for the storefront retail cannabis dispensary use, no known sensitive uses were identified within the minimum buffer distance of 600 feet from any property containing a school providing instruction in any grades Kindergarten through twelve (12), a day care center or a youth center, and is not within 600 feet of a public park.

Furthermore, operation of the proposed storefront retailer in accordance with the standards established in WMC Section 5.28 as well as the applicant's Safety and Neighborhood Compatibility Plans will ensure that a storefront retailer use at this location would not have detrimental effects on the surrounding neighborhood.

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.

At the time of approval of a Cannabis Business Permit, an application will be required to Prepare and submit a Community Benefit Plan and Social Policy and Local Enterprise Plan describing the applicant's plans for local outreach and hiring of residents of the City of Woodland for open positions and/or compensation for continuing education, and any other actions proposed by the applicant that are intended to benefit the local workforce and/or applicant's local employees.

4. Whether the applicant has adequately addressed potential community benefits of the use to offset potential adverse impacts;

Woodland Cannabis Dispensary has prepared and submitted a Community Relations and Neighborhood Compatibility Plan (Attachment 5) describing 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 plan should additionally describe how the cannabis business will proactively address and respond to complaints from the surrounding community related to noise, light, odor, litter, vehicles and pedestrian traffic and any other activities that could become a nuisance or have impacts on the cannabis business's neighbors and the surrounding community.

5. The extent of support or opposition to the proposed use and location from members of the community, and the applicant's plans to ensure strong community relations and compatibility with the surrounding neighborhood;

Woodland Cannabis Dispensary's ownership team has walked the neighborhood many times, passing out hundreds of Letters of Introduction and inviting the neighbors to the Open Houses. Woodland Cannabis Dispensary has held three Open Houses over the last two years and plans to hold a few more before the end of 2023. The ownership team has had the opportunity to speak with several of the neighboring residences and had very positive interactions.

Prior to submittal of the initial application, public notice of the proposed retail cannabis use was provided to owners and tenants within a 600-foot radius of the project site, the site was posted with a highly visible notice, of a minimum four foot by eight foot in size mounted on a freestanding sign or posted on the building frontage, 10 days before the scheduled public hearing date, and a Legal notice was published in the Woodland Daily Democrat at least ten days before the public hearing date.

6. The number of cannabis uses located or proposed to be located within 1,000 feet of the proposed location;

There are no cannabis uses located or proposed to be located within 1,000 feet of the proposed location at 163 Court Street.

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.

8. The background and history of the applicant, including the experience and qualifications of the applicant and those persons involved in the management, oversight, and day-to-day operations of the proposed use, the professional training and certifications of the applicant and/or persons involved in the management, oversight and day to day operations of the proposed use, and the nature and extent of the problems on any premises where the applicant has operated a cannabis business in the past.

Woodland Cannabis Dispensary's Ownership team consists of the following individuals:

Kimberly Cargile: Corporate Secretary, Board Member, Shareholder

For almost twenty years now, Kimberly Cargile has been dedicated to advancing the medical cannabis industry in California through advocacy and education. She is the founder and/or co-owner of seven licensed storefront cannabis dispensaries (A Therapeutic Alternative, Davis Cannabis Collective, Dixon Wellness Collective, Napa Cannabis Collective, Chuck's Wellness Collective and Tracy Cannabis Collective), two cannabis cultivation sites (Yolo Family Farms and Woodland Roots), and a cannabis manufacturing and distribution company (Khemia).

Laura Mendez: Chief Executive Officer, Board Member, Shareholder

Laura Mendez has over seventeen years in cannabis retail management. In 2006, Laura began working in the cannabis industry at a retail storefront dispensary, Capital Wellness Collective in Sacramento, where she quickly worked her way up to management. As General Manager, Laura communicated with every department and oversaw budgeting, purchasing, inventory, human resources, maintenance, security and safety compliance.

Deanna Garcia: Chief Financial Officer, Board Member, Shareholder

Deanna Garcia has 25 years of experience in the cannabis industry. Deanna is co-owner of eight state-licensed cannabis companies, including Dixon Wellness, Napa Cannabis Collective, Chuck's Wellness Collective, Tracy Cannabis Collective, Pocket Dispensary, Yolo Family Farms, Woodland

Roots, and Khemia Manufacturing and Distribution.

Ashley Kammerer: Board Member, Shareholder

Ashley Kammerer graduated from California State University, Sacramento in 2012 and received a Bachelor of Science Degree in Business Entrepreneurship. At that time, she started her own business,

Cannabonist, where she developed her business skills that she learned in college. At her retail store on J Street in Sacramento, she was able to meet many business owners and advocates in the cannabis industry.

Judy Fann: Board Member, Shareholder

Judy Fann was born and raised in Woodland. She worked in retail sales for 15 years at Woodland companies: Maladies Hair Salon, Breits Family Store and Gottschlaks before starting her journey with horticulture at the Yolo County Fairgrounds. She worked designing fair booths there for 25 years before retiring. Throughout that time, she also raised her family in Woodland and volunteered at her children's schools and sports. In 2013 Judy began her work in the cannabis industry at her son and daughter-in-law's dispensary, at A Therapeutic Alternative.

Paulette Smyth: Board Member, Shareholder

Paulette Smyth was born and raised in Woodland. She worked for Yolo County for 33 years until she retired as an Office Support Specialist in 2009. Paulette had not fully understood the benefits of medical cannabis until she had the opportunity to work at her niece and nephew's dispensary, A Therapeutic Alternative from 2016 to 2018. There she worked as a receptionist bookkeeper and in data entry. She brought with her to the operations of the dispensary years of experience in data entry, accounting, bookkeeping, purchasing, accounts payable, customer service and accountant management from her job at the County.

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

There is no history of police or crime-related problems in the area of the proposed location, which may be exacerbated by establishment of the proposed cannabis use.

10. Whether the proposed license would enhance recreational or entertainment opportunities in the area.

Currently, Woodland residents and visitors do not have the opportunity to purchase cannabis products locally and instead rely on delivery services from neighboring counties and cities. Establishing storefront retailers in Woodland will provide an amenity that does not presently exist in the City.

Cannabis Business Permit Review – Municipal Code Section 5.28

The Cannabis Business Permit provides for the review of operational features for each cannabis business entity and is required in addition to a business license. A Cannabis Business Permit is required before initial operation and requires annual review. Before issuance of the Cannabis Business Permit, fees must be paid, and a Conditional Use Permit and final Operating Agreement authorized. The Cannabis Business Permit is approved by the Community Development Director. Operating details including a Security Plan, Lighting Plan, Community Benefit Plan, Social Responsibility, and Local Enterprise Plan, as well as an Operating Agreement and Indemnification statement, are required as part of the Cannabis Business Permit review. Some of these items have been provided as part of the Conditional Use Permit review and are included as attachments.

Revocation of Permit

In the event of a violation of the terms and conditions of a retail cannabis business permit, the City may take various enforcement actions as provided under City Code Section 5.28.090 - Violations. These actions may include fines, penalties, suspension, or revocation of the permit.

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 an approximately 3,512 square foot existing building that has previously been occupied by medical office uses.

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 on September 8, 2024, ten days prior to the public hearing.
- Notices were mailed to all property owners and tenants within a minimum of 600 feet of the project site on September 6, 2024.
- Pursuant to City of Woodland Municipal Code 17.110.100.D., the site was posted with a highly visible notice, of a minimum four foot by eight foot in size mounted on a freestanding sign or posted on the building frontage, 10 days prior to the scheduled public hearing date on September 19, 2024.

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 an interest in the application, including Waste Management and Yolo County. All reviewing agency comments have been integrated into the conditions of approval.

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 judgment of the City as lead agency under CEQA;
4. Approve Planning Commission Resolution No. PC 24-05 recommending that the City Council approve a Conditional Use Permit and Operating Agreement for a storefront retail cannabis dispensary at 163 Court Street conditioned upon approval of the appropriate Cannabis Business Permit and the recommended conditions of approval.

Prepared by: Anna Canales, Assistant Planner

Reviewed by: Erika Bumgardner, Deputy Director of Community Development

Attachments:

1. Resolution and Conditions of Approval
2. Redacted Project Application
3. Operating Agreement Draft_Woodland Cannabis Dispensary
4. Site Plan
5. Neighborhood Compatibility & Community Relations Plan
6. Odor Control Plan

**PLANNING COMMISSION
RESOLUTION NO. PC 24-05**

**A RESOLUTION OF THE PLANNING COMMISSION OF THE CITY OF WOODLAND
RECOMMENDING CITY COUNCIL APPROVE A CONDITIONAL USE PERMIT AND
OPERATING AGREEMENT FOR A STOREFRONT RETAIL CANNABIS
DISPENSARY AT 163 COURT STREET WITHIN THE CITY COMMUNITY
COMMERCIAL MIXED USE ZONE CONDITIONED UPON APPROVAL OF THE
APPROPRIATE CANNABIS BUSINESS PERMIT AND THE RECOMMENDED
CONDITIONS OF APPROVAL**

WHEREAS, On June 7, 2022, the City Council approved Ordinance no 1685 and 1686 to amend City Zoning and Municipal Code to enact regulations to allow the consideration and permitting of retail commercial cannabis uses as set forth in Woodland Municipal Code section 17.84.120 which allows for consideration of up to four (4) cannabis retail conditional use permits and Chapter 5.28 of the Municipal Code to incorporate retail commercial cannabis business and operational requirements for Cannabis Business Permits; and

WHEREAS, as set forth in Woodland Municipal Code section 17.84.120, proposed cannabis retailers are required to obtain a conditional use permit, subject to the recommendation of the Planning Commission and final approval of the City Council; and

WHEREAS, on February 27, 2023, the City issued a request for proposals, inviting interested parties to participate in the selection process for a Preliminary Cannabis Business Permit, which would authorize applicants to apply for a Retail Cannabis Conditional Use Permit and enter into Operating Agreement negotiations to establish a commercial cannabis business, and requiring that applications be submitted in person by 3:00 pm on April 5, 2023; and

WHEREAS, the City received a total of 12 proposals in response to the request for applications; and

WHEREAS, a Proposal Review Committee was formed, consisting of staff members from the Police, Finance, and Community Development Departments, as well as a representative from HdL, a consultant retained by the City for their subject matter expertise, to conduct a competitive selection process; and

WHEREAS, after an initial review of the proposals, the Proposal Review Committee met in July 2023 to interview 12 proposal teams for the Preliminary Cannabis Business Permit and subsequently awarded Preliminary Cannabis Business Permits to the top four applicants, making them eligible to apply for a Retail Cannabis Conditional Use Permit; and

WHEREAS, as required by the City of Woodland Municipal Code, the Proposal Review Committee gave particular consideration to each proposal's capacity, capitalization, security measures, and history, as well as the community benefits offered by the proposed commercial cannabis business, and also considered any other factors deemed necessary by the City to maintain and promote public health, safety, and general welfare; and

WHEREAS, the Proposal Review Committee ranked P.F.F. Consulting Inc. dba Woodland

Cannabis Dispensary as 2 out of 12, with a score of 95%; and

WHEREAS, the City of Woodland Planning Commission hereby finds that the proposed cannabis retailer use to be located at 163 Court Street (“Site”), as set forth in Planning Application No. PLNG 24-00029 submitted by business applicant P.F.F. Consulting Inc. dba Woodland Cannabis Dispensary (“Applicant”), conforms to the requirements and intent of Chapter 17.84.120 of the Woodland Zoning Code regarding commercial cannabis uses and the City General Plan, and further that, under the circumstances of the particular case, the use will not constitute a nuisance or be detrimental to the public welfare of the community; 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 Planning Commission of the City of Woodland finds as follows:

- The project consists of minor alterations for interior tenant improvements to operate a cannabis business that requires specific spaces to conform with state and local regulations.
- 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, a public notice describing the proposed cannabis conditional use permit was published in the Woodland Daily Democrat, a newspaper of general circulation, and mailed to property owners and property tenants within 600 feet of the project site; and, a highly visible site posting of four (4) feet by eight (8) feet was posted in a visible location on the project site for ten (10) days before the Planning Commission public hearing date; and

WHEREAS, the Planning Commission held a duly-noticed public hearing on September 19, 2024, as required by law to consider all of the information presented by staff and public testimony presented in writing and at the meeting.

NOW, THEREFORE, BE IT RESOLVED, that the Planning Commission of the City of Woodland, based on facts in the staff report, written and oral testimony, and exhibits presented, hereby recommends to the Woodland City Council: (1) Approval of a Conditional Use Permit for a cannabis retail use located at 163 Court Street, as set forth in Planning Application No. PLNG 24-00029, prepared by P.F.F. Consulting Inc. dba Woodland Cannabis Dispensary; and (4) Approval of an Operating Agreement between the City of Woodland and P.F.F. Consulting Inc. dba Woodland Cannabis Dispensary, as follows and based on the following findings:

SECTION 1. Recitals. The City of Woodland Planning Commission hereby adopts the above recitals as true and correct findings of the City of Woodland Planning Commission and incorporates them into this Resolution by this reference.

SECTION 2. Findings. In support of issuing a conditional use permit for the proposed cannabis retailer use to be located at 163 Court Street, as set forth in Planning Application No. PLNG 24-00029, the City of Woodland Planning Commission hereby makes the following additional findings, pursuant to the requirements of Woodland Municipal Code (“WMC”) Section 17.100.100(H) and 17.84.120(c)(3):

- 1) The proposed use is consistent with the General Plan and Zoning Code, in that the use is conditionally permitted consistent with zoning and general plan requirements, and appropriate conditions to address potential concerns and impacts have been made part of the approval.
- 2) The site is physically suitable for the type, density, intensity of the use being proposed, including access, utilities, and the absence of physical constraints.
- 3) The design, location, size, and operating characteristics of the proposed activity are compatible with the existing and future land uses in the vicinity including transportation and service facilities.
- 4) Granting the Conditional Use Permit would not constitute a nuisance or be injurious or detrimental to the public interest, health, safety, convenience, or welfare, or materially injurious to persons, property, or improvements in the vicinity and zone in which the property is located.
- 5) The proposed project is categorically exempt from further environmental review pursuant to CEQA sections 15301 and 15303 as the proposal involves operation, repair, maintenance, leasing and licensing of existing facilities, and involves the conversion of a small structure not exceeding 2,500 square feet where retail cannabis dispensing is a conditionally permitted use.
- 6) The proposed use at the Site is subject to additional findings and considerations set forth in WMC section 17.84.120(3). The City of Woodland Planning Commission has considered all relevant evidence regarding the Site and the Applicant's proposed use, and finds that Applicant's proposed cannabis retailer use at the Site satisfies those considerations, as follows:
 - a) Pursuant to WMC section 17.84.120(3)(a), the City of Woodland Planning Commission has considered the type of proposed use by the Applicant. The proposed cannabis retailer will provide sales of cannabis and cannabis products. The City of Woodland Planning Commission finds that these goods and services will provide unique, currently unavailable, and varied goods and services to the community by the Applicant's use at the proposed location.
 - b) Pursuant to WMC section 17.84.120(3)(b), the City of Woodland Planning Commission has considered all evidence and testimony relevant to the Applicant's proposed use, and determines that the proposed use will not be detrimental to the health, safety and welfare of the community. The use is located in the Community Commercial Mixed Use zone and not adjacent to sensitive uses; and therefore will not result in negative impacts on existing uses in the area. The project is subject to approval of a conditional use permit, including conditions of approval incorporated into the project, and subject to local and state regulatory standards, licenses and permits, to ensure that the use will not be detrimental to the health, safety and welfare of the community. Applicant's failure to abide by those conditions of approval may result in permit revocation.
 - c) Pursuant to WMC section 17.84.120(C)(3)(c), the City of Woodland Planning Commission finds that the proposed use would enhance the economic viability of the area in which it is proposed to be located because it will provide new goods and services not currently

available to the surrounding area and will bring retail activity to the proposed location.

- d) Pursuant to WMC section 17.84.120(C)(3)(d), the City of Woodland Planning Commission finds that the Applicant has adequately addressed the potential community benefits of the use to offset potential adverse impacts. The City of Woodland Planning Commission has determined that these community benefits adequately offset any potential adverse impacts of the proposed use.
- e) Pursuant to WMC section 17.84.120(C)(3)(e), the City of Woodland Planning Commission has considered all evidence and testimony pertaining to Applicant's proposed use, including the extent of support or opposition to the proposed use and location from members of the community.
- f) Pursuant to WMC section 17.84.120(C)(3)(f), the City of Woodland Planning Commission further finds that, based on other proposed locations considered concurrently with the Site, there will be no more than two (2) cannabis retailers located within a one thousand (1,000) radius of the Site at the time of this Resolution, except otherwise approved by City Council, which protects against an overconcentration of the type of proposed use and further protects the public health and safety.
- g) Pursuant to WMC section 17.84.120(C)(3)(g), and consistent with the above findings, the City of Woodland Planning Commission further finds that the proposed use would not lead to a further overconcentration of that particular type of premises in the area.
- h) Pursuant to WMC section 17.84.120(C)(3)(h), the City of Woodland Planning Commission has considered the Applicant's application, including the relevant background and history of the Applicant. Based on the information provided, the City of Woodland Planning Commission has determined that there are no prior problems or complaints pertaining to Applicant's operation of other businesses or cannabis operations on premises giving rise to public health, safety, and welfare concerns. The applicant has additionally operated retail cannabis businesses in other jurisdictions with no known problems or complaints.
- i) Pursuant to WMC section 17.84.120(C)(3)(i), the City of Woodland Planning Commission is not aware of a history or high prevalence of police or crime-related problems in the area of the Site giving rise to specific safety concerns.
- j) Pursuant to WMC section 17.84.120(C)(3)(j), the City of Woodland Planning Commission finds that the proposed use would enhance recreational or entertainment opportunities in the area.

In light of the above findings and considerations regarding the proposed use and location, the City of Woodland Planning Commission therefore finds that the conditional use conforms to the requirements and intent of WMC Chapter 17.84.120 regarding commercial cannabis uses and the City's General Plan, and that any conditions and requirements stipulated in Applicant's conditional use permit have been or will be met, and that the use will not constitute a nuisance or be detrimental to the public welfare of the community. These findings are further established and incorporated into the project approval, attached hereto as Exhibit "A" and incorporated herein by reference.

SECTION 3. Approval. In accordance with the City of Woodland Planning Commission findings stated in Section 2 and Exhibit A of this Resolution, the City of Woodland Planning Commission hereby recommends that the City Council approve Planning Application Number PLNG 24-00029 for the issuance of a Retail Cannabis Conditional Use Permit to P.F.F. Consulting Inc. dba Woodland Cannabis Dispensary for the proposed cannabis retailer use at 163 Court Street. The recommended approval and issuance of the conditional use permit is expressly conditioned on Applicant's continued compliance with all of the findings and conditions of approval specified in Applicant's conditional use permit, Article 17.84.120 of the Woodland Zoning Code, Chapter 5.28 of the Woodland Municipal Code, and all other applicable local and state laws and regulations pertaining to commercial cannabis retailers. Nothing in this Resolution shall be deemed to waive the City's right to revoke Applicant's conditional use permit in the event Applicant violates any of the aforementioned conditions.

PASSED AND ADOPTED, by the Planning Commission of the City of Woodland at a regular meeting of the Planning Commission held on the 19th day of September 2024, by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

Marco C. Lizarraga, Chairperson

ATTEST:

Erika Bumgardner, Deputy Community Development Director

Exhibit A – Conditions of Approval

EXHIBIT A

**Conditions of Approval
PLNG 24- 00029**

**Address: 163 Court Street
Cannabis Business: P.F.F. Consulting Inc. dba Woodland Cannabis Dispensary**

Conditions of Approval

General Conditions

- 1. Approval.** Planning Application # PLNG 24-00029, submitted by Applicant P.F.F. Consulting Inc. dba Woodland Cannabis Dispensary for the proposed cannabis business “Woodland Cannabis Dispensary” is approved to permit retail sales of cannabis and cannabis products, and, in a building size of approximately 3,512 square feet located at 163 Court Street and with hours of operation of Monday – Sunday 9 am – 9 pm.
- 2. Substantial Conformance.** The use shall be implemented in substantial conformance with the Conditional Use Permit (Planning Application: PLNG 24-00029) as approved by the City Council, and subject to all applicable provisions of Woodland Municipal Code Section 5.28, Commercial Cannabis Business Permits, and Section 7.84.120, Commercial Cannabis Businesses, except as modified herein. Prior to issuance of a Cannabis Business Permit and, if applicable, Certificate of Occupancy, all conditions of approval and required improvements shall be completed to the satisfaction of the city. Changes in the use or an increase in the intensity or size of operation may require approval of a new use permit or a modification to the existing use permit.
- 3. Regulatory Permit.** The approval of the Conditional Use Permit and commencement of business operations shall be contingent upon the applicant submitting a Cannabis Business Permit application and all of the materials and documentation required by Woodland Municipal Code Chapter 5.28.180, Applications for Cannabis Business Permits, to the Community Development Director for review and approval. Applicants shall obtain and maintain at all times a valid Cannabis Business Permit including approval of an Operating Agreement, prior to occupancy of the building and continuing at all times that the business is in operation, including payment of all required fees for application review. The Cannabis Business Permit shall be timely renewed and maintained in accordance with the applicable procedures set forth in Woodland Municipal Code Chapter 5.28 as a condition of continuing the retailer use under the approved conditional use permit.

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.

- 4. Indemnification.** 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.

5. **Other Permits and Licenses.** The applicant shall obtain all other permits and licenses required by the City for the use, including a Cannabis Business Permit pursuant to Woodland Municipal Code Chapter 5.28, and any other City permits required for retail cannabis uses prior to occupancy of the building and operation of the business, and shall pay all required fees in the amount currently established as applicable, or in the amount to be adopted by City Council. All cannabis businesses must, prior to establishing and operating any such cannabis business, obtain and maintain at all times a valid license issued by the State, as may be applicable, and any other applicable local or regulatory licenses.
6. **Building and Fire Requirements.** Prior to occupancy and/or issuance of a Cannabis Business Permit, applicant shall comply with all applicable Building and Fire requirements to the satisfaction of the Building Official and the Fire Marshall. The applicant shall obtain all necessary and appropriate permits for the project prior to occupancy, including but not limited to building and encroachment permits, and pay all required fees.
7. **Runs with the Land.** The terms and conditions of approval of the conditional use permit shall run with the land, and shall be binding upon and be to the benefit of the heirs, legal representatives, successors, and assignees of the property owner. Where a conditional use has abandoned the site or has ceased activity for a period of six (6) months, expressly including due to the failure to obtain or maintain other necessary regulatory licenses and permits to operate the business, the approved conditional use permit may be subject to revocation for non-use. Under these circumstances, and if such non-use results in revocation of the conditional use, a new application for a conditional use permit must be processed per the requirements of the City's then-existing zoning ordinance.
8. **Permit Expiration.** The Conditional Use Permit must be exercised within one year of issuance, or it shall be deemed null and void by act of law (Woodland Municipal Code Section 17.96.130, Expiration and Extension). A permit for use of a building or a property is exercised when a valid City business license, Cannabis Business Permit, and all necessary permits have been issued, and the permitted use has commenced on the site in accordance with applicable conditions of approval contained herein.
9. **Other Applicable Requirements.** The project approval is subject to all applicable requirements of the Federal, State, City of Woodland and any other affected governmental agencies. Approval of this request shall not waive compliance with all sections of the Municipal Code, all other applicable Federal, State and City Ordinances, and applicable Community or Specific Plans or Design Guidelines in effect at the time of building permit issuance. The duty of inquiry as to such requirements shall be upon the applicant.
10. **Compliance with Conditions.** Prior to any use of the project site, all Conditions of Approval shall be completed to the satisfaction of the Community Development, Police, and Fire Departments. In the event that any of the conditions of this permit are not satisfied, the Community Development Director may request a public hearing be set before the Planning Commission to determine whether the Conditional Use Permit should be revoked. Additionally, upon showing of a compelling public necessity demonstrated at a noticed public hearing, the City of Woodland, acting through the appropriate entity, may add, amend, or delete conditions of this permit.

11. **Violations.** Upon receipt of a Cannabis Business Permit the applicant shall be subject to provisions relating to violations contained in Municipal Code Section 5.28.090, or as may be amended.
12. **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.
13. **Applicant's Responsibility to Inform.** The applicant shall be responsible for informing all subcontractors, consultants engineers, or other business entities providing services related to the project of their responsibilities to comply with all pertinent requirements herein in the City of Woodland Municipal Code, including the requirement that a business license be obtained by all entities doing business in the City as well as hours of operation requirements in the City.

Planning Conditions

16. **Education.** The cannabis retailer shall provide information or disclaimers to all customers regarding the effects of cannabis consumption and legal consequences of consumption or possession under federal law, in a form approved by the City.
17. **Parking.** The project shall provide and maintain the number of on-site parking spaces consistent with the requirements of Section 17.68 of the Woodland Municipal Code, based on gross square footage of retail use, consistent with City standards unless otherwise approved by the Community Development Director.
18. **Bicycle Parking.** The project shall provide bicycle parking, consistent with the requirements of Section 17.68.070 of the Woodland Municipal Code. The location of the racks and locking mechanism details shall be subject to review and approval by the Community Development Department prior to issuance of permits. Bicycle parking shall be installed prior to occupancy.
19. **Signage.** Signage shall require a Sign Permit subject to approval by the Community Development Department in compliance with Woodland Municipal Code Section 17.100.140, Sign Permits – Permanent Signs, and may require a Building permit prior to installation.,
20. **Trash Maintenance.** The site shall be kept free of trash or debris at all times. Graffiti or any other type of vandalism shall be removed or otherwise remediated within 72 hours of occurrence.
21. **Landscape.** Prior to operation, 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.
22. A storefront cannabis dispensary permittee shall not allow cannabis, cannabis products, or cannabis accessories on the dispensary site to be visible from the public right of way, the unsecured areas surrounding the buildings on the site, or the site's main entrance and lobby.
23. No storefront cannabis dispensary shall grow or cultivate cannabis, except for immature nursery stock cannabis plants, on the dispensary site.

Building Conditions

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

24. This project must meet all criteria and mandates for these City adopted codes or the most current code:
 - A. 2022 California Building Code
 - B. 2022 California Plumbing Code
 - C. 2022 California Mechanical Code
 - D. 2022 California Electrical Code
 - E. 2022 Building Energy Efficiency Standards
 - F. 2022 California Green Building Code
 - G. The Code of the City of Woodland
25. Other City and County Agencies (Health, Fire, Public Works, and Planning) may be required to approve the project prior to a building permit being issued.
Recycle plan is required at time of permit issuance along with a \$1000 deposit.
Prior to **any** demolition work being performed, clearance from Yolo Solano Air Quality Management District is required.
26. Any deferred submittals that are not a part of the initial permit application must be listed on the cover sheet of the plan at the time of application for the project.
27. All plans, computations and specifications to be prepared and designed by an architect or engineer licensed by the state of California.
28. 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.

Fire Conditions

The following comments are from the City of Woodland Fire Department and are applicable to the referenced project:

29. **Project Condition. Prior to permit approval to install gates or barriers:** The installation of perimeter fencing, gates, or obstacles that obstruct fire apparatus access roads shall require a separate plan submittal, review, and approval by the Woodland Fire Department prior to installation.
30. **Advisory:** An operational permit for a Cannabis dispensary will be required. The permit(s) will cost \$342.00 and be billed at the time of the fire inspection.
31. **Advisory:** Addressing and suite numbers shall be readily visible, contrasting in color to the background.
32. **Project Condition. Prior to permit approval:** Tennant improvement plans shall be submitted to the City of Woodland Building and Fire Department for review and approval due to the interior remodel of the space.
33. **Advisory:** Please be aware that, at a minimum or as applicable, the following items will be inspected, tested, or reviewed at the time of inspection.

- Existing exit signs and emergency lighting shall be in good working order and capable of supplying illumination for not less than 90 mins. Testing records are required. Test to be conducted at fire inspection.
- New and existing fire extinguishers shall be current and labeled with a State Fire Marshal-approved service label.
- Existing exits, exit doors, and door hardware are not obstructed, are in good working order, and shall meet the minimum requirements of the CFC.
- Housekeeping shall be orderly, and storage shall be stored in an approved manner per the CFC.
- All electrical and cords shall comply with the CFC.
- All electrical panels shall have a minimum 36-inch clearance before the panel.
- Verify that the address and suite numbers are visible from the assigned street.
- Verify fire lanes are marked.
- Verify all landscaping is three feet away from fire department equipment.
- Verify that fire department equipment is painted, marked, labeled, and secured as applicable.
- Existing walls and ceilings are free from holes that would lead to fire extension.
- Verify Knox Box keys.

Police Conditions

The following comments are from the City of Woodland Police Department and are applicable to the referenced project:

34. Security personnel shall be on site twenty-four hours a day or alternative security as authorized by the city manager or his/her designee(s), and must have a verified response security patrol when closed. Security personnel must be licensed by the state of California Bureau of Security and Investigative Services personnel and shall be subject to the prior review and approval of the city manager or his/her designee(s), with such approval not to be unreasonably withheld. Firearms may be carried by security personnel while they are on duty if authorized by the chief of police.
35. **Security Plan.** Prior to issuance of a Business Cannabis Permit, applicant shall submit a final Security Plan and Lighting Plan pursuant to Woodland Municipal Code Section 5.28.260, Cannabis Business Site Security, for review and approval by the Police Chief and Community Development Director. Photometric data may be required to indicate that parking and public areas are equipped with one (1) foot-candle of minimum maintained illumination per square foot of parking surface to include the entire paved area or public/employee exterior access ways. Photometric data must also confirm the absence of “hot spots” or areas of ten (10) foot-candle of illumination per square foot or more.

Engineering and Public Works Conditions

The following comments are from the City of Woodland Engineering Division and Public Works Department and are applicable to the referenced project:

General Conditions

36. The existing water service shall be backflowed per City Standards/Details.

General Application Form

1. OWNER/APPLICANT

Property Owner:
Paul Blavins
Mailing Address:

City State Zip Code:

Phone Number:

E-mail Address:

Project Applicant:
P.F.F. Consulting Inc.
Mailing Address:

City State Zip Code:

Phone Number:

E-mail Address:

2. PROJECT DESCRIPTION

Project Name:
P.F.F. Consulting Inc.
Total Acres or Square Feet:
0.403 Acres 3512 + SF
General Plan Land Use Designation:

Site Address or Location:
1163 Court St
Assessor's Parcel Number(s):
005-562-023-000
Is Project in Flood Zone? Yes ☐ No ☒

Existing Zoning:
Community Commercial

Requested Entitlement/Permit Type:
Conditional Use Permit

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

Paul Blavins 6/10/24
Applicant Date
Paul Blavins 6-10-24
Legal Owner Date

James M. Murdy 6-10-24
Applicant Date

Legal Owner Date

**OPERATING AGREEMENT FOR A CANNABIS RETAIL BUSINESS AND
PRELIMINARY CANNABIS BUSINESS PERMIT
LOCATED IN THE CITY OF WOODLAND**

P.F.F. CONSULTING INC. DBA WOODLAND CANNABIS DISPENSARY

163 COURT STREET, WOODLAND CA 95695

This Operating Agreement for a Cannabis Business (hereinafter “Agreement”), dated _____, 2024, (“Effective Date”), is entered into by and between the City of Woodland (the “City”), a California municipal corporation, and P.F.F. Consulting Inc., dba Woodland Cannabis Dispensary, a cannabis retail facility (“Cannabis Business”). The City and Cannabis Business may be referred to herein individually as a “Party” and collectively as the “Parties.”

RECITALS

WHEREAS, On June 21, 2022, the City Council of the City of Woodland approved Ordinance Nos. 1685 and 1686 to allow consideration for up to four retail cannabis businesses within the City of Woodland.

WHEREAS, on February 27, 2023, the City of Woodland opened a competitive application review process for preliminary cannabis business permit applications, which closed on April 5, 2023. A total of 12 Preliminary Cannabis Business Permit applications were received.

WHEREAS, after conducting a complete, thorough, and objective review in consideration of all applications, the four top scoring applications were selected to continue through the final application review process, including the approval of an operating agreement to memorialize the requirements as provided for in the regulations governing commercial cannabis retail permits, Chapter 17.84.120 and 5.28 of the Woodland Municipal code, as well as statements and agreements provided in the application materials and as part of the interview process; and

WHEREAS, Cannabis Business is one of the four top scoring applicants and has applied for and received a Conditional Use Permit concurrently with the approval of this Agreement for the operation of a retail cannabis business at 163 Court Street, Woodland California, as more specifically described in Exhibit “A”, attached hereto and incorporated herein by this reference (the “**Subject Property**”).

WHEREAS, Section 5.28.180(A)(9) of the Woodland Municipal Code provides that the City shall enter into an Operating Agreement and Indemnification, in conjunction with the issuance of a Cannabis Business Permit, in which the Cannabis Business agrees to abide by the requirements of the Municipal Code and any other operating terms and conditions as mutually agreed by the parties; and

WHEREAS, the City Council of the City of Woodland has determined that there may be both community benefit and potential adverse impacts that may result from the operation of cannabis businesses in the City, and therefore desires to ensure all such impacts are adequately mitigated and offset through the requirement for community benefits the businesses provide to the City and its residents; and

WHEREAS, the Cannabis Business and the City have mutually agreed to certain minimum payments or actions to the City of Woodland to provide for community support projects, programs, and other services and activities that will positively contribute to the community and minimize any adverse impacts or increases in need for services caused by the operation of the Cannabis Business in the community.

NOW, THEREFORE, in consideration of the mutual promises, conditions, and covenants set forth herein, the Parties agree as follows:

AGREEMENT

1. Incorporation of Recitals. The Recitals, and all defined terms set forth in this Agreement, are hereby incorporated into this Agreement as if set forth herein in full.

2. Definitions. The following terms shall have the following meanings for purposes of this Agreement, but other terms may be defined elsewhere in this Agreement.

- A. “Assignment” means: (i) a sale, exchange or other transfer of this Agreement, the Cannabis Business’s rights hereunder, or substantially all of the Cannabis Business’s assets dedicated to operation of the retail cannabis business under this Agreement to a third party; (ii) a sale, exchange or other transfer of thirty (30) percent or more of the outstanding common stock of the Cannabis Business; (iii) any reorganization, consolidation, merger re-capitalization, stock issuance or re-issuance, voting trust, pooling agreement, escrow arrangement, liquidation or other transaction to which Cannabis Business or any of its shareholders is a party which results in a change of ownership or control of thirty (30) percent or more of the value or voting rights in the stock of Cannabis Business; and (iv) any combination of the foregoing (whether or not in related or contemporaneous transactions) which has the effect of any such transfer or change of ownership, provided that the effect of such occurrence is to change control of Company or responsibility for this Agreement to an entity that is not controlled by Company’s ultimate parent entity (as defined on the Effective Date of this Agreement in 16 CFR § 801.1(a)(3)).
- B. “Cannabis business permit” means the regulatory permit issued by the City to the Cannabis Business pursuant to the provisions of Chapter 5.28 of the Woodland Municipal Code.
- C. Cannabis retailer” means a premises permanently located in the City licensed by the State of California pursuant to the Medicinal and Adult-Use Cannabis Regulation and Safety Act, California Business and Professions Code Section 26000 et seq., as may be amended, where cannabis is provided for retail sale to consumers, including an establishment that delivers cannabis as part of a retail sale, as permitted by Chapter 17.84.120 of the Woodland Municipal Code.
- D. “City” means the City of Woodland.
- E. “City Permits” means all building permits, conditional use permits, zoning amendments, operating agreements, and other permits, including the Cannabis

Business Permit, licenses, entitlements, and agreements that the City, acting in its governmental capacity, must issue or approve for the Cannabis Business to operate in accordance with this Agreement.

- F. “Commencement Date” means the date that all of the following have occurred: (1) the City has issued all necessary City Permits; (2) the Cannabis Business has obtained all necessary State Licenses to operate; and (3) the Cannabis Business has obtained a certificate of occupancy.
- G. “Community Development Director” means the Community Development Director and his or her designee.
- H. “Conditional Use Permit” means the conditional use permit issued by the City to the Cannabis Business pursuant to Chapter 17.100.100 of the Woodland Municipal Code.
- I. “Effective Date” means the date first entered above as the Effective Date that both Parties have signed this Agreement.
- J. “Gross Receipts” means the total amount actually received or receivable from sales and the total amounts actually received or receivable for the performance of any act or service, of whatever nature it may be, for which a charge is made or credit allowed, whether or not such act or service is done as a part of or in connection with the sale of materials, goods, wares or merchandise. Included in “gross receipts” shall be all receipts, cash, credits and property of any kind or nature, without any deduction therefrom on account of the cost of the property sold, all cost of materials used, labor or service costs, interest paid or losses or other expenses. The following shall not be included in the definition of “Gross Receipts: (1) Cash discounts allowed and taken on sales; (2) Such part of the sale price of property returned by purchasers upon rescission of the contract of sale as is refunded either in cash or by credit; and (3) Receipts of refundable deposits, except that refundable deposits forfeited and taken into income of the business shall not be excluded.
- K. “Manager” means a person with responsibility and authority over the establishment, management, supervision, or oversight of the operation of the Cannabis Business.
- L. “State License” means all licenses required to be issued by the State of California for operation of the Cannabis Business pursuant to Division 10 of the Business and Professions Code and applicable state regulations, including Division 42 of Title 16, Division 8 of Title 3, and Division 1 of Title 17 of the California Code of Regulations, as those provisions may be amended.
- M. “Subject Property” means that certain property located at 163 Court Street, Woodland California, as more specifically described in Exhibit “A”, attached hereto and incorporated herein by this reference, which is the location of the Cannabis Business’s retail cannabis business.
- N. “Term” means the period of time this Agreement is in effect, and any renewal periods, as specified in Section 3.

3. Term of Agreement. The Term of this Agreement shall commence on the Effective Date and continue for a period of two (2) years therefrom (“Initial Term”), unless earlier terminated as specified in this Agreement. Prior to the expiration of the Initial Term and any subsequent Renewal Period, the Parties may mutually agree to extend the Term of this Agreement for up to two (2) additional two-year (2-year) terms to run consecutively (each a “Renewal Period”).

4. General Terms and Conditions. The Cannabis Business shall comply with all of the following terms and conditions for the Term of this Agreement:

- A. This Agreement is only valid for the Cannabis Business at the Subject Property identified in this Agreement. An assignment of this Agreement or any interest herein by the Cannabis Business is not permitted unless consented to in advance in writing by the City, which consent may be conditioned, granted or withheld in City’s sole and absolute discretion.
- B. The applicant shall apply for and receive approval for a final Cannabis Business Permit and all other required City permits, such as building permits, including receipt of a Certificate of Occupancy, prior to commencement of operations.
- C. Any conditions placed on the Cannabis Business Permit and the Conditional Use Permit are hereby incorporated as conditions of this Agreement. Violations of the Cannabis Business Permit, the Conditional Use Permit and/or applicable State Licenses shall be deemed violations of this Agreement and shall constitute a material breach of this Agreement.
- D. The applicant shall commence operation of the cannabis business within 12 months of the approval date of the CUP consistent with Section 17.96.130 of the Woodland Municipal Code, or the City will withdraw the preliminary business permit award and this agreement shall be null and void.
- E. The Cannabis Business shall obtain and maintain at all times a valid Cannabis Business Permit, Conditional Use Permit, and applicable State License(s) prior to and during operation of the Cannabis Business.
 - i. As soon as practicable, the Cannabis Business shall inform the City when it obtains its necessary State License(s), and shall provide a copy of the State License(s) to the Community Development Director. The City shall cooperate with the Cannabis Business as appropriate and as needed to facilitate the State’s issuance of a State License(s) to the Cannabis Business.
 - ii. The City shall diligently process the Cannabis Business’s applications for all City Permits. This Agreement does not commit the City in advance to approve the City Permits; nor does this Agreement constrain the City’s discretion to determine compliance with all requirements regarding issuance of any City Permits. Nothing in this Agreement relieves the Cannabis Business of the obligation to comply with all requirements and application procedures set forth in Chapter 5.28 and Section 17.84.120 of the Woodland Municipal Code.

- F. The Cannabis Business understands, acknowledges and agrees to comply with all applicable then-existing state and local laws and regulations applicable to operation of the Cannabis Business, including Chapter 5.28 of the Woodland Municipal Code.

5. Operational Requirements. In addition to all operating requirements set forth in Article IV of Chapter 5.28 of the Woodland Municipal Code, the Cannabis Business shall comply with the following specific operational requirements:

- A. The Cannabis Business shall immediately notify the City Police Department of any criminal activity, or suspected criminal activity, occurring at the Subject Property. In the event of any internal security system breach, including a faulty alarm system, broken or damaged surveillance cameras or other video recording equipment, or broken or damaged locks, doors, or lighting which may increase risk of criminal activity at the Subject Property, the Manager of the Cannabis Business shall notify the City Police Department as soon as practicable after becoming aware of the security system breach. The Cannabis Business shall diligently attempt to fix or resolve any such security breach immediately; if circumstances require additional time and delay to remedy, the Cannabis Business shall so notify City police and provide an estimated timeline the breach will be cured.
- B. If the Cannabis Business receives any criminal threats, or otherwise suspects any criminal targeting related to movement of product or cash from or to the Subject Property, the Cannabis Business shall immediately notify the City Police Department.
- C. The City's Chief of Police, or his or her designee, may perform site inspections of the Cannabis Business during hours of operation, upon reasonable notice. The scope of the inspection shall be to ensure compliance with all conditions on the Cannabis Business, including compliance with state rules and regulations, such as but not limited to, track and trace requirements, product storage, labeling, and disposal of product, as well as accounting, ledgers for distribution, and other records and operating procedures. Upon reasonable notice by the City, the Cannabis Business shall provide proof, including through visual observation and confirmation by City staff, of any storage, disposal or distribution of product as may be necessary to ensure business compliance. Should the City discover any evidence of falsification of records or other practices inconsistent with City or State requirements, the Cannabis Business shall, upon written notice from the City, immediately cease and desist operations until such time that the issues have been resolved, to the satisfaction of the City, in accordance with state and local regulations.

6. Consideration. As consideration for the rights and benefits it enjoys under this Agreement, including its operation of approved cannabis uses in the City during the Term, the Cannabis Business shall do all of the following:

- A. Tax Payment. The cannabis business shall pay the required ten (10%) percent tax as required per Woodland Municipal Code Chapter 3.36, Cannabis Business Tax.

- i. Monthly Payments shall be calculated per calendar month, due and payable on the 15th day of the subsequent calendar month in accordance with Woodland Municipal Code Section 3.36(B). By way of example only, a Monthly Payment for the month of September would be calculated from September 1 through September 30, due and payable on October 15.
 - ii. If a Monthly Payment is not paid in full within fifteen (15) days after it is due and payable, penalties and interest shall accrue as set forth in Woodland Municipal Code Section 3.36.100.
 - iii. Monthly Payments shall be made to the City's Finance Department. In the event the Cannabis Business intends to pay a Monthly Payment in cash in an amount that exceeds \$5,000, the Cannabis Business shall notify the City in advance to make prior arrangements.
 - iv. Accompanying the Monthly Payment, the Cannabis Business shall deliver to the City a report ("the Monthly Report") showing (1) Gross Receipts of the Cannabis Business for the immediate prior month; 2) a cumulative total of all amounts of Gross Receipts received by the Cannabis Business to date for the calendar year, (3) a calculation of the Monthly Payment currently due to the City; and (4) a calculation of the cumulative total of all Monthly Payments made to the City to date for the calendar year.
- B. Community Benefits Plan. Pursuant to Section 5.28.180 (A)(6)(b), Exhibit "B" to this agreement, Community Benefit Plan, which is attached hereto and incorporated into this Agreement by this reference, describes the benefits the cannabis business has provided or will provide to the local community including direct aid, participation in, and commitment to funding the work of local nonprofits, community, civic, or social service based organizations, as well as the development of public outreach and education program related to risks of youth and drugs, and any other agreed upon community benefit between the City and applicant. The Cannabis business shall comply with and implement that Community Benefit Plan as a requirement of this Agreement.
- i. Each year, at the time of the annual Cannabis Business Permit review, the Cannabis business shall submit a Community Benefits Plan Summary Report in which all activities in support of local community organizations or events as outlined in the Community Benefit Plan (Exhibit "B"), including the Community Benefit Payment, shall be identified, including the community service hours provided by the cannabis business (inclusive of staff service volunteer hours) in the year, and the Cannabis Business shall provide to City or its designee all appropriate receipts, payment verification and any other documentation requested by City as deemed necessary by City in its discretion to verify the Cannabis business's compliance with the Community Benefit Plan.

C. Social Policy and Local Enterprise Plan. Pursuant to Section 5.28.180(A)(6)(c), Exhibit “C” to this Agreement describes the Cannabis Business’s Social Policy and Local Enterprise Plan.

i. Each year, at the time of the annual Cannabis Business Permit review, the Cannabis Business shall submit an updated Social Responsibility and Local Enterprise Plan in which the employee benefits, workforce development actions, local hiring practices, and minimum employee wage paid are identified for the prior year.

i. Minimum agreed upon hourly wage (living wage). The Cannabis Business hereby agrees to provide a minimum hourly working wage in the amount of \$20 for remainder of the calendar year following the Effective Date of this Agreement. The wages for employees of the Cannabis Business shall increase at the same rate as the state minimum wage.

D. Cannabis Business agrees to abide by the requirements of Chapter 5.28 of the Woodland Municipal Code and any other operating terms and conditions as mutually agreed by the parties to ensure that the social policy and local enterprise plan commitments and community benefits derived from the proposed cannabis business adequately address potential adverse impacts stemming from the operation of the Cannabis Business.

E. Records. The Cannabis Business shall keep accurate and adequate records and documentation to reflect its monthly gross receipts and information concerning required payments. Pursuant to section 5.28.340 of the Woodland Municipal Code, the Cannabis Business shall maintain all such records for at least three (3) years, and shall produce those records to the City within 24 hours after receipt of the City’s request.

7. Termination. The City and/or Cannabis Business may terminate this Agreement prior to expiration of the Term for the reasons and subject to the requirements set forth below. The Cannabis Business understands and acknowledges that the right to operate the Cannabis Business is expressly contingent on full execution of an Operating Agreement, as required by section 5.28.180(A)(9) of the Woodland Municipal Code. As such, termination of this Agreement shall result in the immediate termination of the Cannabis Business’s operations, unless and until a new Operating Agreement is executed by the Parties

A. City’s Termination Rights. Without prejudice to its other remedies at law or in equity, the City may terminate this Agreement, at any time and in its sole discretion, effective thirty (30) days after the City provides written notice of termination to the Cannabis Business, if any of the following circumstances occurs:

i. The Cannabis Business breaches its obligation to pay the Monthly Payments of the Cannabis business tax when due and fails to cure the breach within thirty

(30) days after the City provides the Cannabis Business with a written notice of default.

- ii. The Cannabis Business breaches its obligation to perform in accordance with any material provision of this Agreement, other than the obligation to pay the Monthly Payment, and: (A) does not cure the breach within thirty (30) days after the City provides the Cannabis Business with a written notice of breach or, if the breach cannot reasonably be cured within 30 days, (B) does not begin work to cure the breach within thirty (30) days after the City provides the Cannabis Business with a written notice of breach. The Parties may mutually agree in writing to extend the time period to cure the breach. The express designation in this Agreement of a provision as “material” does not imply that other provisions are not material.
- iii. The Cannabis Business fails to obtain and maintain at all times prior to and during operation of the Cannabis Business a valid Cannabis Business Permit and State License(s), or violates any condition of approval of the Conditional Use Permit.
- iv. The uses and business activities of the Cannabis Business are declared unlawful by order of Court, or become illegal by operation of State law.

- B. Cannabis Business’s Termination Rights. The Cannabis Business may, at any time and in its sole discretion, effective thirty (30) days after the Cannabis Business provides written notice of termination to the City, may terminate this Agreement if the Cannabis Business has permanently ceased operations, or intends to cease operations within thirty (30) days, in the City of Woodland.

8. Release & Indemnification. The Cannabis Business shall release and hold harmless the City, its agents, officers, elected officials, staff and employees (collectively, “City Parties”) from any and all claims, injuries, damages, or liabilities of any kind arising from: (i) any repeal or amendment of Chapter 5.28 of the Woodland Municipal Code, or any provision of the Zoning Code relating to the Cannabis Business, and (ii) any arrest or prosecution of the Cannabis Business or its owners, Managers, staff, employees, or members for violation of state or federal laws. The Cannabis Business shall further defend, indemnify and hold harmless the City Parties from and against any and all claims or actions: (i) brought by adjacent or nearby property owners or any other parties for any damages, injuries, or other liabilities of any kind arising from or related to the Cannabis Business operations at the Subject Property, and (ii) brought by any party for any problems, injuries, damages, or other liabilities of any kind, including bodily injury, death or property damage, arising out of the distribution of cannabis or cannabis products at the Subject Property. The obligations in this Section 8 Release & Indemnification shall survive any expiration or termination of this Agreement.

9. Insurance.

- A. Time for Compliance. The Cannabis Business shall not begin operations until it has provided evidence satisfactory to the City that it has secured all insurance required

under this section. Failure to provide and maintain all required insurance shall constitute a material breach of this Agreement.

B. Types of Required Coverages. Without limiting the indemnity provisions of this Agreement, the Cannabis Business shall procure and maintain in full force and effect during the term of the Agreement, the following policies of insurance:

- i. Commercial General Liability. Commercial General Liability Insurance which affords coverage at least as broad as Insurance Services Office “occurrence” form CG 0001, with minimum limits of at least \$1,000,000 per occurrence. Defense costs shall be paid in addition to the limits.

The policy shall contain no endorsements or provisions limiting coverage for (1) products and completed operations; (2) contractual liability; (3) third party action over claims; or (4) cross liability exclusion for claims or suits by one insured against another.

- ii. Automobile Liability. Automobile Liability Insurance with coverage at least as broad as Insurance Services Office Form CA 0001 covering “Any Auto” (Symbol 1) with minimum limits of \$1,000,000 each accident.

- iii. Workers’ Compensation. Workers’ Compensation Insurance, as required by the State of California and Employer’s Liability Insurance with a limit of not less than \$1,000,000 per accident for bodily injury and disease.

If coverage is written on a claims-made basis, the retroactive date shall precede the effective date of the initial Agreement and continuous coverage will be maintained or an extended reporting period will be exercised for a period of at least three (3) years from termination or expiration of this Agreement.

C. Endorsements.

- i. The policy or policies of insurance required by this section for Commercial General Liability and Automobile Liability shall be endorsed to provide the following:

- a. Additional Insured. The City’s indemnified parties shall be additional insureds with regard to liability and defense of suits or claims arising out of the performance of the Agreement. Additional Insured Endorsements shall not (1) be restricted to “ongoing operations”; (2) exclude “contractual liability”; (3) restrict coverage to “sole” liability of Consultant; or (4) contain any other exclusions contrary to the Agreement.

- b. Primary Insurance and Non-Contributing Insurance. This insurance shall be primary and any other insurance, deductible, or self-insurance maintained by the indemnified parties shall not contribute with this primary insurance.

- c. Severability. In the event of one insured, whether named or additional, incurs liability to any other of the insureds, whether named or additional, the policy shall cover the insured against whom claim is or may be made in the same manner as if separate policies had been issued to each insured, except that the limits of insurance shall not be increased thereby.
 - d. Cancellation. The policy shall not be canceled or the coverage suspended, voided, reduced or allowed to expire until a thirty (30) day prior written notice of cancellation has been served upon the City except ten (10) days prior written notice shall be allowed for non-payment of premium.
 - e. Duties. Any failure by the named insured to comply with reporting provisions of the policy or breaches or violations of warranties shall not affect coverage provided to the indemnified parties.
 - f. Applicability. That the coverage provided therein shall apply to the obligations assumed by the Cannabis Business under the indemnity provisions of this Agreement, unless the policy or policies contain a blanket form of contractual liability coverage.
- ii. The policy or policies of insurance required by this section for Workers' Compensation shall be endorsed, as follows:
 - a. Waiver of Subrogation: A waiver of subrogation stating that the insurer waives all rights of subrogation against the City's indemnified parties.
 - b. Cancellation. The policy shall not be canceled or the coverage suspended, voided, reduced or allowed to expire until a thirty (30) day prior written notice of cancellation has been served upon the City except ten (10) days prior written notice shall be allowed for non-payment of premium.
- D. Deductible. Any deductible or self-insured retention must be approved in writing by the City and shall protect the City's indemnified parties in the same manner and to the same extent as they would have been protected had the policy or policies not contained a deductible or self-insured retention.
- E. Evidence of Insurance. The Cannabis Business shall, concurrently with execution of this Agreement or as soon thereafter as may be authorized by the City, deliver either certified copies of the required policies, or original certificates and endorsements on forms approved by the City. The certificates and endorsements for each insurance policy shall be signed by a person authorized by that insurer to bind coverage on its behalf. At least fifteen (15) days prior to the expiration of any such policy, evidence of insurance showing that such insurance coverage has been renewed or extended shall be filed with the City. If such coverage is cancelled or reduced, the Cannabis Business shall, within ten (10) days after receipt of written notice of such cancellation or

reduction of coverage, file with the City evidence of insurance showing that the required insurance has been reinstated or has been provided through another insurance company or companies.

- F. Failure to Maintain Coverage. The Cannabis Business agrees to suspend and cease all operations hereunder during such period of time if the required insurance coverage is not in effect and evidence of insurance has not been furnished to the City.
- G. Acceptability of Insurers. Each such policy shall be from a company or companies with a current A.M. Best's rating of no less than A:VII and authorized to do business in the State of California, or otherwise allowed to place insurance through surplus line brokers under applicable provisions of the California Insurance Code or any federal law.
- H. Insurance for Subcontractors. All subcontractors shall be included as additional insureds under the Cannabis Business's policies, or the Cannabis Business shall be responsible for causing subcontractors to purchase the appropriate insurance in compliance with the terms of this Agreement, including adding the City as an Additional Insured.

10. Notice. Any notice or other communication provided pursuant to this Agreement must be in writing and shall be considered properly given and effective only when mailed or delivered in the manner provided by this Section 11 to the persons identified below. A mailed notice or other communication shall be considered given and effective on the third day after it is deposited in the United States Mail (certified mail and return receipt requested). A notice or other communication sent in any other manner will be effective or will be considered properly given when actually delivered. A Party may change its address for these purposes by giving written notice of the change to the other Party in the manner provided in this Section 11.

If to the City:

City of Woodland
City Manager's Office
300 First Street
Woodland, California 95695
Attention: Ken Hiatt

If to Cannabis Business:

11. Force Majeure.

- A. "Force Majeure Event" means a cause of delay that is not the fault of the Party who is required to perform under this Agreement and is beyond that Party's reasonable control, including the elements (such as floods, earthquakes, windstorms, and unusually severe weather), fire, energy shortages or rationing, riots, acts of terrorism, war or war-defense conditions, acts of any public enemy, epidemics, the actions or inactions of any governmental entity (excluding the City) or that entity's agents, litigation, labor shortages (including shortages caused by strikes or walkouts), and materials shortages.

- B. Except as otherwise expressly provided in this Agreement, if the performance of any act required by this Agreement to be performed by either the City or Cannabis Business is prevented or delayed because of a Force Majeure Event, then the time for performance shall be extended for a period equivalent to the period of delay, and performance of the act during the period of delay will be excused.

12. Waiver. A Party's failure to insist on strict performance of this Agreement or to exercise any right or remedy upon the other Party's breach of this Agreement shall not constitute a waiver of any performance, right, or remedy. A Party's waiver of the other Party's breach of any provision in this Agreement shall not constitute a continuing waiver or a waiver of any subsequent breach of the same or any other provision. A waiver is binding only if set forth in writing and signed by the waiving Party.

13. Relationship of Parties. This Agreement does not create any employment relationship, ownership interest, or other association between the City and Cannabis Business. Nothing herein shall be construed to create the relationship of principal and agent, partnership or other joint venture between the City and Cannabis Business.

14. Attorneys' Fees. The Party prevailing in any litigation concerning this Agreement, the Subject Property, or the Cannabis Business operations, shall be entitled to an award by the court of reasonable attorneys' fees and litigation costs. If the City is the prevailing party, then this Section shall apply whether the City is represented in the litigation by the designated City Attorney or by outside counsel.

15. Severability. If a court with jurisdiction finds any provision of this Agreement to be invalid, void, or unenforceable, then the remaining provisions shall remain in full force and effect, and to this end this Agreement shall be severable.

16. Counterparts. The parties may execute this Agreement in counterparts, each of which shall constitute an original, but all of which shall collectively constitute this same Agreement.

17. Integration and Modification. This Agreement sets forth the Parties' entire understanding and agreement regarding the matters addressed herein. This Agreement supersedes all prior or contemporaneous agreements, representations, and negotiations (written, oral, express, or implied) and may be modified only by written agreement signed by both Parties.

(Signature Page Follows)

IN WITNESS WHEREOF, the parties enter into this Agreement as of the date first set forth on this Agreement.

City of Woodland

**Cannabis Business:
P.F.F. Consulting Inc. dba Woodland
Cannabis Dispensary**

By: _____
Ken Hiatt, City Manager

Dated: _____, 2024

By: _____

Dated: _____, 2024

By: _____

Approved as to Form

Dated: _____, 2024

Woodland City Attorney

By: _____
Ethan Walsh, City Attorney

EXHIBIT “A”

DESCRIPTION OF SUBJECT PROPERTY

[Legal Description to be inserted]

DRAFT

EXHIBIT “B”

COMMUNITY BENEFIT PLAN

Community Benefit Payment

Woodland Cannabis Dispensary commits to donating 2% of the company's annual business gross receipts to local 501(c)(3) non-profit(s) that are active in the City of Woodland.

Event Sponsorships

WCD commits to providing support and education to the community through sponsorships and educational booths and would like to sponsor at least one event per year and have an educational booth at the event. The cost of sponsorship will vary according to the event. Including but not limited to the Farmers' markets, Woodland's Annual Tomato Festival, Yolo Farm to Fork, Dinners on Main, Woodland Holiday Parade, Fall Harvest Fest, Christmas Tree Lighting, Craft is Art Christmas Fair, Woodland's First Friday, The Honey Festival, The Almond Festival, Woodland Chamber of Commerce events, Woodland Rotary events, and Golf tournaments.

Big Days of Giving

In addition to the 2% of the company's annual business gross receipts, WCD will provide 5% of net profits to a local charity one day a year called the Big Day of Giving. WCD commits to advertising Big Days of Giving through social media, website and in house signs to ensure customers/members are informed of the best days to shop to contribute to the community.

Adopt-A-Highway Program

WCD has committed to maintaining the stretch of roadside on Highway 5 heading North between E Kentucky Ave. and East St. exits through the Caltrans Adopt-A-Highway Program. WCD has contracted with an Adopt-A-Highway approved vendor to maintain the beautification of this area.

Meals on Wheels Program

Yolo County Meals on Wheels is closed for 10 holidays each year. On those days, they provide a sack lunch (delivered the day before along with a regular hot meal) to their home delivery clients so they don't miss a meal. WCD has committed to being a sponsor of one of these 10 holidays by providing donations that help to provide a more substantial meal with extra nutrition, such as additional protein, a carton of eggnog, fresh fruit, and a treat. The donation would include items for special occasions like flags for the 4th of July, to make the meal special for the holiday.

Volunteer Services: Hours of Commitment

As part of the Community Benefit Plan to the City of Woodland, WCD commits to providing paid time for employees who want to volunteer for local charities and events. 8 hours per month will be provided for full time employees and 4 hours per month for part time employees.

WCD will provide an in-house employment position for a Community Outreach Coordinator. The Community Outreach Coordinator will coordinate with local charities and the Chamber of Commerce to ensure that WCD employees are volunteering effectively.

EXHIBIT “C”

SOCIAL POLICY AND LOCAL ENTERPRISE PLAN

Local Hiring

Upon the start of operations, Woodland Cannabis Dispensary intends to hire 10 employees from the City of Woodland, 10 of which will be full-time. With the growth of business, Woodland Cannabis Dispensary anticipates hiring up to 25 employees.

WCD is committed to hiring 100% Woodland and Yolo County residents, and is committed to creating a diverse environment in terms of age, race, ethnicity, national origin, gender, and socioeconomic status.

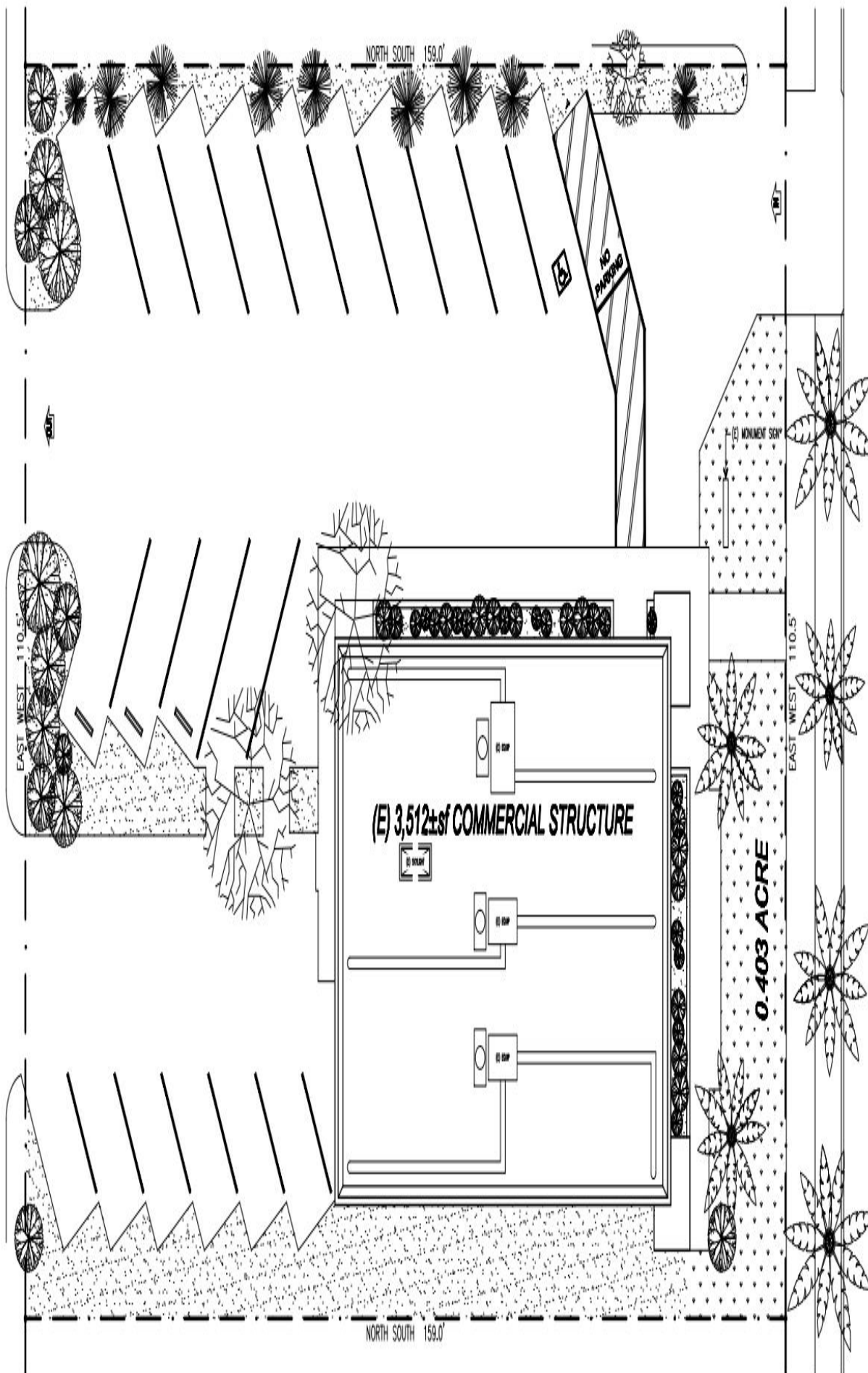
Employee Wages and Compensation

WCD is committed to providing a living wage to all employees, with starting wages ranging from \$20 to \$40 per hour depending on position and experience, and is committed to granting raises after a 90-day probationary, educational, and training period, with additional raises possible on an annual basis, upon promotion, or based on performance. WCD is committed to offering bonus incentive programs, including an annual monetary holiday bonus based on tenure and additional bonuses or gift certificates for exceptional performance. The company is committed to providing staff with regular paid meals on busy days and holidays, as well as winter and summer company parties. As part of the Community Benefit Plan, WCD is committed to providing paid time for employees to volunteer for local charities and events, up to 8 hours per month for full-time employees and 4 hours per month for part-time employees.

Continuing Education

WCD is committed to providing employees with paid continuing education, including weekly education, field trips, guest speakers, and online training. WCD is also committed to staying updated on cannabis science, therapeutic uses, and safe consumption. WCD will provide lectures on cannabis updates, products, research, and industry standards, and is also committed to offering outside continuing education options, including industry conferences and online courses from platforms such as Healer.com, AmericansForSafeAccess.com, GreenFlowerMedia.com, and ProjectCBD.com.

WCD is committed to promoting from within through the Ownership Incubator Program ("OIP"). The company is committed to supporting employees' professional growth and offering opportunities to found their own cannabis ventures.



COURT STREET

P.F.F. Consulting, Inc.
dba: Woodland Cannabis Dispensary (WCD)
Community Relations and Neighborhood Compatibility Plan

WCD's goal is to maintain a symbiotic relationship with neighboring businesses and the residents of the community. The ownership team has already begun making introductions and sharing information about WCD with neighboring businesses and residents, providing contact information and encouraging them to contact WCD directly if concerns arise. WCD will be an active member of the Neighborhood Watch program and will partake in neighborhood meetings to keep the company up to date on community issues.

Community Introductory Letter

Neighborhood outreach is WCD's primary method to seek community input. WCD has already taken the walk through the community within 600 feet of the premise and introduced the team to establish open lines of communication and build a foundation for great community relations. WCD invited neighbors to planned open houses and informed neighbors that they were available for questions and communication at any time. During neighborhood canvassing, WCD did not receive any negative reactions or comments related to the application for a commercial retail cannabis business at the location. In contrast, WCD received a great deal of positive feedback. In an effort to continue fostering these relationships, WCD prepared a Neighborhood Introductory Letter, which we will continue to distribute throughout the community to ensure neighbors know that they are available for any questions or concerns.

Open Houses

WCD has already held three successful Open Houses in 2021 and 2022 and is planning for a few more in 2023. These Open Houses were advertised in the Daily Democrat¹² as well as by the WCD team walking the neighborhood and handing out Introduction letters to our neighbors within 600 feet of our location. WCD believes that by providing an open line of communication with our neighbors we will be able to address their concerns proactively as we provide them with a better understanding of how we can have a positive impact on the community. WCD has found that providing transparency and an open forum for the community to meet the operators and tour the facility often eliminates concerns and encourages positive communication. Providing a space where our neighbors can see firsthand the education, professionalism, and security features of the facility has been a very positive experience. WCD will continue ongoing open houses after opening, along with other events, on an annual basis or as needed to ensure all concerns from our neighbors or the community are being heard and addressed. WCD will encourage its neighbors and community to bring to WCD's attention any concerns they may have about WCD's operations, procedures, or customers/member's behavior. WCD considers feedback crucial to its success in the community, and the WCD team is committed to promptly resolving any community concerns.

¹ <https://www.dailydemocrat.com/2022/09/28/woodland-cannabis-collective-to-host-dispensary-open-house-friday/>

² <https://www.dailydemocrat.com/2022/04/15/woodland-cannabis-collective-holds-open-house/>

P.F.F. Consulting, Inc.
dba: Woodland Cannabis Dispensary (WCD)
Community Relations and Neighborhood Compatibility Plan

Membership Guidelines

WCD's first line of defense in nuisance mitigation is prevention. The Membership Guidelines are a set of guidelines that the company's staff, customers/members, vendors, contractors, and visitors must follow at all times. These guidelines outline the importance of responsible and safe cannabis use, as well as the expectations of WCD customers/members with regard to behavior in and around the establishment. Many adverse impacts can be prevented by establishing clear rules and procedures that deter negative actions. All persons will agree to follow the guidelines when they join the Woodland Cannabis Dispensary. If a person does not follow the Membership Guidelines, they will lose their membership access to the facility.

Signage Plan

In an effort to prevent undesirable behaviors that may lead to neighborhood complaints, WCD will provide signage throughout the premises displaying the most important rules. WCD will provide the following signage in accordance with our Security Plan, City of Woodland, and State of California Cannabis Regulations. Each sign described below will be at least eight inches by 10 inches in size and will be displayed at all times in a conspicuous place so that it may be readily seen by all persons entering the business site. "Juveniles are Prohibited from Entering this Site." "Smoking, Ingesting, or Otherwise Consuming Cannabis on this Site Or within 50 feet of this Site is Prohibited." "The sale or diversion of cannabis or cannabis products without a permit issued by the City of Woodland is a violation of State law and the Woodland City Code." "Secondary sale, barter, or distribution of cannabis or cannabis products purchased from a permittee is a crime and can lead to arrest." "Patrons must not loiter in or near these premises and may not consume cannabis or cannabis products in the vicinity of this business or in any place not lawfully permitted. These premises and vicinity are monitored to ensure compliance." "Warning: the use of cannabis or cannabis products may impair a person's ability to drive a motor vehicle or operate heavy machinery." "Video Surveillance and Camera Recording System is in Operation 24/7."

Security

WCD will employ uniformed Private Patrol Security Officers licensed by the Bureau of Security and Investigative Services to ensure that customers/members, employees, and visitors, as well as the facility, neighbors, and parking lot, remain safe and secure. The presence of security is an added benefit to the neighborhood, which WCD is happy to provide. Onsite security will monitor the video surveillance system capturing the building interior, perimeter, and all surrounding parking lot areas, including the back alley, to ensure all Membership Guidelines city and State regulations are being followed at all times. If and when need be, the PPSOs will be trained and capable of enforcing all rules and regulations. Security cameras have been helpful to many neighbors who have been in need of surveillance for different types of incidents that do not involve the dispensaries. WCD will provide video footage of any incident when appropriate which in turn has a positive impact on neighbor relations and builds a trusting relationship in the community.

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Community Relations and Neighborhood Compatibility Plan

Proactive Complaint Response

WCD will take all complaints seriously and will work to resolve issues in a prompt, thorough, and respectful manner. Initial and annual employee training(s) will include guidance on the importance of positive and respectful neighbor relations. All staff will be trained to report all noise, lighting, odor, litter, loitering, traffic or any other complaints to management immediately.

Noise

WCD's retail environment is similar to an office. The music played in the lobby and point of sales area is always kept at a low volume so that conversations can easily be heard. Per WCD Membership Guidelines, WCD asks all customers/members to be kind and respectful to staff, other patrons, the premises, neighboring businesses, and residences. WCD understands that noise pollution impedes the tranquility of the community, and WCD will proactively address potential issues by limiting noise from customers/members and addressing expectations with all potential customers/members.

Light

WCD will ensure that security lighting will not be a nuisance to our neighbors or pollution to our skies by selecting proper light fixtures with the ability to direct light downwards rather than up or out. A portion of WCD's exterior lighting will be motion-sensitive. This guarantees there is no light intrusion on the neighbors. Windows will be tinted to prevent interior light from escaping to ensure that the lights are not invasive to neighbors. WCD's proposed location is fortunate to be in a stand alone building with a private parking lot, a large amount of lighting, and on a street that is lit up in the evening and night-time hours. This will give the neighbors, pedestrians, and customers/members a sense of security.

Odor

As required by state regulations, all products will arrive at the licensed retail premises in tamper-evident child-resistant packaging. The packaging prevents odor from becoming a nuisance at retail storefront locations. WCD will not package any cannabis products onsite and will only remove the product from a package when it is deemed cannabis waste. All cannabis waste will be kept in a smell-proof sealed container. WCD will use carbon and HEPA air filters in the HVAC system to eliminate any potential residual odors in and outside of the building. Furthermore, backup portable air purifiers with carbon and HEPA filtration will assist in keeping any odor contained within the licensed premises. WCD will utilize HEPA active carbon air filtration and negative pressure airflow. This system, coupled with staff training on odor control and mitigation practices, will work effectively and efficiently to neutralize odor.

Public Consumption

Consumption of cannabis will not be allowed nor tolerated on or near the premises in compliance with the City of Woodlands ordinance. This rule is included in WCD's Membership Guidelines that all new customers/members must agree to. As part of the company's prevention procedures will be to post signs prominently at each entrance with a clear and legible notice consistent with the City of Woodland's ordinance: **"Smoking, Ingesting, or Otherwise Consuming Cannabis on this Site Or within 50 feet of this Site is Prohibited."** Security guards will be monitoring the entire site via 24/7 video surveillance. When a person is seen on camera violating this rule, he or she will lose their rights at Woodland Cannabis Dispensary.

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Community Relations and Neighborhood Compatibility Plan

Loitering

Loitering will not be permitted on the premises of WCD. The company's Membership Guidelines and Signage will provide the rules to follow. **"Patrons must not loiter in or near these premises and may not consume cannabis or cannabis products in the vicinity of this business or in any place not lawfully permitted. These premises and vicinity are monitored to ensure compliance."** Security cameras, monitored by PPSOs and company managers, will be active during operating hours, and both parties will be available to kindly enforce the rules if necessary.

Litter

WCD is dedicated to the preservation and beautification of its location and its neighboring properties. Therefore, the WCD team has committed the staff to provide daily community walks in which WCD will pick up litter and assess the surrounding neighborhood for signs of loitering and graffiti. WCD gladly accepts the responsibility to ensure a safe and secure environment as well as upkeep and improve the grounds, the facility and the surrounding neighborhood. WCD Membership Guidelines prohibit littering and require customers/members to dispose of trash in proper receptacles. WCD will place trash and recycling receptacles in conspicuous locations to help promote proper waste management. WCD's company waste and recycling dumpsters will be kept locked at all times. No cannabis waste will be disposed of in the dumpster. Instead, cannabis waste will be held in the product storage room in a sealed box until a cannabis waste company compliantly transports waste away from the premises.

Vehicle and Pedestrian Traffic

WCD expects foot and vehicle traffic in the neighborhood to increase with the addition of our business. The premises include a large parking lot with 20 private parking spaces with 1 ADA space available. Along the street are three additional spaces directly in front of the building on Court Street and seven additional spaces across the street. To keep parking readily available and reduce traffic, WCD will encourage customers/members to utilize our "Express Order" program. Customers/Members can order online or over the phone to expedite their visit to WCD, thus reducing traffic congestion. WCD uniformed Private Proprietary Security Officer (P.P.S.O.) will monitor security cameras in the parking lot to identify any parking or traffic issues and address them immediately.

Responsible Party for Community Outreach and Communication

WCD has appointed Chief Executive Officer and owner Laura Mendez as the company's Community Liaison and 24/7 contact for concerns and complaints. The Community Liaison will be available to address any questions, concerns, or complaints from residents and neighboring businesses via phone, email, or in person, twenty-four hours a day, seven days a week and will be onsite during operating hours Monday through Friday.

WCD will display on the front door the name, cell phone number, and email address of the Community Liaison for ease of access for neighbors, interested parties, the city, and law enforcement. The Community Liaison will also be available to the Woodland City Manager and Woodland Police Department at all times to address any issues related to WCD.

The Community Liaison will have access to the video cameras on their phone and computer to be able to view the premises at all times. The Community Liaison will perform a daily review of call and email complaint logs to ensure that all complaints have been addressed promptly and that WCD's operations

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Community Relations and Neighborhood Compatibility Plan

do not have adverse effects on the surrounding community. Annual Community Impact reports will be presented and reviewed by the board and available for the City to review.

Conclusion

Woodland Cannabis Dispensary is committed to being an asset to the neighboring community and to the City of Woodland. WCD will adhere to strict standards provided by the City of Woodland, Yolo County, and the State of California to ensure that the business operations are safe, professional, and complimentary to the neighborhood. WCD plans to promptly address any community concerns to ensure that the business is not a nuisance. WCD values the community and seeks to proactively communicate with the neighbors and address issues before they arise to the level of a complaint. WCD looks forward to the opportunity to demonstrate its compatibility with the neighborhood and to bring a sense of safety to a vacant building. WCD will continue its efforts to build a relationship by being involved in any neighboring issues and participating in solutions.

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Odor Control Plan

WCD will consistently ensure air quality and temperature by monitoring the HVAC and odor mitigation systems. WCD will stay current on any new odor-eliminating products and update them as necessary to maintain the safest, most effective odor-filtration system. WCD is dedicated to staying in compliance with the City's regulations requiring that odor shall not be detected outside of the facility, anywhere on adjacent property or public rights-of-way, or around the exterior of the premises. WCD will update our HVAC air duct system, which will include an exhaust air filtration system with odor control that prevents internal odors from being emitted externally and an air system that creates negative air pressure between the commercial cannabis business' interior and exterior so that any odors generated inside the facility are not detectable. This system utilizes active carbon and HEPA filters to reduce all associated odors. The temperature in the building where products are kept will be set at 70 degrees to keep the product fresh and minimize any odor. All cannabis products, apart from those on display in cases on the sales floor, will be stored in a limited-access safe room in the back of the building. Doors at the premises will be self-closing to aid in odor containment and for added security precautions. During shipment intake, vendors will enter through a secure back door and then enter a receiving room, where WCD will complete the product intake process. This receiving room has no windows or breezeways, so will not allow any odor to escape.

Potential Sources of Odor

WCD will not perform any packaging or processing of cannabis onsite. As required by state regulations, all products will arrive at WCD in pre-sealed packaging, thereby reducing any associated odor. We will not allow smoking or vaping on the premises and will request that all members keep their purchased product sealed until after they have departed from the premises. WCD does not foresee potential odor from pre-packaged products becoming a nuisance. WCD will not cultivate, manufacture, or package cannabis, so there is no odor risk from raw or unpackaged products.

Odor Control Devices and Techniques

WCD will employ the highest quality carbon and HEPA filtration within the HVAC system, as well as portable backup carbon filters in the areas of the facility that have the highest potential for odor breach. All appropriate ventilation and filtration systems will be designed and installed to control noxious odors and prevent detection of odors from cannabis outside the premises. Active carbon filters are efficient in the removal of volatile organic compounds and odors. Such filters are excellent for use in commercial and industrial high efficiency systems. By maintaining negative pressure with frequent exhaust, air naturally flows into rather than out of the area, decreasing the risk of odors being emitted to adjacent property or public rights-of-way, on or about the exterior or interior common area walkways, hallways, breezeways, foyers, lobby areas, or any other areas available for use by common tenants or the visiting public. All air filtration systems will comply with California Fire and Mechanical Codes.

System Maintenance

WCD will contract with a licensed, local HVAC professional to upgrade and maintain the filtration system. WCD will implement regular scheduled maintenance of our air filtration system every three months. We will replace the active carbon filters every month. Any malfunctions will be documented and addressed promptly. Repair and maintenance activities will be carried out by a licensed, local HVAC specialist, with the exception of filter replacement, which will be performed by a manager. All maintenance will be logged with the date and a manager's initials and kept on file. Managers will evaluate this system regularly to ensure that it is properly running at all times.

CONFIDENTIAL AND PROPRIETARY



TO: THE MEMBERS OF THE PLANNING COMMISSION
AGENDA: Planning Commission Meeting
DATE: September 19, 2024
ITEM #: H.3
SUBJECT: SUBJECT: Sundial Collective Retail Cannabis
Conditional Use Permit

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 judgment of the City as lead agency under CEQA;
4. Approve Planning Commission Resolution No. PC 24-06 recommending that the City Council approve a Conditional Use Permit and Operating Agreement for a storefront retail cannabis dispensary at 3 Court Street in the City's Community Commercial Mixed Use zone conditioned upon approval of the appropriate Cannabis Business Permit and the recommended conditions of approval.

Staff Contact:

Anna Canales, Assistant Planner, anna.canaless@cityofwoodland.gov

Fiscal Impact:

Application Processing Costs. The project applicant covers all costs associated with processing the subject Conditional Use Permit application and related Operating Agreement through an Advanced Funding Agreement. Similarly, the selection process for all applicants was covered through individual funding agreements.

The City collects two types of revenue associated with cannabis businesses outside of the specific Conditional Use Permit application processing costs noted above. Those include Permit fees and Cannabis Tax.

Permit Revenue. When a new business applies for a Cannabis Business Permit, contingent in this case on approval of a Conditional Use Permit and Operating Agreement, the City will collect \$50,056 to allow for staff to review and process the application. This includes site visits by both Community Development and Police staff. Thereafter, businesses are responsible for requesting a renewal of the permit on an annual basis and subject to a renewal fee of \$21,222. The permit renewal fee pays for program oversight, business plan review by the Community Development Department, Police site visits and Police compliance, accounting and an annual financial audit. The City does not make revenue above the cost of service on these fees and is legally only allowed to charge the City's cost of doing business. New Cannabis Business Permit and renewal fees adjust annually based on CPI.

Cannabis Tax. In November 2022, Woodland voters approved a local tax on cannabis businesses that would help to fund general city services. Retail cannabis businesses are subject to a 10 percent tax based on gross receipts. It is difficult to estimate the future potential cannabis tax revenue that may be realized from cannabis retail sales as it will depend upon the success of the business. At minimum, assuming a similar realized revenue generation as existing commercial cannabis manufacturing, distribution and testing businesses, it is estimated that the city will see additional annual revenue from the four retail cannabis businesses of \$250,000, but likely much greater given the higher volume of taxable sales from retail uses. To date, the City has collected \$1.1 Million in tax (formerly "community benefit") revenue from existing commercial cannabis businesses.

Report in Brief:

Commercial Cannabis Business, Sundial Collective – Woodland, LLC (“Sundial Collective”) (PLNG 24-00035), has applied for a Conditional Use Permit (CUP) to operate a storefront retail cannabis dispensary at 3 Court Street in the City’s Community Commercial Mixed Use zone; Assessor’s Parcel Number 005-552-016. This application follows a recent zoning code update, effective June 7, 2022, which allows retail cannabis land use in certain zones and allows the city to consider up to four conditional use permits for this land use citywide.

The process for considering retail cannabis operators began with a competitive preliminary review on February 27, 2023, where four of a total of 12 applicants were selected to advance to the Conditional Use Permit application stage. Sundial Collective was selected as one of these four applicants.

Sundial Collective’s project proposal entails the use of a project site located at 3 Court Street and has undergone a comprehensive review by City departments, including the City Planning Division, Engineering Division, Public Works Department, Fire Department, Building Division, and the City Police Department. The applicant's location and proposed operation are consistent with applicable zoning and development standards, and the applicant has prepared a preliminary Security Plan has been submitted and reviewed by the Woodland Police Department and a final plan shall be approved prior to operation.

As part of the review process, an Operating Agreement (Attachment 3) has been negotiated between the City and the applicant. This agreement will be reviewed by the City Council and will incorporate the commitments outlined in the Community Benefit Plan and Social Policy and Local Enterprise Plan. These documents are attached to the operating agreement for reference as part of permitting and annual reporting.

In conformance with Woodland Municipal Code (WMC) Section 17.84.120, a highly visible posting measuring 4 feet by 8 feet has been displayed on the project site, notices were sent to property owners and tenants within a 600-foot radius of the site, and a notice of the meeting was published in the local newspaper twelve days before the Planning Commission meeting date.

Upon issuance of a Conditional Use Permit and prior to operating, the applicant will be required to obtain a City Cannabis Business Permit and corresponding City Building Permits for tenant improvements necessary for the proposed operation.

The purpose of this hearing is for the Planning Commission to review the project proposal and provide a recommendation to the City Council to approve a resolution, awarding the requested Retail Cannabis Conditional Use Permit and Operating Agreement.

Background:

On December 5, 2017, the City Council approved Ordinance 1629, adding Article 21.6 (now Section 17.84.120) to Chapter 25 (now Chapter 17) of the Municipal Code, which regulates the zoning of commercial cannabis. At the same time, the council approved Ordinance 1630, adding Chapter 13A (now Chapter 5.28) to the Municipal Code, establishing regulations for commercial cannabis business permits. These regulations allowed for up to six conditional use permits for manufacturing, distribution, and testing cannabis operations within Industrial or Industrial/Light Industrial Flex Overlay zones as defined in the General Plan.

On June 7, 2022, the City Council amended Chapter 17.110 (now Section 17.84.120) through Ordinance 1685 and Chapter 5.28 through Ordinance 1686, updating the regulations for cannabis retail businesses, which now authorizes City Council to consider up to four retail cannabis conditional

use permits, allowing the sale of cannabis at authorized storefront retail cannabis dispensary locations, with the option for delivery from these locations. These four permits may be issued in designated commercial and corridor mixed-use zones.

On February 27, 2023, the City issued a request for applications, inviting interested parties to participate in the selection process for a Preliminary Cannabis Business Permit to authorize applicants to apply for a Retail Cannabis Conditional Use Permit and enter into Operating Agreement negotiations to establish a commercial cannabis business. Applications were to be submitted in person by 3:00 pm on April 5, 2023. The City received a total of 12 proposals.

As part of the preliminary process, which involved three phases of review, applicants were required to submit detailed plans for the safety, security, and operational characteristics of the proposed storefront retail cannabis dispensary use, including the following:

- Business Plan
- Odor Control Plan
- Tax Compliance
- Insurance
- Community Benefit Plan
- Social Policy and Local Enterprise Plan
- Security Plan
- Neighborhood Compatibility and Community Relations Plan

A Proposal Review Committee was formed, consisting of staff members from the Police, Finance, and Community Development Departments, as well as a representative from HdL (consultants retained by the City for their subject matter expertise) to conduct a competitive selection process. As required by the City of Woodland Municipal Code, the Committee gave particular consideration to each proposal's capacity, capitalization, security measures, and history, as well as the community benefits offered by the proposed commercial cannabis business. After an initial review, the Committee met July 17-18, 2023 to interview the twelve applicants for the Preliminary Cannabis Business Permit. Following the interviews, the city invited the top four ranked applicants to the fourth phase of the review process, which entails the negotiation of an Operating Agreement and application for the Conditional Use Permit.

The purpose of this hearing is for the Planning Commission to review and provide a recommendation to the City Council to approve a resolution, awarding the requested Retail Cannabis Conditional Use Permit and Operating Agreement. The award of this Retail Cannabis Conditional Use Permit is at the sole discretion of the City Council upon recommendation from the Planning Commission.

The attached draft Resolution (Attachment 1) lists all the findings relating to the issuance of the Retail Cannabis Conditional Use Permit and includes a discussion of the community benefits that Sundial Collective committed to in their proposal and as part of their operating agreement. These are discussed below.

Discussion:

Project Proposal

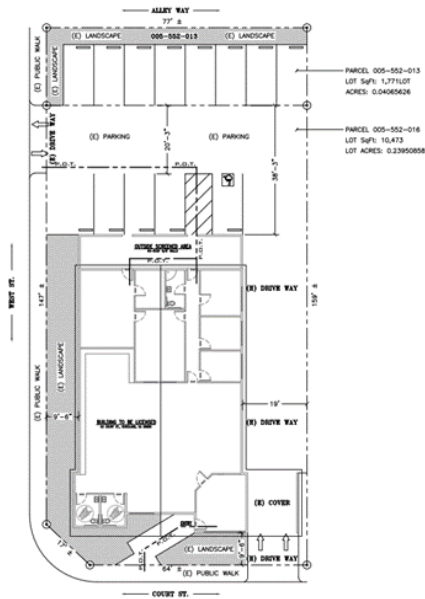
On July 2, 2024, Sundial Collective applied for a Retail Cannabis Conditional Use Permit. The applicant is requesting a recommendation of approval to the City Council for a Conditional Use Permit by the City Planning Commission, which will allow Sundial Collective to occupy an approximately 4,000 square foot existing building at 3 Court Street, as a storefront retail cannabis dispensary. (See Attachment 2 and 4, Project Application and Site Plan). Under the terms and conditions of approval, Sundial Collective will be required to obtain a Cannabis Business Permit for a Storefront Retail Cannabis Dispensary, (Ordinance 1685 and 1686), and appropriate State Licensing

[illegible]

Project Site Description

Interior “tenant improvements” will be made to the existing building; no new construction is proposed.

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Community Benefit and Social Policy and Local Enterprise Plan Review

Community Benefit and Social Policy and Local Enterprise Plans have been included with this report as Exhibits to Attachments 3 for the Commission's review/reference. A summary is provided below.

Below is an overview of the Community Benefit commitments of Sundial Collective (Outlined in detail in Attachment 3):

Community Benefit Payment

Sundial Collective commits to contributing 2.5% of its annual gross receipts to local 501(c)(3) nonprofits active in Woodland.

Present Donations

Community Fund: Sundial Collective commits to donating to a needs-based fund for local nonprofits experiencing financial hardship and/or to assist with projects lacking funding.

Volunteerism: Sundial Collective commits to paying employees for volunteer hours with local non-profits and will commit to providing each employee an option to earn 20 hours of paid volunteer time each month.

Non-Profit Partnerships: Sundial Collective commits to continued work with non-profits that do work focused on youth education, youth drug prevention, and pregnancy education in the City of Woodland.

Youth Education and Outreach

Sundial Collective commits to partnering with local community-based organizations and local government to develop a campaign that will educate youth and the community on the prevention of youth cannabis consumption.

Strategy includes:

- Targeted Media
- Stopping youth access to cannabis

- Leverage current partnerships with non-profits that focus on preventing youth from consuming cannabis
- Volunteer time to help educate youth about cannabis and its effects on minors
- Donate monetary funding and time to groups and organizations that help prevent youth drug use

Below is an overview of the Social Policy and Local Enterprise commitments of Sundial Collective (Outlined in detail in Attachment 3):

Local Hiring

Sundial Collective is committed to hiring all employees from the City of Woodland and is committed to working with Teamsters and local hiring agencies to find employees who live in the City of Woodland. Sundial Collective is committed to hiring a General Manager, Shift Managers, and Inventory Manager that will be preferentially given to local residents of Woodland.

Employee Wages and Compensation

Sundial Collective is committed to providing higher than living wage to all employees and raises based on employee performance, with performance reviews conducted every 90 days to determine raise eligibility.

Sundial Collective is committed to starting operations with 15 employees from the City of Woodland. 10 employees will be full-time. Sundial Collective is committed to hiring 5 additional employees once the business is established and service needs increase, with an anticipated total employee count of 20 employees within the first two years and up to 25 employees after three years.

Sundial Collective is committed to providing the following employee benefits:

- Holiday Pay: Time and a half for all employees who work on a holiday.
- Vacation: Full-time employees receive 14 paid vacation days per year.
- Paid Sick Leave: All employees receive 48 hours of sick leave on their first day of employment, renewing annually. Sick time can increase up to 120 hours per year, depending on tenure.
- Paid Funeral Leave: Three days of paid leave.
- Health Insurance: Full-time employees are eligible for Sundial Collective's CalChoice health plan, with either an HMO or PPO, with the premium paid for by Sundial Collective. Dental and vision insurance are also available.
- Employee Stock Plan: Employees are eligible for stock incentive plans to earn an equity stake in the business. Stock will vest over a number of years, with additional stock potentially offered as a performance bonus or award upon management promotions.
- Discounts: Employees receive 30% off all products at Sundial Collective.
- Uniforms: Each employee is provided with five shirts, a hat, and a pair of shoes. New uniforms are provided when needed, at the General Manager's discretion.

Continuing Education

Sundial Collective is committed to providing opportunities for career advancement in the following areas:

- Security measures and controls for the prevention of diversion, theft, or loss
- Emergency response procedures (EAP)
- Cannabis strains, products, and their effects
- Quality assurance, packaging, and labeling requirements
- Recognizing signs of substance abuse or instability in customers
- Prohibition of smoking cannabis in public spaces

- Responsible adult use of cannabis
- Regulatory compliance
- Treez Point-of-Sales Systems
- METRC, the California mandatory seed-to-sale platform
- IIPP
- Sexual harassment
- Customer relations
- Identifying valid IDs
- Discrimination

Sundial Collective is committed to working with vendors to provide employee education and brand training for all products sold at its retail store and is committed to paying for all employee training and compensating employees for their time in training.

Security Plan

The interior of the premises will be remodeled to represent the Sundial Collective brand and to meet state and local requirements for the proposed operation. New walls will be constructed to create a secured lobby at the front customer entrance. The constructed lobby will be used to verify customer IDs and physician recommendations before allowing entrance to the retail floor. Once a customer has been verified, they will be granted entry through a buzz in limited access door. Customers will be allowed on the sales floor after they are identified and confirmed to be eligible to purchase cannabis products.

The rear of the building's interior will have restricted access to customers and additional walls will be constructed to create secured storage, vendor intake, offices, bathrooms, order fulfillment, and a vault area. All areas where cannabis and cannabis products are stored or pass through will be limited access and be equipped with electronic locking doors that only authorized employees will be able to access. The proposed modifications include:

- New interior partition walls
- New interior finishes, including flooring, paint, light fixtures, display cases, wall art, and refrigerator displays.
 - Flooring will be removed to expose the existing concrete. The concrete will be ground and polished to create durable and safe flooring. The interior drywall will be finished so that it has a flat coating. The drywall will then be painted with a white zero-VOC paint to allow for easy cleaning.
- Burglar system, including hold-up alarms, panic buttons at reception, secured storage areas, cash handling areas, contact sensors on doors and windows, and motion sensors.
- Fire monitoring system
 - Bay Alarm will install a fire monitoring system. The alarm system will include carbon monoxide and smoke detectors with audible sirens. Alarms will be installed in every room within the premises. Fire extinguishers will be installed in accordance with local and state law.
- Installation of electronic access doors to control customer entry and limited access entry
- HVAC upgrades and carbon filter installation
- Interior Signage
 - City Business License
 - City Cannabis Permit
 - DCC License
 - Seller's Permit

- Electrical and low voltage upgrades as necessary to support exterior signage, lighting, and standard trash and recycling receptacle needs.
- Sundial Collective will comply with all development standards set forth by the city and state. The exterior of the facility will remain the same. It is comprised of stucco and wood façade and windows. The only changes to the exterior will be paint and signage. The paint used will be zero-VOC.
- New exterior “Sundial Collective” signage – Signage will be reviewed under a separate submittal.
- Exterior lighting as needed for security and signage illumination.
- Security shutters for interior windows
 - Each window will have security film, preventing the view of cannabis and cannabis products from the exterior of the facility. Each window will be covered with a metal rolldown door to prevent attempted entry, criminal activity, and vandalism.
- Surveillance system as needed to comply with city and state regulations
- Repaint the exterior of the building
- Re-roof the building, as needed
- Re-stripe and make improvements to the parking lot, as needed.
- Provide updated Low Impact Development landscaping
- Install solar paneling
- Install bike racks
 - To promote energy-efficient travel, Sundial Collective offers 5% off customer purchases when they travel to the store on a bicycle.

The proposed upgrades to the facility will not have a negative impact on the surrounding community.

Visually, you will not know Sundial Collective is a cannabis dispensary. No products will be visible from the exterior, and the sign does not include any language surrounding cannabis. The visual aesthetics will blend in with surrounding uses.

Sundial Collective has safety measures in place to ensure that cannabis is only purchased by qualified customers. Sundial Collective will educate the community on the effects of cannabis, especially for the youth population.

Mitigation of Youth Exposure

- **Security Measures**
 - No cannabis products will be visible from the exterior of the building, preventing youth exposure.
 - Security will monitor the exterior premises and entrance to ensure no minors are loitering on the property or trying to gain entry to the facility.
 - The facility will have a "secured vestibule" at the front entrance labeled "Lobby." This area will allow management and security to control access to the retail floor entry door. Security will open the retail sales floor door after an individual is verified as a qualified guest and successfully checked into the TREEZ POS system. This door will be equipped with an electronic access system that requires a unique fob issued by the security company to grant entry to the retail sales floor.
- **Age Verification**
 - Every guest must be age-verified before being granted access to the retail sales floor. A valid government-issued ID will be scanned into the TREEZ POS operating system. The TREEZ 2D scanner alerts the employee and/or security guard if an ID is

expired and if the person is over 21. All IDs are saved into the guest's TREEZ profile, which prevents the attempted use of a fake ID and using someone else's ID.

- All employees and security guards will be trained in identifying fake IDs.

- **Exterior Signage to Deter Youth**

- "No persons under the age of 21 are allowed on the premises, excluding medical patients age 18+ who hold a valid MMIC or physician's recommendation."
- "No Person Under 21+ Allowed." – Posted to each entrance.
- "No Loitering"

- **Child Resistant Packaging**

- All products that will be sold at Sundial Collective are required to be in Child Resistant or Tamper Proof Packaging.

Sundial Collective intends to ensure that the security system employed, which will monitor the surrounding neighborhood for 100 ft in every direction, has a positive effect on the community and thwarts any potential criminal activity. In addition to Sundial Collective's 24/7 live camera monitoring and surveillance, security guards will be present 24 hours a day, 7 days a week.

Outdoor activities will be minimal for this project. The trash bins will be located inside a gated and walled area at the exterior of the premises. Security guards will walk the premises daily to check for policy violations, litter, and loiterers. Security will meet vendors at the rear vendor entrance to escort them to and from the facility's interior with management. Retail sales will only occur inside the designated areas of the facility.

Sundial Collective will ensure the property and surrounding area are free of litter and graffiti. The property will be maintained in a neat and clean manner. All vegetation will be maintained at the facility on a regular schedule.

These and any additional security measures required by the Woodland Police Department shall be included in the final Security Plan approved by the Police Department and made part of the Cannabis Business Permit.

Applicable Laws, Codes & Ordinances

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

- The City of Woodland General Plan
- The City of Woodland Zoning Ordinance
- City of Woodland Cannabis Business Permit Requirements
- California Environmental Quality Act (CEQA)
- Regulations of the California Department of Cannabis Control

2035 General Plan Consistency

The proposed project is consistent with various policies and actions in the General Plan; including Land Use Policy 2.A.6 (Infill Development); Policy 2.D.1 (Jobs/Housing Relationship); and Policy 4.C.16 (Safety and Security).

Specifically, the project is consistent with General Plan goals and policies which encourage Woodland residents and visitors to support retail establishments that are located in the City of Woodland (Policy 4.C.8). Currently, Woodland residents and visitors do not have the opportunity to purchase cannabis products locally and instead rely on delivery services from neighboring counties and cities. Establishing storefront retailers in Woodland will gain the City some share in this market through generation of sales tax.

As previously mentioned in this report, applicants for a retail commercial cannabis conditional use permit and operating agreement were required to prepare and provide a Security Plan for proposed sites and facilities which support the deterrence of crime through site planning and design, consistent with Policy 4.C.16 (Safety and Security) and Policy 2.E.7(Public Safety and Community Design). This plan was reviewed by the City of Woodland Police Department and shall meet State requirements.

The proposed use is located on a parcel designated for commercial land uses and will operate out of an existing commercial building (Policy 2.J.I – Enhanced Design Character of Existing Centers).

Zoning Consistency

The project site is zoned Community Commercial Mixed Use. The City Community Commercial Mixed Use zone is applied to areas near entry access nodes to the community and supports regional commercial uses and light industrial uses.

Pursuant to City of Woodland Municipal Code 17.36.020, Table 17.36.020-1, a Cannabis Retail use may be established in the Community Commercial Mixed Use zone subject to use permit approval.

Development Standards

The proposed storefront retail cannabis dispensary use would be established in an existing multi-tenant commercial building previously occupied by commercial uses. Tenant improvements will be made to the existing building to meet the operational requirements of the proposed use, including those outlined in the project's security plan; no new construction is proposed onsite.

The project is consistent with land use, lot coverage, landscaping, building type, building height, and setback requirements for the Community Commercial Mixed Use zone. Vehicle access to the site is provided from an existing driveway from East Main Street. At the time of tenant improvements, staff will conduct a staff-level architectural review consistent with existing practice for minor improvements to existing buildings.

Parking

The number of required off-street parking spaces for the proposed storefront retail cannabis dispensary use shall be consistent with the parking requirements for retail land use per City of Woodland Municipal Code Section 17.68.

The premises has 13 parking spaces and 1 dedicated ADA handicap parking space in the parking lot. Two of the spaces will be outfitted with 48-amp Tesla charges for electric vehicles. Employees are encouraged to rideshare and ride bikes to work. Sundial anticipates having 3-5 employee vehicles on-site at any given time.

Zoning Verification

A zoning verification was conducted as part of the associated preliminary cannabis business permit to verify compliance with the location limitations for commercial cannabis land uses established in the City of Woodland Municipal Code Section 17.84.120, which is also consistent with State requirements.

At the time of staff's analysis of the location proposed for the storefront retail cannabis dispensary use, no known sensitive uses were identified within the minimum buffer distance of 600 feet from any property containing a school providing instruction in any grades Kindergarten through twelve (12), a day care center or a youth center, and is not within 600 feet of a public park. There were no more than two retail cannabis dispensaries within 1,000 feet of the project site. The proposed site would be more than 500 feet away from any other storefront retail cannabis dispensary use.

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; mitigation of any potentially adverse impacts; and making 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 and may impose such requirements and conditions with respect to location, construction, maintenance, and operation, as may be deemed necessary for the protection of adjacent properties and public interest. Conditional Use Permit analysis typically includes consideration of 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 CUP is revoked. Once approved, should ownership of the land or the business change, the CUP would remain valid at the location approved.

Following a public hearing, the Planning Commission may recommend approval of a use permit application, with or without conditions, if all of the following findings can be made:

Use Permit Findings

1. The proposed use is consistent with the General Plan;

The proposed storefront retailer use would be compatible with the underlying General Plan designation and zoning district and operate similarly to other existing retail businesses subject to use-specific standards. The proposed project is consistent with various policies and actions in the General Plan; including Land Use Policy 2.A.6 (Infill Development); Policy 2.D.I (Jobs/Housing Relationship); and Policy 4.C.16 (Safety and Security).

Specifically, the project would be consistent with General Plan goals and policies which encourage Woodland residents and visitors to support retail establishments that are located in the City of Woodland (Policy 4.C.8). The preparation and provision of a security plan support the deterrence of crime through site planning and design, consistent with Policy 4.C.16 (Safety and Security) and Policy 2.E.7(Public Safety and Community Design).

The proposed use would be located on a parcel designated for commercial land uses and would operate out of an existing commercial building (Policy 2.J.I – Enhanced Design Character of Existing Centers).

2. The proposed use is consistent with the purposes of the Zoning Code, and the purposes of the applicable zone;

The proposed use would be located on a commercial site designated Community Commercial Mixed Use on the 2035 General Plan land use diagram and is zoned Community Commercial Mixed Use. Pursuant to City of Woodland Municipal Code 17.36.020, Table 17.36.020-1, a Cannabis Retail use may be established in the Community Commercial Mixed Use zone subject to use permit approval.

The proposed project site is not within a 600-foot radius of a school providing K-12 instruction, a daycare center, a youth center, or a public park.

The proposed retail storefront cannabis dispensary will not be located within 500 feet of another retail storefront cannabis dispensary.

3. The site is physically suitable for the type, density, intensity of the use being proposed, including access, utilities, and the absence of physical constraints;

The operations of Sundial Collective are based in retail and will not impact any other commercial retail business in the area.

The interior of the premises will be remodeled to represent the Sundial Collective brand and to meet state and local requirements for the proposed operation. New walls will be constructed to create a secured lobby at the front customer entrance. The constructed lobby will be used to verify customer IDs and physician recommendations before allowing entrance to the retail floor.

Once a customer has been verified, they will be granted entry through a buzz in limited access door. Customers will be allowed on the sales floor after they are identified and confirmed to be eligible to purchase cannabis products.

The rear of the building's interior will have restricted access to customers and additional walls will be constructed to create secured storage, vendor intake, offices, bathrooms, order fulfillment, and a vault area. All areas where cannabis and cannabis products are stored or pass through will be limited access and be equipped with electronic locking doors that only authorized employees will be able to access. The proposed modifications include:

- New interior partition walls
- New interior finishes, including flooring, paint, light fixtures, display cases, wall art, and refrigerator displays.
- Flooring will be removed to expose the existing concrete. The concrete will be ground and polished to create durable and safe flooring. The interior drywall will be finished so that it has a flat coating. The drywall will then be painted with a white zero-VOC paint to allow for easy cleaning.
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Sundial Collective will comply with all development standards set forth by the city and state. The exterior of the facility will remain the same. It is comprised of stucco and wood façade and windows. The only changes to the exterior will be paint and signage. The paint used will be zero-VOC.

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 - To promote energy-efficient travel, Sundial Collective offers 5% off customer purchases when they travel to the store on a bicycle.

The premises has 13 parking spaces and 1 dedicated ADA handicap parking space in the parking lot. Two of the spaces will be outfitted with 48-amp Tesla charges for electric vehicles. Employees are encouraged to rideshare and ride bikes to work.

Sundial Collective will not have an exterior appearance of a cannabis dispensary. No products will be visible from the exterior, and the sign does not include any language surrounding cannabis. The visual aesthetics will blend in with surrounding uses.

Sundial Collective has safety measures in place to ensure that cannabis is only purchased by qualified customers. Sundial Collective will educate the community on the effects of cannabis, especially for the youth population.

4. The design, location, size, and operating characteristics of the proposed activity would be compatible with the existing and future land uses in the vicinity, including transportation and service facilities;

The proposed use is compatible with the surrounding commercial area. The storefront retailer would be located within an existing commercial building similar in design, size and operating characteristics as other single-story retail and restaurant buildings along Court Street.

No new construction is proposed onsite. The building architecture and site improvements, including lighting, landscaping, parking have previously been found consistent with land use, lot coverage, building type, building height, and setback requirements for the Community Commercial Mixed Use district.

5. Granting the Conditional Use Permit would not constitute a nuisance or be injurious or detrimental to the public interest, health, safety, convenience, or welfare, or materially injurious to persons, property, or improvements in the vicinity and zone in which the property is located; and

Sundial Collective is not requesting to modify the exterior of the premises as the exterior already ensures that it blends seamlessly with the surrounding area.

Sundial Collective's security guards will monitor the site and are required to ensure there is no loitering in the area.

6. The proposed project has been reviewed in compliance with CEQA.

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 4,000 square foot existing building that has previously been occupied by commercial uses similar to the proposed project.

In addition to the CUP findings outlined above, the Cannabis Ordinance 1685 (Municipal Code 17.84.120): provides other specific factors that shall be considered by the Planning Commission and ultimately the City Council, including the following:

1. The type of proposed use by the applicant.

The proposed use would be located on a commercial site designated Community Commercial Mixed Use on the 2035 General Plan land use diagram and is zoned Community Commercial Mixed Use. Pursuant to City of Woodland Municipal Code 17.36.020, Table 17.36.020-1, a Cannabis Retail use may be established in the Community Commercial Mixed Use zone subject to use permit approval.

2. Whether the proposed use will be detrimental to the health, safety and welfare of the community;

The project site is a commercial area comprised of a variety of commercial retail and service uses along Court Street, with residential uses present further east and west of West Street. The zoning verification conducted as part of the associated preliminary request for proposals process verified compliance with the location limitations for storefront retailers established in WMC Section 17.84.120. At the time of staff's analysis of the location proposed for the storefront retail cannabis dispensary use, no known sensitive uses were identified within the minimum buffer distance of 600 feet from any property containing a school providing instruction in any grades Kindergarten through twelve (12), a day care center or a youth center, and is not within 600 feet of a public park.

Furthermore, operation of the proposed storefront retailer in accordance with the standards established in WMC Section 5.28 as well as the applicant's Safety and Neighborhood Compatibility Plans will ensure that a storefront retailer use at this location would not have detrimental effects on the surrounding neighborhood.

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.

At the time of approval of a Cannabis Business Permit, an application will be required to Prepare and submit a Community Benefit Plan and Social Policy and Local Enterprise Plan describing the applicant's plans for local outreach and hiring of residents of the City of Woodland for open positions and/or compensation for continuing education, and any other actions proposed by the applicant that are intended to benefit the local workforce and/or applicant's local employees.

4. Whether the applicant has adequately addressed potential community benefits of the use to offset potential adverse impacts;

Below is an overview of the Community Benefit commitments of Sundial Collective (Outlined in detail in Attachment 3):

Community Benefit Payment

Sundial Collective commits to contributing 2.5% of its annual gross receipts to local 501(c)(3) nonprofits active in Woodland.

Present Donations

Community Fund: Sundial Collective commits to donating to a needs-based fund for local nonprofits experiencing financial hardship and/or to assist with projects lacking funding.

Volunteerism: Sundial Collective commits to paying employees for volunteer hours with local nonprofits and will commit to providing each employee an option to earn 20 hours of paid volunteer time each month.

Non-Profit Partnerships: Sundial Collective commits to continued work with non-profits that do work focused on youth education, youth drug prevention, and pregnancy education in the City of Woodland.

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Sundial Collective commits to partnering with local community-based organizations and local government to develop a campaign that will educate youth and the community on the prevention of youth cannabis consumption.

Strategy includes:

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- Stopping youth access to cannabis
- Leverage current partnerships with non-profits that focus on preventing youth from consuming cannabis
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- Donate monetary funding and time to groups and organizations that help prevent youth drug use

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Local Hiring

Sundial Collective is committed to hiring all employees from the City of Woodland and is committed to working with Teamsters and local hiring agencies to find employees who live in the City of Woodland. Sundial Collective is committed to hiring a General Manager, Shift Managers, and Inventory Manager that will be preferentially given to local residents of Woodland.

Employee Wages and Compensation

Sundial Collective is committed to providing higher than living wage to all employees and raises based on employee performance, with performance reviews conducted every 90 days to determine raise eligibility.

Sundial Collective is committed to starting operations with 15 employees from the City of Woodland. 10 employees will be full-time. Sundial Collective is committed to hiring 5 additional employees once the business is established and service needs increase, with an anticipated total employee count of 20 employees within the first two years and up to 25 employees after three years.

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- Paid Funeral Leave: Three days of paid leave.
- Health Insurance: Full-time employees are eligible for Sundial Collective's CalChoice health plan, with either an HMO or PPO, with the premium paid for by Sundial Collective. Dental and vision insurance are also available.
- Employee Stock Plan: Employees are eligible for stock incentive plans to earn an equity stake in the business. Stock will vest over a number of years, with additional stock potentially offered as a performance bonus or award upon management promotions.
- Discounts: Employees receive 30% off all products at Sundial Collective.
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- Emergency response procedures (EAP)
- Cannabis strains, products, and their effects
- Quality assurance, packaging, and labeling requirements
- Recognizing signs of substance abuse or instability in customers
- Prohibition of smoking cannabis in public spaces
- Responsible adult use of cannabis
- Regulatory compliance
- Treez Point-of-Sales Systems
- METRC, the California mandatory seed-to-sale platform
- IIPP
- Sexual harassment
- Customer relations
- Identifying valid IDs
- Discrimination

Sundial Collective is committed to working with vendors to provide employee education and brand training for all products sold at its retail store and is committed to paying for all employee training and compensating employees for their time in training.

Sundial Collective has prepared and submitted a Community Relations and Neighborhood Compatibility Plan (Attachment 5) describing 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 plan describes how the cannabis business will proactively address and respond to complaints from the surrounding community related to noise, light, odor, litter, vehicles and pedestrian traffic and any other activities that could become a nuisance or have impacts on the cannabis business's neighbors and the surrounding community.

5. The extent of support or opposition to the proposed use and location from members of the community, and the applicant's plans to ensure strong community relations and compatibility with the surrounding neighborhood;

Prior to submittal of the initial application, public notice of the proposed retail cannabis use was provided to owners and tenants within a 600-foot radius of the project site, the site was posted with a highly visible notice, of a minimum four foot by eight foot in size mounted on a freestanding sign or posted on the building frontage, 10 days before the scheduled public hearing date, and a Legal notice was published in the Woodland Daily Democrat at least twelve days before the public hearing date.

Sundial Collective commits to continued work with non-profits that do work focused on youth education, youth drug prevention, and pregnancy education in the City of Woodland. This is outlined in detail in the Community Benefit Plan.

Sundial Collective will plan to have a Community Relations manager who will be responsible for outreach and communication for the Woodland community and will be the liaison between Sundial Collective and the surrounding community.

6. The number of cannabis uses located or proposed to be located within 1,000 feet of the proposed location;

There are no cannabis uses located or proposed to be located within 1,000 feet of the proposed location at 3 Court Street.

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.

8. The background and history of the applicant, including the experience and qualifications of the applicant and those persons involved in the management, oversight, and day-to-day operations of the proposed use, the professional training and certifications of the applicant and/or persons involved in the management, oversight and day to day operations of the proposed use, and the nature and extent of the problems on any premises where the applicant has operated a cannabis business in the past.

Sundial Collective's management includes the following:

Laythen Martines

- Owner and operator of multiple licensed cannabis companies, including retail, distribution, and cultivation.
- Founder of Sundial Collective, Redding's largest dispensary.
- Education
 - Bachelor of Science in Environmental Resources, Cal Poly Humboldt
 - Expert in computer programming, fluid mechanics, applied hydraulics, water quality, environmental health, water reuse, hydrology, chemistry, thermodynamics, physics, transport phenomena, NEPA, CEQA, limnology, solar thermal engineering, system analysis, mechanics and science of materials, environmental data modeling and analysis, and desalination facility design.
- Experience
 - Owner of LGM Investing, LLC, established in August 2016
 - Engineer consulting business in Trinity County.
 - Over 91 cannabis cultivation clients
 - Mr. Martines assists cultivations in meeting all environmental requirements for CEQA review, develop best management practices for environmental cultivation matters such as wastewater discharging and sediment control. Develops training programs and standard operating procedures. Implements training and SOPs with staff and management.
 - Owner of 5 licensed cannabis dispensaries, one licensed distribution facility, and 31 cultivation licenses.
 - Laythen Martines oversees day-to-day operations, manages SOPs, manages core department managers, approves budgeting with the Controller, ensures compliance with METRC, oversees fertilization, pesticide applications, and daily care of cultivation plants, focuses on customer service, safety and security in all aspects of operations, oversees marketing and public relations, and provides leadership to all departments.
- Qualifications
 - California Drinking Water Treatment II License #38160
 - California Drinking Water Distribution II License #45817
 - Valid CA Driver's License #D3156813
 - 5 operational Cannabis Retail licenses and 2 in the process of being constructed.
 - 1 Distribution License
 - 31 Cultivation Licenses and one pending build-out and state licensure.
 - Multiple Lake and Streambed Alterations Permits applied for and successfully obtained for clients from the California Department of Fish and Wild Life
 - Highly skilled in AutoCAD, Microsoft Office, Distru, IheartJane, GIS, Hik-Connect, METRC, and TREEZ.
 - Certified Weighmaster
 - 18 years of Cannabis Industry experience
 - CAL/OSHA Certified

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

There is no history of police crime-related problems in the area of the proposed location, which may be exacerbated by the establishment of the proposed cannabis use.

10. Whether the proposed license would enhance recreational or entertainment opportunities in the area.

Currently, Woodland residents and visitors do not have the opportunity to purchase cannabis products locally and instead rely on delivery services from neighboring counties and cities. Establishing storefront retailers in Woodland will provide an amenity that does not presently exist in the City.

Cannabis Business Permit Review – Municipal Code Section 5.28

The Cannabis Business Permit provides for the review of operational features for each cannabis business entity and is required in addition to a business license. A Cannabis Business Permit is required before initial operation and requires annual review. Before issuance of the Cannabis Business Permit, fees must be paid, and a Conditional Use Permit and final Operating Agreement authorized. The Cannabis Business Permit is approved by the Community Development Director. Operating details including a Security Plan, Lighting Plan, Community Benefit Plan, Social Responsibility, and Local Enterprise Plan, as well as an Operating Agreement and Indemnification statement, are required as part of the Cannabis Business Permit review. Some of these items have been provided as part of the Conditional Use Permit review and are included as attachments.

Revocation of Permit

In the event of a violation of the terms and conditions of a retail cannabis business permit, the City may take various enforcement actions as provided under City Code Section 5.28.090 - Violations. These actions may include fines, penalties, suspension, or revocation of the permit.

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 an approximately 4,000 square foot existing building that has previously been occupied by medical office uses.

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 on September 8, 2024, twelve days prior to the public hearing.
- Notices were mailed to all property owners and tenants within a minimum of 600 feet of the project site on September 6, 2024.
- Pursuant to City of Woodland Municipal Code 17.110.100.D., the site was posted with a highly visible notice, of a minimum four foot by eight foot in size mounted on a freestanding sign or posted on the building frontage, 10 days prior to the scheduled public hearing date on September 19, 2024.

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 interest in the application including, Waste Management and Yolo County. All reviewing agency comments have been integrated into the conditions of approval.

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 judgment of the City as lead agency under CEQA;
4. Approve Planning Commission Resolution No. PC 24-06 recommending that the City Council approve a Conditional Use Permit and Operating Agreement for a storefront retail cannabis dispensary at 3 Court Street conditioned upon approval of the appropriate Cannabis Business Permit and the recommended conditions of approval.

Prepared by: Anna Canales, Assistant Planner

Reviewed by: Erika Bumgardner, Deputy Director of Community Development

Attachments:

1. Resolution and Conditions of Approval
2. Redacted Project Application
3. Operating Agreement Draft_Sundial Collective Woodland LLC
4. Site Plan
5. Redacted Neighborhood Compatibility and Community Relations Plan
6. Odor Control Plan

**PLANNING COMMISSION
RESOLUTION NO. PC 24-06**

**A RESOLUTION OF THE PLANNING COMMISSION OF THE CITY OF WOODLAND
RECOMMENDING CITY COUNCIL APPROVE A CONDITIONAL USE PERMIT AND
OPERATING AGREEMENT FOR A STOREFRONT RETAIL CANNABIS
DISPENSARY AT 3 COURT STREET WITHIN THE CITY COMMUNITY
COMMERCIAL MIXED USE ZONE CONDITIONED UPON APPROVAL OF THE
APPROPRIATE CANNABIS BUSINESS PERMIT AND THE RECOMMENDED
CONDITIONS OF APPROVAL**

WHEREAS, On June 7, 2022, the City Council approved Ordinance no 1685 and 1686 to amend City Zoning and Municipal Code to enact regulations to allow the consideration and permitting of retail commercial cannabis uses as set forth in Woodland Municipal Code section 17.84.120 which allows for consideration of up to four (4) cannabis retail conditional use permits and Chapter 5.28 of the Municipal Code to incorporate retail commercial cannabis business and operational requirements for Cannabis Business Permits; and

WHEREAS, as set forth in Woodland Municipal Code section 17.84.120, proposed cannabis retailers are required to obtain a conditional use permit, subject to the recommendation of the Planning Commission and final approval of the City Council; and

WHEREAS, on February 27, 2023, the City issued a request for proposals, inviting interested parties to participate in the selection process for a Preliminary Cannabis Business Permit, which would authorize applicants to apply for a Retail Cannabis Conditional Use Permit and enter into Operating Agreement negotiations to establish a commercial cannabis business, and requiring that applications be submitted in person by 3:00 pm on April 5, 2023; and

WHEREAS, the City received a total of 12 proposals in response to the request for applications; and

WHEREAS, a Proposal Review Committee was formed, consisting of staff members from the Police, Finance, and Community Development Departments, as well as a representative from HdL, a consultant retained by the City for their subject matter expertise, to conduct a competitive selection process; and

WHEREAS, after an initial review of the proposals, the Proposal Review Committee met in July 2023 to interview 12 proposal teams for the Preliminary Cannabis Business Permit and subsequently awarded Preliminary Cannabis Business Permits to the top four applicants, making them eligible to apply for a Retail Cannabis Conditional Use Permit; and

WHEREAS, as required by the City of Woodland Municipal Code, the Proposal Review Committee gave particular consideration to each proposal's capacity, capitalization, security measures, and history, as well as the community benefits offered by the proposed commercial cannabis business, and also considered any other factors deemed necessary by the City to maintain and promote public health, safety, and general welfare; and

WHEREAS, the Proposal Review Committee ranked Sundial Collective – Woodland LLC as

3 out of 12, with a score of 93.56%; and

WHEREAS, the City of Woodland Planning Commission hereby finds that the proposed cannabis retailer use to be located at 3 Court Street (“Site”), as set forth in Planning Application No. PLNG 24-00035 submitted by business applicant Sundial Collective – Woodland LLC (“Applicant”), conforms to the requirements and intent of Chapter 17.84.120 of the Woodland Zoning Code regarding commercial cannabis uses and the City General Plan, and further that, under the circumstances of the particular case, the use will not constitute a nuisance or be detrimental to the public welfare of the community; 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 Planning Commission of the City of Woodland finds as follows:

- The project consists of minor alterations for interior tenant improvements to operate a cannabis business that requires specific spaces to conform with state and local regulations.
- 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, a public notice describing the proposed cannabis conditional use permit was published in the Woodland Daily Democrat, a newspaper of general circulation, and mailed to property owners and property tenants within 600 feet of the project site; and, a highly visible site posting of four (4) feet by eight (8) feet was posted in a visible location on the project site for ten (10) days before the Planning Commission public hearing date; and

WHEREAS, the Planning Commission held a duly-noticed public hearing on September 19, 2024, as required by law to consider all of the information presented by staff and public testimony presented in writing and at the meeting.

NOW, THEREFORE, BE IT RESOLVED, that the Planning Commission of the City of Woodland, based on facts in the staff report, written and oral testimony, and exhibits presented, hereby recommends to the Woodland City Council: (1) Approval of a Conditional Use Permit for a cannabis retail use located at 3 Court Street, as set forth in Planning Application No. PLNG 24-00035, prepared by Sundial Collective – Woodland, LLC; and (4) Approval of an Operating Agreement between the City of Woodland and Sundial Collective – Woodland, LLC, as follows and based on the following findings:

SECTION 1. Recitals. The City of Woodland Planning Commission hereby adopts the above recitals as true and correct findings of the City of Woodland Planning Commission and incorporates them into this Resolution by this reference.

SECTION 2. Findings. In support of issuing a conditional use permit for the proposed cannabis retailer use to be located at 3 Court Street, as set forth in Planning Application No. PLNG 24-00035, the City of Woodland Planning Commission hereby makes the following additional findings, pursuant to the requirements of Woodland Municipal Code (“WMC”) Section 17.100.100(H) and 17.84.120(c)(3):

- 1) The proposed use is consistent with the General Plan and Zoning Code, in that the use is conditionally permitted consistent with zoning and general plan requirements, and appropriate conditions to address potential concerns and impacts have been made part of the approval.
- 2) The site is physically suitable for the type, density, intensity of the use being proposed, including access, utilities, and the absence of physical constraints.
- 3) The design, location, size, and operating characteristics of the proposed activity are compatible with the existing and future land uses in the vicinity including transportation and service facilities.
- 4) Granting the Conditional Use Permit would not constitute a nuisance or be injurious or detrimental to the public interest, health, safety, convenience, or welfare, or materially injurious to persons, property, or improvements in the vicinity and zone in which the property is located.
- 5) The proposed project is categorically exempt from further environmental review pursuant to CEQA sections 15301 and 15303 as the proposal involves operation, repair, maintenance, leasing and licensing of existing facilities, and involves the conversion of a small structure not exceeding 2,500 square feet where retail cannabis dispensing is a conditionally permitted use.
- 6) The proposed use at the Site is subject to additional findings and considerations set forth in WMC section 17.84.120(3). The City of Woodland Planning Commission has considered all relevant evidence regarding the Site and the Applicant's proposed use, and finds that Applicant's proposed cannabis retailer use at the Site satisfies those considerations, as follows:
 - a) Pursuant to WMC section 17.84.120(3)(a), the City of Woodland Planning Commission has considered the type of proposed use by the Applicant. The proposed cannabis retailer will provide sales of cannabis and cannabis products. The City of Woodland Planning Commission finds that these goods and services will provide unique, currently unavailable, and varied goods and services to the community by the Applicant's use at the proposed location.
 - b) Pursuant to WMC section 17.84.120(3)(b), the City of Woodland Planning Commission has considered all evidence and testimony relevant to the Applicant's proposed use, and determines that the proposed use will not be detrimental to the health, safety and welfare of the community. The use is located in the Community Commercial Mixed Use zone and not adjacent to sensitive uses; and therefore will not result in negative impacts on existing uses in the area. The project is subject to approval of a conditional use permit, including conditions of approval incorporated into the project, and subject to local and state regulatory standards, licenses and permits, to ensure that the use will not be detrimental to the health, safety and welfare of the community. Applicant's failure to abide by those conditions of approval may result in permit revocation.
 - c) Pursuant to WMC section 17.84.120(C)(3)(c), the City of Woodland Planning Commission finds that the proposed use would enhance the economic viability of the area in which it is proposed to be located because it will provide new goods and services not currently

available to the surrounding area and will bring retail activity to the proposed location.

- d) Pursuant to WMC section 17.84.120(C)(3)(d), the City of Woodland Planning Commission finds that the Applicant has adequately addressed the potential community benefits of the use to offset potential adverse impacts. The City of Woodland Planning Commission has determined that these community benefits adequately offset any potential adverse impacts of the proposed use.
- e) Pursuant to WMC section 17.84.120(C)(3)(e), the City of Woodland Planning Commission has considered all evidence and testimony pertaining to Applicant's proposed use, including the extent of support or opposition to the proposed use and location from members of the community. No opposition to the proposed use or location was expressed by the community or the surrounding neighborhood.
- f) Pursuant to WMC section 17.84.120(C)(3)(f), the City of Woodland Planning Commission further finds that, based on other proposed locations considered concurrently with the Site, there will be no more than two (2) cannabis retailers located within a one thousand (1,000) radius of the Site at the time of this Resolution, except otherwise approved by City Council, which protects against an overconcentration of the type of proposed use and further protects the public health and safety.
- g) Pursuant to WMC section 17.84.120(C)(3)(g), and consistent with the above findings, the City of Woodland Planning Commission further finds that the proposed use would not lead to a further overconcentration of that particular type of premises in the area.
- h) Pursuant to WMC section 17.84.120(C)(3)(h), the City of Woodland Planning Commission has considered the Applicant's application, including the relevant background and history of the Applicant. Based on the information provided, the City of Woodland Planning Commission has determined that there are no prior problems or complaints pertaining to Applicant's operation of other businesses or cannabis operations on premises giving rise to public health, safety, and welfare concerns. The applicant has additionally operated retail cannabis businesses in other jurisdictions with no known problems or complaints.
- i) Pursuant to WMC section 17.84.120(C)(3)(i), the City of Woodland Planning Commission is not aware of a history or high prevalence of police or crime-related problems in the area of the Site giving rise to specific safety concerns.
- j) Pursuant to WMC section 17.84.120(C)(3)(j), the City of Woodland Planning Commission finds that the proposed use would enhance recreational or entertainment opportunities in the area.

In light of the above findings and considerations regarding the proposed use and location, the City of Woodland Planning Commission therefore finds that the conditional use conforms to the requirements and intent of WMC Chapter 17.84.120 regarding commercial cannabis uses and the City's General Plan, and that any conditions and requirements stipulated in Applicant's conditional use permit have been or will be met, and that the use will not constitute a nuisance or be detrimental to the public welfare of the community. These findings are further established and incorporated into

the project approval, attached hereto as Exhibit “A” and incorporated herein by reference.

SECTION 3. Approval. In accordance with the City of Woodland Planning Commission findings stated in Section 2 and Exhibit A of this Resolution, the City of Woodland Planning Commission hereby recommends that the City Council approve Planning Application Number PLNG 24-00035 for the issuance of a Retail Cannabis Conditional Use Permit to Sundial Collective – Woodland, LLC for the proposed cannabis retailer use at 3 Court Street. The recommended approval and issuance of the conditional use permit is expressly conditioned on Applicant’s continued compliance with all of the findings and conditions of approval specified in Applicant’s conditional use permit, Article 17.84.120 of the Woodland Zoning Code, Chapter 5.28 of the Woodland Municipal Code, and all other applicable local and state laws and regulations pertaining to commercial cannabis retailers. Nothing in this Resolution shall be deemed to waive the City’s right to revoke Applicant’s conditional use permit in the event Applicant violates any of the aforementioned conditions.

PASSED AND ADOPTED, by the Planning Commission of the City of Woodland at a regular meeting of the Planning Commission held on the 19th day of September 2024, by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

Marco C. Lizarraga, Chairperson

ATTEST:

Erika Bumgardner, Deputy Community Development Director

Exhibit A – Conditions of Approval

EXHIBIT A

**Conditions of Approval
PLNG 24- 00035**

**Address: 3 Court Street
Cannabis Business: Sundial Collective – Woodland LLC**

Conditions of Approval

General Conditions

- 1. Approval.** Planning Application # PLNG 24-00035, submitted by Applicant Sundial Collective – Woodland, LLC for the proposed cannabis business “Sundial Collective” is approved to permit retail sales of cannabis and cannabis products, and, in a building size of approximately 4,000 square feet located at 3 Court Street and with hours of operation of Monday – Sunday 9 am – 9 pm.
- 2. Substantial Conformance.** The use shall be implemented in substantial conformance with the Conditional Use Permit (Planning Application: PLNG 24-00035) as approved by the City Council, and subject to all applicable provisions of Woodland Municipal Code Section 5.28, Commercial Cannabis Business Permits, and Section 7.84.120, Commercial Cannabis Businesses, except as modified herein. Prior to issuance of a Cannabis Business Permit and, if applicable, Certificate of Occupancy, all conditions of approval and required improvements shall be completed to the satisfaction of the city. Changes in the use or an increase in the intensity or size of operation may require approval of a new use permit or a modification to the existing use permit.
- 3. Regulatory Permit.** The approval of the Conditional Use Permit and commencement of business operations shall be contingent upon the applicant submitting a Cannabis Business Permit application and all of the materials and documentation required by Woodland Municipal Code Chapter 5.28.180, Applications for Cannabis Business Permits, to the Community Development Director for review and approval. Applicants shall obtain and maintain at all times a valid Cannabis Business Permit including approval of an Operating Agreement, prior to occupancy of the building and continuing at all times that the business is in operation, including payment of all required fees for application review. The Cannabis Business Permit shall be timely renewed and maintained in accordance with the applicable procedures set forth in Woodland Municipal Code Chapter 5.28 as a condition of continuing the retailer use under the approved conditional use permit.

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.

- 4. Indemnification.** 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.

5. **Other Permits and Licenses.** The applicant shall obtain all other permits and licenses required by the City for the use, including a Cannabis Business Permit pursuant to Woodland Municipal Code Chapter 5.28, and any other City permits required for retail cannabis uses prior to occupancy of the building and operation of the business, and shall pay all required fees in the amount currently established as applicable, or in the amount to be adopted by City Council. All cannabis businesses must, prior to establishing and operating any such cannabis business, obtain and maintain at all times a valid license issued by the State, as may be applicable, and any other applicable local or regulatory licenses.
6. **Building and Fire Requirements.** Prior to occupancy and/or issuance of a Cannabis Business Permit, applicant shall comply with all applicable Building and Fire requirements to the satisfaction of the Building Official and the Fire Marshall. The applicant shall obtain all necessary and appropriate permits for the project prior to occupancy, including but not limited to building and encroachment permits, and pay all required fees.
7. **Runs with the Land.** The terms and conditions of approval of the conditional use permit shall run with the land, and shall be binding upon and be to the benefit of the heirs, legal representatives, successors, and assignees of the property owner. Where a conditional use has abandoned the site or has ceased activity for a period of six (6) months, expressly including due to the failure to obtain or maintain other necessary regulatory licenses and permits to operate the business, the approved conditional use permit may be subject to revocation for non-use. Under these circumstances, and if such non-use results in revocation of the conditional use, a new application for a conditional use permit must be processed per the requirements of the City's then-existing zoning ordinance.
8. **Permit Expiration.** The Conditional Use Permit must be exercised within one year of issuance, or it shall be deemed null and void by act of law (Woodland Municipal Code Section 17.96.130, Expiration and Extension). A permit for use of a building or a property is exercised when a valid City business license, Cannabis Business Permit, and all necessary permits have been issued, and the permitted use has commenced on the site in accordance with applicable conditions of approval contained herein.
9. **Other Applicable Requirements.** The project approval is subject to all applicable requirements of the Federal, State, City of Woodland and any other affected governmental agencies. Approval of this request shall not waive compliance with all sections of the Municipal Code, all other applicable Federal, State and City Ordinances, and applicable Community or Specific Plans or Design Guidelines in effect at the time of building permit issuance. The duty of inquiry as to such requirements shall be upon the applicant.
10. **Compliance with Conditions.** Prior to any use of the project site, all Conditions of Approval shall be completed to the satisfaction of the Community Development, Police, and Fire Departments. In the event that any of the conditions of this permit are not satisfied, the Community Development Director may request a public hearing be set before the Planning Commission to determine whether the Conditional Use Permit should be revoked. Additionally, upon showing of a compelling public necessity demonstrated at a noticed public hearing, the City of Woodland, acting through the appropriate entity, may add, amend, or delete conditions of this permit.

11. **Violations.** Upon receipt of a Cannabis Business Permit the applicant shall be subject to provisions relating to violations contained in Municipal Code Section 5.28.090, or as may be amended.
12. **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.
13. **Applicant's Responsibility to Inform.** The applicant shall be responsible for informing all subcontractors, consultants engineers, or other business entities providing services related to the project of their responsibilities to comply with all pertinent requirements herein in the City of Woodland Municipal Code, including the requirement that a business license be obtained by all entities doing business in the City as well as hours of operation requirements in the City.

Planning Conditions

16. **Education.** The cannabis retailer shall provide information or disclaimers to all customers regarding the effects of cannabis consumption and legal consequences of consumption or possession under federal law, in a form approved by the City.
17. **Parking.** The project shall provide and maintain the number of on-site parking spaces consistent with the requirements of Section 17.68 of the Woodland Municipal Code, based on gross square footage of retail use, consistent with City standards unless otherwise approved by the Community Development Director.
18. **Bicycle Parking.** The project shall provide bicycle parking, consistent with the requirements of Section 17.68.070 of the Woodland Municipal Code. The location of the racks and locking mechanism details shall be subject to review and approval by the Community Development Department prior to issuance of permits. Bicycle parking shall be installed prior to occupancy.
19. **Signage.** Signage shall require a Sign Permit subject to approval by the Community Development Department in compliance with Woodland Municipal Code Section 17.100.140, Sign Permits – Permanent Signs, and may require a Building permit prior to installation.,
20. **Trash Maintenance.** The site shall be kept free of trash or debris at all times. Graffiti or any other type of vandalism shall be removed or otherwise remediated within 72 hours of occurrence.
21. **Landscape.** Prior to operation, 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.
22. A storefront cannabis dispensary permittee shall not allow cannabis, cannabis products, or cannabis accessories on the dispensary site to be visible from the public right of way, the unsecured areas surrounding the buildings on the site, or the site's main entrance and lobby.
23. No storefront cannabis dispensary shall grow or cultivate cannabis, except for immature nursery stock cannabis plants, on the dispensary site.

Building Conditions

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

24. This project must meet all criteria and mandates for these City adopted codes or the most current code:
 - A. 2022 California Building Code
 - B. 2022 California Plumbing Code
 - C. 2022 California Mechanical Code
 - D. 2022 California Electrical Code
 - E. 2022 Building Energy Efficiency Standards
 - F. 2022 California Green Building Code
 - G. The Code of the City of Woodland
25. Other City and County Agencies (Health, Fire, Public Works, and Planning) may be required to approve the project prior to a building permit being issued.
Recycle plan is required at time of permit issuance along with a \$1000 deposit.
Prior to **any** demolition work being performed, clearance from Yolo Solano Air Quality Management District is required.
26. Any deferred submittals that are not a part of the initial permit application must be listed on the cover sheet of the plan at the time of application for the project.
27. All plans, computations and specifications to be prepared and designed by an architect or engineer licensed by the state of California.
28. 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.

Fire Conditions

The following comments are from the City of Woodland Fire Department and are applicable to the referenced project:

29. **Project Condition. Prior to permit approval to install gates or barriers:** The installation of perimeter fencing, gates, or obstacles that obstruct fire apparatus access roads shall require a separate plan submittal, review, and approval by the Woodland Fire Department prior to installation.
30. **Advisory:** An operational permit for a Cannabis dispensary will be required. The permit(s) will cost \$342.00 and be billed at the time of the fire inspection.
31. **Advisory:** Addressing and suite numbers shall be readily visible, contrasting in color to the background.
32. **Project Condition. Prior to permit approval:** Tennant improvement plans shall be submitted to the City of Woodland Building and Fire Department for review and approval due to the interior remodel of the space.
33. **Advisory:** Please be aware that, at a minimum or as applicable, the following items will be inspected, tested, or reviewed at the time of inspection.

- Existing exit signs and emergency lighting shall be in good working order and capable of supplying illumination for not less than 90 mins. Testing records are required. Test to be conducted at fire inspection.
- New and existing fire extinguishers shall be current and labeled with a State Fire Marshal-approved service label.
- Existing exits, exit doors, and door hardware are not obstructed, are in good working order, and shall meet the minimum requirements of the CFC.
- Housekeeping shall be orderly, and storage shall be stored in an approved manner per the CFC.
- All electrical and cords shall comply with the CFC.
- All electrical panels shall have a minimum 36-inch clearance before the panel.
- Verify that the address and suite numbers are visible from the assigned street.
- Verify fire lanes are marked.
- Verify all landscaping is three feet away from fire department equipment.
- Verify that fire department equipment is painted, marked, labeled, and secured as applicable.
- Existing walls and ceilings are free from holes that would lead to fire extension.
- Verify Knox Box keys.

Police Conditions

The following comments are from the City of Woodland Police Department and are applicable to the referenced project:

34. Security personnel shall be on site twenty-four hours a day or alternative security as authorized by the city manager or his/her designee(s), and must have a verified response security patrol when closed. Security personnel must be licensed by the state of California Bureau of Security and Investigative Services personnel and shall be subject to the prior review and approval of the city manager or his/her designee(s), with such approval not to be unreasonably withheld. Firearms may be carried by security personnel while they are on duty if authorized by the chief of police.
35. **Security Plan.** Prior to issuance of a Business Cannabis Permit, applicant shall submit a final Security Plan and Lighting Plan pursuant to Woodland Municipal Code Section 5.28.260, Cannabis Business Site Security, for review and approval by the Police Chief and Community Development Director. Photometric data may be required to indicate that parking and public areas are equipped with one (1) foot-candle of minimum maintained illumination per square foot of parking surface to include the entire paved area or public/employee exterior access ways. Photometric data must also confirm the absence of “hot spots” or areas of ten (10) foot-candle of illumination per square foot or more.

Engineering and Public Works Conditions

The following comments are from the City of Woodland Engineering Division and Public Works Department and are applicable to the referenced project:

General Conditions

36. Prior to building permit issuance, applicant shall obtain an encroachment permit for all work within the public right-of-way including utility connections and water meter, sewer cleanouts, and backflow devices, along with any activity requiring traffic control. The submittal shall include an

engineer's estimate of cost for the public improvements and applicant shall pay a plan check and inspection fee in accordance with the fee schedule. This submittal is separate from the building permit submittal. All public improvements shall conform to the current City of Woodland Standard Specifications.

37. All public improvements are required as a condition of development of this site, and shall be completed prior to certificate of occupancy of the building.

Fees:

38. Owner shall pay all permit fees for construction of offsite infrastructure improvements under the encroachment permit, as approved by City Council and defined in the City Fee Schedule.
39. The conditions of approval set forth herein include certain fees, dedication requirements, reservation requirements and/or other exactions. Pursuant to Government Code, Section 66020(d), these conditions constitute written notice of the amount of such fees, and a description of the dedications, reservations and other exactions.

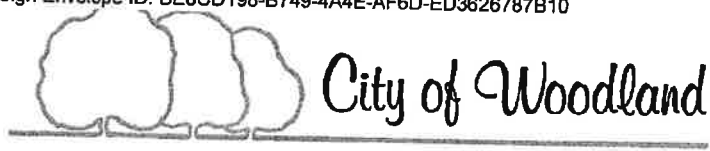
The applicant is hereby notified that the 90-day protest period, commencing from the date of project approval, has begun. If the applicant fails to file a timely protest regarding any of the fees, dedication requirements, reservation requirements and/or other exactions contained in this notice, complying with all the requirements of Government Code, Section 66020, the applicant will be legally barred from later challenging such fees, dedications requirements, reservation requirements and/or other such exactions. Notwithstanding the foregoing, the City does not waive any rights it may have to enforce any settlement agreement, memorandum of understanding, or other agreement with the applicant which authorizes the City to impose certain fees, and which may waive the applicant's right to challenge the imposition of some or all of the fees, dedication requirements, reservation requirements, and/or other exactions set forth in these conditions of approval.

Easements Dedications:

N/A

Site Design and Frontage Improvements

40. Backflow protection devices shall be installed on all domestic, landscape, and irrigation water services. Backflow devices shall be tested by a City-approved tester and results provided to the Public Works Department prior to occupancy. Work shall be covered by an encroachment permit.
41. Applicant shall remove and replace existing driveway along West Street with an ADA compliant commercial driveway per City standards.
42. Applicant shall remove and replace all non-ADA compliant, broken, or damage curb, gutter, and sidewalk along West Street per City standards.

**Community Development Department**

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

General Application Form

1. OWNER/APPLICANT

Property Owner:

Three Court Street Holdings, LLC

Mailing Address:**City State Zip Code:****Phone Number:****E-mail Address:****Project Applicant:**

Sundial Collective Woodland, LLC

Mailing Address:**City State Zip Code:****Phone Number:****E-mail Address:**

2. PROJECT DESCRIPTION

Project Name:

Sundial Collective Woodland, LLC

Total Acres or Square Feet:

4,000 sf

General Plan Land Use Designation:

Community Commercial (CC)

Existing Zoning:

Community Commercial (CC)

Site Address or Location:

3 Court Street, Woodland, CA. 95695

Assessor's Parcel Number(s):

005-552-016-000

Is Project in Flood Zone? ☐ Yes ☒ No**Requested Entitlement/Permit Type:**

Cannabis Dispensary CUP

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

Lauren Martinez

6/20/2024

Applicant

Date

Applicant

Date

Legal Owner

Date

Legal Owner

Date

**OPERATING AGREEMENT FOR A CANNABIS RETAIL BUSINESS AND
PRELIMINARY CANNABIS BUSINESS PERMIT
LOCATED IN THE CITY OF WOODLAND**

**SUNDIAL COLLECTIVE WOODLAND, LLC
3 COURT STREET, WOODLAND, CA 95695**

This Operating Agreement for a Cannabis Business (hereinafter “Agreement”), dated ____, 2024, (“Effective Date”), is entered into by and between the City of Woodland (the “City”), a California municipal corporation, and Sundial Collective Woodland, LLC, a cannabis retail facility (“Cannabis Business”). The City and Cannabis Business may be referred to herein individually as a “Party” and collectively as the “Parties.”

RECITALS

WHEREAS, On June 21, 2022, the City Council of the City of Woodland approved Ordinance Nos. 1685 and 1686 to allow consideration for up to four retail cannabis businesses within the City of Woodland.

WHEREAS, on February 27, 2023, the City of Woodland opened a competitive application review process for preliminary cannabis business permit applications, which closed on April 5, 2023. A total of 12 Preliminary Cannabis Business Permit applications were received.

WHEREAS, after conducting a complete, thorough, and objective review in consideration of all applications, the four top scoring applications were selected to continue through the final application review process, including the approval of an operating agreement to memorialize the requirements as provided for in the regulations governing commercial cannabis retail permits, Chapter 17.84.120 and 5.28 of the Woodland Municipal code, as well as statements and agreements provided in the application materials and as part of the interview process; and

WHEREAS, Cannabis Business is one of the four top scoring applicants and has applied for and received a Conditional Use Permit concurrently with the approval of this Agreement for the operation of a retail cannabis business at 3 Court Street, Woodland California, as more specifically described in Exhibit “A”, attached hereto and incorporated herein by this reference (the “**Subject Property**”).

WHEREAS, Section 5.28.180(A)(9) of the Woodland Municipal Code provides that the City shall enter into an Operating Agreement and Indemnification, in conjunction with the issuance of a Cannabis Business Permit, in which the Cannabis Business agrees to abide by the requirements of the Municipal Code and any other operating terms and conditions as mutually agreed by the parties; and

WHEREAS, the City Council of the City of Woodland has determined that there may be both community benefit and potential adverse impacts that may result from the operation of cannabis businesses in the City, and therefore desires to ensure all such impacts are adequately mitigated and offset through the requirement for community benefits the businesses provide to the City and its residents; and

WHEREAS, the Cannabis Business and the City have mutually agreed to certain minimum payments or actions to the City of Woodland to provide for community support projects, programs, and other services and activities that will positively contribute to the community and minimize any adverse impacts or increases in need for services caused by the operation of the Cannabis Business in the community.

NOW, THEREFORE, in consideration of the mutual promises, conditions, and covenants set forth herein, the Parties agree as follows:

AGREEMENT

1. Incorporation of Recitals. The Recitals, and all defined terms set forth in this Agreement, are hereby incorporated into this Agreement as if set forth herein in full.

2. Definitions. The following terms shall have the following meanings for purposes of this Agreement, but other terms may be defined elsewhere in this Agreement.

- A. “Assignment” means: (i) a sale, exchange or other transfer of this Agreement, the Cannabis Business’s rights hereunder, or substantially all of the Cannabis Business’s assets dedicated to operation of the retail cannabis business under this Agreement to a third party; (ii) a sale, exchange or other transfer of thirty (30) percent or more of the outstanding common stock of the Cannabis Business; (iii) any reorganization, consolidation, merger re-capitalization, stock issuance or re-issuance, voting trust, pooling agreement, escrow arrangement, liquidation or other transaction to which Cannabis Business or any of its shareholders is a party which results in a change of ownership or control of thirty (30) percent or more of the value or voting rights in the stock of Cannabis Business; and (iv) any combination of the foregoing (whether or not in related or contemporaneous transactions) which has the effect of any such transfer or change of ownership, provided that the effect of such occurrence is to change control of Company or responsibility for this Agreement to an entity that is not controlled by Company’s ultimate parent entity (as defined on the Effective Date of this Agreement in 16 CFR § 801.1(a)(3)).
- B. “Cannabis business permit” means the regulatory permit issued by the City to the Cannabis Business pursuant to the provisions of Chapter 5.28 of the Woodland Municipal Code.
- C. Cannabis retailer” means a premises permanently located in the City licensed by the State of California pursuant to the Medicinal and Adult-Use Cannabis Regulation and Safety Act, California Business and Professions Code Section 26000 et seq., as may be amended, where cannabis is provided for retail sale to consumers, including an establishment that delivers cannabis as part of a retail sale, as permitted by Chapter 17.84.120 of the Woodland Municipal Code.
- D. “City” means the City of Woodland.
- E. “City Permits” means all building permits, conditional use permits, zoning amendments, operating agreements, and other permits, including the Cannabis

Business Permit, licenses, entitlements, and agreements that the City, acting in its governmental capacity, must issue or approve for the Cannabis Business to operate in accordance with this Agreement.

- F. “Commencement Date” means the date that all of the following have occurred: (1) the City has issued all necessary City Permits; (2) the Cannabis Business has obtained all necessary State Licenses to operate; and (3) the Cannabis Business has obtained a certificate of occupancy.
- G. “Community Development Director” means the Community Development Director and his or her designee.
- H. “Conditional Use Permit” means the conditional use permit issued by the City to the Cannabis Business pursuant to Chapter 17.100.100 of the Woodland Municipal Code.
- I. “Effective Date” means the date first entered above as the Effective Date that both Parties have signed this Agreement.
- J. “Gross Receipts” means the total amount actually received or receivable from sales and the total amounts actually received or receivable for the performance of any act or service, of whatever nature it may be, for which a charge is made or credit allowed, whether or not such act or service is done as a part of or in connection with the sale of materials, goods, wares or merchandise. Included in “gross receipts” shall be all receipts, cash, credits and property of any kind or nature, without any deduction therefrom on account of the cost of the property sold, all cost of materials used, labor or service costs, interest paid or losses or other expenses. The following shall not be included in the definition of “Gross Receipts: (1) Cash discounts allowed and taken on sales; (2) Such part of the sale price of property returned by purchasers upon rescission of the contract of sale as is refunded either in cash or by credit; and (3) Receipts of refundable deposits, except that refundable deposits forfeited and taken into income of the business shall not be excluded.
- K. “Manager” means a person with responsibility and authority over the establishment, management, supervision, or oversight of the operation of the Cannabis Business.
- L. “State License” means all licenses required to be issued by the State of California for operation of the Cannabis Business pursuant to Division 10 of the Business and Professions Code and applicable state regulations, including Division 42 of Title 16, Division 8 of Title 3, and Division 1 of Title 17 of the California Code of Regulations, as those provisions may be amended.
- M. “Subject Property” means that certain property located at 3 Court Street, Woodland California, as more specifically described in Exhibit “A”, attached hereto and incorporated herein by this reference, which is the location of the Cannabis Business’s retail cannabis business.
- N. “Term” means the period of time this Agreement is in effect, and any renewal periods, as specified in Section 3.

3. Term of Agreement. The Term of this Agreement shall commence on the Effective Date and continue for a period of two (2) years therefrom (“Initial Term”), unless earlier terminated as specified in this Agreement. Prior to the expiration of the Initial Term and any subsequent Renewal Period, the Parties may mutually agree to extend the Term of this Agreement for up to two (2) additional two-year (2-year) terms to run consecutively (each a “Renewal Period”).

4. General Terms and Conditions. The Cannabis Business shall comply with all of the following terms and conditions for the Term of this Agreement:

- A. This Agreement is only valid for the Cannabis Business at the Subject Property identified in this Agreement. An assignment of this Agreement or any interest herein by the Cannabis Business is not permitted unless consented to in advance in writing by the City, which consent may be conditioned, granted or withheld in City’s sole and absolute discretion.
- B. The applicant shall apply for and receive approval for a final Cannabis Business Permit and all other required City permits, such as building permits, including receipt of a Certificate of Occupancy, prior to commencement of operations.
- C. Any conditions placed on the Cannabis Business Permit and the Conditional Use Permit are hereby incorporated as conditions of this Agreement. Violations of the Cannabis Business Permit, the Conditional Use Permit and/or applicable State Licenses shall be deemed violations of this Agreement and shall constitute a material breach of this Agreement.
- D. The applicant shall commence operation of the cannabis business within 12 months of the approval date of the CUP consistent with Section 17.96.130 of the Woodland Municipal Code, or the City will withdraw the preliminary business permit award and this agreement shall be null and void.
- E. The Cannabis Business shall obtain and maintain at all times a valid Cannabis Business Permit, Conditional Use Permit, and applicable State License(s) prior to and during operation of the Cannabis Business.
 - i. As soon as practicable, the Cannabis Business shall inform the City when it obtains its necessary State License(s), and shall provide a copy of the State License(s) to the Community Development Director. The City shall cooperate with the Cannabis Business as appropriate and as needed to facilitate the State’s issuance of a State License(s) to the Cannabis Business.
 - ii. The City shall diligently process the Cannabis Business’s applications for all City Permits. This Agreement does not commit the City in advance to approve the City Permits; nor does this Agreement constrain the City’s discretion to determine compliance with all requirements regarding issuance of any City Permits. Nothing in this Agreement relieves the Cannabis Business of the obligation to comply with all requirements and application procedures set forth in Chapter 5.28 and Section 17.84.120 of the Woodland Municipal Code.

- F. The Cannabis Business understands, acknowledges and agrees to comply with all applicable then-existing state and local laws and regulations applicable to operation of the Cannabis Business, including Chapter 5.28 of the Woodland Municipal Code.

5. Operational Requirements. In addition to all operating requirements set forth in Article IV of Chapter 5.28 of the Woodland Municipal Code, the Cannabis Business shall comply with the following specific operational requirements:

- A. The Cannabis Business shall immediately notify the City Police Department of any criminal activity, or suspected criminal activity, occurring at the Subject Property. In the event of any internal security system breach, including a faulty alarm system, broken or damaged surveillance cameras or other video recording equipment, or broken or damaged locks, doors, or lighting which may increase risk of criminal activity at the Subject Property, the Manager of the Cannabis Business shall notify the City Police Department as soon as practicable after becoming aware of the security system breach. The Cannabis Business shall diligently attempt to fix or resolve any such security breach immediately; if circumstances require additional time and delay to remedy, the Cannabis Business shall so notify City police and provide an estimated timeline the breach will be cured.
- B. If the Cannabis Business receives any criminal threats, or otherwise suspects any criminal targeting related to movement of product or cash from or to the Subject Property, the Cannabis Business shall immediately notify the City Police Department.
- C. The City's Chief of Police, or his or her designee, may perform site inspections of the Cannabis Business during hours of operation, upon reasonable notice. The scope of the inspection shall be to ensure compliance with all conditions on the Cannabis Business, including compliance with state rules and regulations, such as but not limited to, track and trace requirements, product storage, labeling, and disposal of product, as well as accounting, ledgers for distribution, and other records and operating procedures. Upon reasonable notice by the City, the Cannabis Business shall provide proof, including through visual observation and confirmation by City staff, of any storage, disposal or distribution of product as may be necessary to ensure business compliance. Should the City discover any evidence of falsification of records or other practices inconsistent with City or State requirements, the Cannabis Business shall, upon written notice from the City, immediately cease and desist operations until such time that the issues have been resolved, to the satisfaction of the City, in accordance with state and local regulations.

6. Consideration. As consideration for the rights and benefits it enjoys under this Agreement, including its operation of approved cannabis uses in the City during the Term, the Cannabis Business shall do all of the following:

- A. Tax Payment. The cannabis business shall pay the required ten (10%) percent tax as required per Woodland Municipal Code Chapter 3.36, Cannabis Business Tax.

- i. Monthly Payments shall be calculated per calendar month, due and payable on the 15th day of the subsequent calendar month in accordance with Woodland Municipal Code Section 3.36(B). By way of example only, a Monthly Payment for the month of September would be calculated from September 1 through September 30, due and payable on October 15.
 - ii. If a Monthly Payment is not paid in full within fifteen (15) days after it is due and payable, penalties and interest shall accrue as set forth in Woodland Municipal Code Section 3.36.100.
 - iii. Monthly Payments shall be made to the City's Finance Department. In the event the Cannabis Business intends to pay a Monthly Payment in cash in an amount that exceeds \$5,000, the Cannabis Business shall notify the City in advance to make prior arrangements.
 - iv. Accompanying the Monthly Payment, the Cannabis Business shall deliver to the City a report ("the Monthly Report") showing (1) Gross Receipts of the Cannabis Business for the immediate prior month; 2) a cumulative total of all amounts of Gross Receipts received by the Cannabis Business to date for the calendar year, (3) a calculation of the Monthly Payment currently due to the City; and (4) a calculation of the cumulative total of all Monthly Payments made to the City to date for the calendar year.
- B. Community Benefits Plan. Pursuant to Section 5.28.180 (A)(6)(b), Exhibit "B" to this agreement, Community Benefit Plan, which is attached hereto and incorporated into this Agreement by this reference, describes the benefits the cannabis business has provided or will provide to the local community including direct aid, participation in, and commitment to funding the work of local nonprofits, community, civic, or social service based organizations, as well as the development of public outreach and education program related to risks of youth and drugs, and any other agreed upon community benefit between the City and applicant. The Cannabis business shall comply with and implement that Community Benefit Plan as a requirement of this Agreement.
- i. Each year, at the time of the annual Cannabis Business Permit review, the Cannabis business shall submit a Community Benefits Plan Summary Report in which all activities in support of local community organizations or events as outlined in the Community Benefit Plan (Exhibit "B"), including the Community Benefit Payment, shall be identified, including the community service hours provided by the cannabis business (inclusive of staff service volunteer hours) in the year, and the Cannabis Business shall provide to City or its designee all appropriate receipts, payment verification and any other documentation requested by City as deemed necessary by City in its discretion to verify the Cannabis business's compliance with the Community Benefit Plan.

C. Social Policy and Local Enterprise Plan. Pursuant to Section 5.28.180(A)(6)(c), Exhibit “C” to this Agreement describes the Cannabis Business’s Social Policy and Local Enterprise Plan.

i. Each year, at the time of the annual Cannabis Business Permit review, the Cannabis Business shall submit an updated Social Responsibility and Local Enterprise Plan in which the employee benefits, workforce development actions, local hiring practices, and minimum employee wage paid are identified for the prior year.

i. Minimum agreed upon hourly wage (living wage). The Cannabis Business hereby agrees to provide a minimum hourly working wage in the amount of \$20 for remainder of the calendar year following the Effective Date of this Agreement. The wages for employees of the Cannabis Business shall increase at the same rate as the state minimum wage.

D. Cannabis Business agrees to abide by the requirements of Chapter 5.28 of the Woodland Municipal Code and any other operating terms and conditions as mutually agreed by the parties to ensure that the social policy and local enterprise plan commitments and community benefits derived from the proposed cannabis business adequately address potential adverse impacts stemming from the operation of the Cannabis Business.

E. Records. The Cannabis Business shall keep accurate and adequate records and documentation to reflect its monthly gross receipts and information concerning required payments. Pursuant to section 5.28.340 of the Woodland Municipal Code, the Cannabis Business shall maintain all such records for at least three (3) years, and shall produce those records to the City within 24 hours after receipt of the City’s request.

7. Termination. The City and/or Cannabis Business may terminate this Agreement prior to expiration of the Term for the reasons and subject to the requirements set forth below. The Cannabis Business understands and acknowledges that the right to operate the Cannabis Business is expressly contingent on full execution of an Operating Agreement, as required by section 5.28.180(A)(9) of the Woodland Municipal Code. As such, termination of this Agreement shall result in the immediate termination of the Cannabis Business’s operations, unless and until a new Operating Agreement is executed by the Parties

A. City’s Termination Rights. Without prejudice to its other remedies at law or in equity, the City may terminate this Agreement, at any time and in its sole discretion, effective thirty (30) days after the City provides written notice of termination to the Cannabis Business, if any of the following circumstances occurs:

- i. The Cannabis Business breaches its obligation to pay the Monthly Payments of the Cannabis business tax when due and fails to cure the breach within thirty (30) days after the City provides the Cannabis Business with a written notice of default.
 - ii. The Cannabis Business breaches its obligation to perform in accordance with any material provision of this Agreement, other than the obligation to pay the Monthly Payment, and: (A) does not cure the breach within thirty (30) days after the City provides the Cannabis Business with a written notice of breach or, if the breach cannot reasonably be cured within 30 days, (B) does not begin work to cure the breach within thirty (30) days after the City provides the Cannabis Business with a written notice of breach. The Parties may mutually agree in writing to extend the time period to cure the breach. The express designation in this Agreement of a provision as “material” does not imply that other provisions are not material.
 - iii. The Cannabis Business fails to obtain and maintain at all times prior to and during operation of the Cannabis Business a valid Cannabis Business Permit and State License(s), or violates any condition of approval of the Conditional Use Permit.
 - iv. The uses and business activities of the Cannabis Business are declared unlawful by order of Court, or become illegal by operation of State law.
- B. Cannabis Business’s Termination Rights. The Cannabis Business may, at any time and in its sole discretion, effective thirty (30) days after the Cannabis Business provides written notice of termination to the City, may terminate this Agreement if the Cannabis Business has permanently ceased operations, or intends to cease operations within thirty (30) days, in the City of Woodland.

8. Release & Indemnification. The Cannabis Business shall release and hold harmless the City, its agents, officers, elected officials, staff and employees (collectively, “City Parties”) from any and all claims, injuries, damages, or liabilities of any kind arising from: (i) any repeal or amendment of Chapter 5.28 of the Woodland Municipal Code, or any provision of the Zoning Code relating to the Cannabis Business, and (ii) any arrest or prosecution of the Cannabis Business or its owners, Managers, staff, employees, or members for violation of state or federal laws. The Cannabis Business shall further defend, indemnify and hold harmless the City Parties from and against any and all claims or actions: (i) brought by adjacent or nearby property owners or any other parties for any damages, injuries, or other liabilities of any kind arising from or related to the Cannabis Business operations at the Subject Property, and (ii) brought by any party for any problems, injuries, damages, or other liabilities of any kind, including bodily injury, death or property damage, arising out of the distribution of cannabis or cannabis products at the Subject Property. The obligations in this Section 8 Release & Indemnification shall survive any expiration or termination of this Agreement.

9. Insurance.

A. Time for Compliance. The Cannabis Business shall not begin operations until it has provided evidence satisfactory to the City that it has secured all insurance required under this section. Failure to provide and maintain all required insurance shall constitute a material breach of this Agreement.

B. Types of Required Coverages. Without limiting the indemnity provisions of this Agreement, the Cannabis Business shall procure and maintain in full force and effect during the term of the Agreement, the following policies of insurance:

- i. Commercial General Liability. Commercial General Liability Insurance which affords coverage at least as broad as Insurance Services Office “occurrence” form CG 0001, with minimum limits of at least \$1,000,000 per occurrence. Defense costs shall be paid in addition to the limits.

The policy shall contain no endorsements or provisions limiting coverage for (1) products and completed operations; (2) contractual liability; (3) third party action over claims; or (4) cross liability exclusion for claims or suits by one insured against another.

- ii. Automobile Liability. Automobile Liability Insurance with coverage at least as broad as Insurance Services Office Form CA 0001 covering “Any Auto” (Symbol 1) with minimum limits of \$1,000,000 each accident.

- iii. Workers’ Compensation. Workers’ Compensation Insurance, as required by the State of California and Employer’s Liability Insurance with a limit of not less than \$1,000,000 per accident for bodily injury and disease.

If coverage is written on a claims-made basis, the retroactive date shall precede the effective date of the initial Agreement and continuous coverage will be maintained or an extended reporting period will be exercised for a period of at least three (3) years from termination or expiration of this Agreement.

C. Endorsements.

- i. The policy or policies of insurance required by this section for Commercial General Liability and Automobile Liability shall be endorsed to provide the following:

- a. Additional Insured. The City’s indemnified parties shall be additional insureds with regard to liability and defense of suits or claims arising out of the performance of the Agreement. Additional Insured Endorsements shall not (1) be restricted to “ongoing operations”; (2) exclude “contractual liability”; (3) restrict coverage to “sole” liability of Consultant; or (4) contain any other exclusions contrary to the Agreement.

- b. Primary Insurance and Non-Contributing Insurance. This insurance shall be primary and any other insurance, deductible, or self-insurance

maintained by the indemnified parties shall not contribute with this primary insurance.

- c. Severability. In the event of one insured, whether named or additional, incurs liability to any other of the insureds, whether named or additional, the policy shall cover the insured against whom claim is or may be made in the same manner as if separate policies had been issued to each insured, except that the limits of insurance shall not be increased thereby.
 - d. Cancellation. The policy shall not be canceled or the coverage suspended, voided, reduced or allowed to expire until a thirty (30) day prior written notice of cancellation has been served upon the City except ten (10) days prior written notice shall be allowed for non-payment of premium.
 - e. Duties. Any failure by the named insured to comply with reporting provisions of the policy or breaches or violations of warranties shall not affect coverage provided to the indemnified parties.
 - f. Applicability. That the coverage provided therein shall apply to the obligations assumed by the Cannabis Business under the indemnity provisions of this Agreement, unless the policy or policies contain a blanket form of contractual liability coverage.
- ii. The policy or policies of insurance required by this section for Workers' Compensation shall be endorsed, as follows:
- a. Waiver of Subrogation: A waiver of subrogation stating that the insurer waives all rights of subrogation against the City's indemnified parties.
 - b. Cancellation. The policy shall not be canceled or the coverage suspended, voided, reduced or allowed to expire until a thirty (30) day prior written notice of cancellation has been served upon the City except ten (10) days prior written notice shall be allowed for non-payment of premium.
- D. Deductible. Any deductible or self-insured retention must be approved in writing by the City and shall protect the City's indemnified parties in the same manner and to the same extent as they would have been protected had the policy or policies not contained a deductible or self-insured retention.
- E. Evidence of Insurance. The Cannabis Business shall, concurrently with execution of this Agreement or as soon thereafter as may be authorized by the City, deliver either certified copies of the required policies, or original certificates and endorsements on forms approved by the City. The certificates and endorsements for each insurance policy shall be signed by a person authorized by that insurer to bind coverage on its behalf. At least fifteen (15) days prior to the expiration of any such policy, evidence

of insurance showing that such insurance coverage has been renewed or extended shall be filed with the City. If such coverage is cancelled or reduced, the Cannabis Business shall, within ten (10) days after receipt of written notice of such cancellation or reduction of coverage, file with the City evidence of insurance showing that the required insurance has been reinstated or has been provided through another insurance company or companies.

- F. Failure to Maintain Coverage. The Cannabis Business agrees to suspend and cease all operations hereunder during such period of time if the required insurance coverage is not in effect and evidence of insurance has not been furnished to the City.
- G. Acceptability of Insurers. Each such policy shall be from a company or companies with a current A.M. Best's rating of no less than A:VII and authorized to do business in the State of California, or otherwise allowed to place insurance through surplus line brokers under applicable provisions of the California Insurance Code or any federal law.
- H. Insurance for Subcontractors. All subcontractors shall be included as additional insureds under the Cannabis Business's policies, or the Cannabis Business shall be responsible for causing subcontractors to purchase the appropriate insurance in compliance with the terms of this Agreement, including adding the City as an Additional Insured.

10. Notice. Any notice or other communication provided pursuant to this Agreement must be in writing and shall be considered properly given and effective only when mailed or delivered in the manner provided by this Section 11 to the persons identified below. A mailed notice or other communication shall be considered given and effective on the third day after it is deposited in the United States Mail (certified mail and return receipt requested). A notice or other communication sent in any other manner will be effective or will be considered properly given when actually delivered. A Party may change its address for these purposes by giving written notice of the change to the other Party in the manner provided in this Section 11.

If to the City:

City of Woodland
City Manager's Office
300 First Street
Woodland, California 95695
Attention: Ken Hiatt

If to Cannabis Business:

11. Force Majeure.

- A. "Force Majeure Event" means a cause of delay that is not the fault of the Party who is required to perform under this Agreement and is beyond that Party's reasonable control, including the elements (such as floods, earthquakes, windstorms, and unusually severe weather), fire, energy shortages or rationing, riots, acts of terrorism, war or war-defense

conditions, acts of any public enemy, epidemics, the actions or inactions of any governmental entity (excluding the City) or that entity's agents, litigation, labor shortages (including shortages caused by strikes or walkouts), and materials shortages.

- B. Except as otherwise expressly provided in this Agreement, if the performance of any act required by this Agreement to be performed by either the City or Cannabis Business is prevented or delayed because of a Force Majeure Event, then the time for performance shall be extended for a period equivalent to the period of delay, and performance of the act during the period of delay will be excused.

12. Waiver. A Party's failure to insist on strict performance of this Agreement or to exercise any right or remedy upon the other Party's breach of this Agreement shall not constitute a waiver of any performance, right, or remedy. A Party's waiver of the other Party's breach of any provision in this Agreement shall not constitute a continuing waiver or a waiver of any subsequent breach of the same or any other provision. A waiver is binding only if set forth in writing and signed by the waiving Party.

13. Relationship of Parties. This Agreement does not create any employment relationship, ownership interest, or other association between the City and Cannabis Business. Nothing herein shall be construed to create the relationship of principal and agent, partnership or other joint venture between the City and Cannabis Business.

14. Attorneys' Fees. The Party prevailing in any litigation concerning this Agreement, the Subject Property, or the Cannabis Business operations, shall be entitled to an award by the court of reasonable attorneys' fees and litigation costs. If the City is the prevailing party, then this Section shall apply whether the City is represented in the litigation by the designated City Attorney or by outside counsel.

15. Severability. If a court with jurisdiction finds any provision of this Agreement to be invalid, void, or unenforceable, then the remaining provisions shall remain in full force and effect, and to this end this Agreement shall be severable.

16. Counterparts. The parties may execute this Agreement in counterparts, each of which shall constitute an original, but all of which shall collectively constitute this same Agreement.

17. Integration and Modification. This Agreement sets forth the Parties' entire understanding and agreement regarding the matters addressed herein. This Agreement supersedes all prior or contemporaneous agreements, representations, and negotiations (written, oral, express, or implied) and may be modified only by written agreement signed by both Parties.

(Signature Page Follows)

IN WITNESS WHEREOF, the parties enter into this Agreement as of the date first set forth on this Agreement.

City of Woodland

**Cannabis Business:
Sundial Collective Woodland, LLC**

By: _____
Ken Hiatt, City Manager
Dated: _____, 2024

By: _____
Dated: _____, 2024
By: _____
Dated: _____, 2024

Approved as to Form
Woodland City Attorney

By: _____
Ethan Walsh, City Attorney

EXHIBIT “A”

DESCRIPTION OF SUBJECT PROPERTY

[Legal Description to be inserted]

DRAFT

EXHIBIT “B”

COMMUNITY BENEFIT PLAN

Community Benefit Payment

Sundial Collective Woodland LLC commits to contributing 2.5% of its annual gross receipts to local 501(c)(3) non-profits active in Woodland.

Present Donations

- Community Fund: Sundial Collective Woodland LLC commits to donating to a needs-based fund for local non-profits experiencing financial hardship and/or to assist with projects lacking funding.
- Volunteerism: Sundial Collective Woodland LLC commits to paying employees for volunteer hours with local non-profits and will commit to providing each employee an option to earn 20 hours of paid volunteer time each month.
- Non-Profit Partnerships: Sundial Collective Woodland LLC commits to continued work with non-profits that do work focused on youth education, youth drug prevention, and pregnancy education in the City of Woodland.

Youth Education and Outreach

- Sundial Collective Woodland LLC commits to partnering with local community-based organizations and local government to develop a campaign that will educate youth and the community on the prevention of youth cannabis consumption.
- Strategy includes:
 - Targeted Media
 - Stopping youth access to cannabis
 - Leverage current partnerships with non-profits that focus on preventing youth from consuming cannabis
 - Volunteer time to help educate youth about cannabis and its effects on minors
 - Donate monetary funding and time to groups and organizations that help prevent youth drug use

EXHIBIT “C”

SOCIAL POLICY AND LOCAL ENTERPRISE PLAN

Local Hiring

Sundial Collective is committed to hiring all employees from the City of Woodland and is committed to working with Teamsters and local hiring agencies to find employees who live in the City of Woodland. Sundial Collective is committed to hiring a General Manager, Shift Managers, and Inventory Manager that will be preferentially given to local residents of Woodland.

Employee Wages and Compensation

Sundial Collective is committed to providing higher than living wage to all employees and raises based on employee performance, with performance reviews conducted every 90 days to determine raise eligibility.

Sundial Collective is committed to starting operations with 15 employees from the City of Woodland. 10 employees will be full-time. Sundial Collective is committed to hiring 5 additional employees once the business is established and service needs increase, with an anticipated total employee count of 20 employees within the first two years and up to 25 employees after three years.

Sundial Collective is committed to providing the following employee benefits:

- **Holiday Pay:** Time and a half for all employees who work on a holiday.
- **Vacation:** Full-time employees receive 14 paid vacation days per year.
- **Paid Sick Leave:** All employees receive 48 hours of sick leave on their first day of employment, renewing annually. Sick time can increase up to 120 hours per year, depending on tenure.
- **Paid Funeral Leave:** Three days of paid leave.
- **Health Insurance:** Full-time employees are eligible for Sundial Collective's CalChoice health plan, with either an HMO or PPO, with the premium paid for by Sundial Collective. Dental and vision insurance are also available.
- **Employee Stock Plan:** Employees are eligible for stock incentive plans to earn an equity stake in the business. Stock will vest over a number of years, with additional stock potentially offered as a performance bonus or award upon management promotions.
- **Discounts:** Employees receive 30% off all products at Sundial Collective.
- **Uniforms:** Each employee is provided with five shirts, a hat, and a pair of shoes. New uniforms are provided when needed, at the General Manager's discretion.

Continuing Education

Sundial Collective is committed to providing opportunities for career advancement in the following areas:

- Security measures and controls for the prevention of diversion, theft, or loss
- Emergency response procedures (EAP)
- Cannabis strains, products, and their effects

- Quality assurance, packaging, and labeling requirements
- Recognizing signs of substance abuse or instability in customers
- Prohibition of smoking cannabis in public spaces
- Responsible adult use of cannabis
- Regulatory compliance
- Treez Point-of-Sales Systems
- METRC, the California mandatory seed-to-sale platform
- IIPP
- Sexual harassment
- Customer relations
- Identifying valid IDs
- Discrimination

Sundial Collective is committed to working with vendors to provide employee education and brand training for all products sold at its retail store and is committed to paying for all employee training and compensating employees for their time in training.

SCALE: 1" = 20'

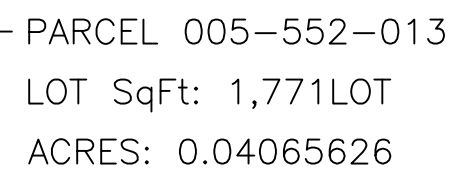


PATH OF TRAVEL NOTES: (NOTED AS (P.O.T.) ON THIS SHEET)

CHANGE IN ELEVATION:
11B-303.2 VERTICAL
CHANGES IN LEVEL OF 1/4 INCH (6.4 MM) HIGH MAXIMUM SHALL
BE PERMITTED TO BE VERTICAL AND WITHOUT EDGE TREATMENT.

EXCEPTION: THE RUNNING SLOPE OF SIDEWALKS SHALL NOT EXCEED THE GENERAL GRADE ESTABLISHED FOR THE ADJACENT STREET OR HIGHWAY.

DETECTABLE WARNINGS AND DETECTABLE DIRECTIONAL TEXTURE
SHALL COMPLY WITH SECTION 2022 CBC 11B-705



- PARCEL 005-552-016
LOT SqFt: 10,473
LOT ACRES: 0.23950858

CONTRACTOR / DESIGNER OF RECORD

JURISDICTION

OWNER

ENGINEER

SITE / CIRCULATION / PARKING PLAN

ENGINEER INFO
<u>COMPANY:</u> MICHAEL ROBERTS CONST
<u>CONTACT NAME:</u> MICHAEL ROBERTS
<u>PHONE:</u> 530-921-3746

BUILDING DEPARTMENT
NAME:
CITY OF WOODLAND
ADDRESS:
03 COURT ST., WOODLAND, CA 95695
PHONE:
530-661-5820

OWNER INFO
<u>NAME:</u> LAYTHEN MARTINEZ
<u>ADDRESS:</u> 175 SOUTH MAIN ST. BISHOP, CA 93514
<u>PHONE:</u> 707-298-8105

ENGINEER INFO
<u>COMPANY:</u> J&J NEWTON INC.
<u>NAME:</u> JB NEWTON
<u>PHONE:</u> 530-365-1737



CONSTRUCTION SITE

SITE ADDRESS:
03 COURT ST.,
WOODLAND, CA 95695

SITE APN:
005-552-016

DRAWING INFORMATION	
LATEST REVISION DATE:	
06-25-24	
XX-XX-XX	RV.1
XX-XX-XX	RV.2
XX-XX-XX	RV.3

DRAWN BY:
GDR

FILE NAME:
23-0401-WOODLAND_TI

DRAWING SCALE:
1" = 20'

A1

16. Neighborhood Compatibility and Community Relations Plan

The Neighborhood Compatibility & Community Relations Plan is located in Section E on page 62 of the PCBA.

16.A. Contact Person

- Laythen Martines, owner and founder of Sundial Collective, will be responsible for all community outreach and communication.
- Contact Information:
 - Phone:
 - Email:

16.B. Nuisance Avoidance

- Good Neighbor Policy
 - This is an internal policy created by Sundial Collective to ensure all employees and customers are creating an environment that is becoming of a good neighbor. This policy includes:
 - Be courteous and respectful while at Sundial Collective
 - Be mindful of where you park
 - Do not park illegally
 - Ask staff for assistance with parking, if needed
 - If you need an escort, please let staff know and security will walk you to your car
 - Report suspicious and illegal activity
 - Be respectful of the surrounding businesses and neighbors
 - Violation of this policy could lead to refused service for customers and disciplinary action for employees.
- Complaint Response
 - Complaints may be made directly to the General Manager of the store via the following methods:
 - Contact the GM in person, by phone, or by email.
 - Call the Corporate Office at 530-255-8875
 - Use the Contact Form at sundialcollective.com
 - Use the third-party review software, EyeRate.
 - Received complaints will be responded to in the following manner:
 - The GM will contact the complainant within 48 hours of the complaint
 - GM will inform executive management of the complaint within 48 hours
 - Investigate the causes of the complaint and identify solutions. Communicate these solutions to the complainant within seven days. Request their feedback.
 - Finalize and implement the solution. Hire contractors where needed.
 - Upon resolution, contact the complainant to let them know the matter has been resolved.
- Pedestrian and Vehicle Traffic
 - The proposed location is ideal for both pedestrian and vehicle traffic
 - The well-lit and easily accessible parking lot will ensure vehicles may safely enter and exit the facility.

- The location is ideal for pedestrians due to it being centered in the Historic District of Woodland and is near Main Street.
- While Sundial Collective does not anticipate any issues with vehicle or pedestrian traffic, in the event it does occur, staff and security will assist customers with safely parking their vehicles in a legal location and maintaining a clear pathway outside of the facility.
- Public Safety
 - Dispensaries have a documented history of reducing crime in the area they are located in.
 - Sundial Collective will install a state-of-the-art security system, monitoring the neighborhood for 100 feet in every direction.
 - Security guards will be present 24/7, including during non-operational hours.
- Noise Control
 - The Good Neighbor Policy will assist in keeping noise levels down in the facility's interior and exterior.
 - Reception and Security Guards will be positioned by the front door to monitor for elevated noise levels and address the causes immediately.
- Light Control
 - The interior of the facility will be lit in a manner that allows customers to distinguish products and see their intended uses easily.
 - The interior will be well-lit at night as an added security measure.
 - The facility's exterior will be well-lit and will not cause light pollution in the neighborhood. All exterior lights will be downward-facing and shielded.
 - Exterior lighting will be directed towards pedestrian walkways and prevent loitering.
- Odor Control
 - Security will monitor for exterior cannabis odor smells and report to management if found.
 - A high-velocity HVAC system will be installed.
 - Carbon filters will be installed to scrub the air before exiting the facility.
 - Duct-mounted self-cleaning needlepoint bipolar ionization systems will be installed in the return air plenum to neutralize odors by destroying VOCs with multiple-pass filtration.
- Property Maintenance
 - Sundial Collective intends to purchase the proposed property of its location in Woodland.
 - Sundial Collective will ensure the property and surrounding area are free of litter and graffiti.
 - All vegetation will be maintained regularly.
- Smoking and Alcohol
 - No person will smoke, ingest, or otherwise consume cannabis in any form within 50 feet of Sundial Collective; Security and management will enforce this policy.
 - No person will possess, consume, or store alcoholic beverages on the premises; Security, staff, and management will enforce this policy.

16.C. Preventing Youth from Accessing Cannabis

- Age Verification

- If anyone is caught or suspected of providing cannabis to minors or non-qualified customers after purchasing product at Sundial Collective, they will be banned from all locations and reported to law enforcement.
 - All customers must provide valid identification via a State Driver's License, State Identification Card, US Military Identification Card, or US Passport.
 - All adult-use customers must be 21+
 - Medicinal customers must be 18+ and hold a valid physician's recommendation or MMIC.
 - MMICs will be verified at mmic.cdph.ca.gov/MMIC_Search.aspx
 - Physician Recommendations will be verified by contacting the prescribing physician.
 - Staff and Security are trained in identifying fake IDs and exclude those who provide one.
 - All IDs are scanned into the TREEZ Point-of-Sales (POS) system using a 2D scanner at check-in.
 - Scanning and saving IDs prevent customers from using fake IDs or utilizing another individual's ID.
 - All customers complete a Patient Intake Form and Good Neighbor Policy Form, which is saved into TREEZ.
 - After a customer has been successfully screened, completed all required documents, and provided any required documents, they will be let into the facility.
- Avoiding Marketing to Youth
 - In compliance with CCR §15040, any advertising or marketing that is placed in broadcast, cable, radio, print, and digital communication will adhere to the following terms:
 - Only advertised when there is reliable market composition data showing the audience is 71.6% 21+
 - Will NOT use depictions or images of minors.
 - Will NOT contain the use of toys, inflatables, movie characters, cartoon characters, or any image designed to be appealing to minors.
 - Will NOT advertise free cannabis goods, giveaways of any type, or promos that include buy one get one free with a donation and contests/raffles.
 - Sundial Collective's website is age-gated and requires age verification before entering.
 - Signage to Deter Youth
 - The following signage will be posted at Sundial Collective:
 - "No persons under the age of 21 are allowed on the premises, excluding medical patients age 18+ who hold a valid MMIC or physician's recommendation."
 - "No Person Under 21+ Allowed." – Posted to each entrance.
 - All signs will be visible from the exterior of the facility.
 - Signs will be 8" by 11" with lettering at least 1" high.
 - All issued state and local licenses and permits.
 - Child Resistant Packaging
 - All products will comply with the DCC regulations surrounding Child Resistant and Tamper Proof packaging, CCR §17412 & WMC §5.28.360(H).
 - Single Use (Initial CRP)
 - Initially child-resistant, but once opened, it is no longer child-resistant.
 - Must say, "This package is not Child-Resistant after opening."
 - Includes cannabis flower, pre-rolls, topicals, extracts, and cartridges.
 - Multiple Use (Lifetime CRP)
 - Maintains child resistance throughout the life of the package.
 - It can be opened and closed but remains child-resistant.

- Includes edibles, orally consumed concentrates (tinctures & capsules), and suppositories.
 - The inventory manager will inspect each package to ensure it meets all regulatory requirements. If a product does not meet these requirements, the shipment will be rejected and returned with the distribution driver to the vendor.
- Monitoring of Parking Lot & Surrounding Areas
 - Security will monitor the parking lot and surrounding areas to prevent loitering, vandalism, and nuisance activity.
 - Security will ask minors to leave the premises immediately upon discovery. If there is a need, security will contact law enforcement.

16.D. 1,000 Ft. Radius Map

- The proposed location is at 3 Court Street, Woodland, CA.
- APN: 005-552-016-000
- The building is 4,000 sq. ft. in size
- Previous use was a chiropractic office and is a standalone building
- Neighbors include:
 - Luxe Salon and Spa
 - Brewing Academy
 - Spherion
 - Sonin Law
 - Metro
 - Apna Bazaar
 - Dulce Vida by Quetzal
 - Romey's Liquor
 - Wing Stop
 - Papa Murphy's
 - Rafael's American
 - Man Cave Barbershop
 - Happy Laundry
 - Mercadito el Sinaloense
 - 76 Gas Station
 - Smoke and Vape
 - Walgreens
- The surrounding area is mainly comprised of commercial businesses, with several residential homes.
- The proposed site is easily accessible from Main Street and Downtown Woodland.
- Adequate ingress and egress, whether walking or driving.
- Sundial Collective will provide a safe and convenient location to access cannabis in Woodland.

The Radius Map is located on the following page.



1,000 ft. Radius Map

11. Odor Control

The Odor Control Plan for Sundial Collective is located in Section A on page 23 of the PCBA.

Sundial Collective is committed to mitigating all cannabis odor from the proposed facility. Sundial Collective will utilize an HVAC system that has limited exchange of indoor and outdoor air. The facility will have carbon filters throughout the building that will continuously scrub the indoor air, reducing any odors before exiting the building to reduce the chance of outdoor cannabis odor.

11.A. Sources of Odor

Since the onset of recreational cannabis in California in 2018, all products within the retail establishment must be packaged and labeled for final sale before entering the facility. The packaging requirements mandate that the package be resealable, tamper-evident, and child-resistant. In addition to providing product safety, these requirements mean that there are no open packages of bulk cannabis in the retail establishment, limiting cannabis odor.

11.B. Odor Control Devices

Sundial Collective will modify the building's HVAC system to ensure no odors are detectable outside the facility. Areas of the building where cannabis is stored and handled frequently will be equipped with exhaust fans that hold the space under negative pressure. This controls the direction of airflow and ensures against rogue ventilation. The air is ejected through the exhaust fans and will pass through a carbon filter that neutralizes all odors. The limited access storage areas and the order fulfillment room will be equipped with negative pressure and carbon filters.

The customer sales floor is less likely to experience heavy cannabis odors. To handle lighter odor loads, a duct-mounted self-cleaning needlepoint bipolar ionization system will be installed. This product will be installed in the return air plenum and neutralizes odors by destroying VOCs with multiple-pass filtration.

11.C. System Maintenance

Sundial Collective will contract with a local HVAC-certified maintenance group to provide quarterly servicing of the HVAC equipment, including all odor control equipment. Carbon filters may be replaced during quarterly servicing, or at the specifications of the manufacturer's instruction, but no less than every 6 months.

11.D. Employee Training

The General Manager, Assistant Manager, and Shift Leads will be trained on proper usage of the HVAC system. Controls will be in place to ensure guests and unauthorized employees cannot alter the HVAC settings. If a suspected problem occurs with the HVAC, an employee will notify the manager on duty. The manager on duty will then contact the General Manager, who will arrange for the HVAC-certified maintenance team to inspect the facility and make any repairs needed.



TO: THE MEMBERS OF THE PLANNING COMMISSION
AGENDA: Planning Commission Meeting
DATE: September 19, 2024
ITEM #: H.4
SUBJECT: Yolo Cannabis Club Cannabis Conditional Use Permit

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 judgment of the City as lead agency under CEQA;
4. Approve Planning Commission Resolution No. PC 24-07 recommending that the City Council approve a Conditional Use Permit and Operating Agreement for a storefront retail cannabis dispensary with delivery at 367 West Main Street, Ste. 353-D in the City's Corridor Mixed Use – West Main Street zone conditioned upon approval of the appropriate Cannabis Business Permit and the recommended conditions of approval.

Staff Contact:

Anna Canales, Assistant Planner, anna.canales@cityofwoodland.gov

Fiscal Impact:

Application Processing Costs. The project applicant covers all costs associated with processing the subject Conditional Use Permit application and related Operating Agreement through an Advanced Funding Agreement. Similarly, the selection process for all applicants was covered through individual funding agreements.

The City collects two types of revenue associated with cannabis businesses outside of the specific Conditional Use Permit application processing costs noted above. Those include Permit fees and Cannabis Tax.

Permit Revenue. When a new business applies for a Cannabis Business Permit, contingent in this case on approval of a Conditional Use Permit and Operating Agreement, the City will collect \$50,056 to allow for staff to review and process the application. This includes site visits by both Community Development and Police staff. Thereafter, businesses are responsible for requesting a renewal of the permit on an annual basis and subject to a renewal fee of \$21,222. The permit renewal fee pays for program oversight, business plan review by the Community Development Department, Police site visits and Police compliance, accounting and an annual financial audit. The City does not make revenue above the cost of service on these fees and is legally only allowed to charge the City's cost of doing business. New Cannabis Business Permit and renewal fees adjust annually based on CPI.

Cannabis Tax. In November 2022, Woodland voters approved a local tax on cannabis businesses that would help to fund general city services. Retail cannabis businesses are subject to a 10 percent tax based on gross receipts. It is difficult to estimate the future potential cannabis tax revenue that may be realized from cannabis retail sales as it will depend upon the success of the business. At minimum, assuming a similar realized revenue generation as existing commercial cannabis manufacturing, distribution and testing businesses, it is estimated that the city will see additional annual revenue from the four retail cannabis businesses of \$250,000, but likely much greater given the higher volume of taxable sales from retail uses. To date, the City has collected \$1.1 Million in tax

(formerly “community benefit”) revenue from existing commercial cannabis businesses.

Report in Brief:

Commercial Cannabis Business, Infinity Assets Woodland, Inc., dba Yolo Cannabis Club (“Yolo Cannabis Club”) (PLNG 24-00039), has applied for a Conditional Use Permit (CUP) to operate a storefront retail cannabis dispensary with delivery at 367 West Main Street, Ste. 353-D in the City’s Corridor Mixed Use – West Main Street zone; Assessor’s Parcel Number 065-010-033. This application follows a recent zoning code update, effective June 7, 2022, which allows retail cannabis land use in certain zones and allows the city to consider up to four conditional use permits for this land use citywide.

The process for considering retail cannabis operators began with a competitive preliminary review on February 27, 2023, where four of a total of 12 applicants were selected to advance to the Conditional Use Permit application stage. Infinity Assets Woodland, Inc., dba Yolo Cannabis Club (“Yolo Cannabis Club”) was selected as one of these four applicants.

Yolo Cannabis Club’s project proposal entails the use of a project site located at 367 West Main Street, Ste. 353-D in the City’s Corridor Mixed Use – West Main Street zone and has undergone a comprehensive review by City departments, including the City Planning Division, Engineering Division, Public Works Department, Fire Department, Building Division, and the City Police Department. The applicant’s location and proposed operation are consistent with applicable zoning and development standards, and a preliminary Security Plan has been submitted and reviewed by the Woodland Police Department and a final plan shall be approved prior to operation.

As part of the review process, an Operating Agreement (Attachment 3) has been negotiated between the City and the applicant. This agreement will be reviewed by the City Council and will incorporate the commitments outlined in the Community Benefit Plan and Social Policy and Local Enterprise Plan. These documents are attached to the operating agreement for reference as part of permitting and annual reporting.

In conformance with Woodland Municipal Code (WMC) Section 17.84.120, a highly visible posting measuring 4 feet by 8 feet has been displayed on the project site, notices were sent to property owners and tenants within a 600-foot radius of the site, and a notice of the meeting was published in the local newspaper twelve days before the Planning Commission meeting date.

Upon issuance of a Conditional Use Permit and prior to operating, the applicant will be required to obtain a City Cannabis Business Permit and corresponding City Building Permits for tenant improvements necessary for the proposed operation.

The purpose of this hearing is for the Planning Commission to review the project proposal and provide a recommendation to the City Council to approve a resolution, awarding the requested Retail Cannabis Conditional Use Permit and Operating Agreement.

Background:

On December 5, 2017, the City Council approved Ordinance 1629, adding Article 21.6 (now Section 17.84.120) to Chapter 25 (now Chapter 17) of the Municipal Code, which regulates the zoning of commercial cannabis. At the same time, the City Council approved Ordinance 1630, adding Chapter 13A (now Chapter 5.28) to the Municipal Code, establishing regulations for commercial cannabis business permits. These regulations allowed for up to six conditional use permits for manufacturing, distribution, and testing cannabis operations within Industrial or Industrial/Light Industrial Flex Overlay zones as defined in the General Plan.

On June 7, 2022, the City Council amended Chapter 17.110 (now Section 17.84.120) through Ordinance 1685 and Chapter 5.28 through Ordinance 1686, updating the regulations for cannabis retail businesses, which now authorizes City Council to consider up to four retail cannabis conditional use permits, allowing the sale of cannabis at authorized storefront retail cannabis dispensary locations, with the option for delivery from these locations. These four permits may be issued in designated commercial and corridor mixed-use zones.

On February 27, 2023, the City issued a request for applications, inviting interested parties to participate in the selection process for a Preliminary Cannabis Business Permit to authorize applicants to apply for a Retail Cannabis Conditional Use Permit and enter into Operating Agreement negotiations to establish a commercial cannabis business. Applications were to be submitted in person by 3:00 pm on April 5, 2023. The City received a total of 12 proposals.

As part of the preliminary process, which involved three phases of review, applicants were required to submit detailed plans for the safety, security, and operational characteristics of the proposed storefront retail cannabis dispensary use, including the following:

- Business Plan
- Odor Control Plan
- Tax Compliance
- Insurance
- Community Benefit Plan
- Social Policy and Local Enterprise Plan
- Security Plan
- Neighborhood Compatibility and Community Relations Plan

A Proposal Review Committee was formed, consisting of staff members from the Police, Finance, and Community Development Departments, as well as a representative from HdL (consultants retained by the City for their subject matter expertise) to conduct a competitive selection process. As required by the City of Woodland Municipal Code, the Committee gave particular consideration to each proposal's capacity, capitalization, security measures, and history, as well as the community benefits offered by the proposed commercial cannabis business. After an initial review, the Committee met on July 17-18, 2023 to interview the twelve applicants for the Preliminary Cannabis Business Permit. Following the interviews, the city invited the top four ranked applicants to the fourth phase of the review process, which entails the negotiation of an Operating Agreement and application for the Conditional Use Permit.

The purpose of this hearing is for the Planning Commission to review and provide a recommendation to the City Council to approve a resolution, awarding the requested Retail Cannabis Conditional Use Permit and Operating Agreement. The award of this Retail Cannabis Conditional Use Permit is at the sole discretion of the City Council upon recommendation from the Planning Commission.

The attached draft Resolution (Attachment 1) lists all the findings relating to the issuance of the Retail Cannabis Conditional Use Permit and includes a discussion of the community benefits that Yolo Cannabis Club committed to in their proposal and as part of their operating agreement. These are discussed below.

Discussion:

Project Proposal

On August 9, 2024, Yolo Cannabis Club applied for a Retail Cannabis Conditional Use Permit. The applicant is requesting a recommendation of approval to the City Council for a Conditional Use Permit by the City Planning Commission, which will allow Yolo Cannabis Club to occupy an approximately 1,144 square foot tenant space in an existing building at 367 West Main Street, Ste.

353-D, as a storefront retail cannabis dispensary with delivery services. (See Attachments 2 and 4, Project Application and Site Plan). Under the terms and conditions of approval, Yolo Cannabis Club will be required to obtain a Cannabis Business Permit for a Storefront Retail Cannabis Dispensary, (Ordinance 1685 and 1686), and appropriate State Licensing (Type 10 – Storefront Retailer). A Type 10 license allows for a storefront retailer to have a physical location where cannabis goods are sold. Storefront retailers can also deliver cannabis goods.



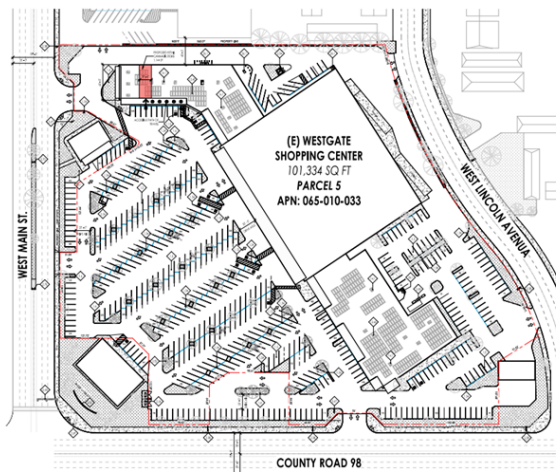
The project estimates a total of 17 employees to manage and operate the dispensary and Yolo Cannabis Club intends to hire at least 80% of staff from Yolo County, including hiring at least 50% from the City of Woodland (i.e. “local hire”), and hiring City of Woodland residents in management positions (i.e. “locally managed”). The proposed operating hours are Monday – Sunday, from 9 am to 9 pm. Retail delivery operations shall be restricted to these same hours.

Project Site Description

Yolo Cannabis Club’s project site covers approximately 8.5 acres and includes a single multi-tenant building located at the southeast corner of the parcel. This building and the subject parcel are part of a larger commercial shopping center with multiple buildings. The subject building at 367 West Main Street is an existing one-story multi-tenant building (See Attachment 4 Site Plan). The property is bordered by commercial land uses on the east and north, with County Road 98 forming the northern boundary and residential land uses to the south. The applicant is proposing to occupy Suite 353-D which is 1,144 square feet in size and is a tenant space located near the northeast corner of the building.

Interior “tenant improvements” will be made to the existing Suite 353-D; no new construction is proposed.

The property is zoned for Corridor Mixed Use-West Main Street land uses. The proposed use is permitted in this zone with the approval of a Conditional Use Permit and Operating Agreement by the City Council as the final acting body.



Community Benefit and Social Policy and Local Enterprise Plan Review

Community Benefit and Social Policy and Local Enterprise Plans have been included with this report as Exhibits to Attachment 3 for the Commission's review/reference.

Below is an overview of the Community Benefit commitments of Yolo Cannabis Club (Outlined in detail in Attachment 3):

Community Benefit Payment

Yolo Cannabis Club commits to establishing a Community Benefit Fund to support local initiatives and commits to contributing 2% of gross receipts to local 501(c)(3) non-profits active in Woodland. Further, Yolo Cannabis Club commits to prioritizing funding towards such priority areas as public safety initiatives, youth education programs, drug addiction prevention and treatment, recreational and educational programs, and support for local artists and cultural initiatives.

Community Initiatives and Partnerships

Yolo Cannabis Club commits to focusing efforts on key areas including hunger, homelessness, education, youth development, and public services and commits to work with local organizations that are active in the City of Woodland.

Sponsorship of Community Events

Yolo Cannabis Club commits to sponsoring community events, including the Woodland Chamber Holiday Parade, Woodland 4th of July celebration, Honey Festival, Yolo County Fair, and Dinner on Main Street.

Support for Youth Activities

Yolo Cannabis Club commits to providing support to local youth-focused programs, such as Brazilian Jiu-Jitsu at Caio Terra Academy Woodland, Woodland Police Activities League, Woodland Police Department's Youth Community Police Academy, Alvarez Boxing Club, Folklorico Latino de Woodland, Woodland Opera House, CASA - Yolo Court Appointed Special Advocates, Woodland Parks Foundation

Engagement with Local Business Groups

Yolo Cannabis Club commits to supporting local business groups, including but not limited to, Woodland Chamber of Commerce, Woodland Downtown Business Association, and Yolo County Farm Bureau.

Hosting Community Events

Yolo Cannabis Club commits to host community events, including but not limited to an annual block party at Heritage Plaza, Bi-annual food truck events, and local events in support of the Woodland Police Activities League.

Youth Addiction Prevention and Education

Yolo Cannabis Club is committed to supporting efforts to prevent youth addiction through the following activities.

- Providing financial and volunteer support to organizations focused on youth addiction prevention and education.
- Developing and implementing educational programs that outline the risks of youth cannabis addiction.
- Partnering with local youth organizations and schools to deliver these educational programs.
- Collaborating with the Yolo County Department of Health and Human Services on initiatives like Friday Night Live (FNL).
- Supporting Woodland Memorial Hospital's Family Engagement & Wellness Initiative.

Employee Volunteer Program

Yolo Cannabis Club is committed to developing an Employee Volunteer program that includes the commitment to provide all employees with four paid volunteer hours per month, the commitment to developing quarterly calendars showcasing local volunteer opportunities, and the commitment to partnering with local organizations to create a diverse range of volunteer options.

Additional Community Support Programs

Yolo Cannabis Club is committed to supporting the City of Woodland community through:

- Hosting quarterly public education seminars at Woodland's senior care facilities and retirement communities, with a focus on educating the elderly about cannabis issues, products, and safe, legal usage.
- Offering discounts for seniors and military veterans.
- Providing free medicine weekly to eligible medical patients facing physical disabilities or debilitating illnesses.
- Partnering with organizations like Root & Rebound to fund and support expungement clinics in Woodland
- Helping individuals navigate legal barriers related to past convictions.
- Maintaining active membership with the Woodland Chamber of Commerce and working with local, diverse businesses and contractors for various services and supplies.
- Covering the costs of continuing education and training for employees, and offering support for those pursuing adult education courses.
- Implementing an apprenticeship program to create more opportunities for career advancement for employees.

Below is an overview of the Social Policy and Local Enterprise commitments of Yolo Cannabis Club (Outlined in detail in Attachment 3):

Local Hiring and Employment Practices

Yolo Cannabis Club is committed to establishing responsible hiring practices that focus on local and diverse talent. Yolo Cannabis Club's commitments include:

- Hiring at least 80% of staff from Yolo County including hiring at least 50% from the City of Woodland.
- Implementing a Diversity and Inclusion Plan that prioritizes hiring individuals from disproportionately impacted communities.
- Hosting career fairs within 90 days of license issuance to recruit local talent.

- Partnering with local educational institutions, including Woodland Community College, for recruitment and educational programs.

Employee Wages and Compensation

Yolo Cannabis Club is committed to providing fair compensation to its employees. Yolo Cannabis Club's commitments include:

- Setting a minimum wage at 115% of the MIT Estimated Living Wage for Yolo County or 150% of the California minimum wage, whichever is higher.
- Regularly reassessing the wage structure to ensure it stays aligned with the cost of living and local economic conditions.

Continuing Education

Yolo Cannabis Club is committed to investing in employee growth and development through ongoing training and education programs. These programs cover aspects of cannabis retail operations, including customer service, compliance, security protocols, and product knowledge. Employees will have access to both internal training sessions and external educational opportunities.

Employee Engagement and Retention

Yolo Cannabis Club is committed to implementing employee engagement strategies, including regular feedback sessions, employee recognition programs, and opportunities for career advancement.

Commitment to Social Responsibility

Yolo Cannabis Club is committed to implementing sustainable business practices to minimize environmental impact. This includes energy-efficient operations, waste reduction, and the use of eco-friendly products.

Community Relations and Compatibility

Yolo Cannabis Club is committed to establishing open lines of communication with residents and businesses near its dispensary. Additionally, Yolo Cannabis Club is committed to having a community liaison who will address concerns and ensure operations are compatible with the neighborhood. Yolo Cannabis Club is also committed to conducting regular community meetings and updates to inform the public about its initiatives and changes in operations.

Support for Local Enterprises

Yolo Cannabis Club is committed to sourcing products and services from local vendors whenever possible and is committed to fostering partnerships with local enterprises to support economic growth and community development.

Security Plan

The interior of the facility will be remodeled to model Yolo Cannabis Club stores and to meet state and local requirements for the proposed operation. The facility will include a secure retail area, customer waiting area, employee offices, and storage rooms. Advanced security measures, including surveillance cameras, electronic key card access, and a contracted security guard on site, will ensure the safety of customers and staff. Entrance will be granted only to those persons who can be identified by surveillance cameras; persons wearing disguises or articles that obscure their identity will be directed by signage and intercom to remove those items prior to entry. Security Plan includes a contracted security guard on site at all times, electronic key card access for employees, and constant surveillance. HVAC system, equipped with activated carbon filters and HEPA filters, will effectively control odors and maintain a neutral odor profile outside the building. Soundproofing materials and operational protocols will minimize noise levels. There will be no significant dust or glare generated by the operations. The dispensary will not handle hazardous or volatile materials or

chemicals. All products will be stored and processed in accordance with state and local regulations to ensure safety. These and any additional security measures required by the City of Woodland Police Department shall be included in the final Security Plan approved by the Police Department and made a part of the Cannabis Business Permit.

Discussion

Applicable Laws, Codes & Ordinances

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

- The City of Woodland General Plan
- The City of Woodland Zoning Ordinance
- City of Woodland Cannabis Business Permit Requirements
- California Environmental Quality Act (CEQA)
- Regulations of the California Department of Cannabis Control

2035 General Plan Consistency

The proposed project is consistent with various policies and actions in the General Plan; including Land Use Policy 2.A.6 (Infill Development); Policy 2.D.I (Jobs/Housing Relationship); and Policy 4.C.16 (Safety and Security).

Specifically, the project is consistent with General Plan goals and policies which encourage Woodland residents and visitors to support retail establishments that are located in the City of Woodland (Policy 4.C.8). Currently, Woodland residents and visitors do not have the opportunity to purchase cannabis products locally and instead rely on delivery services from neighboring counties and cities. Establishing storefront retailers in Woodland will gain the City some share in this market through generation of sales tax.

As previously mentioned in this report, applicants for a retail commercial cannabis conditional use permit and operating agreement were required to prepare and provide a Security Plan for proposed sites and facilities which support the deterrence of crime through site planning and design, consistent with Policy 4.C.16 (Safety and Security) and Policy 2.E.7(Public Safety and Community Design). This plan was reviewed by the City of Woodland Police Department and shall meet State requirements.

The proposed use is located on a parcel designated for commercial land uses and will operate out of an existing commercial building (Policy 2.J.I – Enhanced Design Character of Existing Centers).

Zoning Consistency

The project site is zoned Corridor Mixed Use-West Main Street. The City Corridor Mixed Use-West Main Street zone is applied to areas along commercial and mixed corridors and supports residential, retail, commercial service, office, and light industrial uses.

Pursuant to City of Woodland Municipal Code 17.36.020, Table 17.36.020-1, a Cannabis Retail use may be established in the Corridor Mixed Use-West Main Street zone subject to use permit approval.

Development Standards

The proposed storefront retail cannabis dispensary use would be established in an existing multi-tenant commercial building previously occupied by commercial uses. Tenant improvements will be made to the existing building to meet the operational requirements of the proposed use, including those outlined in the project's security plan; no new construction is proposed onsite.

The project is consistent with land use, lot coverage, landscaping, building type, building height, and setback requirements for the Corridor Mixed Use-West Main Street zone. Vehicle access to the site

is provided from an existing driveway from West Main Street. At the time of tenant improvements, staff will conduct a staff-level architectural review consistent with existing practice for minor improvements to existing buildings.

Parking

The number of required off-street parking spaces for the proposed storefront retail cannabis dispensary use shall be consistent with the parking requirements for retail land use per City of Woodland Municipal Code Section 17.68.

The parking lot is fully paved and striped, providing adequate parking and pedestrian pathways. No modifications to the parking lot will be needed at this time.

Zoning Verification

A zoning verification was conducted as part of the associated preliminary cannabis business permit to verify compliance with the location limitations for commercial cannabis land uses established in the City of Woodland Municipal Code Section 17.84.120, which is also consistent with State requirements.

At the time of staff's analysis of the location proposed for the storefront retail cannabis dispensary use, no known sensitive uses were identified within the minimum buffer distance of 600 feet from any property containing a school providing instruction in any grades Kindergarten through twelve (12), a day care center or a youth center, and is not within 600 feet of a public park. There were no more than two retail cannabis dispensaries within 1,000 feet of the project site. The proposed site would be more than 500 feet away from any other storefront retail cannabis dispensary use.

Conditional Use Permit Review

Conditional Use Permit (CUP) affords broad public review and evaluation of those uses which require special consideration to ensure proper integration into the community; mitigation of any potentially adverse impacts; and making 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 and may impose such requirements and conditions with respect to location, construction, maintenance, and operation, as may be deemed necessary for the protection of adjacent properties and public interest. Conditional Use Permit analysis typically includes consideration of 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 CUP is revoked. Once approved, should ownership of the land or the business change, the CUP would remain valid at the location approved.

Following a public hearing, the Planning Commission may recommend approval of a use permit application, with or without conditions, if all of the following findings can be made:

Use Permit Findings

1. The proposed use is consistent with the General Plan;

The proposed storefront retailer use would be compatible with the underlying General Plan designation and zoning district and operate similarly to other existing retail businesses subject to use-specific standards. The proposed project is consistent with various policies and actions in the General Plan; including Land Use Policy 2.A.6 (Infill Development); Policy 2.D.I (Jobs/Housing Relationship); and Policy 4.C.16 (Safety and Security).

Specifically, the project would be consistent with General Plan goals and policies which encourage Woodland residents and visitors to support retail establishments that are located in the City of Woodland (Policy 4.C.8). The preparation and provision of a security plan support the deterrence of crime through site planning and design, consistent with Policy 4.C.16 (Safety and Security) and Policy 2.E.7(Public Safety and Community Design).

The proposed use would be located on a parcel designated for commercial land uses and would operate out of an existing commercial building (Policy 2.J.I – Enhanced Design Character of Existing Centers).

2. The proposed use is consistent with the purposes of the Zoning Code, and the purposes of the applicable zone;

The proposed use would be located on a commercial site designated Corridor Mixed Use on the 2035 General Plan land use diagram and is zoned Corridor Mixed Use – West Main Street. Pursuant to City of Woodland Municipal Code 17.36.020, Table 17.36.020-1, a Cannabis Retail use may be established in the Corridor Mixed Use – West Main Street zone subject to use permit approval.

The proposed project site is not within a 600-foot radius of a school providing K-12 instruction, a daycare center, a youth center, or a public park.

The proposed retail storefront cannabis dispensary will not be located within 500 feet of another retail storefront cannabis dispensary.

3. The site is physically suitable for the type, density, intensity of the use being proposed, including access, utilities, and the absence of physical constraints;

The operations of Yolo Cannabis Club are based in retail and will not impact any other commercial retail business in the area. The project site is located within a commercial shopping center with easy freeway ingress and egress.

Yolo Cannabis Club proposes no substantial changes to the exterior of the facility, ensuring it remains consistent with the rest of the shopping center.

The parking lot is fully paved and striped, providing adequate parking and pedestrian pathways. No modifications to the parking lot will be needed at this time.

Yolo Cannabis Club will ensure the landscaping proximate to their tenant space is maintained and free of litter or debris. No modifications are proposed to the project site's landscaping which is currently maintained by the property owner and includes mature trees within the parking lot and a number of small to medium shrubs along the exterior of the existing commercial businesses.

The interior of the facility will be remodeled to meet state and local requirements for the proposed operation. Any necessary upgrades to the HVAC system will be made to ensure there is no emittance of odor from the building.

4. The design, location, size, and operating characteristics of the proposed activity would be compatible with the existing and future land uses in the vicinity including transportation and service facilities;

The proposed use is compatible with the surrounding commercial area. The storefront retailer would

be located within an existing commercial building similar in design, size and operating characteristics as other single-story retail and restaurant buildings along West Main Street.

No new construction is proposed onsite. The building architecture and site improvements, including lighting, landscaping, parking have previously been found consistent with land use, lot coverage, building type, building height, and setback requirements for the Corridor Mixed Use- West Main Street zone.

5. Granting the Conditional Use Permit would not constitute a nuisance or be injurious or detrimental to the public interest, health, safety, convenience, or welfare, or materially injurious to persons, property, or improvements in the vicinity and zone in which the property is located; and

Yolo Cannabis Club is not requesting to modify the exterior of the premises as the exterior already ensures that it blends seamlessly with the surrounding area.

Yolo Cannabis Club's security guards will monitor the site and are required to ensure there is no loitering in the area.

Yolo Cannabis Club will queue customers in a manner that will not affect any surrounding businesses during busy times and will control the ingress and egress of guest traffic inside the facility.

6. The proposed project has been reviewed in compliance with CEQA.

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 1,144 square feet of space within an existing building that has previously been occupied by commercial uses similar to the proposed project.

In addition to the CUP findings outlined above, the Cannabis Ordinance 1685 (Municipal Code 17.84.120): provides other specific factors that shall be considered by the Planning Commission and ultimately the City Council including the following:

1. The type of proposed use by the applicant.

The proposed use would be located on a commercial site designated Corridor Mixed Use – West Main Street on the 2035 General Plan land use diagram and is zoned Corridor Mixed Use – West Main Street. Pursuant to City of Woodland Municipal Code 17.36.020, Table 17.36.020-1, a Cannabis Retail use may be established in the Corridor Mixed Use – West Main Street zone subject to use permit approval.

2. Whether the proposed use will be detrimental to the health, safety and welfare of the community;

The project site is a commercial area comprised of a variety of commercial retail and service uses

along West Main Street, with residential uses present further south of West Lincoln Avenue. The zoning verification conducted as part of the associated preliminary request for proposals process verified compliance with the location limitations for storefront retailers established in WMC Section 17.84.120. At the time of staff's analysis of the location proposed for the storefront retail cannabis dispensary use, no known sensitive uses were identified within the minimum buffer distance of 600 feet from any property containing a school providing instruction in any grades kindergarten through twelve (12), a day care center or a youth center, and is not within 600 feet of a public park.

Furthermore, operation of the proposed storefront retailer in accordance with the standards established in WMC Section 5.28 as well as the applicant's Safety and Neighborhood Compatibility Plans will ensure that a storefront retailer use at this location would not have detrimental effects on the surrounding neighborhood.

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.

At the time of approval of a Cannabis Business Permit, an application will be required to Prepare and submit a Community Benefit Plan and Social Policy and Local Enterprise Plan describing the applicant's plans for local outreach and hiring of residents of the City of Woodland for open positions and/or compensation for continuing education, and any other actions proposed by the applicant that are intended to benefit the local workforce and/or applicant's local employees.

4. Whether the applicant has adequately addressed potential community benefits of the use to offset potential adverse impacts;

Below is an overview of the Community Benefit commitments of Yolo Cannabis Club (Outlined in detail in Attachment 3):

Community Benefit Payment

Yolo Cannabis Club commits to establishing a Community Benefit Fund to support local initiatives and commits to contributing 2% of gross receipts to local 501(c)(3) non-profits active in Woodland. Further, Yolo Cannabis Club commits to prioritizing funding towards such priority areas as public safety initiatives, youth education programs, drug addiction prevention and treatment, recreational and educational programs, and support for local artists and cultural initiatives.

Community Initiatives and Partnerships

Yolo Cannabis Club commits to focusing efforts on key areas including hunger, homelessness, education, youth development, and public services and commits to work with local organizations that are active in the City of Woodland.

Sponsorship of Community Events

Yolo Cannabis Club commits to sponsoring community events including the Woodland Chamber Holiday Parade, Woodland 4th of July celebration, Honey Festival, Yolo County Fair, and Dinner on Main Street.

Support for Youth Activities

Yolo Cannabis Club commits to providing support to local youth-focused programs, such as Brazilian Jiu-Jitsu at Caio Terra Academy Woodland, Woodland Police Activities League, Woodland Police Department's Youth Community Police Academy, Alvarez Boxing Club, Folklorico Latino de

Woodland, Woodland Opera House, CASA - Yolo Court Appointed Special Advocates, Woodland Parks Foundation

Engagement with Local Business Groups

Yolo Cannabis Club commits to supporting local business groups, including but not limited to, Woodland Chamber of Commerce, Woodland Downtown Business Association, and Yolo County Farm Bureau.

Hosting Community Events

Yolo Cannabis Club commits to host community events including but not limited to an annual block party at Heritage Plaza, Bi-annual food truck events, and local events in support of the Woodland Police Activities League.

Youth Addiction Prevention and Education

Yolo Cannabis Club is committed to supporting efforts to prevent youth addiction through the following activities.

- Providing financial and volunteer support to organizations focused on youth addiction prevention and education.
- Developing and implementing educational programs that outline the risks of youth cannabis addiction.
- Partnering with local youth organizations and schools to deliver these educational programs.
- Collaborating with the Yolo County Department of Health and Human Services on initiatives like Friday Night Live (FNL).
- Supporting Woodland Memorial Hospital's Family Engagement & Wellness Initiative.

Employee Volunteer Program

Yolo Cannabis Club is committed to developing an Employee Volunteer program that includes the commitment to provide all employees with four paid volunteer hours per month, the commitment to developing quarterly calendars showcasing local volunteer opportunities, and the commitment to partnering with local organizations to create a diverse range of volunteer options.

Additional Community Support Programs

Yolo Cannabis Club is committed to supporting the City of Woodland community through:

- Hosting quarterly public education seminars at Woodland's senior care facilities and retirement communities, with a focus on educating the elderly about cannabis issues, products, and safe, legal usage.
- Offering discounts for seniors and military veterans.
- Providing free medicine weekly to eligible medical patients facing physical disabilities or debilitating illnesses.
- Partnering with organizations like Root & Rebound to fund and support expungement clinics in Woodland
- Helping individuals navigate legal barriers related to past convictions.
- Maintaining active membership with the Woodland Chamber of Commerce and working with local, diverse businesses and contractors for various services and supplies.
- Covering the costs of continuing education and training for employees, and offering support for those pursuing adult education courses.
- Implementing an apprenticeship program to create more opportunities for career advancement for employees.

5. The extent of support or opposition to the proposed use and location from members of the community, and the applicant's plans to ensure strong community relations and compatibility with the surrounding neighborhood;

Public notice of the proposed retail cannabis use was provided to owners and tenants within a 600-foot radius of the project site, the site was posted with a highly visible notice, of a minimum four foot by eight foot in size mounted on a freestanding sign or posted on the building frontage, 12 days before the scheduled public hearing date, and a Legal notice was published in the Woodland Daily Democrat at least ten days before the public hearing date.

Yolo Cannabis Club has committed to supporting and hosting a number of local community events which are outlined in detail in the Community Benefit Plan.

Yolo Cannabis Club will plan to have a Director of Community Relations who will be responsible for outreach and communication for the Woodland community and will be the liaison between Yolo Cannabis Club and the surrounding community.

6. The number of cannabis uses located or proposed to be located within 1,000 feet of the proposed location;

There are no cannabis uses located or proposed to be located within 1,000 feet of the proposed location at 367 West Main Street, Ste. 353-D.

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.

8. The background and history of the applicant, including the experience and qualifications of the applicant and those persons involved in the management, oversight, and day-to-day operations of the proposed use, the professional training and certifications of the applicant and/or persons involved in the management, oversight and day to day operations of the proposed use, and the nature and extent of the problems on any premises where the applicant has operated a cannabis business in the past.

Yolo Cannabis Club has an experienced team and a well-considered and documented business plan that appear to be potentially successful with an identified supply line.

Yolo Cannabis Club's management team includes the following:

Miguel Rodriguez, Chief Executive Officer

Miguel Rodriguez has over 20 years of experience in the cannabis industry, managing multiple licensed cannabis businesses across California.

Alicia Cotta, Chief Financial Officer & Chief Compliance Officer

Alicia Cotta holds a Bachelor of Business Administration degree from Golden Gate University in San Francisco. With over 20 years of experience in financial management and compliance within the cannabis industry, Alicia has successfully overseen financial operations for multiple dispensaries.

Justin Jarin, Chief Operating Officer

Justin Jarin brings over 15 years of operational management experience in the cannabis industry. He has successfully managed day-to-day operations, ensuring compliance with state and local regulations.

Christopher Hester, Security & Facilities Director

Christopher Hester has a background in security management, particularly within high-risk industries such as cannabis. His experience includes developing and implementing comprehensive security plans, managing security personnel, and ensuring compliance with safety regulations.

Joe Romero, Community Relations Director & Liaison

Joe Romero has extensive experience in community engagement and public relations within the cannabis industry. His role involves fostering positive relationships with the local community and addressing concerns.

Phong Tran, General Manager

Phong Tran has a strong background in retail management, with a focus on customer service and operational efficiency. As General Manager, Phong will oversee daily operations, ensuring compliance with state and local regulations, and maintaining high standards of customer service.

Rick Lobley, Director of Business Development

Rick Lobley has over 10 years of experience in business development within the cannabis industry. His expertise includes identifying growth opportunities, developing strategic partnerships, and expanding market presence.

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

There is no 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.

10. Whether the proposed license would enhance recreational or entertainment opportunities in the area.

Currently, Woodland residents and visitors do not have the opportunity to purchase cannabis products locally and instead rely on delivery services from neighboring counties and cities. Establishing storefront retailers in Woodland will provide an amenity that does not presently exist in the City.

Cannabis Business Permit Review – Municipal Code Section 5.28

The Cannabis Business Permit provides for the review of operational features for each cannabis business entity and is required in addition to a business license. A Cannabis Business Permit is required before initial operation and requires annual review. Before issuance of the Cannabis Business Permit, fees must be paid, and a Conditional Use Permit and final Operating Agreement authorized. The Cannabis Business Permit is approved by the Community Development Director. Operating details including a Security Plan, Lighting Plan, Community Benefit Plan, Social Responsibility, and Local Enterprise Plan, as well as an Operating Agreement and Indemnification statement, are required as part of the Cannabis Business Permit review. Some of these items have been provided as part of the Conditional Use Permit review and are included as attachments.

Revocation of Permit

In the event of a violation of the terms and conditions of a retail cannabis business permit, the City may take various enforcement actions as provided under City Code Section 5.28.090 - Violations. These actions may include fines, penalties, suspension, or revocation of the permit.

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 1,144 square feet of space within an existing building that has previously been occupied by commercial uses similar to the proposed project.

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 on September 8, 2024, twelve days prior to the public hearing.
- Notices were mailed to all property owners and tenants within a minimum of 600 feet of the project site on September 6, 2024.
- Pursuant to City of Woodland Municipal Code 17.110.100.D., the site was posted with a highly visible notice, of a minimum four foot by eight foot in size mounted on a freestanding sign or posted on the building frontage, 10 days prior to the scheduled public hearing date on September 19, 2024.

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 interest in the application including, Waste Management and Yolo County. All reviewing agency comments have been integrated into the conditions of approval.

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 judgment of the City as lead agency under CEQA;
4. Approve Planning Commission Resolution No. PC 24-07 recommending that the City Council approve a Conditional Use Permit and Operating Agreement for a storefront retail cannabis dispensary at 367 West Main Street, Ste. 353-D conditioned upon approval of the appropriate Cannabis Business Permit and the recommended conditions of approval.

Prepared by: Anna Canales, Assistant Planner

Reviewed by: Erika Bumgardner, Deputy Director of Community Development

Attachments:

1. Resolution and Conditions of Approval
2. Redacted Project Application
3. Operating Agreement Draft_ Yolo Cannabis Club

4. Site Plan
5. Neighborhood Compatibility and Community Relations Plan Summary
6. Odor Control Plan

**PLANNING COMMISSION
RESOLUTION NO. PC 24-07**

**A RESOLUTION OF THE PLANNING COMMISSION OF THE CITY OF WOODLAND
RECOMMENDING CITY COUNCIL APPROVE A CONDITIONAL USE PERMIT AND
OPERATING AGREEMENT FOR A STOREFRONT RETAIL CANNABIS
DISPENSARY AT 367 WEST MAIN STREET, STE. 353-D WITHIN THE CITY
CORRIDOR MIXED USE WEST MAIN STREET ZONE CONDITIONED UPON
APPROVAL OF THE APPROPRIATE CANNABIS BUSINESS PERMIT AND THE
RECOMMENDED CONDITIONS OF APPROVAL**

WHEREAS, On June 7, 2022, the City Council approved Ordinance no 1685 and 1686 to amend City Zoning and Municipal Code to enact regulations to allow the consideration and permitting of retail commercial cannabis uses as set forth in Woodland Municipal Code section 17.84.120 which allows for consideration of up to four (4) cannabis retail conditional use permits and Chapter 5.28 of the Municipal Code to incorporate retail commercial cannabis business and operational requirements for Cannabis Business Permits; and

WHEREAS, as set forth in Woodland Municipal Code section 17.84.120, proposed cannabis retailers are required to obtain a conditional use permit, subject to the recommendation of the Planning Commission and final approval of the City Council; and

WHEREAS, on February 27, 2023, the City issued a request for proposals, inviting interested parties to participate in the selection process for a Preliminary Cannabis Business Permit, which would authorize applicants to apply for a Retail Cannabis Conditional Use Permit and enter into Operating Agreement negotiations to establish a commercial cannabis business, and requiring that applications be submitted in person by 3:00 pm on April 5, 2023; and

WHEREAS, the City received a total of 12 proposals in response to the request for applications; and

WHEREAS, a Proposal Review Committee was formed, consisting of staff members from the Police, Finance, and Community Development Departments, as well as a representative from HdL, a consultant retained by the City for their subject matter expertise, to conduct a competitive selection process; and

WHEREAS, after an initial review of the proposals, the Proposal Review Committee met in July 2023 to interview 12 proposal teams for the Preliminary Cannabis Business Permit and subsequently awarded Preliminary Cannabis Business Permits to the top four applicants, making them eligible to apply for a Retail Cannabis Conditional Use Permit; and

WHEREAS, as required by the City of Woodland Municipal Code, the Proposal Review Committee gave particular consideration to each proposal's capacity, capitalization, security measures, and history, as well as the community benefits offered by the proposed commercial cannabis business, and also considered any other factors deemed necessary by the City to maintain and promote public health, safety, and general welfare; and

WHEREAS, the Proposal Review Committee ranked Infinity Assets Woodland, Inc. dba Yolo

Cannabis Club as 1 out of 12, with a score of 95.63%; and

WHEREAS, the City of Woodland Planning Commission hereby finds that the proposed cannabis retailer use to be located at 367 West Main Street, Ste. 353-D (“Site”), as set forth in Planning Application No. PLNG 24-00039 submitted by business applicant Infinity Assets Woodland, Inc. dba Yolo Cannabis Club (“Applicant”), conforms to the requirements and intent of Chapter 17.84.120 of the Woodland Zoning Code regarding commercial cannabis uses and the City General Plan, and further that, under the circumstances of the particular case, the use will not constitute a nuisance or be detrimental to the public welfare of the community; 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 Planning Commission of the City of Woodland finds as follows:

- The project consists of minor alterations for interior tenant improvements to operate a cannabis business that requires specific spaces to conform with state and local regulations.
- 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, a public notice describing the proposed cannabis conditional use permit was published in the Woodland Daily Democrat, a newspaper of general circulation, and mailed to property owners and property tenants within 600 feet of the project site; and, a highly visible site posting of four (4) feet by eight (8) feet was posted in a visible location on the project site for ten (10) days before the Planning Commission public hearing date; and

WHEREAS, the Planning Commission held a duly-noticed public hearing on September 19, 2024, as required by law to consider all of the information presented by staff and public testimony presented in writing and at the meeting.

NOW, THEREFORE, BE IT RESOLVED, that the Planning Commission of the City of Woodland, based on facts in the staff report, written and oral testimony, and exhibits presented, hereby recommends to the Woodland City Council: (1) Approval of a Conditional Use Permit for a cannabis retail use located at 367 West Main Street, Ste. 353-D, as set forth in Planning Application No. PLNG 24-00039, prepared by Infinity Assets Woodland, Inc. dba Yolo Cannabis Club; and (4) Approval of an Operating Agreement between the City of Woodland and Infinity Assets Woodland, Inc. dba Yolo Cannabis Club, as follows and based on the following findings:

SECTION 1. Recitals. The City of Woodland Planning Commission hereby adopts the above recitals as true and correct findings of the City of Woodland Planning Commission and incorporates them into this Resolution by this reference.

SECTION 2. Findings. In support of issuing a conditional use permit for the proposed cannabis retailer use to be located at 367 West Main Street, Ste. 353-D, as set forth in Planning Application No. PLNG 24-00039, the City of Woodland Planning Commission hereby makes the following additional findings, pursuant to the requirements of Woodland Municipal Code (“WMC”) Section 17.100.100(H) and 17.84.120(c)(3):

- 1) The proposed use is consistent with the General Plan and Zoning Code, in that the use is conditionally permitted consistent with zoning and general plan requirements, and appropriate conditions to address potential concerns and impacts have been made part of the approval.
- 2) The site is physically suitable for the type, density, intensity of the use being proposed, including access, utilities, and the absence of physical constraints.
- 3) The design, location, size, and operating characteristics of the proposed activity are compatible with the existing and future land uses in the vicinity including transportation and service facilities.
- 4) Granting the Conditional Use Permit would not constitute a nuisance or be injurious or detrimental to the public interest, health, safety, convenience, or welfare, or materially injurious to persons, property, or improvements in the vicinity and zone in which the property is located.
- 5) The proposed project is categorically exempt from further environmental review pursuant to CEQA sections 15301 and 15303 as the proposal involves operation, repair, maintenance, leasing and licensing of existing facilities, and involves the conversion of a small structure not exceeding 2,500 square feet where retail cannabis dispensing is a conditionally permitted use.
- 6) The proposed use at the Site is subject to additional findings and considerations set forth in WMC section 17.84.120(3). The City of Woodland Planning Commission has considered all relevant evidence regarding the Site and the Applicant's proposed use, and finds that Applicant's proposed cannabis retailer use at the Site satisfies those considerations, as follows:
 - a) Pursuant to WMC section 17.84.120(3)(a), the City of Woodland Planning Commission has considered the type of proposed use by the Applicant. The proposed cannabis retailer will provide sales of cannabis and cannabis products. The City of Woodland Planning Commission finds that these goods and services will provide unique, currently unavailable, and varied goods and services to the community by the Applicant's use at the proposed location.
 - b) Pursuant to WMC section 17.84.120(3)(b), the City of Woodland Planning Commission has considered all evidence and testimony relevant to the Applicant's proposed use, and determines that the proposed use will not be detrimental to the health, safety and welfare of the community. The use is located in the Corridor Mixed Use – West Main Street zone and not adjacent to sensitive uses; and therefore will not result in negative impacts on existing uses in the area. The project is subject to approval of a conditional use permit, including conditions of approval incorporated into the project, and subject to local and state regulatory standards, licenses and permits, to ensure that the use will not be detrimental to the health, safety and welfare of the community. Applicant's failure to abide by those conditions of approval may result in permit revocation.
 - c) Pursuant to WMC section 17.84.120(C)(3)(c), the City of Woodland Planning Commission finds that the proposed use would enhance the economic viability of the area in which it is proposed to be located because it will provide new goods and services not currently

available to the surrounding area and will bring retail activity to the proposed location.

- d) Pursuant to WMC section 17.84.120(C)(3)(d), the City of Woodland Planning Commission finds that the Applicant has adequately addressed the potential community benefits of the use to offset potential adverse impacts. The City of Woodland Planning Commission has determined that these community benefits adequately offset any potential adverse impacts of the proposed use.
- e) Pursuant to WMC section 17.84.120(C)(3)(e), the City of Woodland Planning Commission has considered all evidence and testimony pertaining to Applicant's proposed use, including the extent of support or opposition to the proposed use and location from members of the community. No opposition to the proposed use or location was expressed by the community or the surrounding neighborhood.
- f) Pursuant to WMC section 17.84.120(C)(3)(f), the City of Woodland Planning Commission further finds that, based on other proposed locations considered concurrently with the Site, there will be no more than two (2) cannabis retailers located within a one thousand (1,000) radius of the Site at the time of this Resolution, except otherwise approved by City Council, which protects against an overconcentration of the type of proposed use and further protects the public health and safety.
- g) Pursuant to WMC section 17.84.120(C)(3)(g), and consistent with the above findings, the City of Woodland Planning Commission further finds that the proposed use would not lead to a further overconcentration of that particular type of premises in the area.
- h) Pursuant to WMC section 17.84.120(C)(3)(h), the City of Woodland Planning Commission has considered the Applicant's application, including the relevant background and history of the Applicant. Based on the information provided, the City of Woodland Planning Commission has determined that there are no prior problems or complaints pertaining to Applicant's operation of other businesses or cannabis operations on premises giving rise to public health, safety, and welfare concerns. The applicant has additionally operated retail cannabis businesses in other jurisdictions with no known problems or complaints.
- i) Pursuant to WMC section 17.84.120(C)(3)(i), the City of Woodland Planning Commission is not aware of a history or high prevalence of police or crime-related problems in the area of the Site giving rise to specific safety concerns.
- j) Pursuant to WMC section 17.84.120(C)(3)(j), the City of Woodland Planning Commission finds that the proposed use would enhance recreational or entertainment opportunities in the area.

In light of the above findings and considerations regarding the proposed use and location, the City of Woodland Planning Commission therefore finds that the conditional use conforms to the requirements and intent of WMC Chapter 17.84.120 regarding commercial cannabis uses and the City's General Plan, and that any conditions and requirements stipulated in Applicant's conditional use permit have been or will be met, and that the use will not constitute a nuisance or be detrimental to the public welfare of the community. These findings are further established and incorporated into

the project approval, attached hereto as Exhibit “A” and incorporated herein by reference.

SECTION 3. Approval. In accordance with the City of Woodland Planning Commission findings stated in Section 2 and Exhibit A of this Resolution, the City of Woodland Planning Commission hereby recommends that the City Council approve Planning Application Number PLNG 24-00039 for the issuance of a Retail Cannabis Conditional Use Permit to Infinity Assets Woodland, Inc. dba Yolo Cannabis Club for the proposed cannabis retailer use at 367 West Main Street, Ste. 353-D. The recommended approval and issuance of the conditional use permit is expressly conditioned on Applicant’s continued compliance with all of the findings and conditions of approval specified in Applicant’s conditional use permit, Article 17.84.120 of the Woodland Zoning Code, Chapter 5.28 of the Woodland Municipal Code, and all other applicable local and state laws and regulations pertaining to commercial cannabis retailers. Nothing in this Resolution shall be deemed to waive the City’s right to revoke Applicant’s conditional use permit in the event Applicant violates any of the aforementioned conditions.

PASSED AND ADOPTED, by the Planning Commission of the City of Woodland at a regular meeting of the Planning Commission held on the 19th day of September 2024, by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

Marco C. Lizarraga, Chairperson

ATTEST:

Erika Bumgardner, Deputy Community Development Director

Exhibit A – Conditions of Approval

EXHIBIT A

**Conditions of Approval
PLNG 24- 00039**

**Address: 367 West Main Street, Ste. 353-D
Cannabis Business: Infinity Assets Woodland, Inc. dba Yolo Cannabis Club**

Conditions of Approval

General Conditions

- 1. Approval.** Planning Application # PLNG 24-00039, submitted by Applicant Infinity Assets Woodland, Inc. dba Yolo Cannabis Club for the proposed cannabis business “Yolo Cannabis Club” is approved to permit retail sales of cannabis and cannabis products, and, in a building size of approximately 1,144 square feet located at 367 West Main Street and with hours of operation of Monday – Sunday 9 am – 9 pm.
- 2. Substantial Conformance.** The use shall be implemented in substantial conformance with the Conditional Use Permit (Planning Application: PLNG 24-00039) as approved by the City Council, and subject to all applicable provisions of Woodland Municipal Code Section 5.28, Commercial Cannabis Business Permits, and Section 7.84.120, Commercial Cannabis Businesses, except as modified herein. Prior to issuance of a Cannabis Business Permit and, if applicable, Certificate of Occupancy, all conditions of approval and required improvements shall be completed to the satisfaction of the city. Changes in the use or an increase in the intensity or size of operation may require approval of a new use permit or a modification to the existing use permit.
- 3. Regulatory Permit.** The approval of the Conditional Use Permit and commencement of business operations shall be contingent upon the applicant submitting a Cannabis Business Permit application and all of the materials and documentation required by Woodland Municipal Code Chapter 5.28.180, Applications for Cannabis Business Permits, to the Community Development Director for review and approval. Applicants shall obtain and maintain at all times a valid Cannabis Business Permit including approval of an Operating Agreement, prior to occupancy of the building and continuing at all times that the business is in operation, including payment of all required fees for application review. The Cannabis Business Permit shall be timely renewed and maintained in accordance with the applicable procedures set forth in Woodland Municipal Code Chapter 5.28 as a condition of continuing the retailer use under the approved conditional use permit.

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.

- 4. Indemnification.** 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.

5. **Other Permits and Licenses.** The applicant shall obtain all other permits and licenses required by the City for the use, including a Cannabis Business Permit pursuant to Woodland Municipal Code Chapter 5.28, and any other City permits required for retail cannabis uses prior to occupancy of the building and operation of the business, and shall pay all required fees in the amount currently established as applicable, or in the amount to be adopted by City Council. All cannabis businesses must, prior to establishing and operating any such cannabis business, obtain and maintain at all times a valid license issued by the State, as may be applicable, and any other applicable local or regulatory licenses.
6. **Building and Fire Requirements.** Prior to occupancy and/or issuance of a Cannabis Business Permit, applicant shall comply with all applicable Building and Fire requirements to the satisfaction of the Building Official and the Fire Marshall. The applicant shall obtain all necessary and appropriate permits for the project prior to occupancy, including but not limited to building and encroachment permits, and pay all required fees.
7. **Runs with the Land.** The terms and conditions of approval of the conditional use permit shall run with the land, and shall be binding upon and be to the benefit of the heirs, legal representatives, successors, and assignees of the property owner. Where a conditional use has abandoned the site or has ceased activity for a period of six (6) months, expressly including due to the failure to obtain or maintain other necessary regulatory licenses and permits to operate the business, the approved conditional use permit may be subject to revocation for non-use. Under these circumstances, and if such non-use results in revocation of the conditional use, a new application for a conditional use permit must be processed per the requirements of the City's then-existing zoning ordinance.
8. **Permit Expiration.** The Conditional Use Permit must be exercised within one year of issuance, or it shall be deemed null and void by act of law (Woodland Municipal Code Section 17.96.130, Expiration and Extension). A permit for use of a building or a property is exercised when a valid City business license, Cannabis Business Permit, and all necessary permits have been issued, and the permitted use has commenced on the site in accordance with applicable conditions of approval contained herein.
9. **Other Applicable Requirements.** The project approval is subject to all applicable requirements of the Federal, State, City of Woodland and any other affected governmental agencies. Approval of this request shall not waive compliance with all sections of the Municipal Code, all other applicable Federal, State and City Ordinances, and applicable Community or Specific Plans or Design Guidelines in effect at the time of building permit issuance. The duty of inquiry as to such requirements shall be upon the applicant.
10. **Compliance with Conditions.** Prior to any use of the project site, all Conditions of Approval shall be completed to the satisfaction of the Community Development, Police, and Fire Departments. In the event that any of the conditions of this permit are not satisfied, the Community Development Director may request a public hearing be set before the Planning Commission to determine whether the Conditional Use Permit should be revoked. Additionally, upon showing of a compelling public necessity demonstrated at a noticed public hearing, the City of Woodland, acting through the appropriate entity, may add, amend, or delete conditions of this permit.

- 11. Violations.** Upon receipt of a Cannabis Business Permit the applicant shall be subject to provisions relating to violations contained in Municipal Code Section 5.28.090, or as may be amended.
- 12. 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.
- 13. Applicant's Responsibility to Inform.** The applicant shall be responsible for informing all subcontractors, consultants engineers, or other business entities providing services related to the project of their responsibilities to comply with all pertinent requirements herein in the City of Woodland Municipal Code, including the requirement that a business license be obtained by all entities doing business in the City as well as hours of operation requirements in the City.

Planning Conditions

- 16. Education.** The cannabis retailer shall provide information or disclaimers to all customers regarding the effects of cannabis consumption and legal consequences of consumption or possession under federal law, in a form approved by the City.
- 17. Parking.** The project shall provide and maintain the number of on-site parking spaces consistent with the requirements of Section 17.68 of the Woodland Municipal Code, based on gross square footage of retail use, consistent with City standards unless otherwise approved by the Community Development Director.
- 18. Bicycle Parking.** The project shall provide bicycle parking, consistent with the requirements of Section 17.68.070 of the Woodland Municipal Code. The location of the racks and locking mechanism details shall be subject to review and approval by the Community Development Department prior to issuance of permits. Bicycle parking shall be installed prior to occupancy.
- 19. Signage.** Signage shall require a Sign Permit subject to approval by the Community Development Department in compliance with Woodland Municipal Code Section 17.100.140, Sign Permits – Permanent Signs, and may require a Building permit prior to installation.
- 20. Trash Maintenance.** The site shall be kept free of trash or debris at all times. Graffiti or any other type of vandalism shall be removed or otherwise remediated within 72 hours of occurrence.
- 21. Landscape.** Prior to operation, 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.
- 22.** A storefront cannabis dispensary permittee shall not allow cannabis, cannabis products, or cannabis accessories on the dispensary site to be visible from the public right of way, the unsecured areas surrounding the buildings on the site, or the site's main entrance and lobby.
- 23.** No storefront cannabis dispensary shall grow or cultivate cannabis, except for immature nursery stock cannabis plants, on the dispensary site.

Building Conditions

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

24. This project must meet all criteria and mandates for these City adopted codes or the most current code:
 - A. 2022 California Building Code
 - B. 2022 California Plumbing Code
 - C. 2022 California Mechanical Code
 - D. 2022 California Electrical Code
 - E. 2022 Building Energy Efficiency Standards
 - F. 2022 California Green Building Code
 - G. The Code of the City of Woodland
25. Other City and County Agencies (Health, Fire, Public Works, and Planning) may be required to approve the project prior to a building permit being issued.
Recycle plan is required at time of permit issuance along with a \$1000 deposit.
Prior to **any** demolition work being performed, clearance from Yolo Solano Air Quality Management District is required.
26. Any deferred submittals that are not a part of the initial permit application must be listed on the cover sheet of the plan at the time of application for the project.
27. All plans, computations and specifications to be prepared and designed by an architect or engineer licensed by the state of California.
28. 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.

Fire Conditions

The following comments are from the City of Woodland Fire Department and are applicable to the referenced project:

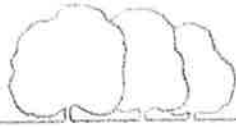
29. **Project Condition. Prior to permit approval to install gates or barriers:** The installation of perimeter fencing, gates, or obstacles that obstruct fire apparatus access roads shall require a separate plan submittal, review, and approval by the Woodland Fire Department prior to installation.
30. **Advisory:** An operational permit for a Cannabis dispensary will be required. The permit(s) will cost \$342.00 and be billed at the time of the fire inspection.
31. **Advisory:** Addressing and suite numbers shall be readily visible, contrasting in color to the background.
32. **Project Condition. Prior to permit approval:** Tennant improvement plans shall be submitted to the City of Woodland Building and Fire Department for review and approval due to the interior remodel of the space.
33. **Advisory:** Please be aware that, at a minimum or as applicable, the following items will be inspected, tested, or reviewed at the time of inspection.

- Existing exit signs and emergency lighting shall be in good working order and capable of supplying illumination for not less than 90 mins. Testing records are required. Test to be conducted at fire inspection.
- New and existing fire extinguishers shall be current and labeled with a State Fire Marshal-approved service label.
- Existing exits, exit doors, and door hardware are not obstructed, are in good working order, and shall meet the minimum requirements of the CFC.
- Housekeeping shall be orderly, and storage shall be stored in an approved manner per the CFC.
- All electrical and cords shall comply with the CFC.
- All electrical panels shall have a minimum 36-inch clearance before the panel.
- Verify that the address and suite numbers are visible from the assigned street.
- Verify fire lanes are marked.
- Verify all landscaping is three feet away from fire department equipment.
- Verify that fire department equipment is painted, marked, labeled, and secured as applicable.
- Existing walls and ceilings are free from holes that would lead to fire extension.
- Verify Knox Box keys.

Police Conditions

The following comments are from the City of Woodland Police Department and are applicable to the referenced project:

34. Security personnel shall be on site twenty-four hours a day or alternative security as authorized by the city manager or his/her designee(s), and must have a verified response security patrol when closed. Security personnel must be licensed by the state of California Bureau of Security and Investigative Services personnel and shall be subject to the prior review and approval of the city manager or his/her designee (s), with such approval not to be unreasonably withheld. Firearms may be carried by security personnel while they are on duty if authorized by the chief of police.
35. **Security Plan.** Prior to issuance of a Business Cannabis Permit, applicant shall submit a final Security Plan and Lighting Plan pursuant to Woodland Municipal Code Section 5.28.260, Cannabis Business Site Security, for review and approval by the Police Chief and Community Development Director. Photometric data may be required to indicate that parking and public areas are equipped with one (1) foot-candle of minimum maintained illumination per square foot of parking surface to include the entire paved area or public/employee exterior access ways. Photometric data must also confirm the absence of “hot spots” or areas of ten (10) foot-candle of illumination per square foot or more.



City of Woodland

Community Development Department

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

General Application Form

1. OWNER/APPLICANT

Property Owner:
Ethan Conrad Properties, Inc.

Mailing Address:

City State Zip Code:

Phone Number:

E-mail Address:

Project Applicant:
Infinity Assets Woodland Inc. (DBA: Yolo Cannabis Club)

Mailing Address:

City State Zip Code:

Phone Number:

E-mail Address:

2. PROJECT DESCRIPTION

Project Name:
Infinity Assets Woodland Inc. (DBA: Yolo Cannabis Club)

Total Acres or Square Feet:
1200

General Plan Land Use Designation:
Western Woodland Trade Area - Commercial

Existing Zoning:
Commercial

Site Address or Location:
367 West Main Street, STE 353-D, Woodland, CA 95695

Assessor's Parcel Number(s):
065-010-033-000

Is Project in Flood Zone? ☐ Yes ☒ No

Requested Entitlement/Permit Type:
CUP for Retail Cannabis

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.

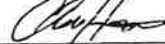
3. AUTHORITY TO FILE APPLICATION

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 7/30/2024


Legal Owner Date 8/8/24

(Infinity Assets Woodland Inc.) 7/30/2024
Applicant Date

(Ethan Conrad Properties, Inc.)
Legal Owner Date 8/6/24

**OPERATING AGREEMENT FOR A CANNABIS RETAIL BUSINESS AND
PRELIMINARY CANNABIS BUSINESS PERMIT
LOCATED IN THE CITY OF WOODLAND**

**INFINITY ASSETS WOODLAND INC. DBA YOLO CANNABIS CLUB
367 W. MAIN STREET, STE. 353-D, WOODLAND CA 95695**

This Operating Agreement for a Cannabis Business (hereinafter “Agreement”), dated ____, 2024, (“Effective Date”), is entered into by and between the City of Woodland (the “City”), a California municipal corporation, and Infinity Assets Woodland Inc. dba Yolo Cannabis Club, a cannabis retail facility (“Cannabis Business”). The City and Cannabis Business may be referred to herein individually as a “Party” and collectively as the “Parties.”

RECITALS

WHEREAS, On June 21, 2022, the City Council of the City of Woodland approved Ordinance Nos. 1685 and 1686 to allow consideration for up to four retail cannabis businesses within the City of Woodland.

WHEREAS, on February 27, 2023, the City of Woodland opened a competitive application review process for preliminary cannabis business permit applications, which closed on April 5, 2023. A total of 12 Preliminary Cannabis Business Permit applications were received.

WHEREAS, after conducting a complete, thorough, and objective review in consideration of all applications, the four top scoring applications were selected to continue through the final application review process, including the approval of an operating agreement to memorialize the requirements as provided for in the regulations governing commercial cannabis retail permits, Chapter 17.84.120 and 5.28 of the Woodland Municipal code, as well as statements and agreements provided in the application materials and as part of the interview process; and

WHEREAS, Cannabis Business is one of the four top scoring applicants and has applied for and received a Conditional Use Permit concurrently with the approval of this Agreement for the operation of a retail cannabis business at 367 W. Main Street, Ste. 353-D, Woodland California, as more specifically described in Exhibit “A”, attached hereto and incorporated herein by this reference (the “**Subject Property**”).

WHEREAS, Section 5.28.180(A)(9) of the Woodland Municipal Code provides that the City shall enter into an Operating Agreement and Indemnification, in conjunction with the issuance of a Cannabis Business Permit, in which the Cannabis Business agrees to abide by the requirements of the Municipal Code and any other operating terms and conditions as mutually agreed by the parties; and

WHEREAS, the City Council of the City of Woodland has determined that there may be both community benefit and potential adverse impacts that may result from the operation of cannabis businesses in the City, and therefore desires to ensure all such impacts are adequately mitigated and offset through the requirement for community benefits the businesses provide to the City and its residents; and

WHEREAS, the Cannabis Business and the City have mutually agreed to certain minimum payments or actions to the City of Woodland to provide for community support projects, programs, and other services and activities that will positively contribute to the community and minimize any adverse impacts or increases in need for services caused by the operation of the Cannabis Business in the community.

NOW, THEREFORE, in consideration of the mutual promises, conditions, and covenants set forth herein, the Parties agree as follows:

AGREEMENT

1. Incorporation of Recitals. The Recitals, and all defined terms set forth in this Agreement, are hereby incorporated into this Agreement as if set forth herein in full.

2. Definitions. The following terms shall have the following meanings for purposes of this Agreement, but other terms may be defined elsewhere in this Agreement.

- A. “Assignment” means: (i) a sale, exchange or other transfer of this Agreement, the Cannabis Business’s rights hereunder, or substantially all of the Cannabis Business’s assets dedicated to operation of the retail cannabis business under this Agreement to a third party; (ii) a sale, exchange or other transfer of thirty (30) percent or more of the outstanding common stock of the Cannabis Business; (iii) any reorganization, consolidation, merger re-capitalization, stock issuance or re-issuance, voting trust, pooling agreement, escrow arrangement, liquidation or other transaction to which Cannabis Business or any of its shareholders is a party which results in a change of ownership or control of thirty (30) percent or more of the value or voting rights in the stock of Cannabis Business; and (iv) any combination of the foregoing (whether or not in related or contemporaneous transactions) which has the effect of any such transfer or change of ownership, provided that the effect of such occurrence is to change control of Company or responsibility for this Agreement to an entity that is not controlled by Company’s ultimate parent entity (as defined on the Effective Date of this Agreement in 16 CFR § 801.1(a)(3)).
- B. “Cannabis business permit” means the regulatory permit issued by the City to the Cannabis Business pursuant to the provisions of Chapter 5.28 of the Woodland Municipal Code.
- C. Cannabis retailer” means a premises permanently located in the City licensed by the State of California pursuant to the Medicinal and Adult-Use Cannabis Regulation and Safety Act, California Business and Professions Code Section 26000 et seq., as may be amended, where cannabis is provided for retail sale to consumers, including an establishment that delivers cannabis as part of a retail sale, as permitted by Chapter 17.84.120 of the Woodland Municipal Code.
- D. “City” means the City of Woodland.
- E. “City Permits” means all building permits, conditional use permits, zoning amendments, operating agreements, and other permits, including the Cannabis

Business Permit, licenses, entitlements, and agreements that the City, acting in its governmental capacity, must issue or approve for the Cannabis Business to operate in accordance with this Agreement.

- F. “Commencement Date” means the date that all of the following have occurred: (1) the City has issued all necessary City Permits; (2) the Cannabis Business has obtained all necessary State Licenses to operate; and (3) the Cannabis Business has obtained a certificate of occupancy.
- G. “Community Development Director” means the Community Development Director and his or her designee.
- H. “Conditional Use Permit” means the conditional use permit issued by the City to the Cannabis Business pursuant to Chapter 17.100.100 of the Woodland Municipal Code.
- I. “Effective Date” means the date first entered above as the Effective Date that both Parties have signed this Agreement.
- J. “Gross Receipts” means the total amount actually received or receivable from sales and the total amounts actually received or receivable for the performance of any act or service, of whatever nature it may be, for which a charge is made or credit allowed, whether or not such act or service is done as a part of or in connection with the sale of materials, goods, wares or merchandise. Included in “gross receipts” shall be all receipts, cash, credits and property of any kind or nature, without any deduction therefrom on account of the cost of the property sold, all cost of materials used, labor or service costs, interest paid or losses or other expenses. The following shall not be included in the definition of “Gross Receipts: (1) Cash discounts allowed and taken on sales; (2) Such part of the sale price of property returned by purchasers upon rescission of the contract of sale as is refunded either in cash or by credit; and (3) Receipts of refundable deposits, except that refundable deposits forfeited and taken into income of the business shall not be excluded.
- K. “Manager” means a person with responsibility and authority over the establishment, management, supervision, or oversight of the operation of the Cannabis Business.
- L. “State License” means all licenses required to be issued by the State of California for operation of the Cannabis Business pursuant to Division 10 of the Business and Professions Code and applicable state regulations, including Division 42 of Title 16, Division 8 of Title 3, and Division 1 of Title 17 of the California Code of Regulations, as those provisions may be amended.
- M. “Subject Property” means that certain property located at 367 W. Main Street, Ste. 353-D, Woodland California, as more specifically described in Exhibit “A”, attached hereto and incorporated herein by this reference, which is the location of the Cannabis Business’s retail cannabis business.
- N. “Term” means the period of time this Agreement is in effect, and any renewal periods, as specified in Section 3.

3. Term of Agreement. The Term of this Agreement shall commence on the Effective Date and continue for a period of two (2) years therefrom (“Initial Term”), unless earlier terminated as specified in this Agreement. Prior to the expiration of the Initial Term and any subsequent Renewal Period, the Parties may mutually agree to extend the Term of this Agreement for up to two (2) additional two-year (2-year) terms to run consecutively (each a “Renewal Period”).

4. General Terms and Conditions. The Cannabis Business shall comply with all of the following terms and conditions for the Term of this Agreement:

- A. This Agreement is only valid for the Cannabis Business at the Subject Property identified in this Agreement. An assignment of this Agreement or any interest herein by the Cannabis Business is not permitted unless consented to in advance in writing by the City, which consent may be conditioned, granted or withheld in City’s sole and absolute discretion.
- B. The applicant shall apply for and receive approval for a final Cannabis Business Permit and all other required City permits, such as building permits, including receipt of a Certificate of Occupancy, prior to commencement of operations.
- C. Any conditions placed on the Cannabis Business Permit and the Conditional Use Permit are hereby incorporated as conditions of this Agreement. Violations of the Cannabis Business Permit, the Conditional Use Permit and/or applicable State Licenses shall be deemed violations of this Agreement and shall constitute a material breach of this Agreement.
- D. The applicant shall commence operation of the cannabis business within 12 months of the approval date of the CUP consistent with Section 17.96.130 of the Woodland Municipal Code, or the City will withdraw the preliminary business permit award and this agreement shall be null and void.
- E. The Cannabis Business shall obtain and maintain at all times a valid Cannabis Business Permit, Conditional Use Permit, and applicable State License(s) prior to and during operation of the Cannabis Business.
 - i. As soon as practicable, the Cannabis Business shall inform the City when it obtains its necessary State License(s), and shall provide a copy of the State License(s) to the Community Development Director. The City shall cooperate with the Cannabis Business as appropriate and as needed to facilitate the State’s issuance of a State License(s) to the Cannabis Business.
 - ii. The City shall diligently process the Cannabis Business’s applications for all City Permits. This Agreement does not commit the City in advance to approve the City Permits; nor does this Agreement constrain the City’s discretion to determine compliance with all requirements regarding issuance of any City Permits. Nothing in this Agreement relieves the Cannabis Business of the obligation to comply with all requirements and application procedures set forth in Chapter 5.28 and Section 17.84.120 of the Woodland Municipal Code.

- F. The Cannabis Business understands, acknowledges and agrees to comply with all applicable then-existing state and local laws and regulations applicable to operation of the Cannabis Business, including Chapter 5.28 of the Woodland Municipal Code.

5. Operational Requirements. In addition to all operating requirements set forth in Article IV of Chapter 5.28 of the Woodland Municipal Code, the Cannabis Business shall comply with the following specific operational requirements:

- A. The Cannabis Business shall immediately notify the City Police Department of any criminal activity, or suspected criminal activity, occurring at the Subject Property. In the event of any internal security system breach, including a faulty alarm system, broken or damaged surveillance cameras or other video recording equipment, or broken or damaged locks, doors, or lighting which may increase risk of criminal activity at the Subject Property, the Manager of the Cannabis Business shall notify the City Police Department as soon as practicable after becoming aware of the security system breach. The Cannabis Business shall diligently attempt to fix or resolve any such security breach immediately; if circumstances require additional time and delay to remedy, the Cannabis Business shall so notify City police and provide an estimated timeline the breach will be cured.
- B. If the Cannabis Business receives any criminal threats, or otherwise suspects any criminal targeting related to movement of product or cash from or to the Subject Property, the Cannabis Business shall immediately notify the City Police Department.
- C. The City's Chief of Police, or his or her designee, may perform site inspections of the Cannabis Business during hours of operation, upon reasonable notice. The scope of the inspection shall be to ensure compliance with all conditions on the Cannabis Business, including compliance with state rules and regulations, such as but not limited to, track and trace requirements, product storage, labeling, and disposal of product, as well as accounting, ledgers for distribution, and other records and operating procedures. Upon reasonable notice by the City, the Cannabis Business shall provide proof, including through visual observation and confirmation by City staff, of any storage, disposal or distribution of product as may be necessary to ensure business compliance. Should the City discover any evidence of falsification of records or other practices inconsistent with City or State requirements, the Cannabis Business shall, upon written notice from the City, immediately cease and desist operations until such time that the issues have been resolved, to the satisfaction of the City, in accordance with state and local regulations.

6. Consideration. As consideration for the rights and benefits it enjoys under this Agreement, including its operation of approved cannabis uses in the City during the Term, the Cannabis Business shall do all of the following:

- A. Tax Payment. The cannabis business shall pay the required ten (10%) percent tax as required per Woodland Municipal Code Chapter 3.36, Cannabis Business Tax.

- i. Monthly Payments shall be calculated per calendar month, due and payable on the 15th day of the subsequent calendar month in accordance with Woodland Municipal Code Section 3.36(B). By way of example only, a Monthly Payment for the month of September would be calculated from September 1 through September 30, due and payable on October 15.
 - ii. If a Monthly Payment is not paid in full within fifteen (15) days after it is due and payable, penalties and interest shall accrue as set forth in Woodland Municipal Code Section 3.36.100.
 - iii. Monthly Payments shall be made to the City's Finance Department. In the event the Cannabis Business intends to pay a Monthly Payment in cash in an amount that exceeds \$5,000, the Cannabis Business shall notify the City in advance to make prior arrangements.
 - iv. Accompanying the Monthly Payment, the Cannabis Business shall deliver to the City a report ("the Monthly Report") showing (1) Gross Receipts of the Cannabis Business for the immediate prior month; 2) a cumulative total of all amounts of Gross Receipts received by the Cannabis Business to date for the calendar year, (3) a calculation of the Monthly Payment currently due to the City; and (4) a calculation of the cumulative total of all Monthly Payments made to the City to date for the calendar year.
- B. Community Benefits Plan. Pursuant to Section 5.28.180 (A)(6)(b), Exhibit "B" to this agreement, Community Benefit Plan, which is attached hereto and incorporated into this Agreement by this reference, describes the benefits the cannabis business has provided or will provide to the local community including direct aid, participation in, and commitment to funding the work of local nonprofits, community, civic, or social service based organizations, as well as the development of public outreach and education program related to risks of youth and drugs, and any other agreed upon community benefit between the City and applicant. The Cannabis business shall comply with and implement that Community Benefit Plan as a requirement of this Agreement.
- i. Each year, at the time of the annual Cannabis Business Permit review, the Cannabis business shall submit a Community Benefits Plan Summary Report in which all activities in support of local community organizations or events as outlined in the Community Benefit Plan (Exhibit "B"), including the Community Benefit Payment, shall be identified, including the community service hours provided by the cannabis business (inclusive of staff service volunteer hours) in the year, and the Cannabis Business shall provide to City or its designee all appropriate receipts, payment verification and any other documentation requested by City as deemed necessary by City in its discretion to verify the Cannabis business's compliance with the Community Benefit Plan.

C. Social Policy and Local Enterprise Plan. Pursuant to Section 5.28.180(A)(6)(c), Exhibit “C” to this Agreement describes the Cannabis Business’s Social Policy and Local Enterprise Plan.

i. Each year, at the time of the annual Cannabis Business Permit review, the Cannabis Business shall submit an updated Social Responsibility and Local Enterprise Plan in which the employee benefits, workforce development actions, local hiring practices, and minimum employee wage paid are identified for the prior year.

i. Minimum agreed upon hourly wage (living wage). The Cannabis Business hereby agrees to provide a minimum hourly working wage in the amount of \$29.44 for remainder of the calendar year following the Effective Date of this Agreement. The minimum wage paid by the Cannabis Business shall increase each January of the year following the Effective Date of the agreement based on the Living Wage calculator set forth at <https://livingwage.mit.edu>.

D. Cannabis Business agrees to abide by the requirements of Chapter 5.28 of the Woodland Municipal Code and any other operating terms and conditions as mutually agreed by the parties to ensure that the social policy and local enterprise plan commitments and community benefits derived from the proposed cannabis business adequately address potential adverse impacts stemming from the operation of the Cannabis Business.

E. Records. The Cannabis Business shall keep accurate and adequate records and documentation to reflect its monthly gross receipts and information concerning required payments. Pursuant to section 5.28.340 of the Woodland Municipal Code, the Cannabis Business shall maintain all such records for at least three (3) years, and shall produce those records to the City within 24 hours after receipt of the City’s request.

7. **Termination.** The City and/or Cannabis Business may terminate this Agreement prior to expiration of the Term for the reasons and subject to the requirements set forth below. The Cannabis Business understands and acknowledges that the right to operate the Cannabis Business is expressly contingent on full execution of an Operating Agreement, as required by section 5.28.180(A)(9) of the Woodland Municipal Code. As such, termination of this Agreement shall result in the immediate termination of the Cannabis Business’s operations, unless and until a new Operating Agreement is executed by the Parties

A. City’s Termination Rights. Without prejudice to its other remedies at law or in equity, the City may terminate this Agreement, at any time and in its sole discretion, effective thirty (30) days after the City provides written notice of termination to the Cannabis Business, if any of the following circumstances occurs:

- i. The Cannabis Business breaches its obligation to pay the Monthly Payments of the Cannabis business tax when due and fails to cure the breach within thirty (30) days after the City provides the Cannabis Business with a written notice of default.
 - ii. The Cannabis Business breaches its obligation to perform in accordance with any material provision of this Agreement, other than the obligation to pay the Monthly Payment, and: (A) does not cure the breach within thirty (30) days after the City provides the Cannabis Business with a written notice of breach or, if the breach cannot reasonably be cured within 30 days, (B) does not begin work to cure the breach within thirty (30) days after the City provides the Cannabis Business with a written notice of breach. The Parties may mutually agree in writing to extend the time period to cure the breach. The express designation in this Agreement of a provision as “material” does not imply that other provisions are not material.
 - iii. The Cannabis Business fails to obtain and maintain at all times prior to and during operation of the Cannabis Business a valid Cannabis Business Permit and State License(s), or violates any condition of approval of the Conditional Use Permit.
 - iv. The uses and business activities of the Cannabis Business are declared unlawful by order of Court, or become illegal by operation of State law.
- B. Cannabis Business’s Termination Rights. The Cannabis Business may, at any time and in its sole discretion, effective thirty (30) days after the Cannabis Business provides written notice of termination to the City, may terminate this Agreement if the Cannabis Business has permanently ceased operations, or intends to cease operations within thirty (30) days, in the City of Woodland.

8. Release & Indemnification. The Cannabis Business shall release and hold harmless the City, its agents, officers, elected officials, staff and employees (collectively, “City Parties”) from any and all claims, injuries, damages, or liabilities of any kind arising from: (i) any repeal or amendment of Chapter 5.28 of the Woodland Municipal Code, or any provision of the Zoning Code relating to the Cannabis Business, and (ii) any arrest or prosecution of the Cannabis Business or its owners, Managers, staff, employees, or members for violation of state or federal laws. The Cannabis Business shall further defend, indemnify and hold harmless the City Parties from and against any and all claims or actions: (i) brought by adjacent or nearby property owners or any other parties for any damages, injuries, or other liabilities of any kind arising from or related to the Cannabis Business operations at the Subject Property, and (ii) brought by any party for any problems, injuries, damages, or other liabilities of any kind, including bodily injury, death or property damage, arising out of the distribution of cannabis or cannabis products at the Subject Property. The obligations in this Section 8 Release & Indemnification shall survive any expiration or termination of this Agreement.

9. Insurance.

A. Time for Compliance. The Cannabis Business shall not begin operations until it has provided evidence satisfactory to the City that it has secured all insurance required under this section. Failure to provide and maintain all required insurance shall constitute a material breach of this Agreement.

B. Types of Required Coverages. Without limiting the indemnity provisions of this Agreement, the Cannabis Business shall procure and maintain in full force and effect during the term of the Agreement, the following policies of insurance:

- i. Commercial General Liability. Commercial General Liability Insurance which affords coverage at least as broad as Insurance Services Office “occurrence” form CG 0001, with minimum limits of at least \$1,000,000 per occurrence. Defense costs shall be paid in addition to the limits.

The policy shall contain no endorsements or provisions limiting coverage for (1) products and completed operations; (2) contractual liability; (3) third party action over claims; or (4) cross liability exclusion for claims or suits by one insured against another.

- ii. Automobile Liability. Automobile Liability Insurance with coverage at least as broad as Insurance Services Office Form CA 0001 covering “Any Auto” (Symbol 1) with minimum limits of \$1,000,000 each accident.

- iii. Workers’ Compensation. Workers’ Compensation Insurance, as required by the State of California and Employer’s Liability Insurance with a limit of not less than \$1,000,000 per accident for bodily injury and disease.

If coverage is written on a claims-made basis, the retroactive date shall precede the effective date of the initial Agreement and continuous coverage will be maintained or an extended reporting period will be exercised for a period of at least three (3) years from termination or expiration of this Agreement.

C. Endorsements.

- i. The policy or policies of insurance required by this section for Commercial General Liability and Automobile Liability shall be endorsed to provide the following:

- a. Additional Insured. The City’s indemnified parties shall be additional insureds with regard to liability and defense of suits or claims arising out of the performance of the Agreement. Additional Insured Endorsements shall not (1) be restricted to “ongoing operations”; (2) exclude “contractual liability”; (3) restrict coverage to “sole” liability of Consultant; or (4) contain any other exclusions contrary to the Agreement.

- b. Primary Insurance and Non-Contributing Insurance. This insurance shall be primary and any other insurance, deductible, or self-insurance

maintained by the indemnified parties shall not contribute with this primary insurance.

- c. Severability. In the event of one insured, whether named or additional, incurs liability to any other of the insureds, whether named or additional, the policy shall cover the insured against whom claim is or may be made in the same manner as if separate policies had been issued to each insured, except that the limits of insurance shall not be increased thereby.
 - d. Cancellation. The policy shall not be canceled or the coverage suspended, voided, reduced or allowed to expire until a thirty (30) day prior written notice of cancellation has been served upon the City except ten (10) days prior written notice shall be allowed for non-payment of premium.
 - e. Duties. Any failure by the named insured to comply with reporting provisions of the policy or breaches or violations of warranties shall not affect coverage provided to the indemnified parties.
 - f. Applicability. That the coverage provided therein shall apply to the obligations assumed by the Cannabis Business under the indemnity provisions of this Agreement, unless the policy or policies contain a blanket form of contractual liability coverage.
- ii. The policy or policies of insurance required by this section for Workers' Compensation shall be endorsed, as follows:
- a. Waiver of Subrogation: A waiver of subrogation stating that the insurer waives all rights of subrogation against the City's indemnified parties.
 - b. Cancellation. The policy shall not be canceled or the coverage suspended, voided, reduced or allowed to expire until a thirty (30) day prior written notice of cancellation has been served upon the City except ten (10) days prior written notice shall be allowed for non-payment of premium.
- D. Deductible. Any deductible or self-insured retention must be approved in writing by the City and shall protect the City's indemnified parties in the same manner and to the same extent as they would have been protected had the policy or policies not contained a deductible or self-insured retention.
- E. Evidence of Insurance. The Cannabis Business shall, concurrently with execution of this Agreement or as soon thereafter as may be authorized by the City, deliver either certified copies of the required policies, or original certificates and endorsements on forms approved by the City. The certificates and endorsements for each insurance policy shall be signed by a person authorized by that insurer to bind coverage on its behalf. At least fifteen (15) days prior to the expiration of any such policy, evidence

of insurance showing that such insurance coverage has been renewed or extended shall be filed with the City. If such coverage is cancelled or reduced, the Cannabis Business shall, within ten (10) days after receipt of written notice of such cancellation or reduction of coverage, file with the City evidence of insurance showing that the required insurance has been reinstated or has been provided through another insurance company or companies.

- F. Failure to Maintain Coverage. The Cannabis Business agrees to suspend and cease all operations hereunder during such period of time if the required insurance coverage is not in effect and evidence of insurance has not been furnished to the City.
- G. Acceptability of Insurers. Each such policy shall be from a company or companies with a current A.M. Best's rating of no less than A:VII and authorized to do business in the State of California, or otherwise allowed to place insurance through surplus line brokers under applicable provisions of the California Insurance Code or any federal law.
- H. Insurance for Subcontractors. All subcontractors shall be included as additional insureds under the Cannabis Business's policies, or the Cannabis Business shall be responsible for causing subcontractors to purchase the appropriate insurance in compliance with the terms of this Agreement, including adding the City as an Additional Insured.

10. Notice. Any notice or other communication provided pursuant to this Agreement must be in writing and shall be considered properly given and effective only when mailed or delivered in the manner provided by this Section 11 to the persons identified below. A mailed notice or other communication shall be considered given and effective on the third day after it is deposited in the United States Mail (certified mail and return receipt requested). A notice or other communication sent in any other manner will be effective or will be considered properly given when actually delivered. A Party may change its address for these purposes by giving written notice of the change to the other Party in the manner provided in this Section 11.

If to the City:

City of Woodland
City Manager's Office
300 First Street
Woodland, California 95695
Attention: Ken Hiatt

If to Cannabis Business:

11. Force Majeure.

- A. "Force Majeure Event" means a cause of delay that is not the fault of the Party who is required to perform under this Agreement and is beyond that Party's reasonable control, including the elements (such as floods, earthquakes, windstorms, and unusually severe weather), fire, energy shortages or rationing, riots, acts of terrorism, war or war-defense

conditions, acts of any public enemy, epidemics, the actions or inactions of any governmental entity (excluding the City) or that entity's agents, litigation, labor shortages (including shortages caused by strikes or walkouts), and materials shortages.

- B. Except as otherwise expressly provided in this Agreement, if the performance of any act required by this Agreement to be performed by either the City or Cannabis Business is prevented or delayed because of a Force Majeure Event, then the time for performance shall be extended for a period equivalent to the period of delay, and performance of the act during the period of delay will be excused.

12. Waiver. A Party's failure to insist on strict performance of this Agreement or to exercise any right or remedy upon the other Party's breach of this Agreement shall not constitute a waiver of any performance, right, or remedy. A Party's waiver of the other Party's breach of any provision in this Agreement shall not constitute a continuing waiver or a waiver of any subsequent breach of the same or any other provision. A waiver is binding only if set forth in writing and signed by the waiving Party.

13. Relationship of Parties. This Agreement does not create any employment relationship, ownership interest, or other association between the City and Cannabis Business. Nothing herein shall be construed to create the relationship of principal and agent, partnership or other joint venture between the City and Cannabis Business.

14. Attorneys' Fees. The Party prevailing in any litigation concerning this Agreement, the Subject Property, or the Cannabis Business operations, shall be entitled to an award by the court of reasonable attorneys' fees and litigation costs. If the City is the prevailing party, then this Section shall apply whether the City is represented in the litigation by the designated City Attorney or by outside counsel.

15. Severability. If a court with jurisdiction finds any provision of this Agreement to be invalid, void, or unenforceable, then the remaining provisions shall remain in full force and effect, and to this end this Agreement shall be severable.

16. Counterparts. The parties may execute this Agreement in counterparts, each of which shall constitute an original, but all of which shall collectively constitute this same Agreement.

17. Integration and Modification. This Agreement sets forth the Parties' entire understanding and agreement regarding the matters addressed herein. This Agreement supersedes all prior or contemporaneous agreements, representations, and negotiations (written, oral, express, or implied) and may be modified only by written agreement signed by both Parties.

(Signature Page Follows)

IN WITNESS WHEREOF, the parties enter into this Agreement as of the date first set forth on this Agreement.

City of Woodland

Cannabis Business:

Infinity Assets Woodland Inc. dba Yolo Cannabis Club

By: _____
Ken Hiatt, City Manager

Dated: _____, 2024

By: _____

Dated: _____, 2024

By: _____

Approved as to Form

Dated: _____, 2024

Woodland City Attorney

By: _____
Ethan Walsh, City Attorney

EXHIBIT “A”

DESCRIPTION OF SUBJECT PROPERTY

[Legal Description to be inserted]

DRAFT

EXHIBIT “B”

COMMUNITY BENEFIT PLAN

Community Benefit Payment

Yolo Cannabis will commit to contributing 2% of their annual business gross receipts per year to active 501(c)(3) non-profits active in the City of Woodland. Further, Yolo Cannabis Club commits to prioritizing funding towards such priority areas as public safety initiatives, youth education programs, drug addiction prevention and treatment, recreational and educational programs, and support for local artists and cultural initiatives.

Community Initiatives and Partnerships

Yolo Cannabis Club commits to focusing efforts on key areas including hunger, homelessness, education, youth development, and public services and commits to work with local organizations that are active in the City of Woodland.

Sponsorship of Community Events

Yolo Cannabis Club commits to sponsoring community events including the Woodland Chamber Holiday Parade, Woodland 4th of July celebration, Honey Festival, Yolo County Fair, and Dinner on Main Street.

Support for Youth Activities

Yolo Cannabis Club commits to providing support to local youth-focused programs, such as Brazilian Jiu-Jitsu at Caio Terra Academy Woodland, Woodland Police Activities League, Woodland Police Department's Youth Community Police Academy, Alvarez Boxing Club, Folklorico Latino de Woodland, Woodland Opera House, CASA - Yolo Court Appointed Special Advocates, Woodland Parks Foundation

Engagement with Local Business Groups

Yolo Cannabis Club commits to supporting local business groups including but not limited to Woodland Chamber of Commerce, Woodland Downtown Business Association, and Yolo County Farm Bureau.

Hosting Community Events

Yolo Cannabis Club commits to host community events including but not limited to an annual block party at Heritage Plaza, Bi-annual food truck events, and local events in support of the Woodland Police Activities League.

Youth Addiction Prevention and Education

Yolo Cannabis Club is committed to supporting efforts to prevent youth addiction through the following activities.

- Providing financial and volunteer support to organizations focused on youth addiction prevention and education.
- Developing and implementing educational programs that outline the risks of youth cannabis addiction.
- Partnering with local youth organizations and schools to deliver these educational programs.

- Collaborating with the Yolo County Department of Health and Human Services on initiatives like Friday Night Live (FNL).
- Supporting Woodland Memorial Hospital's Family Engagement & Wellness Initiative.

Employee Volunteer Program

Yolo Cannabis Club is committed to developing an Employee Volunteer program that includes the commitment to provide all employees with four paid volunteer hours per month, the commitment to developing quarterly calendars showcasing local volunteer opportunities, and the commitment to partnering with local organizations to create a diverse range of volunteer options.

Additional Community Support Programs

Yolo Cannabis Club is committed to supporting the City of Woodland community through:

- Hosting quarterly public education seminars at Woodland's senior care facilities and retirement communities, with a focus on educating the elderly about cannabis issues, products, and safe, legal usage.
- Offering discounts for seniors and military veterans.
- Providing free medicine weekly to eligible medical patients facing physical disabilities or debilitating illnesses.
- Partnering with organizations like Root & Rebound to fund and support expungement clinics in Woodland
- Helping individuals navigate legal barriers related to past convictions.
- Maintaining active membership with the Woodland Chamber of Commerce and working with local, diverse businesses and contractors for various services and supplies.
- Covering the costs of continuing education and training for employees, and offering support for those pursuing adult education courses.
- Implementing an apprenticeship program to create more opportunities for career advancement for employees.

EXHIBIT “C”

SOCIAL POLICY AND LOCAL ENTERPRISE PLAN

Local Hiring and Employment Practices

Yolo Cannabis Club is committed to establishing responsible hiring practices that focus on local and diverse talent. Yolo Cannabis Club’s commitments include:

- Hiring at least 80% of staff from Yolo County including hiring at least 50% from the City of Woodland.
- Implementing a Diversity and Inclusion Plan that prioritizes hiring individuals from disproportionately impacted communities.
- Hosting career fairs within 90 days of license issuance to recruit local talent.
- Partnering with local educational institutions, including Woodland Community College, for recruitment and educational programs.

Employee Wages and Compensation

Yolo Cannabis Club is committed to providing fair compensation to its employees. Yolo Cannabis Club’s commitments include:

- Setting a minimum wage at 115% of the MIT Estimated Living Wage for Yolo County or 150% of the California minimum wage, whichever is higher.
- Regularly reassessing the wage structure to ensure it stays aligned with the cost of living and local economic conditions.

Continuing Education

Yolo Cannabis Club is committed to investing in employee growth and development through ongoing training and education programs. These programs cover aspects of cannabis retail operations, including customer service, compliance, security protocols, and product knowledge. Employees will have access to both internal training sessions and external educational opportunities.

Employee Engagement and Retention

Yolo Cannabis Club is committed to implementing employee engagement strategies, including regular feedback sessions, employee recognition programs, and opportunities for career advancement.

Commitment to Social Responsibility

Yolo Cannabis Club is committed to implementing sustainable business practices to minimize environmental impact. This includes energy-efficient operations, waste reduction, and the use of eco-friendly products.

Community Relations and Compatibility

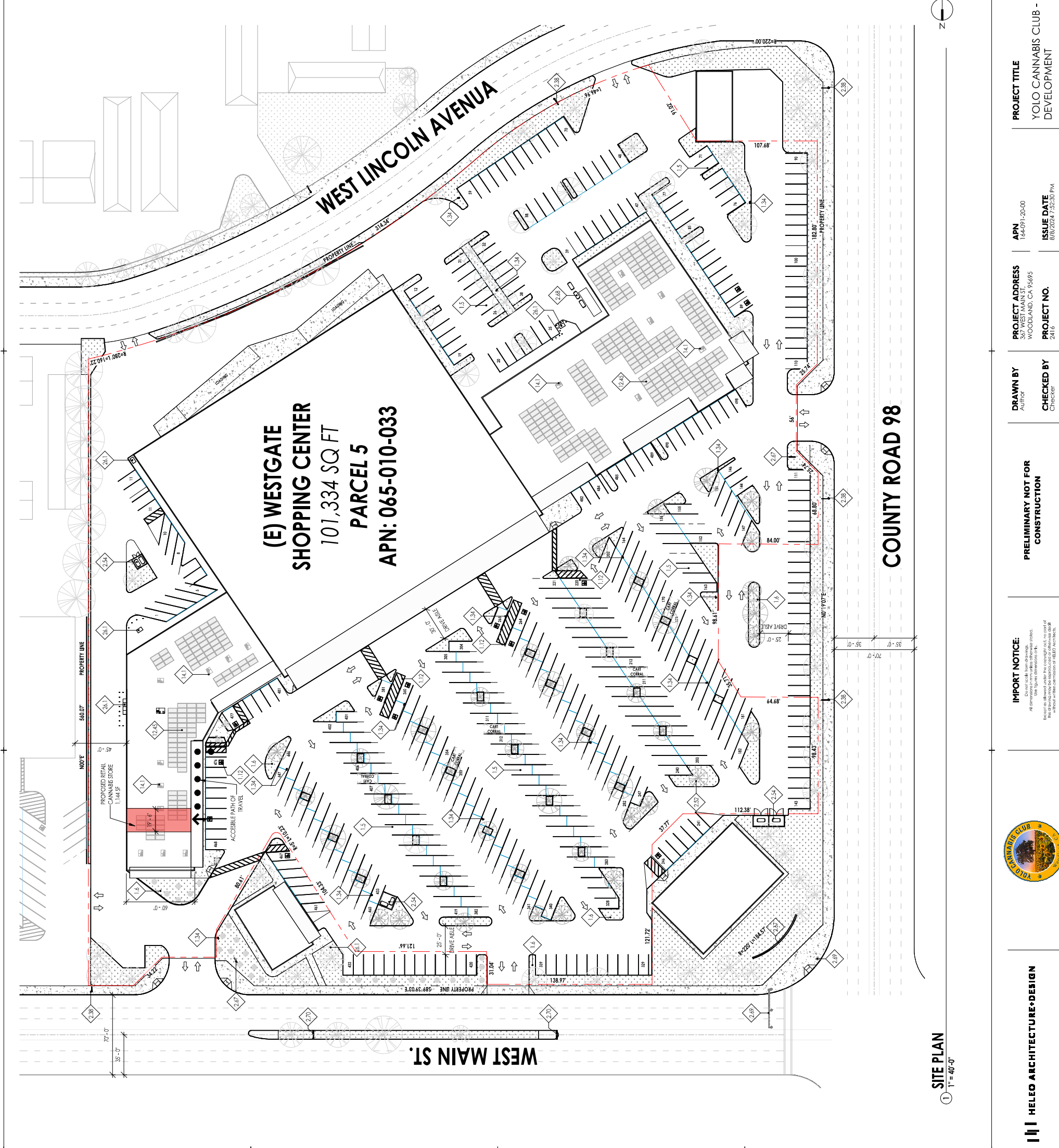
Yolo Cannabis Club is committed to establishing open lines of communication with residents and businesses near its dispensary. Additionally, Yolo Cannabis Club is committed to having a community liaison who will address concerns and ensure operations are compatible with the neighborhood. Yolo Cannabis Club is also committed to conducting regular community meetings and updates to inform the public about its initiatives and changes in operations.

Support for Local Enterprises

Yolo Cannabis Club is committed to sourcing products and services from local vendors whenever possible and is committed to fostering partnerships with local enterprises to support economic growth and community development.

DRAFT

KEYNOTES			
1.5	(E) PARKING TYP.	12.45	(E) SOLAR PANEL
1.6	(E) PLANTING	14.1	EXISTING MECHANICAL UNIT
1.12	(E) VAN ACCESSIBLE PARKING	26.1	(E) ELECTRICAL EQUIPMENT
1.34	(E) PARKING LIGHT		
2.38	(E) STREET LIGHT		
2.52	(E) TREE TO REMAIN		
2.54	(E) TRASH ENCLOSURE		
2.67	(E) MONUMENT SIGN		
2.68	(E) TRASH AREA		
2.69	(E) TRASH LIGHT		
2.70	(E) DOUBLE STREET LIGHT		
SITE LIGHT SCHEDULE			
TYPE	COUNT	MANUFACTURER	COMMENT
11	14		PARKING LIGHT
PARKING CALCULATIONS			
PER SEC. 17.11.6.029 PARKING REQUIREMENTS.			
AREA OF WORK:			
USE	UNIT COUNT SF	PARKING FACTOR	SPACES REQ.
A. RETAIL	1,144 SF	1 PER 300	4
PARKING STALLS REQUIRED:			
ADJACENT TENANT SPACE (NOT IN SCOPE AREA NOT SURVEYED:			
USE	UNIT COUNT SF	PARKING FACTOR	SPACES REQ.
A. RETAIL	± 100,190 SF	1 PER 300	334
PARKING STALLS REQUIRED:			
TOTAL PARKING STALLS REQUIRED ON SITE			
TOTAL PARKING STALLS PROPOSED ON SITE:			
338 STALLS (13 VAN ADA, 325 STANDARD)			
SITE PLAN LEGEND			
ACCESSIBLE ROUTE PER CBC 11B-29: OR FACILITY THAT CAN BE NEGOTIATED BY A PERSON WITH A DISABILITY USING A WHEELCHAIR, AND THAT IS ALSO SAFE FOR AND USABLE BY PERSONS WITH OTHER DISABILITIES. EXTERIOR ACCESSIBLE ROUTES MAY INCLUDE PARKING ACCESS AISLES, CURB RAMPS, CROSSWALKS AT VEHICULAR WAYS, WALKS, RAMPS AND LIFTS.			
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ACCESSIBLE CURB RAMP W/ 12" WIDE GROOVED BORDER AND DIRECTIONAL WARNING SURFACE PER CBC 11B-405			
ACCESSIBLE BUILDING ENTRANCE PROVIDE INTERNATIONAL SYMBOL OF ACCESSIBILITY ENTRANCE SIGN (6'x6" DECAL ACCOUNTED BETWEEN 3'-9" TO 3'-6" A.F.F., CENTERED ON SINGLE DOORS, CENTERED ON RIGHT PANEL OF DOUBLE DOORS) PER CBC 11B-404			
SITE LIGHT		P.A.	PLANTER AREA
SITE PLAN NOTES			
1. THE GENERAL CONTRACTOR SHALL VERIFY ALL DIMENSIONS AND CONDITIONS FOR THE PROJECT PRIOR TO COMMENCING WORK AND REPORT ANY DISCREPANCIES AND/OR CONFLICTS TO THE ARCHITECT IMMEDIATELY. THE GENERAL CONTRACTOR SHALL BE RESPONSIBLE FOR OBTAINING ALL NECESSARY PERMITS AND APPROVALS FROM THE APPROPRIATE AGENCIES. THE GENERAL CONTRACTOR SHALL BE RESPONSIBLE FOR OBTAINING ALL NECESSARY PERMITS AND APPROVALS FROM THE APPROPRIATE AGENCIES. THE GENERAL CONTRACTOR SHALL BE RESPONSIBLE FOR OBTAINING ALL NECESSARY PERMITS AND APPROVALS FROM THE APPROPRIATE AGENCIES.			
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HELED ARCHITECTURE+DESIGN

PROJECT TITLE

YOLO CANNABIS CLUB - DEVELOPMENT

PROJECT ADDRESS

367 WEST MAIN ST.
WOODLAND, CA 95695

PROJECT NO.

2416

APN

164-097-20-00

ISSUE DATE

8/8/2024 7:52:50 PM

IMPORT NOTICE:

All dimensions in mm unless otherwise noted.
Use metric dimensions only.
Based on a preliminary site plan and conceptual design. No final
design or construction is intended or guaranteed without
written permission of HELED Architects.

PRELIMINARY NOT FOR CONSTRUCTION

DRAWN BY

Author

CHECKED BY

Checker

SCALE

As indicated

DRAWING TITLE

SITE PLAN

A-01

NEIGHBORHOOD COMPATIBILITY AND COMMUNITY RELATIONS PLAN SUMMARY

Introduction: Yolo Cannabis Club is dedicated to maintaining strong, positive relationships with the Woodland community and ensuring our operations are compatible with the neighborhood. This Community Relations and Neighborhood Compatibility Plan outlines our strategies for managing potential impacts, engaging with the community, and promoting a harmonious coexistence with our neighbors.

Policies to Prevent Negative Impacts

YOLO will address the unique challenges of operating a successful cannabis business with neighborhood compatibility in mind. A primary goal of our operations is to minimize or eliminate any nuisance caused to those living or operating businesses near our facility. YOLO's management style focuses on community engagement, listening to, and fostering collaboration with community stakeholders.

1. **Noise Control:** All activities within the dispensary will be conducted in a manner that minimizes noise. We will use soundproofing materials in construction and ensure that any noise-generating equipment operates within acceptable noise levels. (Neighborhood Compatibility Plan, Page 111)
2. **Odor Control:** We will install advanced HVAC systems with activated carbon filters and HEPA filters to ensure no cannabis odors escape the facility. Regular maintenance and monitoring will be conducted to maintain system efficacy. (Odor Control Plan, Neighborhood Compatibility Plan, Page 114)
3. **Light Management:** Exterior lighting will be designed to provide adequate security without causing light pollution. Motion sensors and directional lighting will be used to minimize the impact on neighboring properties. (Lighting Plan, Neighborhood Compatibility Plan, Page 114)
4. **Traffic and Parking:** We will design our parking and traffic flow to minimize disruption. Adequate parking will be provided on-site, and we will coordinate with local authorities to ensure that traffic impacts are managed effectively. (Development Plans, Neighborhood Compatibility Plan, Pages 111-119)
5. **Litter Control:** Regular clean-up efforts will be conducted around the dispensary premises. Waste management practices will include proper disposal and recycling of waste materials to ensure cleanliness and environmental responsibility. (Neighborhood Compatibility Plan, Page 111)
6. **Trash:** Employees will be required to sign a Trash Cleanup Log, verifying the premises are inspected for trash no less than every two hours during operational hours. Employees wearing gloves will walk the property and its perimeter to dispose of any trash or recyclables to ensure the premises are litter-free and clean. (Neighborhood Compatibility Plan, Page 96)
7. **Loitering and Public Consumption:** Security personnel will patrol the outside parking areas and the perimeter of the building, enforcing the rules against both loitering and onsite consumption. Signs will be posted visible near the entrance notifying all

individuals that smoking, ingesting, or consuming cannabis in any form on or near the premises is strictly prohibited. Any nuisance will be promptly reported to local authorities. (Neighborhood Compatibility Plan, Page 96-97)

8. **Security Program and Procedures:** YOLO will employ professional, friendly, and helpful Security Guards who will monitor the exterior and interior premises. YOLO will also invest in state-of-the-art cameras and monitoring systems to aid in securing the area. The premises will be well lit after sunset, and vegetation and foliage will be regularly maintained to ensure security camera visibility is not blocked. (Neighborhood Compatibility Plan, Page 97)
9. **Late Night Activity:** YOLO will adhere to all state and local regulations, which require cannabis retailers to close at 9:00 PM, thereby eliminating any late-night activity or noise. YOLO will not allow customers into the store past 8:45 PM, allowing customers to make final purchases and doors to be closed by 9:00 PM. (Neighborhood Compatibility Plan, Page 97)
10. **Signage:** YOLO will not display anything on business signage that contains any logos or information that identifies, advertises, or lists the services or products offered inside. Signage will never be directly illuminated, internally or externally, and will be affixed to the building. YOLO will never advertise the business through mobile means or place signs that obstruct any entrance or exit to the building. (Neighborhood Compatibility Plan, Page 97)
11. **Odor Emanation:** Given this is a cannabis retail business model, there will be no cultivation, manufacturing, or production of cannabis onsite. Cannabis retailers do not typically experience odor-related challenges. YOLO will install a reputable, strategically placed and well-maintained HVAC system with appropriate filtration features to ensure odors are not emitted outside of the dispensary. (Neighborhood Compatibility Plan, Page 97; Business Plan Page 43)
12. **Parking and Vehicle Visibility:** The proposed location is in the Westgate Shopping Center with 517 parking stalls, ensuring YOLO will not create a significant impact. (Neighborhood Compatibility Plan, Pages 97)
13. **Facility Maintenance Plan:** YOLO will implement SOPs for regular cleaning and documentation to ensure clean sanitary conditions within and surrounding the facility. This includes contracting with local landscapers to maintain the external areas and landscape as needed. (Neighborhood Compatibility Plan, Page 97)
14. **Promoting Safety and Security:** Guided by the Security Manager and third-party security professionals, YOLO has developed an integrated Security Plan incorporating security measures and enhancements to protect customers, the YOLO team, and the greater community of Woodland. (Neighborhood Compatibility Plan, Page 97)
15. **Security Equipment:** Security equipment will survey the exterior and retail areas of the facility. Surveillance cameras and other security measures will be installed in an inconspicuous and tamper-proof manner while still providing coverage of the entire facility. (Neighborhood Compatibility Plan, Page 97-98)
16. **Presence of Security Guards:** Professionally outfitted security personnel will greet customers in the lobby and will be trained to provide customer service typical of a high-end retail establishment in addition to their security duties. Guards will coordinate with the receptionist to open the dispensary door for each customer entering the entry

vestibule and will constantly monitor for security threats. (Neighborhood Compatibility Plan, Page 98)

17. **Duress Alarms:** Emergency switches for duress alarms will be installed beneath the reception desk and cash registers, as well as inside the secured storage, completely out of customer sight, but accessible to employees who will be thoroughly trained to operate the duress alarm in the event of a security threat. (Neighborhood Compatibility Plan, Page 98)
18. **Nondescript Delivery Vehicles:** YOLO will offer delivery services to customers throughout the region. Delivery vehicles will be equipped with extensive security equipment and features to protect delivery agents. The vehicles will be nondescript, free of YOLO's logo or any other recognizable images or text indicating the vehicle is carrying cannabis and cannabis products. (Neighborhood Compatibility Plan, Page 98)

Operational Standards: Our experience in establishing and operating cannabis businesses throughout Northern California enables us to create policies and operational standards ensuring full compliance with City of Woodland regulations. We will operate a dispensary that will not disrupt or negatively impact the existing community in any way. Strict rules and regulations for both staff and customers, as well as general organizational policies that promote excellent community relations, will ensure that we seamlessly fit into the existing culture, aesthetics, and expectations of our surrounding community. (Evaluation Criteria Final, Page 98)

Good Neighbor Policy: YOLO has a responsibility to be the best neighbors we can be. We fully commit to always being nice, friendly, respectful, and caring of our neighbors. It is important for us to have a great relationship with those in our community, including our neighbors, the city, and law enforcement. We expect our patrons and staff to be courteous and respectful in their interactions with those in our neighborhood. We will communicate the following to our patrons and staff through branded material:

- Be mindful of where you park.
- Always turn down your music and use low voices when entering or leaving the retail area.
- Never park illegally on the streets surrounding the business or in spaces not intended for the business's use.
- If you are having trouble finding appropriate parking, please ask our friendly staff for help.
- We always want you to feel safe at YOLO; if you need an escort to your vehicle, just let our staff know.
- Report any suspicious or illegal activity.

Being a good neighbor will help us to have a good relationship with our community and be able to serve your needs for years to come. (Evaluation Criteria Final, Page 98)

Woodland Chamber of Commerce: As a member of the Chamber that serves each municipality we operate in, YOLO will establish working relationships with Chamber representatives and fellow members. By hosting Chamber "after-hours" events and other Chamber-affiliated programming, YOLO can become actively contributing participants to foster

positive growth in the Woodland business community. We will also have regular open forums where neighbors will be able to express any concerns and ask any questions they may have about our business. (Evaluation Criteria Final, Page 99)

Security Standards: Safety for patrons and the community is a top priority at our cannabis businesses. Well-run cannabis businesses adopt a security culture to ensure safety. Our security standards are a set of practices and strategies that work together to maintain community standards. (Evaluation Criteria Final, Page 99)

To foster the security standards at YOLO, we have appointed owner Chris Hester as the Security Manager. He will report directly to the rest of the Executive team and be responsible for overseeing physical site security, the security and functionality of all equipment, information, and products, and the safety of all personnel. The Security Manager will:

- Scope, assess, develop, direct, and monitor the implementation of security systems.
- Coordinate maintenance and inspections of security equipment.
- Maintain up-to-date and accurate records pertaining to all security measures.
- Train and supervise YOLO's third-party security personnel.
- Maintain a safe and secure environment for staff and customers by monitoring the premises and personnel, assessing threats, and responding to any issues appropriately.
- Oversee all activities related to the availability, integrity, privacy, and security of customer, employee, and business information.

Security Culture:

- Employing professional, trained security personnel.
- Staying alert to detect problems before they occur.
- Mitigating the traffic should it occur.
- Educating patrons to ensure they know the rules.
- Implementing policies to prevent diversion.
- Restricting access to the facility to authorized persons.
- Using appropriate security technology and equipment to monitor and secure the facility.
- Maintaining communication with local law enforcement.
- Training staff to prevent and respond to emergencies.
- Yearly safety and security staff training from local police and fire departments.
- Educating staff and members as to their rights and responsibilities under the law.

Individually, these elements help make a business safer. Taken together, they provide a comprehensive safety strategy that makes a well-run business one of the best and most secure neighbors in any given community. Our plan for comprehensive security and careful customer screening serves to protect neighborhoods from crime in general. (Evaluation Criteria Final, Page 99-100)

Anticipated Impact on Local Services: We do not anticipate that our business will require services or resources from local law enforcement, fire, or medical emergency services that exceed the needs of any other licensed business in the Woodland community. Our facility will

surpass expectations for security. We anticipate that our security presence and the cleaning up of the area around our facility will reduce the need for local police and public safety services by deterring bad behaviors before they happen. We look forward to improving the area through providing security and resources for the improvement of the surrounding business community. (Evaluation Criteria Final, Page 100)

Conclusion: Yolo Cannabis Club is committed to ensuring that our operations do not negatively impact the Woodland community. By implementing comprehensive nuisance prevention measures, we aim to create a safe, secure, and harmonious environment for our neighbors. Our dedication to community engagement, compliance, and responsible business practices will ensure that Yolo Cannabis Club is a valued and respected member of the Woodland community.

Community Outreach & Engagement

Community Outreach and Engagement: Yolo Cannabis Club is committed to ongoing engagement with the Woodland community. Our outreach strategy includes:

- **Community Liaison:** YOLO appointed the Community Liaison, Woodland resident Joe Romero, to serve as YOLO's primary point of contact for all matters related to community engagement, including preventative and proactive complaint response. The dispensary's community relations phone number and email address – each of which forwards directly to Joe Romero's phone and email – will be visible on YOLO's website, in all neighborhood-related communications, on the exterior of the dispensary's front door, and in all other places required by the City Manager and/or by the law. Joe Romero will check email and voicemail at least twice a day to ensure receipt of any comments or complaints from the community and will promptly respond to those comments within 24-48 business hours (Neighborhood Compatibility Plan, Page 94) YOLO also appointed an Alternate Community Relations Contact, General Manager Phong Tran, to ensure seamless communication and rapid response in the event Joe Romero is unavailable. (Neighborhood Compatibility Plan, Page 94)
- **Regular Meetings:** We will host regular community meetings to update residents and businesses on our operations, listen to feedback, and discuss any concerns. These meetings will provide a platform for transparent communication and collaboration. (Neighborhood Compatibility Plan, Page 95-96)
- **Communication Channels:** Multiple communication channels, including a dedicated hotline, email address, and social media accounts, will be established to facilitate easy and open communication with the community. (Neighborhood Compatibility Plan, Page 95)
- **Public Reports:** We will provide regular reports on our community benefit activities, compliance with regulations, and any changes in operations. These reports will be available on our website and at our community meetings. (Neighborhood Compatibility Plan, Page 95)

Managing Community Complaints: We have developed a structured process for managing and responding to community complaints: (Neighborhood Compatibility Plan, Page 94-95; Business Plan Page 43)

- **Complaint Intake:** All complaints will be documented, whether received through our hotline, email, social media, or in person. The community liaison will ensure all complaints are logged and tracked.
- **Investigation and Response:** Each complaint will be investigated promptly. The community liaison will coordinate with relevant departments to address the issue and implement corrective actions if necessary.
- **Follow-Up:** After addressing a complaint, we will follow up with the complainant to ensure their concerns have been resolved satisfactorily. This follow-up will be documented to maintain accountability.

Community Benefits and Contributions: Yolo Cannabis Club is dedicated to making meaningful contributions to the Woodland community. Our initiatives include:

- **Volunteer Services and Donations:** Actively participating in community service projects and providing financial support to local non-profits and community organizations. (Community Benefit Plan, Pages 111-112)
- **Educational Programs:** Hosting workshops and seminars on cannabis safety, usage, and benefits to educate the community. (Community Benefit Plan, Pages 109-110)
- **Economic Support:** Prioritizing local hiring and sourcing products and services from local businesses to boost the local economy. (Community Benefit Plan, Pages 105-106)

Emergency Preparedness: We will work closely with local law enforcement and emergency services to ensure our operations are prepared for emergencies. This includes:

- **Security Measures:** Implementing comprehensive security protocols to prevent and respond to incidents. (Security Plan)
- **Emergency Drills:** Conducting regular emergency drills with our staff to ensure they are prepared to respond to various emergency scenarios. (Security Plan, Page 3)
- **Collaboration with Authorities:** Maintaining open lines of communication with local authorities to coordinate emergency response efforts and share information about our security measures. (Security Plan, Page 12)

Environmental Responsibility: Our commitment to environmental sustainability includes:

- **Energy Efficiency:** Implementing energy-efficient practices and technologies to minimize our environmental footprint. (Energy Efficiency Plan)
- **Waste Management:** Adopting comprehensive recycling and waste reduction programs to minimize our impact on the local environment. (Business Plan, Page 31-35)

Conclusion: The Community Relations and Neighborhood Compatibility Plan for Yolo Cannabis Club demonstrates our commitment to being a responsible and considerate neighbor. By implementing measures to prevent nuisances, engaging proactively with the community, managing complaints effectively, and contributing to local initiatives, we aim to ensure a positive and harmonious relationship with the Woodland community. Our dedication to transparency, sustainability, and community involvement underscores our mission to operate as a trusted and valued member of the neighborhood.

ODOR CONTROL PLAN

AIR QUALITY / ODOR CONTROL

YOLO understands the importance of controlling odors that could emanate from the dispensary, potentially impacting neighboring businesses or the surrounding residents and community. To prevent this, YOLO has developed SOPs in compliance with WMC § 5.28.180(5) and will implement a comprehensive Air Filtration and Odor Mitigation Plan, which includes the use of technology to control and neutralize odor and mitigation best practices, summarized herein. The dispensary will feature an activated carbon air filtration system for effective mitigation of discernable odors emitted during the normal course of operations. YOLO will also ensure the system creates negative air pressure between the commercial cannabis businesses interior and exterior so that the odors generated inside the commercial cannabis business are not detectable on the outside of the commercial cannabis business. As such, this system will be designed to control and prevent the emission of odors beyond the interior of the dispensary.

IDENTIFICATION OF POTENTIAL ODOR SOURCES

Cannabis Products: Any cannabis product stored in the dispensary can contribute to a perceived nuisance odor when it is exposed to air. Cannabis products may have their containers opened any time a customer requests to see a sample when in the Sales Area, if products are being reconciled and audited and need to be weighed, or if the Inventory Manager is verifying product integrity by way of visual inspection. All of these instances will only be performed within the confines of the dispensary premises, and YOLO is confident the Odor Control Plan described within this section will be adequate to stymie odor.

Cannabis Waste: YOLO recognizes cannabis waste destruction and disposal events may generate nuisance cannabis odor. When cannabis goods are removed from their packaging or containers just before being rendered unusable, there is an opportunity for odor to emit into the dispensary. Once removed from its package, the cannabis is ground down into smaller pieces, agitating the product, which may further create odors that are considered a nuisance. Finally, odors can occur when the mixed waste is added to a secure receptacle prior to being hauled away. In an effort to mitigate odor from all three (3) stages of the destruction process, and as described below in greater detail, cannabis goods will only be removed from packaging and ground in a separate Waste Destruction Area. During this process, the doors will be closed to prevent odor from escaping and to enable the odor control devices operating in the facility to remove any odors from the air. Once a final waste mixture is ready for disposal, it will be sealed in an odor-limiting trash bag and locked in a secure receptacle, which has been proven to effectively stop odor from emanating from the receptacle.

ODOR CONTROL DEVICES AND TECHNIQUES

YOLO will design the retail space with dedicated entry and exit points to the facility. This will not only help prevent diversion between visitors to the dispensary; but will additionally allow us to control the airstreams flowing out of the dispensary. The atmosphere in the vestibule spaces will

be scrubbed at a rate of once every three to five minutes to ensure that no marijuana odors escape the facility and are detectable outside the proposed facility. The facility will be equipped with state-of-the-art scrubbing and carbon filtering air circulation and ventilation system to minimize odor. Any odors emitted by the cannabis inside the facility will be eliminated prior to being exhausted from the building by this system. Odor shall not be detectable from the building exterior, or from the common areas such as walkways, hallways, foyers, and lobby areas.

Odor Control Devices

After careful analysis of Odor Control Plans and equipment implemented successfully in similar facilities across California, YOLO identified the M130 Vapor Phase Unit (M130 Unit) from OMI Industries, which, when used in combination with the Fresh Wave® IAQ odor eliminating solution, provides an effective means to eliminate odors within the facility and prevent its escape to the surrounding area. These odor control devices, when implemented and used with proper techniques, will ensure that odors from cannabis are not detectable beyond the licensed premises and are minimal within the premises.

The M130 Unit is a cost-effective, safe application to eliminate odors, which is achieved at the molecular level. The M130 Unit disburses sub-micron molecules of the odor eliminating solution into the surrounding air which allows the droplets to make contact with larger surface areas, effectively decreasing odors in the air, on furniture, and on other facility surfaces. The selected unit is commonly used in commercial applications to remove the toughest odors from smoke and soot to chemicals and fuel-related odors. The odor eliminating solution is environmentally friendly and contains no harmful volatile organic compounds (VOCs), alcohol or fragrances, earning it the Environmental Protection Agency's Safer Choice recognition. Since this unit has such a proven, successful track record and because the technology prioritizes the safety of customers and employees, YOLO is confident in the M130's ability to eliminate odors emanating from the facility.



YOLO will install an exhaust air filtration system utilizing High-Efficiency Particulate Air (HEPA) filters proven to filter at least 99.97% of all airborne particles as small as .3 microns, in combination with replaceable activated carbon filters for effective odor control. Should any lingering odors remain in the facility that are not scrubbed by the M130 Unit, this filtration system will serve as a final layer of protection and remove those odors and any airborne pollutants. This equipment will also create a negative air pressure system by coordinating the intake and exhaust systems accordingly.

Odor Mitigation & Filtration

While a dispensary may not emit as much odor as other cannabis businesses such as a cultivation or processing facility, mechanical intervention is necessary to mitigate odors and purify the air in order to prevent harmful pathogens. In accordance with the municipal regulation governing odor mitigation and air filtration, YOLO dispensary will be equipped with an activated carbon filtration system that will purify air and control odor emitted from general business operations. Odors will not be detected outside the building, from public rights-of-way, or on adjacent properties.

The main component of the air filtration and odor mitigation system is the configuration of a highly efficient activated carbon filtration system that works in conjunction with a highly efficient HVAC network. Activated carbon filtration is used to remove impurities from the air, which includes airborne molecules that produce odor. HVAC duct work will be strategically placed to direct air

flow to the activated carbon filters in order to purify the air and mitigate odor within the center. Adequate air movement and proper filtration will also mitigate the risk of pathogen development and fungal growth, such as mold and mildew.

YOLO is also ready to employ, if necessary, SAGE Industrial Corporation's air purification system (Oxyion) for the continuous reduction of odor. Oxyion is approved and registered with the National Organic Program for use in organic agriculture. The air purification system provides odor control without chemical additives. The air purification system results in a significant reduction in the odor associated with cannabis. YOLO may also utilize Benzaco Scientific's technology, if necessary, which includes deploying Odor- Armor 420 into the air to intercept and treat any odors on the exterior of the building. Odor- Armor 420 is an odor neutralizer that chemically eliminates odors. Instead of acting as a masking agent that simply overpowers the odor by adding a different odor, it eliminates odor.

Operating Techniques

Employees at the dispensary will be trained to recognize and address any actions that may increase the emission of odor within the facility including ensuring that points of ingress or egress remain securely closed when not in use. Doors shall not be propped open, and secured doors are not only vital for maintaining a secure, limited- and restricted-access facility, but also as a means of controlling the spread and permeation of odor. Upholding the maintenance of all air filtration and odor mitigation units, especially conducting filter changes, will greatly improve the efficacy of the system. Dispensary employees will be thoroughly instructed on the operational standards and maintenance needs of the air filtration and odor mitigation components. Per a predetermined maintenance schedule, and as needed after events that would warrant this action, all components of the air filtration and odor mitigation units will be cleaned and sanitized. At this time, filters used throughout the system will be observed for efficiency and cleanliness. The carbon filters will be changed in accordance with the manufacturer's instructions, and a log will be kept detailing the maintenance completed on each component.

Odor Monitoring: The manager on duty shall assess the on-site and off-site odors daily for the potential release of objectionable odors. The manager on duty shall be responsible for assessing and documenting odor impacts on a daily basis.

Odor Mitigation: Should we receive notice that odor can be detected outside the facility we will take the following actions immediately: Investigate the source of the odor; Utilize on site management practices to resolve the odor issue; Take steps to reduce the source of objectionable odors; and, Document the event for further operational review. If employees are not able to take steps to reduce the odor-generating source, they will immediately notify the Retail Manager, who will then notify the Security and Facilities Directors. All communication shall be documented, and the team shall create a proper solution, if applicable. If necessary, we will retain an engineer to review the problem and make recommendations for corrective action.

Addressing Complaints

YOLO is invested in becoming a compatible and welcomed member of the surrounding neighborhood and the city of Woodland. In the interest of fostering great relationships with neighbors and the community, YOLO will implement an anonymous comment system whereby individuals can share their questions or concerns directly with dispensary management. If a complaint is received regarding the emission or detection of odor, YOLO will immediately assess, address, and respond to the complaint.

Sanitation and Maintenance

A clean and orderly dispensary will be maintained to preserve aesthetics and prevent pests and other sources of contamination. Countertops will be cleaned, and floors swept daily, with a deep clean and sterilization of the entire dispensary occurring at least once monthly. Points of ingress or egress will be kept securely closed to limit exposure of pests and airborne pathogens within the dispensary. Open points of access not only allow for pest or pathogen contamination, but also pose a security risk. Cannabis and derivative products will be kept in closed, secure containers within secure storage or the sales floor, mitigating open exposure which may attract pests or allow for contamination.

Employees will adhere to strict sanitary procedures and personal hygienic practices, including cleaning their shoes upon entering the dispensary, which helps prevent the transfer of pests or debris. Waste or open and exposed food will be contained to designated areas with a conscious effort by employees to restrict the introduction of pests or pathogen development. Open food and liquid containers will be prohibited in areas outside of the designated break room. Cabinets, refrigerators, and microwaves will be cleaned weekly to prevent against food spoilage or pest attraction to exposed food and food waste. Food waste and other debris will be collected at the end of each day and locked in waste disposal bins away from product storage or display areas. Waste in the distinguished bins will be removed often to deter settlement of pests, pathogens, or odor. To accommodate and sustain operational efficacy, the plumbing and electrical systems will comply with state and local regulations and be maintained in proper working order.

Summary. Through the implementation of a highly secure and compartmentalized dispensary design, YOLO will be able to adequately control the odor emitted during general business operations. Securely closing doors and points of ingress will manage the spread and permeation of odor, reduce contamination, and maintain the negative air pressure needed to control the flow of odor molecules. Plant material and product containment will naturally mitigate odor by reducing the amount of exposed cannabis within the dispensary. Well-maintained equipment in the form of activated carbon filtration and strategically placed HVAC components will act as mechanical intervention in the process of mitigating odors. As a final measure, YOLO will continue to assess odor emissions and analyze the efficacy of the odor mitigation efforts, ensuring that cannabis odor does not extend beyond the interior of the dispensary.



TO: THE MEMBERS OF THE PLANNING COMMISSION
AGENDA: Planning Commission Meeting
DATE: September 19, 2024
ITEM #: I.5
SUBJECT: Election of Officers for Chair and Vice-Chair of the Planning Commission

Recommendation for Action: Staff recommends that the Planning Commission: (1) hold elections; and (2) select and vote among current membership, the appointments of Chair and Vice-Chair of the Planning Commission.

Staff Contact:

Erika Bumgardner, Deputy Community Development Director, (530) 661-5886,
erika.bumgardner@cityofwoodland.gov

Discussion:

The positions of Chair and Vice-Chair are to be elected annually at the first meeting in September, as stated in the Planning Commission Rules and Regulations, Section IV (Attachment 1).

Conclusion:

Staff recommends that the Planning Commission: (1) hold elections; and (2) select and vote among current membership, the appointments of Chair and Vice-Chair of the Planning Commission.

Attachments:

1. Planning Commission Rules and Regulations

**CITY OF WOODLAND
PLANNING COMMISSION
RULES AND REGULATIONS
(Modified September 3, 2009)**

I. DUTIES AND RESPONSIBILITIES

The duties of the Planning Commission shall be those prescribed by the Government Code of the State of California and Ordinances adopted by the City. The Commission shall have the following functions:

- 101. Planning for the physical development of the City.
- 102. Maintaining the General Plan.
- 103. Maintaining the Subdivision and Zoning Ordinances.
- 104. Approving tentative subdivision maps.
- 105. Recommending amendments to the General Plan to the City Council.
- 107. Acting on other planning requests such as conditional use permits, variances, etc.
- 108. Administering the California Environmental Quality Act (CEQA).

II. MEMBERSHIP

- 201. The Commission, as provided by ordinance, shall be composed of seven (7) members, not officials of the City, appointed by the Mayor, with approval of the Council, to serve staggered terms, said terms to be determined by the City Council.
- 202. The Commission members shall serve the City as a whole, shall represent no special group or interest and they shall publicly state when they are interested in a matter before the Commission and, therefore, disqualify themselves from voting.

III. TERM AND CONDUCT

- 301. The term of appointment of any member of the Planning Commission who has been absent with unexcused absences from either three (3) consecutive regular or special meetings, or who has missed more than four (4) of the meetings in a 12-month period, shall automatically terminate. "Unexcused absence" shall mean a absence which was not a subject of a request by the appointee which, prior to such absence, has been approved by the majority vote of such board, commission or committee. Other acceptable cause for absence may include the following: personal or family illness, vacations, occasional business obligations, military leave or the loss of a loved one. If an absence will be unavoidable, a Commissioner should leave word with the Community Development Department no later than 12:00 PM on the day of the scheduled meeting.

It is also expected that Planning Commission members will be on time for meetings.

It is recommended that Commission members are ready a minimum of five minutes prior to the meeting time.

The Planning Commission conducts the business of the City with regard to land use and Zoning matters and as an advisory agency to the City Council. Actions of the Commission can have an impact on the City as well as on those coming before this body for review and determination. It is necessary for meetings to be conducted in a timely and efficient manner.

IV. OFFICERS

- 401. The officers of the Commission shall consist of a Chairperson and Vice-Chairperson. The Chairperson and Vice-Chairperson shall be elected annually at the first meeting in September by a majority of the Commission.
- 402. The Chairperson and Vice-Chairperson shall hold their respective offices until the next annual meeting after election and until their successors are elected. Their terms of office are limited to two (2) consecutive years.
- 403. Vacancies in the office of Chairperson and Vice-Chairperson shall be filled from the membership of the Commission by an election held at any meeting.

V. DUTIES OF OFFICERS

- 501. The Chairperson shall preside at all meetings. He or she shall appoint all standing committees each year following the election of officers and such special committees as from time to time may be authorized by the Commission. He or she may present to the Commission such matters as in his or her judgment require attention; and he or she need not vacate his or her chair for the purpose of actively discussing (as a member of the Commission) an item on the agenda or a subject for review, discussion and recommendation by the Commission.
- 502. The Chairperson (and the Commission) shall be guided by the Roberts Rules of Order, latest revision, on all questions of procedure and parliamentary law not covered by these rules and regulations.
- 503. At the request of any member of the Commission, the Chairperson shall direct that a written record be made and entered on any questions before the Commission.
- 504. The Chairperson shall exercise firm control and direction during the course of any Commission meeting or hearing. (No member of the Commission or of the general public shall address the Commission until recognized by the Chairperson.)
- 505. The Community Development Director shall exercise general supervision over the business papers and property of the Commission.
- 506. On the absence of the Chairperson, the Vice-Chairperson shall perform all duties of the Chairperson.
- 507. The Commission shall elect a temporary Chairperson from the members present in the event that both the Chairperson and Vice-Chairperson are absent.
- 508. The Commission may designate any of its members to represent its views with respect

to a particular issue. Without such authorization, however, the Commission shall be represented by the Chairperson or Vice-Chairperson. Individual members of the Commission should refrain from appearing before the City Council or other bodies interested in issues before the Planning Commission to discuss issues within the subject matter jurisdiction of the Commission.

VI. DUTIES OF STAFF

601. The Community Development Director shall keep a true and complete public record of the resolutions, transactions, findings, and determinations of the Commission, and with approval of the Commission, may delegate certain duties of his or her office to a Recording Secretary.
602. The Community Development Director shall attest all resolution executed by the Chairperson on behalf of the Commission.
603. The Community Development Director shall keep a permanent record of the meeting of the Commission and shall cause to be made such public notices as required and in the manner prescribed by statute, ordinance, or these rules, and to attend to all official correspondence of the Commission. He or she shall provide reports on subdivision plats, zoning changes, variances, and other planning and zoning matters. He or she shall submit reports on planning studies, general or master plan studies, progress reports on the work of the Planning Commission and on any other matters vital to the efficient and expeditious operation of the Planning Commission.
604. On their appointment to the Commission, new members shall be briefed by the Community Development Director on the general scope of City and regional planning and on the duties of the Commission.
605. The Community Development Director shall prepare for the Commission all letters of transmittal to the City Council relative to zoning changes, special permits and subdivision maps. All letters to the Council shall be signed by the Community Development Director.
606. Copies of Commission minutes, resolutions, and all recommendations required to the City Council shall be sent to the City Clerk by the Community Development Director for distribution to individual Council members.

VII. MEETINGS

701. Regular meetings of the Commission shall be held on the first and third Thursday of every month at 7:00 p.m. in the Council Chambers of the City of Woodland, provided, however, the City Planning Commission may adjourn to any other location within the City. On such adjournment, the Community Development Director shall cause to be posted on the main door of the City Hall a notice of the other location and the time of the meeting.
 - a. In order to assure the efficient use of time for scheduled meetings the Planning Commission will not commence the hearing of any item, whether scheduled for the agenda or not, after 10:30 p.m. unless a majority vote of the Commission agrees to extend the meeting. Further, The Chairperson shall have the authority to limit a presentation before the Planning Commission to not more than five

(5) minutes when, in the judgment of the Chairperson, a prolonged presentation fails to serve the public interest and would result in an unnecessary expenditure of time.

702. Special meetings may be called by the Chairperson or a majority of the members by delivering personally or by mail written notice of each member and to each local newspaper of general circulation, radio, or television station requesting such notice in writing. Such notice must be delivered personally or by mail at least seventy-two (72) hours before the time of such meeting as specified in the notice.

703. No business shall be transacted at any special meeting other than that named for consideration in said notice.

704. The Commission may adjourn from time to time, absentees being notified, and in case there shall be no quorum present at any meeting, the Commissioners present will adjourn from time to time until a quorum is obtained or will adjourn said meeting.

705. A quorum of the Commission shall consist of four (4) voting members. The affirmative vote of a majority of the members present and not disqualified as provided in Section 202 is required to approve and to transmit advice and recommendations to the City Council on planning matters and to approve any request or action within the power and scope of the Planning Commission excepting as set forth in Section 1101 herein.

706. The Chairperson shall have the same voting privilege as any other member including the right to make motions and to second motions.

707. An agenda shall be prepared by the Community Development Director for each regular meeting of the Commission, and the mailing of the agenda shall serve as notification of the meeting. A copy of same shall be sent by the Community Development Director to all members of the Commission in advance of each meeting.

708. The agenda for each meeting shall contain only those items which have been submitted to the Community Development Director in sufficient time for review, analysis, referrals to other interested departments, or public bodies and preparation of necessary reports.

- a. The Community Development Director shall have the authority to withhold from an agenda or to remove from a tentative agenda any item which is not complete and sufficient for Planning Commission action or any item which has been revised subsequent to the initial filing and has not received adequate time for a comprehensive review by responsible staff agencies.

VIII. OFFICIAL RECORDS

801. The official records shall include these rules and regulations and the minutes of the meetings of the Commission together with all resolutions adopted, findings, decisions, and other official action.

802. The official records shall be on file in the Community Development Director's office and shall be open to public inspection during customary working hours.

803. The Commission shall keep minutes of its proceedings which shall show the vote on every question on which it Acts. Roll call vote may be requested by any member of the Commission, or at the discretion of the Chairperson.

804. A copy of these rules and regulations and all amendments thereto shall be placed on permanent file in the office of the City Clerk within ten (10) days of adoption.

IX. ORDER OF BUSINESS

901. The Commission shall consider matters before it at its regular meetings according to the following schedule.

1. Calling the roll.
2. Approval of Minutes.
3. Director's Report.
4. Public Comment on non agenda items.
5. Items for Commission consideration with public comment.
6. Motion to adjourn.

X. COMMITTEES

1001. Committees shall aid the Commission in the review and disposition of Commission business within their assigned areas of responsibility.

1002. Special committees shall be appointed only to handle matters not otherwise assignable to a standing committee.

XI. POLICIES AND SUPPLEMENTAL PROCEDURES

1101. All matters of policy affecting the Commission shall be decided at regular meetings or at special meetings called for that purpose.

1102. Supplemental policies, rules, and procedures may be adopted in the same manner as provided for amendments to these rules and regulations.

XII. AMENDMENTS

1201. Amendments to these rules and regulations may be made by the Commission at any regular meeting or special meeting called for that purpose upon the affirmative vote of at least four (4) members, provided such amendment is proposed at a preceding meeting, and that all members have been formally notified thereof.

XIII. ADOPTION

1301. All other by-laws and regulations pertaining to the transaction of business are hereby repealed and these rules and regulations shall be in effect immediately upon adoption.

1302. Nothing in these rules and regulations shall be construed to overrule State or City laws and regulations.

N/COMSHARE/AGENDAPC/PCADMIN/PC RULES AND REGULATIONS



TO: THE MEMBERS OF THE PLANNING COMMISSION
AGENDA: Planning Commission Meeting
DATE: September 19, 2024
ITEM #: I.6
SUBJECT: Appointment of Two Members to the Undergrounding Committee

Recommendation for Action: Staff recommends that the Planning Commission appoint two commissioners to the Undergrounding Committee.

Staff Contact:

Richard Perry, Management Analyst, (530) 661-5903, richard.perry@cityofwoodland.gov
Brent Meyer, Community Development Director, (530) 661-5947, brent.meyer@cityofwoodland.gov

Background:

The Undergrounding Committee is a board consisting of eight representatives from PG&E, AT&T, and various internal city staff including two Planning Commission members. This committee meets to weigh-in on and recommend for action, the creation of new undergrounding districts within the City. Per City Code §2.28.050, "The committee shall seek to obtain funds and to develop programs for the undergrounding of electric utilities."

In coordination with PG&E, the City has accrued 2,068,161 work credits eligible to be applied towards a new undergrounding district project. Yolo County currently has a balance of 1,925,129 work credits that may be eligible to be reallocated to the City. PG&E currently estimates one mile of undergrounding can be completed for approximately \$3,000,000. These credits will be reallocated to other communities if City Council has not taken action to form an active Undergrounding District by December 8th, 2024.

Since the formation of the last Undergrounding Committee in 2006, new members have not been appointed to represent the Planning Commission on the current Undergrounding Committee. To fill these vacancies, Staff asks the Planning Commission to appoint two new members to serve an indefinite term on the Undergrounding Committee.

Attachment 1 shows the proposed area of the new Undergrounding District, "East St. Undergrounding District."

Conclusion:

Staff recommends that the Planning Commission appoint two members to the Undergrounding Committee.

Prepared by: Richard Perry, Management Analyst

Reviewed by: Erika Bumgardner, Deputy Community Development Director

Attachments:

1. Attachment 1-E. St. Undergrounding Map

