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8 CATALYST - FRESNO LLC

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Superior Court of California  
County of Fresno  
By: Jamie Nelson, Deputy

9 SUPERIOR COURT OF THE STATE OF CALIFORNIA

10 FOR THE COUNTY OF FRESNO

11 CATALYST - FRESNO LLC,

12 Petitioner/Plaintiff,

13 vs.

14 CITY OF FRESNO; and DOES 1-50, inclusive,

15 Respondents/Defendants,

16 1261 WISHON OPCO, LLC, a California limited  
17 liability company; TAT FRESNO LLC, a  
18 California limited liability company;  
19 AUTHENTIC 559, LLC, a California limited  
20 liability company; CRESCENT CONQUEST  
21 LLC, a California limited liability company; and  
22 DOES 51-100, inclusive,

23 Real Parties in Interest.

CASE NO. 21CECG03543

**VERIFIED PETITION FOR WRIT OF  
MANDAMUS AND COMPLAINT FOR:**

- (1) PEREMPTORY WRIT OF  
MANDATE PURSUANT TO CCP  
§§1085 AND 1094.5; AND
- (2) INJUNCTIVE RELIEF.

1 Petitioner and Plaintiff CATALYST - FRESNO LLC, d.b.a. Catalyst Highway 99 (“Plaintiff” or  
2 “Catalyst”), by and through its attorneys, hereby complains, alleges, and avers as follows against  
3 Respondents and Defendants the CITY OF FRESNO (“Fresno” or the “City”) and DOES 1-50  
4 (collectively “Respondents”), along with the following Real Parties in Interest whose interest may be  
5 affected by this action and/or the relief sought herein: 1261 WISHON OPCO, LLC (“Wishon”), TAT  
6 FRESNO LLC (“TAT”), AUTHENTIC 559, LLC (“Authentic”), CRESCENT CONQUEST LLC  
7 (“Crescent”), and DOES 51-100.

8 INTRODUCTION

9 1. This action arises out of the City’s Manager’s written determination on or about  
10 September 1, 2021 to deny Catalyst’s application for a preliminary award for a commercial cannabis  
11 retail business permit (“Permit”) in the City purportedly pursuant to the City’s governing ordinance,  
12 Fresno Municipal Code (“FMC”) Chapter 9, Article 33 (“Article 33”), as well as the governing  
13 Application Procedure Guidelines (“Guidelines”) (as revised) promulgated by the City Manager pursuant  
14 to authorization set forth in Article 33. True and correct copies of Article 33 and the Guidelines are  
15 attached hereto as **Exhibits A and B**, respectively.

16 2. Simply put, Catalyst submits it should have been selected for preliminary approval for a  
17 Permit, and that several applicants selected ahead of it in final rankings (including Real Parties) legally  
18 are/were not qualified for preliminary approval, should not have obtain preliminary approval, and/or  
19 should have their applications denied for providing false information — an offense which under Article  
20 33 mandates denial or revocation of their applications/Permits. *See* Article 33 at §9-3316(d).

21 3. Pursuant to both Article 33 and the Guidelines, only a successful applicant, the Mayor of  
22 the City, and/or the City Council Member in whose district the applicant would be located has the right  
23 to appeal from the City Manager’s determination on preliminary Permit approval. *See* FMC §9-3317(c);  
24 Guidelines at 6. As such, Catalyst had and has no right or ability to appeal from the denial of preliminary  
25 approval of its application, the granting of preliminary approval for a Permit by the City Manager, or  
26 final approval of a Permit following an appeal conducted pursuant to Section 9-3317(c). Furthermore,  
27 while Catalyst otherwise might have contacted the City Council member in City Council District 1, the  
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1 district in which it applied, to discuss options or to advocate for its application and to have that member  
2 appeal other preliminarily approved applications in the district, in the present instance Catalyst is  
3 prohibited by the ordinance—under threat of disqualification—from contacting let alone speaking with  
4 any elected official about the application process. *See* MFC §§9-3315(g); Guidelines at 3. As such, this  
5 Petition is the only way Catalyst can obtain a plain, speedy and adequate remedy for its claims herein.

6 **PARTIES AND VENUE**

7 4. Catalyst is and at all relevant times was a California limited liability corporation  
8 authorized to do business in the State of California. Catalyst is the lessee of real property located at 2250  
9 N. Weber Avenue in Fresno, California (the “Catalyst Property”). Catalyst applied for a Permit in the  
10 City, and participated in the City’s Permit application process as set forth in the governing ordinance and  
11 associated City rules and regulations promulgated by the City Manager.

12 5. The City is and at all relevant times was a municipality located within the State of  
13 California, County of Fresno.

14 6. Catalyst is ignorant of the true names and capacities of the Defendants/Respondents sued  
15 herein as DOES 1 through 50, inclusive, and therefore sues such Defendants/Respondents by fictitious  
16 names. Catalyst will amend its claims to allege the true names and capacities of DOES 1-50 when they  
17 have been ascertained. Catalyst is informed and believes, and on that basis, alleges each of the fictitiously  
18 named Defendants/Respondents is responsible in some manner for the acts, omissions, events and  
19 occurrences herein alleged, and that Catalyst’s damages herein alleged were proximately caused in some  
20 way by such DOE Defendants/Respondents.

21 7. Real Parties in Interest Wishon, TAT, Authentic and Crescent all submitted applications  
22 for a Permit in District 1. Following an appeal of the City Manager’s determination to provide  
23 preliminary approval to Wishon and TAT, the Council Member in District 1 appealed the City Manager’s  
24 determination to the City Council. In connection with that appeal, Wishon received preliminary approval  
25 for a Permit, while TAT was denied preliminary approval. As the remaining applicants in District 1,  
26 Catalyst is informed and believes that it, Authentic, and Crescent all are potentially eligible to obtain  
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1 preliminary approval in replacement of TAT. As noted above, they have been included because of the  
2 potential affect this case could have on their applications and the process more generally.

3 8. Jurisdiction and venue are proper in this Court, as the events at issue all occurred in the  
4 City of Fresno, County of Fresno.

5 **FACTS RELEVANT TO ALL CAUSES OF ACTION**

6 9. As noted above, this action arises from the City Manager’s written determination on  
7 September 8, 2021, that he was *not* going to select Catalyst for a preliminary award of a Permit for City  
8 Council District 1. A true and correct copy of the City Manager’s September 8, 2021, determination  
9 letter is attached hereto as **Exhibit C**.

10 **OVERVIEW OF APPLICATION PROCESS**

11 10. Generally, the application process as laid out by Article 33 and Guidelines was as follows.  
12 Applicants were required to submit their applications and all necessary materials to the City by no later  
13 than 4:00 p.m. on December 4, 2020. Guidelines at 5. Once submitted, an applicant was not permitted  
14 to amend or supplement its application, except as provided in the ordinance/Guidelines or as specifically  
15 authorized by the City in writing. *Id.* at 1. In “Phase I,” City staff would review submitted applications  
16 for completeness. *Id.* at 4–5. If an application was missing a “major component,” it was summarily  
17 rejected. *Id.* at 1. Applications missing only “minor components” were notified and the applicant was  
18 given one week to provide the required information necessary to render its application complete. *Id.*

19 11. Applications deemed complete by City staff then advanced to “Phase II,” which is where  
20 the City objectively evaluated the applications and scored and ranked them based on a set of objective  
21 review criteria described in the ordinance and more specifically articulated in the Guidelines. *See* FMC  
22 §9-3316(a); Guidelines at 5, 7–11 (setting out Phase II criteria). Initially only applicants that scored a  
23 minimum of 80% of the total possible points were to advance to Phase III, but during the process the City  
24 Manager amended the Guidelines to remove the 80% minimum requirement and instead permitted the  
25 City (presumably the City Manager) to determine which “top applicants” would advance to Phase III (he  
26 also removed a similar 80% minimum threshold for advancement to Phase IV). *See* Guidelines at 5.

1           12. Phase III consisted of applicant interviews by City staff, wherein applicants were  
2 questioned about aspects of the merit-based criteria referenced in the Guidelines. FMC §9-3316(a),  
3 3317(a); Guidelines at 5, 7-11. Again, following the interviews, the applicants were scored on the stated  
4 objective criteria and ranked, with the top applicants (according to the City) advancing to Phase IV.  
5 Guidelines at 5.

6           13. Notably for purposes of this Petition, one of the objective criteria in both Phase II and  
7 III—criteria that the City suggested in publicly available documents would represent 20% of the  
8 applicant’s score for its Social Policy and Local Enterprise Plan—addressed what is known as “Local  
9 Preference,” where the City in effect gives additional points to applicants who reside in or have  
10 businesses located in the City, and gives (potentially) fewer additional points for applicants who reside  
11 in or own businesses in Fresno County. *See id.* at 8, §2.5; **Exhibit D** (discussing Section 2.5 “Local  
12 Preference” criteria, and indicating Section 2.5 alone “represents 20% of section score,” and that an  
13 applicant also can obtain “partial points” for county as opposed to City of Fresno residence/business).

14           14. In Phase IV, the top applicants in each district were referred to the City Manager, who  
15 then made the final determination as to which applicants would receive Permits – which also is called  
16 “Preliminary Approval” by the City since the City only will actually issue a Permit upon successful  
17 completion of the required background check and the City’s land use permitting process. FMC §§ 9-  
18 3316(j), 9-3317(d); Guidelines at 5. Notably also, the Mayor, the City Council member in the district  
19 where the applicant will be located, and a successful applicant itself, were given the right to appeal the  
20 City Manager’s determination to the City Council, and to have the City Council decide whether the  
21 “appealed” applicant should receive preliminary approval. *See* FMC §9-3317(c); Guidelines at 6.

22           **THE CITY MANAGER’S INITIAL APPROVALS IN CITY COUNCIL DISTRICT 1**

23           15. As noted above, Catalyst applied for a Permit in City Council District 1. Its application  
24 was deemed complete in Phase I, was advanced through Phase II and Phase III as one of the top-5 non-  
25 social equity applicants in City Council District 1, and ultimately advanced to Phase IV, where it was  
26 ranked 4th for non-social equity applicants. As the City approved a social equity applicant for City  
27 Council District 1 via the separate social equity application process, that left two available Permits for  
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1 non-social equity applicants. As such, the City Manager selected the top two ranked applicants for  
2 preliminary Permit approval: (i) Wishon and (ii) TAT. *See Exhibit E* (“Cannabis Retail Permit  
3 Application - Final Scores” in each City Council District).

4 16. As also noted above, there was no mechanism in the ordinance or the Guidelines to permit  
5 Catalyst to appeal or otherwise administratively challenge the City Manager’s determination, or to  
6 advocate for the City Council member in City Council District 1 of the Mayor to appeal from the City  
7 Manager’s determination. *See FMC §9-3317(c)*; Guidelines at 6; *see also Exhibit F*.

8 17. First and foremost, City Manager should have never provided either Wishon or TAT with  
9 preliminary permit approval in the first place because Catalyst contends that both provided false  
10 information to the City in an (apparently successful) attempt to artificially increase their scores and the  
11 City Manager failed to carry out even the most basic investigation of publicly available information with  
12 the California Secretary of State to actually verify the information provided by Wishon and TAT.

13 18. More specifically, in order to obtain the maximum of 80 “local preference points” for its  
14 application (Guidelines §2.5), Wishon represented that Kaycee Auston, a resident of Fresno, is the 51%  
15 owner and CEO of Wishon (*see Exhibit G*)—and thereby received the maximum 80 points available for  
16 City residents/business owners (*see Exhibit H* [Wishon receiving 80 points for City residence/business  
17 of 51% owner, as opposed to 40 points for County, and 20 where no local resident/owner is involved]).  
18 However, in the publicly available and easily reviewable information posted on the California Secretary  
19 of State’s website, Wishon is listed as a single-manager limited liability company with Brandon  
20 Johnson—not Kaycee Auston—as its sole limited liability company manager. *See Exhibits I and J*.  
21 Notably and contrary to readily available public information, Brandon Johnson is *not* listed as Wishon’s  
22 sole limited liability company manager on Wishon’s Permit application. *See Exh. H*.

23 19. Similar to Wishon, in order to obtain the maximum of 80 “local preference points” for its  
24 application (Guidelines §2.5), TAT represented that Lawrence Artenian, a resident of Fresno, is the 51%  
25 owner of TAT (*see Exhibit K*)—and thereby received the maximum 80 points available for City  
26 residents/business owners (*see Exhibit L* [TAT receiving 80 points for City residence/business of 51%  
27 owner, as opposed to 40 points for County, and 20 where no local resident/owner is involved]). However,  
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1 in the publicly available and easily reviewable information posted on the California Secretary of State’s  
2 website, TAT is listed as a multi-manager limited liability company with Avi Kahan, Mitch Kahan,  
3 Courtney Caron, LMA Fresno LLC, and The Artist Tree Holdings LLC—not Lawrence Artenian—as its  
4 limited liability company managers. *See Exhibits M and N.* Notably and contrary to readily available  
5 public information, Courtney Caron, LMA Fresno LLC, and The Artist Tree Holdings LLC are not listed  
6 as owners on TAT’s Permit application. *See Exh. L.*

7         20. While it presently is unclear whether removing the additional 60 points they falsely earned  
8 on their Social Policy and Local Enterprise Plans by using fake local “front men” on their applications  
9 would cause Wishon or TAT’s percentage score to drop below Catalysts in the City Council District 1  
10 ranking, Catalyst believes it might well do so. But more importantly, whether those additional local  
11 preference points ultimately gave Wishon and TAT the edge over Catalyst also is neither necessary nor  
12 even directly relevant, since the provision of false information in the application, *standing alone and*  
13 *regardless of effect*, mandates that the City Manager deny Wishon and TAT’s applications pursuant to  
14 Article 33 and governing Guidelines. FMC §9-3318(a)(7); 9-3316(d) (“If it is later discovered that any  
15 false information was provided by the applicant, the application ***shall be denied***, and if a commercial  
16 cannabis business permit was granted, it shall be revoked with no opportunity for an appeal. [emphasis  
17 added]). Because Wishon and TAT provided false/inaccurate information for the purpose of maximizing  
18 local preference scoring, the City Manager *must*, as a ministerial duty, *deny both* applications.

19         **APPEAL OF THE CITY MANAGER’S APPROVALS IN CITY COUNCIL DISTRICT 1**

20         21. Significantly, however, the City Council member for City Council District 1 appealed the  
21 City Manager’s preliminary approval of Wishon and TAT. During the City Council appeal for those  
22 applicants (and others) held on October 28, 2021, the City Council approved the City Manager’s  
23 preliminary approval of Wishon’s application, but denied the City Manager’s preliminary approval of  
24 TAT’s application—leaving a vacancy in City Council District 1 for another potential permittee. The  
25 only applicant above Catalyst in City Council District 1 ranking is Authentic. *See Exh. E.* For the reasons  
26 set forth below, Authentic legally is not eligible for a Permit, and thus should not, and indeed cannot, be  
27 selected by the City Manager to fill the vacancy created by the City Council’s denial of TAT’s application  
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1 assuming the City Manager carries out even a minimally sufficient investigation of publicly available  
2 information to actually verify the accuracy of the information provided by Authentic.

3 22. To begin, in its application, Authentic listed Brian Mitchell (also “Mitchell”) as an owner  
4 and its co-CEO. *See Exhibit O*; *see also Exhibit P* (Statement of Information listing Mitchell as its  
5 Manager; Application listing Mitchell as Owner and as the primary contact for Authentic); **Exhibit Q**  
6 (Articles of Organization listing Authentic 559 LLC as a single manager LLC). However, in or around  
7 September 21, 2021, Mr. Mitchell resigned as CEO of Shryne Group, the entity behind Authentic, and  
8 on November 2, 2021, Authentic *amended* its Statement of Information (“SOI”) to remove Mitchell as  
9 the listed manager for the entity and to replace him with “SGI Management LLC” as the new entity  
10 manager. **Exhibit R**. Upon information and belief, Catalyst contends that Mitchell resigned from Shryne  
11 Group and all of its subsidiary entities, including Authentic, because he learned he would be indicted on  
12 criminal fraud charges, which he was on or around September 28, 2021. In short, he resigned and was  
13 taken off all of the Shryne Group entities to protect its existing and potential licenses from being affected  
14 by a criminal conviction or plea bargain for fraud, which might then trigger cancellation or revocation of  
15 such licenses.

16 23. The salient point is not *why* Mitchell was removed as the Manager for Authentic, but  
17 rather the fact he was removed and purportedly replaced by an entity that has not been disclosed to the  
18 City and was not included in Authentic’s application submission. Specifically, the ordinance requires  
19 that all owners be listed – including individuals who will be participating in the direction, control, or  
20 management of the applicant. *See FMC §§9-3304* at “Owner”; *id.* at “Applicant” (defining an owner  
21 applying for license). Notably and contrary to readily available public information, SGI Management  
22 LLC is not listed as owners on Authentic’s Permit application. *See Exh. O*. So now, according to its  
23 own SOI, Authentic has materially changed its management and ownership, and has removed an  
24 individual in control of the entity’s management and purported to replace him *after the fact* with an entity,  
25 not an individual. This violates the Guideline’s prohibition on amendment or supplementation of  
26 applications. Guidelines at 1. Further, and equally as important, the purported change constitutes a  
27 change of ownership of Authentic, which is not permitted prior to Permit issuance and cannot be sought  
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1 until Permit renewal one year after Permit issuance. FMC §§9-3318(a)(7); 9-3318(c); 9-3325(a)(1)  
2 (change of ownership “shall only be considered at the same time as a renewal application and with the  
3 filing requirements as stated in section 9-3322”; requiring that such changes be submitted via  
4 reapplication).<sup>1</sup>

5 24. Catalyst is informed and believes Authentic has not reapplied based on its change of  
6 managers/owners, and also has not informed the City of Mitchell’s departure or its new manager, as  
7 required (and note the new manager has not completed a background check). These violations mandate  
8 Authentic’s application be denied. FMC §9-3318(a)(7); Guidelines at 1 (no amendments or  
9 supplementation permitted after December 4, 2020); Guidelines at 3 (each owner, operator, investor or  
10 manager must undergo background check). Further, Mitchell’s departure and the change of  
11 management/ownership is a material change that has not been addressed by the City, which is significant  
12 here because large portions of the City’s assessment of Authentic’s application was predicated at least in  
13 part on the experience, qualifications, education, and skill of Mitchell operating and managing cannabis  
14 businesses. *See* Guidelines at 5 (business plan worth 300 points); Guidelines 7-11 at §§1.1 (resume and  
15 qualifications of owners); **Exhibit S** (application scoring based on highest individual owner).

16 25. Second, Authentic’s application must be rejected because Catalyst contends it also  
17 provided false information to the City in order to artificially increase its score. More specifically, in  
18 order to obtain the maximum of 80 “local preference points” for its application (Guidelines §2.5),  
19 Authentic represented that Matthew Garza, a resident of Clovis and (apparently) a businessowner in  
20 Fresno as of March 2020, is the 51% owner and co-CEO of Authentic (*see* Exh. O)—and thereby received  
21 the maximum 80 points available for City residents/business owners (*see* **Exhibit T** [Authentic receiving  
22 80 points for City residence/business of 51% owner, as opposed to 40 points for County, and 20 where  
23 no local resident/owner is involved]). However, in the publicly available and easily reviewable  
24 information posted on the California Secretary of State’s website, Authentic is listed as a single-manager  
25 limited liability company with first Mitchell and then SGI Management LLC—not Matthew Garza—as

26 \_\_\_\_\_  
27 <sup>1</sup> The Ordinance also requires changes *other than* changes in ownership or location to submitted to the City  
28 via updated registration within 15 days. FMC §9-3325(b). Based on the more than one month delay in updating  
its SOI to remove Mitchell and add SGI Management LLC, Catalyst is informed and believed that Authentic also  
has violated the update requirements of FMC §3325(b).

1 its sole limited liability company manager. *See* Exhs. P, Q, and R. In other words, Catalyst believes that  
2 despite what was submitted, Matthew Garza in fact did not have majority control of Authentic, as alleged  
3 in the application, and that Mitchell/Shryne Group at all times maintained operational control if not  
4 majority ownership over Authentic, while falsely claiming Garza was the 51% owner entitled to  
5 maximum local preference points.

6 26. While it presently is unclear whether removing the additional 60 points Authentic falsely  
7 earned on its Social Policy and Local Enterprise Plan by using Matthew Garza as a fake “front man” on  
8 its application would cause Authentic’s percentage score to drop below Catalysts in the City Council  
9 District 1 ranking, Catalyst believes it might well do so. But more importantly, whether those additional  
10 local preference points ultimately gave Authentic the edge over Catalyst also is neither necessary nor  
11 directly relevant, since the provision of false information in its application, *standing alone and regardless*  
12 *of effect*, mandates that the City Manager deny Authentic’s application pursuant to Article 33 and  
13 governing Guidelines. FMC §9-3318(a)(7); 9-3316(d(“If it is later discovered that any false information  
14 was provided by the applicant, the application ***shall be denied***, and if a commercial cannabis business  
15 permit was granted, it shall be revoked with no opportunity for an appeal. [emphasis added]). Because  
16 Authentic provided false or inaccurate information for the purpose of maximizing local preference  
17 scoring, the City Manager *must* as a ministerial duty *deny* Authentic’s application.

#### 18 **THE CITY MANAGER’S UNFETTERED DISCRETION**

19 27. As demonstrated above, had the City Manager simply complied with his ministerial  
20 duties under Article 33 and governing Guidelines, the City Manager would have denied, and was required  
21 to deny, Wishon’s, TAT’s, and Authentic’s Permit applications and thereafter selected Catalyst for  
22 preliminary approval from the outset as the top-ranking applicant with an actually qualified application.

23 28. As further demonstrated above, now that City Council has denied TAT’s application  
24 leaving a vacancy in City Council District 1 for another potential permittee, if the City Manager were to  
25 simply comply with his ministerial duties under Article 33 and governing Guidelines, the City Manager  
26 would be required to select Catalyst for preliminary approval as the top-ranking District 1 applicant.



1 petitioning the Council Members in the districts in which they applied to support their applications, to  
2 appeal applicants selected by the City, or (in this case) lobbying or otherwise advocating for their  
3 selection once a Permit “slot” opened up. Simply put, the entire overall structure of the ordinance and  
4 Guidelines, which prohibited applicants from their fundamental rights to petition City officials and  
5 advocate with them for their positions and policies, was and is unconstitutional. While Catalyst  
6 suspects that the City will claim such provisions were inserted to protect against corruption or undue  
7 influence in the application process, the stubborn fact is and remains that such motivations (assuming  
8 those are the City’s motivations) do not and legally cannot trump or supersede the right to legitimately  
9 petition government officials on matters of public and private interest. By banning all petitioning  
10 activity upon penalty of disqualification, the City violated the State and Federal Constitution, including  
11 but not limited to the First Amendment.

12 35. There is no plain, speedy or adequate remedy in the ordinary course of law available to  
13 Catalyst; and it has a substantial and direct beneficial interest in enforcing Respondents ministerial  
14 duties and/or correcting their abuses of discretion vis-à-vis the permit application process, as that  
15 process resulted in it improperly being denied preliminary approval to which it otherwise should have  
16 been entitled, and Catalyst legally is entitled to compel Respondents’ performance of ministerial duties  
17 and/or the proper exercise of discretion under the correct legal interpretation of the FMC.

18 36. There are no applicable administrative appeal procedures for Catalyst to exhaust vis-à-  
19 vis the denial of its permit application. As such, Catalyst has been left with no choice but to seek  
20 redress via this Petition.

21 **SECOND CAUSE OF ACTION**  
22 **INJUNCTIVE RELIEF**  
23 **(AGAINST ALL DEFENDANTS)**

24 37. Connected incorporates as though set forth herein in full the allegations contained in  
25 Paragraphs 1-36 above.

26 38. Catalyst seeks an injunction: (a) requiring Respondents to deny/revoke any preliminary  
27 approval provided to TAT or Wishon; and (b) requiring Respondents to issue preliminary Permit  
28 approval to Catalyst in District 1.

1 **PRAYER FOR RELIEF**

2 WHEREFORE, based on the foregoing, Connected prays for the following relief:

3 **First Cause of Action**

- 4 1. For the granting of its request for peremptory writ of mandate as set forth above; and
- 5 2. For such other or different relief as deemed necessary or appropriate by the Court.

6 **Second Cause of Action**

- 7 1. For the granting of injunctive relief as requested above; and
- 8 2. For such other or different relief as deemed necessary or appropriate by the Court.

9 DATED: November 30, 2021

LAW OFFICE OF JEFF AUGUSTINI

*Jeff Augustini*

10 By: \_\_\_\_\_

11 JEFF AUGUSTINI

12 Attorneys for CATALYST – FRESNO LLC

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# EXHIBIT A

## ARTICLE 33 - CANNABIS RETAIL BUSINESS AND COMMERCIAL CANNABIS BUSINESS

## SEC. 9-3301. - PURPOSE AND INTENT.

It is the purpose and intent of this Article to implement the provisions of the Medicinal and Adult Use Cannabis Regulation and Safety Act ("MAUCRSA") to accommodate the needs of medically-ill persons in need of and provide access to cannabis for medicinal purposes as recommended by their health care provider(s), as well as provide access to adult use cannabis, while imposing sensible regulations on the use of land to protect the city's residents, neighborhoods, and businesses from disproportionately negative impacts. As such, it is the purpose and intent of this Article to regulate the cultivation, processing, manufacturing, testing, sale, delivery, distribution, and transportation of cannabis, cannabis products, medicinal cannabis, and medicinal cannabis products in a responsible manner to protect the health, safety, and welfare of the residents of the city and to enforce rules and regulations consistent with state law. The provisions of this Article are in addition to any other permits, licenses, and approvals which may be required to conduct business in the city, and are in addition to any permits, licenses, and approvals required under state, city, or other law.

(Added Ord. 2018-68, § 1, eff. 1-24-19).

## SEC. 9-3302. - COMMERCIAL CANNABIS ACTIVITY PROHIBITED UNLESS SPECIFICALLY AUTHORIZED BY THIS ARTICLE.

Except as specifically authorized in this Article, the commercial cultivation, manufacture, processing, storing, laboratory testing, labeling, sale, delivery, distribution or transportation (other than as provided under Bus. & Prof. Code section 26090(e)), of cannabis or cannabis product and medicinal cannabis or medicinal cannabis product is expressly prohibited in the city.

(Added Ord. 2018-68, § 1, eff. 1-24-19).

## SEC. 9-3303. - COMPLIANCE WITH LAWS.

This Article is intended to implement state law. Every cannabis retail business and commercial cannabis business must comply with all applicable state and local laws.

(Added Ord. 2018-68, § 1, eff. 1-24-19).

## SEC. 9-3304. - DEFINITIONS.

When used in this Article, the following words shall have the meanings ascribed to them as set forth herein. Any reference to California statutes includes any regulations promulgated thereunder and is deemed to include any successor or amended version of the referenced statute or regulatory provision.

- (a) "Applicant" means an owner applying for a state license pursuant to this division.
- (b) "Bureau" means the Bureau of Cannabis Control within the Department of Consumer Affairs, formerly named the Bureau of Marijuana Control, the Bureau of Medical Cannabis Regulation, and the Bureau of Medical Marijuana Regulation.
- (c) "Cannabis" means all parts of the Cannabis sativa Linnaeus, Cannabis indica, or Cannabis ruderalis, whether growing or not; the seeds thereof; the resin, whether crude or purified, extracted from any part of the plant; and every compound, manufacture, salt, derivative, mixture, or preparation of the plant, its seeds, or resin. It also means the separated resin, whether crude or purified, obtained from cannabis. It includes medicinal cannabis, intended to be sold for use pursuant to the Compassionate Use Act of 1996 (Proposition 215), found at Section 11362.5 of the Health and Safety Code, by a medicinal cannabis patient in California who possesses a physician's recommendation. It does not include the mature stalks of the plant, fiber produced from the stalks, oil or cake made from the seeds of

the plant, any other compound, manufacture, salt, derivative, mixture, or preparation of the mature stalks (except the resin extracted therefrom), fiber, oil, or cake, the sterilized seed of the plant which is incapable of germination, or "industrial hemp" as defined by Section 11018.5 of the Health and Safety Code.

- (d) "Cannabis Innovation Hub" is defined as an area of land which has many cannabis related businesses grouped together which must be no less than three (3) contiguous acres and no more than one hundred (100) contiguous acres. No more than four (4) are permitted within the city. Each individual business would be clearly defined, with a unique entrance and immovable physical barriers between every premises.
- (e) "Cannabis Innovation Zone" is the area bounded by State Route 41, Golden State Blvd., Church Ave., East Ave., and Parallel Ave.
- (f) "Cannabis products" has the same meaning as in Section 11018.1 of the Health and Safety Code.
- (g) "Cannabis retail business" means a business where cannabis, cannabis products, or devices for the use of cannabis or cannabis products are offered, either individually or in any combination, for retail sale, including an establishment (whether fixed or mobile) that delivers, pursuant to express authorization, cannabis and cannabis products as part of a retail sale, and where the operator holds a valid commercial cannabis business permit from the city authorizing the operation of a retailer, and a valid state A-license or M-License as required by state law to operate a retailer.
- (h) "Canopy" means the designated area(s) at a licensed premise, except nurseries, that will contain mature plants at any point in time. (1) Canopy shall be calculated in square feet and measured using clearly identifiable boundaries of all areas(s) that will contain mature plants at any point in time, including all of the space(s) within the boundaries; (2) Canopy may be noncontiguous but each unique area included in the total canopy calculation shall be separated by an identifiable boundary which include, but are not limited to: interior walls, shelves, greenhouse walls, hoop house walls, garden benches, hedgerows, fencing, garden beds or garden plots; and if mature plants are being cultivated using a shelving system, the surface area of each level shall be included in the total canopy calculation.
- (i) "Caregiver" or "primary caregiver" has the same meaning as that term is defined in Section 11362.7 of the California Health and Safety Code.
- (j) "Commercial cannabis activity" includes the cultivation, possession, manufacture, distribution, processing, storing, laboratory testing, packaging, labeling, transportation, delivery or sale of cannabis or cannabis products by an operator who has a license issued by the state.
- (k) "Commercial cannabis business" means any business or operation which engages in commercial cannabis activity, except for delivery or sales of cannabis, with a license issued by the state. It does not include a cannabis retail business or medicinal cannabis retail business.
- (l) "Commercial cannabis business permit" means a regulatory permit issued by the city pursuant to this Article to a commercial cannabis business or cannabis retail business, and is required before any commercial cannabis activity may be conducted in the city. The initial permit and annual renewal of a commercial cannabis business permit is made expressly contingent upon the business' ongoing compliance with all of the requirements of this Article and any regulations adopted by the city governing the commercial cannabis activity at issue.
- (m) "Cultivation" means any activity involving the planting, growing, harvesting, drying, curing, grading, or trimming of cannabis.
- (n) "Cultivation site" means a location where cannabis is planted, grown, harvested, dried, cured, graded, or trimmed, or a location where any combination of those activities occurs.
- (o) "Cultivator" means a person holding a valid commercial cannabis business permit for cultivation issued by the city, and, a valid state license for cultivation.
- (p) "Customer" means a natural person 21 year of age or over or a natural person 18 year of age or older who possesses a physician's recommendation.
- (q) "Day care center" has the same meaning as in Section 1596.76 of the Health and Safety Code.



- (r) "Delivery" means the commercial transfer of cannabis or cannabis products to a customer. It also includes the use by any technology platform owned and controlled by the retailer. Delivery must be part of a store-front retailer.
- (s) "Dispensing" means any activity involving the retail sale of cannabis or cannabis products from a retailer.
- (t) "Distribution" means the procurement, sale, and transport of cannabis and cannabis products between licensees.
- (u) "Distributor" means a person holding a valid commercial cannabis business permit for distribution issued by the city, and, a valid state license for distribution, required by state law to engage in the business of purchasing cannabis from a licensed cultivator, or cannabis products from a licensed manufacturer, for sale to a licensed retailer.
- (v) "Dried flower" means all dead cannabis that has been harvested, dried, cured, or otherwise processed, excluding leaves and stems.
- (w) "Greenhouse" means a fully enclosed permanent structure that is clad in transparent material with climate control, such as heating and ventilation capabilities and supplemental artificial lighting, and that uses a combination of natural and supplemental lighting for cultivation.
- (x) "Harvest batch" means a specifically identified quantity of dried flower or trim, leaves, and other cannabis plant matter that is uniform in strain, harvested at the same time, and, if applicable, cultivated using the same pesticides and other agricultural chemicals and harvested at the same time.
- (y) "Labeling" means any label or other written, printed, or graphic matter upon a cannabis product, upon its container.
- (z) "License" means a license issued by the state to engage in commercial cannabis activity, and includes both an A-license and an M-license, as well as a testing laboratory license.
- (aa) "Licensee" means any person holding a state license, regardless of whether the license held is an A-license or an M-license, and includes the holder of a testing laboratory license.
- (bb) "Limited-access area" means an area in which cannabis is stored or held and is only accessible to some licensee and authorized personnel.
- (cc) "Live plants" means living cannabis flowers and plants, including seeds, immature plants, and vegetative stage plants.
- (dd) "M-license" means a state license issued under this division for commercial cannabis activity involving medicinal cannabis.
- (ee) "Manufacture" means to compound, blend, extract, infuse, or otherwise make or prepare a cannabis product.
- (ff) "Manufacturer" means a licensee with a valid commercial cannabis business permit that conducts the production, preparation, propagation, or compounding of cannabis or cannabis products either directly or indirectly or by extraction methods, or independently by means of chemical synthesis, or by a combination of extraction and chemical synthesis at a fixed location that packages or repackages cannabis or cannabis products or labels or container.
- (gg) "Nonvolatile solvent" means any solvent used in the extraction process that is not a volatile solvent. For purposes of this division, a nonvolatile solvent includes carbon dioxide (CO<sub>2</sub>) used for extraction and ethanol used for extraction or post-extraction processing.
- (hh) "Microbusiness" means the cultivation of cannabis on an area less than 10,000 square feet, by an entity authorized to act as a licensed distributor and Level 1 manufacturer under state law, provided such licensee can demonstrate compliance with all requirements imposed by state law on licensed cultivators, distributors, and Level 1 manufacturers to the extent the licensee engages in such activities. Microbusiness licenses that authorize cultivation of cannabis shall include the license conditions described in subdivision (b) of Section 26060.1 of the Business and Professions Code. A microbusiness shall be considered a commercial cannabis business that engages in commercial cannabis activity.
- (ii) "Operation" means any act for which licensure is required under the provisions of this division or any commercial transfer of cannabis or cannabis products.

- (jj) "Owner" means any of the following:
- (1) A person with an aggregate ownership interest of 20 percent or more in the person applying for a license or a licensee, unless the interest is solely a security, lien, or encumbrance.
  - (2) The Manager of a nonprofit or other entity.
  - (3) A member of the board of directors of a nonprofit.
  - (4) An individual who will be participating in the direction, control, or management of the person applying for a license or who has a financial interest in the business other than a fixed lease of real property.
- (kk) "Patient" or "qualified patient" shall have the same definition as California Health and Safety Code Section 11362.7 et seq., as it may be amended, and which means a person who is entitled to the protections of California Health & Safety Code Section 11362.5.
- (ll) "Person" includes any individual, firm, partnership, joint venture, association, corporation, limited liability company, estate, trust, business, business trust, receiver, syndicate, or any other group or combination acting as a unit, and the plural as well as the singular.
- (mm) "Physician's recommendation" means a recommendation by a physician and surgeon that a patient use cannabis provided in accordance with the Compassionate Use Act of 1996 (Proposition 215), found at Section 11362.5 of the Health and Safety Code.
- (nn) "Premises" means the designated structure or structures and land specified in the application that is owned, leased, or otherwise held under the control of the applicant or licensee where the commercial cannabis activity will be or is conducted. The premises shall be a contiguous area and shall only be occupied by one licensee unless the operator is granted an M-License and an A-License for the same type of activity and such operation is lawful under state and local laws, rules and regulations.
- (oo) "Sell," "sale," and "to sell" include any transaction whereby, for any consideration, title to cannabis or cannabis products are transferred from one person to another, and includes the delivery of cannabis or cannabis products pursuant to an order placed for the purchase of the same and soliciting or receiving an order for the same, but does not include the return of cannabis or cannabis products by a licensee to the licensee from whom the cannabis or cannabis product was purchased.
- (pp) "Testing laboratory" means a laboratory, facility, or entity with a commercial cannabis business permit that offers or performs tests of cannabis or cannabis products and that is both of the following:
- (1) Accredited by an accrediting body that is independent from all other persons involved in commercial cannabis activity in the state.
  - (2) Licensed by the bureau.
- (qq) "Transport" means the transfer of cannabis products from the permitted business location of one licensee to the permitted business location of another licensee, for the purposes of conducting commercial cannabis activity authorized by MAUCRSA which may be amended or repealed by any subsequent State of California legislation regarding the same.
- (rr) "Youth center" means any public or private facility that is primarily used to host recreation or social activities for minors, including, but not limited to, private youth membership organizations or clubs, social service teenage club facilities, video arcades where 10 or more video games or game machines or devices are operated, and where minors are legally permitted to conduct business, or similar amusement park facilities. It shall also include a park, playground or recreational area specifically designed to be used by children which may have play equipment installed, including public grounds designed for athletic activities such as baseball, softball, soccer, or basketball or any similar facility located on a public or private school grounds, or on city, county or state parks. This definition shall not include any private martial arts, yoga, ballet, music or similar studio of this nature nor shall it include any private athletic training facility, pizza parlor, dentist office or doctor's office primarily serving children.

(ss) "Volatile solvent" means any solvent that is or produces a flammable gas or vapor that, when present in the air in sufficient quantities, will create explosive or ignitable mixtures. Examples of volatile solvents include, but are not limited to, butane and propane.

(Added Ord. 2018-68, § 1, eff. 1-24-19; Amd. Ord. 2020-041, § 1, eff. 10-25-20).

SEC. 9-3305. - COMMERCIAL CANNABIS BUSINESS PERMIT REQUIRED TO ENGAGE IN COMMERCIAL CANNABIS ACTIVITY.

No person may engage in any commercial cannabis activity within the city unless the person (1) has a valid commercial cannabis business permit from the city; (2) has a valid state license; (3) has a valid Cannabis Conditional Use Permit; (4) is currently in compliance with all applicable state and local laws; and (5) has a Cannabis Business License Tax certificate.

(Added Ord. 2018-68, § 1, eff. 1-24-19).

SEC. 9-3306. - MAXIMUM NUMBER OF AUTHORIZED CANNABIS RETAIL BUSINESSES AND COMMERCIAL CANNABIS BUSINESSES PERMITTED.

- (a) The City Council approved the Cannabis Retail Business and Commercial Cannabis Business Ordinance to provide a permitting framework and regulatory requirements for Adult Use and Medicinal Use Cannabis businesses in December 2018.
- (b) The number of cannabis retail businesses shall not exceed a total of fourteen (14) within the city. Up to seven (7) more cannabis retail businesses may be authorized by Council Resolution.
- (c) Up to a total of sixteen (16) cultivators, distributors, manufacturers, or microbusinesses may be issued a commercial cannabis business permit. No specific number of each type of business is required so long as the total number of commercial cannabis business permits issued for all three business types does not exceed a total of sixteen (16).
- (d) There is no limit on the number of testing laboratories which may be issued a commercial cannabis business permit.
- (e) The City Manager has discretion to limit the number of commercial cannabis permits to less than what is allowed in this Article. Nothing in this Article creates a mandate that the City Manager must issue any or all of the commercial cannabis business permits.
- (f) Each year following the City Manager's initial award of permits, if any, or at any time in the City Manager's discretion, the City Manager may reassess the number of commercial cannabis business permits which are authorized for issuance.
- (g) A microbusiness shall only be permitted if it is found to be exempt from the California Environmental Quality Act (CEQA).

(Added Ord. 2018-68, § 1, eff. 1-24-19; Am. Ord. 2020-002, § 1, eff. 3-2-20; Amd. Ord. 2020-041, § 2, eff. 10-25-20).

SEC. 9-3307. - LOCATION AND DESIGN OF RETAIL CANNABIS BUSINESSES.

- (a) All cannabis retail businesses must be located on property zoned DTN (Downtown Neighborhood), DTG (Downtown General), CMS (Commercial Main Street), CC (Commercial Community), CR (Commercial Regional), CG (Commercial General), CH (Commercial Highway), NMX (Neighborhood Mixed-Use), CMX (Corridor/Center Mixed Use), or RMX (Regional Mixed-Use), and must meet all of the requirements for development in these zones.
- (b) No more than two cannabis retail businesses may be located in any one Council District. If more than fourteen (14) are ever authorized by Council, they shall be dispersed evenly by Council District.
- (c) All buildings in which a cannabis retail business is located shall be no closer than eight hundred (800) feet from any property boundary containing any of the following:
  - (1) A cannabis retail business.
  - (2) A school providing instruction for any grades pre-school through 12 (whether public, private, or charter, including pre-school, transitional kindergarten, and K-12).
  - (3) A day care center licensed by the state Department of Social Services that is in existence at the time a complete

commercial cannabis business permit application is submitted.

- (4) A youth center that is in existence at the time a complete commercial cannabis business permit application is submitted.
- (d) Each proposed cannabis retail business shall:
- (1) Be within a fully enclosed building and cannabis must not be visible from the public right-of-way.
  - (2) Conform with the General Plan, any applicable specific plans, master plans, and design requirements.
  - (3) Comply with all applicable zoning and related development standards.
  - (4) Be constructed in a manner that prevents odors to surrounding uses, and promotes quality design and construction, and consistency with the surrounding properties. Odors from the cannabis retail business shall not be detectable from outside the premises. Best available odor control technology shall be utilized.
  - (5) Be adequate in size and shape to accommodate the yards, walls, fences, parking and loading facilities, landscaping and all items required for the development.
  - (6) Be served by highways adequate in width and improved as necessary to carry the kind and quantity of traffic such use will generate.
  - (7) Be provided with adequate electricity, sewerage, disposal, water, fire protection and storm drainage facilities for the intended purpose.
  - (8) Each applicant shall provide a neighborhood responsibility plan so the review authority may find that the proposed use and its operating characteristics are not detrimental to the public health, safety, convenience, or welfare of persons residing, working, visiting, or recreating in the surrounding neighborhood and will not result in the creation of a nuisance.
- (e) Each proposed cannabis retail business shall meet the following design guidelines:
- (1) Demonstrate compatibility with the surrounding character of the neighborhood and blend in with existing buildings. The establishment should look like any other similarly situated building.
  - (2) Comply with all applicable zoning and related development standards, including, but not limited to, parking, lighting, building materials, and colors.
  - (3) Signage, as described below, shall be limited to that needed for identification only and shall not contain any logos or information that identifies, advertises, or lists the services or the products offered.

(Added Ord. 2018-68, § 1, eff. 1-24-19; Am. Ord. 2020-002, §§ 2, 3, eff. 3-2-20).

#### SEC. 9-3308. - LOCATION AND DESIGN OF COMMERCIAL CANNABIS BUSINESSES.

- (a) Laboratory testing may take place in a Commercial, Employment, or Downtown District.
- (b) There shall be permitted eight (8) cultivators, distributors, manufacturers, or microbusinesses located within the Cannabis Innovation Zone.
- (c) There shall be permitted eight (8) cultivators, distributors, manufacturers, or microbusinesses located inside a Cannabis Innovation Hub or within one-half (1/2) mile of State Route 99 between Shaw Ave. and Clinton Ave., one (1) mile of State Route 99 north of Shaw Ave. or south of Clinton Ave., or within one (1) mile of State Route 180 west of State Route 99, and must be zoned either IL (Light Industrial) or IH (Heavy Industrial), and must meet all of the requirements for development in these zones. All buildings in which a cultivator, distributor, or manufacturer is located shall be no closer than one thousand (1,000) feet from any property boundary containing any of the following:
  - (1) Any residentially zoned parcel in the city, including any legal non-conforming residential uses as of the date a complete commercial cannabis business permit application is submitted.
  - (2) A school providing instruction for any grades pre-school through 12 (whether public, private, or charter, including pre-school, transitional kindergarten, and K-12).

- (3) A day care center licensed by the state Department of Social Services that is in existence at the time a complete commercial cannabis business permit application is submitted.
  - (4) A youth center that is in existence at the time a complete commercial cannabis business permit application is submitted.
- (d) All Cannabis Innovation Hubs must be located within one-half (1/2) mile of State Route 99 between Shaw Ave. and Clinton Ave., one (1) mile of State Route 99 north of Shaw Ave. or south of Clinton Ave., or within one (1) mile of State Route 180 west of State Route 99, and must be zoned either IL (Light Industrial) or IH (Heavy Industrial), and must meet all of the requirements for development in these zones. All Cannabis Innovation Hubs buildings shall be located no closer than one thousand (1,000) feet from any property boundary containing any of the following:
- (1) Any residentially zoned parcel in the city, including any legal non-conforming residential uses as of the date a complete commercial cannabis business permit application is submitted.
  - (2) A school providing instruction for any grades pre-school through 12 (whether public, private, or charter, including pre-school, transitional kindergarten, and K-12).
  - (3) A day care center licensed by the state Department of Social Services that is in existence at the time a complete commercial cannabis business permit application is submitted.
  - (4) A youth center that is in existence at the time a complete commercial cannabis business permit application is submitted.
- (e) Each proposed commercial cannabis business shall:
- (1) Be within a fully enclosed building and must not be visible from the public right-of-way.
  - (2) Conform to the General Plan, any applicable specific plans, master plans, and design requirements.
  - (3) Comply with all applicable zoning and related development standards.
  - (4) Be constructed in a manner that prevents odors to surrounding uses, and promotes quality design and construction, and consistency with the surrounding properties. Odors from the commercial cannabis business shall not be detectable from outside the premises. Best available odor control technology shall be utilized.
  - (5) Be adequate in size and shape to accommodate the yards, walls, fences, parking and loading facilities, landscaping and all items required for the development.
  - (6) Be served by highways adequate in width and improved as necessary to carry the kind and quantity of traffic such use will generate.
  - (7) Be provided with adequate electricity, sewerage, disposal, water, fire protection and storm drainage facilities for the intended purpose.
  - (8) Each applicant shall provide a neighborhood responsibility plan so the review authority may find that the proposed use and its operating characteristics are not detrimental to the public health, safety, convenience, or welfare of persons residing, working, visiting, or recreating in the surrounding neighborhood and will not result in the creation of a nuisance.
- (f) Each proposed commercial cannabis business shall meet the following design guidelines:
- (1) Demonstrate compatibility with the surrounding character of the neighborhood and blend in with existing buildings. The establishment should look like any other similarly situated building.
  - (2) Comply with all applicable zoning and related development standards including, but not limited to, parking, lighting, materials, and colors.
  - (3) Signage, as described below, shall be limited to that needed for identification only and shall not contain any logos or information that identifies, advertises, or lists the services or the products offered.

(Added Ord. 2018-68, § 1, eff. 1-24-19; Am. Ord. 2020-002, §§ 4, 5, eff. 3-2-20; Amd. Ord. 2020-041, § 3, eff. 10-25-20).

- (a) Cannabis shall not be consumed by any person on the premises of any cannabis retail business or commercial cannabis business.
- (b) No person shall cause or permit the sale, dispensing, or consumption of alcoholic beverages on or about the premises of the commercial cannabis business or cannabis retail business.
- (c) No person shall cause or permit the sale of tobacco products on or about the premises of the commercial cannabis business or cannabis retail business.
- (d) No cannabis or cannabis products or graphics depicting cannabis or cannabis products shall be visible from the exterior of any property issued a commercial cannabis business permit, or on any of the vehicles owned or used as part of the commercial cannabis business or cannabis retail business. No outdoor storage of cannabis or cannabis products is permitted at any time.
- (e) Cannabis retail businesses and commercial cannabis businesses shall have in place a point-of-sale or management inventory tracking system to track and report on all aspects of the business including, but not limited to, such matters as cannabis tracking, inventory data, gross sales (by weight and by sale) and other information which may be deemed necessary by the city. Cannabis retail businesses and commercial cannabis businesses shall ensure that such information is compatible with the city's record-keeping systems. In addition, the system must have the capability to produce historical transactional data for review. Furthermore, any system selected must be approved and authorized by the City Manager or his/her designee(s) prior to being used by the permittee.
- (f) All cannabis and cannabis products sold, distributed, or manufactured shall be cultivated, manufactured, and transported by licensed facilities that maintain operations in full conformance with state and local laws.
- (g) Emergency Contact. Cannabis retail businesses and commercial cannabis businesses shall provide the City Manager or his/her designee(s) with the name, telephone number (both land line and mobile, if available) of an on-site employee or owner to whom emergency notice can be provided at any hour of the day.
- (h) Signage and Notices.
  - (1) Business identification signage shall conform to the requirements of Chapter 15, Article 26 of this Code, including, but not limited to, seeking the issuance of a city sign permit.
  - (2) No signs placed on the premises of a cannabis retail business or a commercial cannabis business shall obstruct any entrance or exit to the building or any window.
  - (3) Each entrance shall be visibly posted with a clear and legible notice indicating that smoking, ingesting, or otherwise consuming cannabis or cannabis products on the premises or in the areas adjacent to the business is prohibited.
  - (4) Business identification signage shall be limited to that needed for identification only and shall not contain any logos or information that identifies, advertises, or lists the services or the products offered. Advertising shall not be visible from the exterior of the establishment and shall be prohibited on the exterior of the establishment. No cannabis retail business or commercial cannabis business may advertise by having a person holding a sign and advertising the business to passersby, whether such person is on the premises or elsewhere including, but not limited to, the public right-of-way.
  - (5) Signage shall not be directly illuminated, internally or externally. No banners, flags, billboards or other prohibited signs may be used at any time.
  - (6) In accordance with state law and regulations, holders of a commercial cannabis business permit shall agree that, as an express and ongoing condition of permit issuance and subsequent renewal, the holder of the permit shall be prohibited from advertising any commercial cannabis business or cannabis retail business located in the city utilizing a billboard (fixed or mobile), bus shelter, placard, aircraft, or other similar forms of advertising, anywhere in the state. This paragraph is not intended to place limitations on the ability of a commercial cannabis business or

cannabis retail business to advertise in other legally authorized forms, including on the internet, in magazines, or in other similar ways. In addition, any cannabis advertising, including such advertising that is not connected to a cannabis business operating in the city, using any means described above, is strictly prohibited within the city limits.

(i) Minors.

- (1) Except as provided below, persons under the age of twenty-one (21) years shall not be allowed on the premises of a cannabis retail business or a commercial cannabis business and shall not be allowed to serve as a driver for a delivery service. It shall be unlawful and a violation of this Article for any person to employ any person who is not at least twenty-one (21) years of age.
- (2) The entrance to a commercial cannabis business shall be clearly and legibly posted with a notice that no person under the age of twenty-one (21) years of age is permitted to enter upon the premises of the commercial cannabis business.
- (3) Persons at least eighteen (18) years old shall be allowed on the premises of a medicinal cannabis retail business to purchase medicinal cannabis or medicinal cannabis products. The entrance to a medicinal cannabis retail business shall be clearly and legibly posted with a notice that no person under the age of eighteen (18) is permitted to enter upon the premises of the medicinal cannabis retail business.
- (4) It shall be a violation of this Article to sell medicinal cannabis or medicinal cannabis products to any person under the age of eighteen (18) or to sell cannabis or cannabis products to any person under the age of twenty-one (21).

(j) Best available odor control technology and devices shall be incorporated in a cannabis retail business and a commercial cannabis business to ensure that odors from cannabis are not detectable off-site. A sufficient odor absorbing ventilation and exhaust system shall be provided so that odor generated inside the premises that is distinctive to its operation is not detected outside of the facility, anywhere on 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, or within any other unit located inside the same building as the cannabis retail business or commercial cannabis business. The following equipment, or any other equipment which the Planning and Development Director or his/her designee(s) determine is a more effective method or technology, must be installed and maintained:

- (1) An exhaust air filtration system with odor control that prevents internal odors and pollen from being emitted externally;
- (2) An air system that creates negative air pressure between the premises' interior and exterior, so that the odors generated inside the premises are not detectable outside the premises.

(k) The original copy of the commercial cannabis business permit issued by the city pursuant to this Article and the city issued business license shall be posted inside the cannabis retail business or a commercial cannabis business in a location readily visible to the public.

(l) The owner and/or operator of a cannabis retail business or a commercial cannabis business shall prohibit loitering by persons outside the facility both on the premises and within fifty (50) feet of the premises.

(m) Community Relations.

- (1) Each commercial cannabis business or cannabis retail business shall provide the name, telephone number, and email address of a community relations contact to whom notice of problems associated with the business can be provided. Each commercial cannabis business or cannabis retail business shall also provide the above information to all businesses and residences located within one hundred (100) feet of the commercial cannabis business.
- (2) During the first year of operation pursuant to this Article, the owner, manager, and community relations representative from commercial cannabis business or cannabis retail business shall attend meetings with the City Manager or his/her designee(s), and other interested parties as deemed appropriate by the City Manager or his/her designee(s), to discuss costs, benefits, and other community issues arising as a result of implementation of this

Article. After the first year of operation, the owner, manager, and community relations representative from each commercial cannabis business or cannabis retail business shall meet with the City Manager or his/her designee(s) when and as requested by the City Manager or his/her designee(s).

- (3) Each commercial cannabis business or cannabis retail business shall develop a city approved public outreach and educational program for youth organizations and educational institutions that outlines the risks of youth use of cannabis, and that identifies resources available to youth related to drugs and drug addiction.
- (n) The cannabis retail business or commercial cannabis business shall continually maintain the premises and its infrastructure so that it is visually attractive and not dangerous to the health, safety and general welfare of employees, patrons, surrounding properties, and the general public. The premises shall not be maintained in a manner that causes a public or private nuisance. Litter must be removed daily from the premises, including adjacent public sidewalks and all parking lots under the control of the cannabis retail business or commercial cannabis business; these areas must be swept or cleaned, either mechanically or manually, on a weekly basis to control debris; upkeep and operating characteristics must be compatible with abutting properties and the surrounding neighborhood.

(Added Ord. 2018-68, § 1, eff. 1-24-19; Am. Ord. 2020-002, §§ 6—8, eff. 3-2-20).

#### SEC. 9-3310. - OPERATING REQUIREMENTS FOR A CANNABIS RETAIL BUSINESS.

##### (a) **General.**

- (1) Cannabis retail businesses, including delivery of cannabis, may operate between the hours of 6 am and 10 pm. Other non-sales related activities germane to the business may take place on premises after hours.
- (2) There shall 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.
- (3) Prior to dispensing cannabis or cannabis products to any person, the cannabis retail business shall verify the age of each customer.
- (4) Entrances shall be locked at all times with entry strictly controlled. A "buzz-in" electronic/mechanical entry system shall be utilized to limit access to and entry to the retailer to separate it from the reception/lobby area. Individuals must show their identification in order to gain access into the retailer.
- (5) A cannabis retail business may have only that quantity of cannabis and cannabis products readily available to meet the daily demand for sale on-site in the retail sales area of the premises.
- (6) All restroom facilities shall remain locked and under the control of management.
- (7) Delivery vehicles shall be unmarked vehicles with no indication that the vehicles are transporting cannabis or cannabis products.

##### (b) **Security Measures.**

- (1) A permitted cannabis retail business shall implement sufficient security measures to deter and prevent the unauthorized entrance into areas containing cannabis or cannabis products, and to deter and prevent the theft of cannabis or cannabis products at the cannabis retail business. Except as may otherwise be determined by the City Manager or his/her designee(s), these security measures shall include, but shall not be limited to, all of the following:
  - (i) Premises contain a secured lobby/trap room, where a customer first enters and awaits verification by the cannabis retail business that the customer is a qualified to purchase cannabis.
  - (ii) Premises contain only one entrance which members of the public enter and exit.
  - (iii) Premises shall have a professionally installed, maintained, and monitored real-time alarm system by a security company licensed by the State of California Bureau of Security and Investigative Services.
  - (iv) Premises shall have perimeter security and lighting, including motion sensors, as approved by the Chief of Police.
  - (v) Prevent individuals from remaining on the premises and nearby vicinity if they are not engaging in an activity directly related to the permitted operations of the cannabis retail business.



- (vi) Establish limited access areas accessible only to authorized cannabis retail business personnel.
- (vii) All cannabis and cannabis products shall be stored in a secured and locked vault or vault equivalent. All safes and vaults shall be compliant with Underwriter Laboratories burglary-resistant and fire-resistant standards. All cannabis and cannabis products shall be kept in a manner as to prevent diversion, theft, and loss.
- (viii) The applicant must install a fully functional color digital video camera system ("System") that meets the following requirements:
  - 1. The System must continuously record, store, be capable of playing back images and be fully functional at all times, including during any hours the business is closed. The System must be maintained in a secured location inside of the business.
  - 2. The System shall have the correct date and time stamped onto the image at all times.
  - 3. The camera storage capacity should be for at least ninety days. Such cameras must be capable of producing a retrievable and identifiable image than can be made a permanent record and that can be enlarged through projection or other means.
  - 4. Digital video recorder must be capable of storing at least ninety days of real-time activities.
  - 5. The System shall be capable of producing a CD or digital playback feature and may be provided to an authorized representative of the Fresno Police Department immediately, upon request for a criminal investigation and/or purposes of compliance only.
  - 6. The interior of the business must have at least one camera placed to focus on each cash register transaction to include the clerk as well as the customer waiting area. There should be at least one camera focused on the entrance and the camera view should clearly show an image of the color coded height tape installed on the inside of the door jamb.
  - 7. There shall be exterior cameras placed so as to record activities in the primary customer parking areas of their business. These cameras should be of sufficient quality to be able to identify persons and or vehicles utilizing the business parking lot.
  - 8. All interior cameras shall record in color.
  - 9. All exterior cameras shall record in color and have automatic low light switching capabilities to black and white. Exterior cameras should be in weatherproof enclosures and located in a manner that will prevent or reduce the possibility of vandalism.
  - 10. An inoperable System may be good cause for seeking revocation of the Permit.
- (ix) Sensors shall be installed to detect entry and exit from all secure areas, and shall be monitored in real time by a security company licensed by the State of California Bureau of Security and Investigative Services.
- (x) Panic buttons shall be installed with direct notification to a licensed security company dispatch, and shall be configured to immediately alert dispatch for that licensed security company.
- (xi) Any bars installed on the windows or the doors shall be installed only on the interior of the building.
- (xii) Armed security personnel shall be on-site during operating hours. If armed security personnel are not on-site when the cannabis retail business is closed, a verified response security patrol shall be utilized. 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 shall be carried by security personnel at all times that they are on duty, except as otherwise authorized by the Chief of Police.
- (xiii) Premises shall have the capability to remain secure during a power outage and shall ensure that all access doors are not solely controlled by an electronic access panel to ensure that locks are not released during a power outage.
- (xiv) Entrance areas are to be locked at all times and under the control of a designated responsible party that is

- either; (a) an employee of the cannabis retail business; or (b) a licensed security professional.
- (xv) The interior must have at least one camera placed to focus on each transaction, to include the clerk as well as the customer waiting area. At least one camera should be focused on the entrance, and the camera view should clearly show an image of a color-coded height tape installed on the inside of the door jamb.
  - (xvi) An accounting software system in place to provide point of sale data as well as audit trails of both product and cash, where applicable.
  - (xvii) Demonstrate to the Chief of Police, City Manager or their designees, compliance with the state's track and trace system for cannabis and cannabis products and all Cannabis regulations stated in the California Code of Regulations.
  - (xviii) State of the art network security protocols in place to protect computer information and all digital data.
  - (xix) Exterior vegetation shall be planted, altered, and maintained in a fashion that precludes its use as a hiding place for persons on the premises.
- (2) Each cannabis retail business shall identify a designated security representative/liaison to the city, who shall be reasonably available to meet with the City Manager or his/her designee(s) regarding any security related measures or and operational issues. The designated security representative/liaison shall, on behalf of the cannabis retail business, annually prepare and submit to the District Commander of the Fresno Police Department a security plan for approval and maintain a copy of the current security plan on the premises, to present to a peace officer immediately upon request that meets the following requirements:
- (i) Confirms that a designated Manager will be on duty during business hours and will be responsible for monitoring the behavior of patrons.
  - (ii) Identifies all Managers of the cannabis retail business and their contact phone numbers.
  - (iii) Confirms that first aid supplies and operational fire extinguishers are located in the service areas and the Manager's office.
  - (iv) Confirms that burglar, fire, and panic alarms are operational and monitored by a licensed security company 24 hours a day, seven days a week, and provides contact information for each licensed security company.
  - (v) Identify a sufficient number of licensed, interior and exterior security personnel who will monitor individuals inside and outside the premises, the parking lot, and any adjacent property under the business' control.
  - (vi) Confirm that the licensed security personnel shall regularly monitor the parking lot and any adjacent property to ensure that these areas are: (a) free of individuals loitering or causing a disturbance; (b) are cleared of patrons and their vehicles one-half hour after closing.
- (3) Provide a storage and transportation plan, which describes in detail the procedures for safely and securely storing and transporting all cannabis, cannabis products, and any currency. For delivery, include provisions relating to vehicle security and the protection of employees and product during loading and in transit.
- (4) Cooperate with the city whenever the City Manager or his/her designee(s) makes a request, without prior notice, to inspect or audit the effectiveness of any security plan or of any other requirement of this Article.
- (5) Notify the City Manager or his/her designee(s) within twenty-four (24) hours after discovering any of the following:
- (i) Significant discrepancies identified during inventory. The level of significance shall be determined by the regulations promulgated by the City Manager or his/her designee(s).
  - (ii) Diversion, theft, loss, or any criminal activity involving the cannabis retail business or any agent or employee of the cannabis retail business.
  - (iii) The loss or unauthorized alteration of records related to cannabis, registering qualifying patients, primary caregivers, or employees or agents of the cannabis retail business.
  - (iv) Any other breach of security.
- (6) Compliance with the foregoing requirements shall be verified by the Chief of Police prior to commencing business

operations. The Chief of Police may supplement these security requirements once operations begin, subject to review by the City Manager if requested by the business owner.

(Added Ord. 2018-68, § 1, eff. 1-24-19; Am. Ord. 2020-002, § 9, eff. 3-2-20).

SEC. 9-3311. - OPERATING REQUIREMENTS FOR A DISTRIBUTOR.

(a) **General.**

- (1) Distributor may operate 24 hours a day. Operations shall be subject to the provisions of the Noise Ordinance, Article 1 of Chapter 10 of this Code, as may be amended.
- (2) Distributor vehicles shall be unmarked vehicles with no indication that the vehicles are transporting cannabis or cannabis products.
- (3) Distributor shall comply with all applicable state standards and laws, including but not limited to, Section 26001 (r) of the Business and Professions Code, as may be amended.

(b) **Security Measures.**

- (1) A permitted distributor shall implement sufficient security measures to deter and prevent the unauthorized entrance into areas containing cannabis or cannabis products, and to deter and prevent the theft of cannabis or cannabis products. Except as may otherwise be determined by the City Manager or his/her designee(s), these security measures shall include, but shall not be limited to, all of the following:
  - (i) Premises shall have a professionally installed, maintained, and monitored real-time alarm system by a security company licensed by the State of California Bureau of Security and Investigative Services.
  - (ii) Premises shall have perimeter security and lighting, including motion sensors, as approved by the Chief of Police.
  - (iii) Prevent individuals from remaining on the premises if they are not engaging in an activity directly related to the permitted operations of the distributor.
  - (iv) Establish limited access areas accessible only to authorized personnel.
  - (v) All cannabis and cannabis products shall be stored in a secured and locked vault or vault equivalent. All safes and vaults shall be compliant with Underwriter Laboratories burglary-resistant and fire-resistant standards. All cannabis or cannabis products shall be kept in a manner as to prevent diversion, theft, and loss.
  - (vi) The applicant must install a fully functional color digital video camera system ("System") that meets the following requirements:
    1. The System must continuously record, store, be capable of playing back images and be fully functional at all times, including during any hours the business is closed. The System must be maintained in a secured location inside of the business.
    2. The System shall have the correct date and time stamped onto the image at all times.
    3. The camera storage capacity should be for at least ninety days. Such cameras must be capable of producing a retrievable and identifiable image than can be made a permanent record and that can be enlarged through projection or other means.
    4. Digital video recorder must be capable of storing at least ninety days of real-time activities.
    5. The System shall be capable of producing a CD or digital playback feature and may be provided to an authorized representative of the Fresno Police Department immediately, upon request for a criminal investigation and/or purposes of compliance only.
    6. The interior of the business must have at least one camera placed to focus on each cash register transaction to include the clerk as well as the customer waiting area. There should be at least one camera focused on the entrance and the camera view should clearly show an image of the color coded height tape installed on the inside of the door jamb.

7. There shall be exterior cameras placed so as to record activities in the primary customer parking areas of their I cameras should be of sufficient quality to be able to identify persons and or vehicles utilizing the business parki
  8. All interior cameras shall record in color.
  9. All exterior cameras shall record in color and have automatic low light switching capabilities to black and white. Exterior cameras should be in weatherproof enclosures and located in a manner that will prevent or reduce the possibility of vandalism.
  10. An inoperable System may be good cause for seeking revocation of the Permit.
- (vii) Sensors shall be installed to detect entry and exit from all secure areas, and shall be monitored in real time by a security company licensed by the State of California Bureau of Security and Investigative Services.
  - (viii) Panic buttons shall be installed with direct notification to a licensed security company dispatch, and shall be configured to immediately alert dispatch for that licensed security company.
  - (ix) Any bars installed on the windows or the doors of the premises shall be installed only on the interior of the building.
  - (x) Armed security personnel shall be on-site during all hours of operation or alternative security as authorized by the City Manager or his/her designee(s). 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 shall be carried by security personnel at all times that they are on duty, except as otherwise authorized by the Chief of Police.
  - (xi) Premises shall have the capability to remain secure during a power outage and shall ensure that all access doors are not solely controlled by an electronic access panel to ensure that locks are not released during a power outage.
  - (xii) Entrance areas are to be locked at all times and under the control of a designated responsible party that is either; (a) an employee of the distributor; or (b) a licensed security professional.
  - (xiii) The interior must have at least one camera placed to focus on each transaction. At least one camera should be focused on the entrance, and the camera view should clearly show an image of a color-coded height tape installed on the inside of the door jamb.
  - (xiv) An accounting software system in place to provide point of sale data as well as audit trails or both product and cash, where applicable.
  - (xv) Demonstrate to the Chief of Police, City Manager or their designees, compliance with the state's track and trace system for cannabis and cannabis products and all Cannabis regulations stated in the California Code of Regulations.
  - (xvi) Have state of the art network security protocols in place to protect computer information and all digital data.
  - (xvii) Exterior vegetation shall be planted, altered, and maintained in a fashion that precludes its use as a hiding place for persons on the premises.
  - (xviii) Identify a designated security representative/liason to the city, who shall be reasonably available to meet with the City Manager or his/her designee(s) regarding any security related measures or and operational issues. The designated security representative/liason shall, on behalf of the distributor, annually prepare and submit to the District Commander of the Fresno Police Department a security plan for approval and maintain a copy of the current security plan on the premises of the business, to present to a peace officer immediately upon request that meets the following requirements:
    1. Confirms that a designated Manager will be on duty during business hours and will be responsible for monitoring the behavior of patrons.
    2. Identifies all Managers and their contact phone numbers.
    3. Confirms that first aid supplies and operational fire extinguishers are located in the service areas and the

Manager's office.

4. Confirms that burglar, fire, and panic alarms are operational and monitored by a licensed security company 24 hours a day, seven days a week, and provides contact information for each licensed security company.
  5. Identify a sufficient number of licensed, interior and exterior security personnel who will monitor individuals inside and outside the commercial cannabis business, the parking lot, and any adjacent property under the business' control.
  6. Confirm that the licensed security personnel shall regularly monitor the parking lot and any adjacent property to ensure that these areas are: (a) free of individuals loitering or causing a disturbance; (b) are cleared of patrons and their vehicles one-half hour after closing.
- (2) As part of the application and permitting process each distributor shall have a storage and transportation plan, which describes in detail the procedures for safely and securely storing and transporting all cannabis, cannabis products, and any currency. The distributor shall stagger transportation times, vary routes from the premises, and take other security measures as requested by the Chief of Police.
  - (3) The distributor shall cooperate with the city whenever the City Manager or his/her designee(s) makes a request, without prior notice, to inspect or audit the effectiveness of any security plan or of any other requirement of this Article.
  - (4) Notify the City Manager or his/her designee(s) within twenty-four (24) hours after discovering any of the following:
    - (i) Significant discrepancies identified during inventory. The level of significance shall be determined by the regulations promulgated by the City Manager or his/her designee(s).
    - (ii) Diversion, theft, loss, or any criminal activity involving the distributor or any agent or employee of the distributor.
    - (iii) The loss or unauthorized alteration of records related to cannabis, or employees or agents of the commercial cannabis business.
    - (iv) Any other breach of security.
  - (5) Compliance with the foregoing requirements shall be verified by the Chief of Police prior to commencing business operations. The Chief of Police may supplement these security requirements once operations begin, subject to review by the City Manager if requested by the business owner.

(Added Ord. 2018-68, § 1, eff. 1-24-19; Am. Ord. 2020-002, § 10, eff. 3-2-20).

#### SEC. 9-3312. - OPERATING REQUIREMENTS FOR A CULTIVATOR.

##### (a) General.

- (1) Cultivator may operate 24 hours a day. Operations shall be subject to the provisions of the Noise Ordinance, Article 1 of Chapter 10 of this Code, as may be amended.
- (2) Outdoor Cultivation Prohibited. The cultivation of all cannabis must occur indoors. All outdoor cultivation, including outdoor greenhouse cultivation, is prohibited.
- (3) Cannabis plants shall not be visible from a public or private road, sidewalk, park, or any common public viewing area.
- (4) Cultivator shall only be allowed to cultivate the square feet of canopy space permitted by state law. Research and development area shall be limited to ten percent (10%) of the total permitted canopy square footage.
- (5) Cannabis cultivation shall be conducted in accordance with state and local laws related to land conversion, grading, electricity, water usage, water quality, woodland and riparian habitat protection, agricultural discharges, and similar matters.
- (6) Pesticides and fertilizers shall be properly labeled and stored to avoid contamination through erosion, leakage or inadvertent damage from pests, rodents or other wildlife.
- (7) The cultivation of cannabis shall at all times be operated in such a way as to ensure the health, safety, and welfare of

the public, the employees working at the cultivation site, visitors to the area, neighboring properties, and the end users of the cannabis being cultivated, to protect the environment from harm to streams, fish, and wildlife; to ensure the security of the cannabis being cultivated; and to safeguard against the diversion of cannabis.

(8) All applicants for a cultivation permit shall submit the following in addition to the information generally otherwise required for a commercial cannabis business permit:

- (i) A cultivation and operations plan that meets or exceeds minimum legal standards for water usage, conservation and use; drainage, runoff, and erosion control; watershed and habitat protection; and proper storage of fertilizers, pesticides, and other regulated products to be used on the parcel, and a description of the cultivation activities (indoor, mixed-light) and schedule of activities during each month of growing and harvesting, or explanation of growth cycles and anticipated harvesting schedules for all-season harvesting (indoor, mixed-light).
- (ii) A description of a legal water source, irrigation plan, and projected water use.
- (iii) Identification of the source of electrical power and plan for compliance with applicable Building Codes and related codes.
- (iv) Plan for addressing public nuisances that may derive from the cultivation site.

**(b) Security Measures.**

- (1) A permitted cultivator shall implement sufficient security measures to deter and prevent the unauthorized entrance into areas containing cannabis or cannabis products and to deter and prevent the theft of cannabis and cannabis products at the commercial cannabis business. Except as may otherwise be determined by the City Manager or his/her designee(s), these security measures shall include, but shall not be limited to, all of the following:
  - (i) Premises shall have a professionally installed, maintained, and monitored real-time alarm system by a security company licensed by the State of California Bureau of Security and Investigative Services.
  - (ii) Premises shall have perimeter security and lighting, including motion sensors, as approved by the Chief of Police.
  - (iii) Prevent individuals from remaining on the premises and nearby vicinity if they are not engaging in an activity directly related to the permitted operations of the cultivator.
  - (iv) Establish limited access areas accessible only to authorized personnel.
  - (v) Except for live growing plants which are being cultivated at a cultivation facility, all cannabis and cannabis products shall be stored in a secured and locked vault or vault equivalent. All safes and vaults shall be compliant with Underwriter Laboratories burglary-resistant and fire-resistant standards. All cannabis and cannabis products, including live plants that are being cultivated, shall be kept in a manner as to prevent diversion, theft, and loss.
  - (vi) The applicant must install a fully functional color digital video camera system ("System") that meets the following requirements:
    - 1. The System must continuously record, store, be capable of playing back images and be fully functional at all times, including during any hours the business is closed. The System must be maintained in a secured location inside of the business.
    - 2. The System shall have the correct date and time stamped onto the image at all times.
    - 3. The camera storage capacity should be for at least ninety days. Such cameras must be capable of producing a retrievable and identifiable image than can be made a permanent record and that can be enlarged through projection or other means.
    - 4. Digital video recorder must be capable of storing at least ninety days of real-time activities.
    - 5. The System shall be capable of producing a CD or digital playback feature and may be provided to an authorized representative of the Fresno Police Department immediately, upon request for a criminal investigation and/or for purposes of compliance only.
    - 6. The interior of the business must have at least one camera placed to focus on each cash register transaction

- to include the clerk as well as the customer waiting area. There should be at least one camera focused on the entrance and the camera view should clearly show an image of the color coded height tape installed on the inside of the door jamb.
7. There shall be exterior cameras placed so as to record activities in the primary customer parking areas of their business. These cameras should be of sufficient quality to be able to identify persons and or vehicles utilizing the business parking lot.
  8. All interior cameras shall record in color.
  9. All exterior cameras shall record in color and have automatic low light switching capabilities to black and white. Exterior cameras should be in weatherproof enclosures and located in a manner that will prevent or reduce the possibility of vandalism.
  10. An inoperable System may be good cause for seeking revocation of the Permit.
- (vii) Sensors shall be installed to detect entry and exit from all secure areas, and shall be monitored in real time by a security company licensed by the State of California Bureau of Security and Investigative Services.
  - (viii) Panic buttons shall be installed with direct notification to a licensed security company dispatch, and shall be configured to immediately alert dispatch for that licensed security company.
  - (ix) Any bars installed on the windows or the doors shall be installed only on the interior of the building.
  - (x) Armed security personnel shall be on-site during all hours of operation. 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 shall be carried by security personnel at all times that they are on duty, except as otherwise authorized by the Chief of Police.
  - (xi) Premises shall have the capability to remain secure during a power outage and shall ensure that all access doors are not solely controlled by an electronic access panel to ensure that locks are not released during a power outage.
  - (xii) Entrance areas are to be locked at all times and under the control of a designated responsible party that is either; (a) an employee of the cultivator; or (b) a licensed security professional.
  - (xiii) The interior must have at least one camera placed to focus on each transaction. At least one camera should be focused on the entrance, and the camera view should clearly show an image of a color-coded height tape installed on the inside of the door jamb.
  - (xiv) An accounting software system in place to provide point of sale data as well as audit trails of both product and cash, where applicable.
  - (xv) Demonstrate to the Chief of Police, City Manager or their designees, compliance with the state's track and trace system for cannabis and cannabis products and all Cannabis regulations stated in the California Code of Regulations.
  - (xvi) State of the art network security protocols in place to protect computer information and all digital data.
  - (xvii) Exterior vegetation shall be planted, altered and maintained in a fashion that precludes its use as a hiding place for persons on the premises.
  - (xviii) Each cultivator shall identify a designated security representative/liaison to the city, who shall be reasonably available to meet with the City Manager or his/her designee(s) regarding any security related measures or and operational issues. The designated security representative/liaison shall, on behalf of the cultivator, annually prepare and submit to the District Commander of the Fresno Police Department a security plan for approval and maintain a copy of the current security plan on the premises, to present to a peace officer immediately upon request that meets the following requirements:
    1. Confirms that a designated Manager will be on duty during business hours.

2. Identifies all Managers and their contact phone numbers.
  3. Confirms that first aid supplies and operational fire extinguishers are located in the service areas and the Manager's office.
  4. Confirms that burglar, fire, and panic alarms are operational and monitored by a licensed security company 24 hours a day, seven days a week, and provides contact information for each licensed security company.
  5. Identify a sufficient number of licensed, interior and exterior security personnel who will monitor individuals inside and outside the premises, the parking lot, and any adjacent property under the business' control.
  6. Confirm that the licensed security personnel shall regularly monitor the parking lot and any adjacent property to ensure that these areas are: (a) free of individuals loitering or causing a disturbance; (b) are cleared of patrons and their vehicles one-half hour after closing.
- (2) As part of the application and permitting process each cultivator shall have a storage and transportation plan, which describes in detail the procedures for safely and securely storing and transporting all cannabis, cannabis products, and any currency.
  - (3) Cooperate with the city whenever the City Manager or his/her designee(s) makes a request, without prior notice, to inspect or audit the effectiveness of any security plan or of any other requirement of this Article.
  - (4) Notify the City Manager or his/her designee(s) within twenty-four (24) hours after discovering any of the following:
    - (i) Significant discrepancies identified during inventory. The level of significance shall be determined by the regulations promulgated by the City Manager or his/her designee(s).
    - (ii) Diversion, theft, loss, or any criminal activity involving the cultivator or any agent or employee of the cultivator.
    - (iii) The loss or unauthorized alteration of records related to cannabis, or employees or agents of the commercial cannabis business.
    - (iv) Any other breach of security.
  - (5) Compliance with the foregoing requirements shall be verified by the Chief of Police prior to commencing business operations. The Chief of Police may supplement these security requirements once operations begin, subject to review by the City Manager if requested by the business owner.

(Added Ord. 2018-68, § 1, eff. 1-24-19; Am. Ord. 2020-002, § 11, eff. 3-2-20).

#### SEC. 9-3313. - OPERATING REQUIREMENTS FOR A TESTING LABORATORY.

##### (a) **General.**

- (1) Testing laboratories may operate 24 hours a day. Operations shall be subject to the provisions of the Noise Ordinance, Article 1 of Chapter 10 of this Code, as may be amended.
- (2) Testing Laboratories shall comply with all applicable state standards and laws. Standard Operating Procedures, as recommended by the Bureau, must be followed.
- (3) Testing laboratories shall be required to conduct all testing in a manner pursuant to Business and Professions Code 26100 and shall be subject to any additional or subsequent state and local law.

##### (b) **Security Measures.**

- (1) A permitted testing laboratory shall implement sufficient security measures to deter and prevent the unauthorized entrance into areas containing cannabis or cannabis products, and to deter and prevent the theft of cannabis and cannabis products. Except as may otherwise be determined by the City Manager or his/her designee(s), these security measures shall include, but shall not be limited to, all of the following:
  - (i) Premises shall have a professionally installed, maintained, and monitored real-time alarm system by a security company licensed by the State of California Bureau of Security and Investigative Services.
  - (ii) Premises shall have perimeter security and lighting, including motion sensors, as approved by the Chief of Police.



- (iii) Prevent individuals from remaining on the premises if they are not engaging in an activity directly related to the per operations of the testing laboratory.
- (iv) Establish limited access areas accessible only to authorized personnel.
- (v) All cannabis and cannabis products shall be stored in a secured and locked vault or vault equivalent. All safes and vaults shall be compliant with Underwriter Laboratories burglary-resistant and fire-resistant standards. All cannabis and cannabis products shall be kept in a manner as to prevent diversion, theft, and loss.
- (vi) The applicant must install a fully functional color digital video camera system ("System") that meets the following requirements:
  - 1. The System must continuously record, store, be capable of playing back images and be fully functional at all times, including during any hours the business is closed. The System must be maintained in a secured location inside of the business.
  - 2. The System shall have the correct date and time stamped onto the image at all times.
  - 3. The camera storage capacity should be for at least ninety days. Such cameras must be capable of producing a retrievable and identifiable image than can be made a permanent record and that can be enlarged through projection or other means.
  - 4. Digital video recorder must be capable of storing at least ninety days of real-time activities.
  - 5. The System shall be capable of producing a CD or digital playback feature and may be provided to an authorized representative of the Fresno Police Department immediately, upon request for a criminal investigation and/or for purposes of compliance only.
  - 6. The interior of the business must have at least one camera placed to focus on each cash register transaction to include the clerk as well as the customer waiting area. There should be at least one camera focused on the entrance and the camera view should clearly show an image of the color coded height tape installed on the inside of the door jamb.
  - 7. There shall be exterior cameras placed so as to record activities in the primary customer parking areas of their business. These cameras should be of sufficient quality to be able to identify persons and or vehicles utilizing the business parking lot.
  - 8. All interior cameras shall record in color.
  - 9. All exterior cameras shall record in color and have automatic low light switching capabilities to black and white. Exterior cameras should be in weatherproof enclosures and located in a manner that will prevent or reduce the possibility of vandalism.
  - 10. An inoperable System may be good cause for seeking revocation of the Permit.
- (vii) Sensors shall be installed to detect entry and exit from all secure areas, and shall be monitored in real time by a security company licensed by the State of California Bureau of Security and Investigative Services.
- (viii) Panic buttons shall be installed with direct notification to a licensed security company dispatch, and shall be configured to immediately alert dispatch for that licensed security company.
- (ix) Any bars installed on the windows or the doors of the premises shall be installed only on the interior of the building.
- (x) Security personnel shall be on-site during all hours of operation or alternative security as authorized by the City Manager or his/her designee(s). 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.
- (xi) Premises shall have the capability to remain secure during a power outage and shall ensure that all access doors are not solely controlled by an electronic access panel to ensure that locks are not released during a power outage.

- (xii) Entrance areas are to be locked at all times and under the control of a designated responsible party that is either; (a) of the testing laboratory; or (b) a licensed security professional.
- (xiii) The interior must have at least one camera placed to focus on each transaction. At least one camera should be focused on the entrance, and the camera view should clearly show an image of a color-coded height tape installed on the inside of the door jamb.
- (xiv) An accounting software system in place to provide point of sale data as well as audit trails or both product and cash, where applicable.
- (xv) Demonstrate to the Chief of Police, City Manager or their designees, compliance with the state's track and trace system for cannabis and cannabis products and all Cannabis regulations stated in the California Code of Regulations.
- (xvi) Have state of the art network security protocols in place to protect computer information and all digital data.
- (xvii) Exterior vegetation shall be planted, altered, and maintained in a fashion that precludes its use as a hiding place for persons on the premises.
- (xviii) Identify a designated security representative/liason to the city, who shall be reasonably available to meet with the City Manager or his/her designee(s) regarding any security related measures or and operational issues. The designated security representative/liason shall, on behalf of the testing laboratory, annually prepare and submit to the District Commander of the Fresno Police Department a security plan for approval and maintain a copy of the current security plan on the premises of the business, to present to a peace officer immediately upon request that meets the following requirements:
  - 1. Confirms that a designated Manager will be on duty during business hours and will be responsible for monitoring the behavior of patrons.
  - 2. Identifies all Managers and their contact phone numbers.
  - 3. Confirms that first aid supplies and operational fire extinguishers are located in the service areas and the Manager's office.
  - 4. Confirms that burglar, fire, and panic alarms are operational and monitored by a licensed security company 24 hours a day, seven days a week, and provides contact information for each licensed security company.
  - 5. Identify a sufficient number of licensed, interior and exterior security personnel who will monitor individuals inside and outside the testing laboratory, the parking lot, and any adjacent property under the business' control.
  - 6. Confirm that the licensed security personnel shall regularly monitor the parking lot and any adjacent property to ensure that these areas are: (a) free of individuals loitering or causing a disturbance; (b) are cleared of patrons and their vehicles one-half hour after closing.
- (2) As part of the application and permitting process each testing laboratory shall have a storage and transportation plan, which describes in detail the procedures for safely and securely storing and transporting all cannabis, cannabis products, and any currency.
- (3) The testing laboratory shall cooperate with the city whenever the City Manager or his/her designee(s) makes a request, without prior notice, to inspect or audit the effectiveness of any security plan or of any other requirement of this Article.
- (4) Notify the City Manager or his/her designee(s) within twenty-four (24) hours after discovering any of the following:
  - (i) Significant discrepancies identified during inventory. The level of significance shall be determined by the regulations promulgated by the City Manager or his/her designee(s).
  - (ii) Diversion, theft, loss, or any criminal activity involving the testing laboratory or any agent or employee of the testing laboratory.
  - (iii) The loss or unauthorized alteration of records related to cannabis, or employees or agents of the commercial

cannabis business.

(iv) Any other breach of security.

(5) Compliance with the foregoing requirements shall be verified by the Chief of Police prior to commencing business operations. The Chief of Police may supplement these security requirements once operations begin, subject to review by the City Manager if requested by the business owner.

(Added Ord. 2018-68, § 1, eff. 1-24-19; Am. Ord. 2020-002, § 12, eff. 3-2-20).

SEC. 9-3314. - OPERATING REQUIREMENTS FOR A MANUFACTURER.

(a) **General.**

- (1) Manufacturers may operate 24 hours a day. Operations shall be subject to the provisions of the Noise Ordinance, Article 1 of Chapter 10 of this Code, as may be amended.
- (2) Manufacturers must comply with the California Fire Code, California Building Code, and edible product manufacturing must comply with California Department of Public Health Food and Drug Branch regulations.
- (3) The manufacture of cannabis products shall be conducted in a manner to ensure the operation does not pose a threat to the health, safety, and welfare of the public or to neighboring properties.
- (4) Any compressed gases used in the manufacturing process shall not be stored on any property within the city in containers that exceeds the amount which is approved by the Fresno Fire Department and authorized by the commercial cannabis business permit. Each site or parcel subject to a commercial cannabis business permit shall be limited to a total number of tanks as authorized by the Fresno Fire Department on the property at any time.
- (5) Manufacturers may use food grade glycerin, ethanol, and propylene glycol solvents to create or refine extracts. Ethanol should be removed from the extract in a manner to recapture the solvent and ensure that it is not vented into the atmosphere.
- (6) Manufacturers creating cannabis extracts must develop standard operating procedures, good manufacturing practices, and a training plan prior to producing extracts for the marketplace. The extraction operation shall be approved by the Fresno Fire Department and shall be operated in accordance with all relevant state and local requirements.
- (7) Manufacturers must disclose to the city the nature of the product being manufactured (i.e. baked goods, ointments, products derived from butane extraction, etc.).
- (8) Manufacturers must comply with all applicable state standards and laws, including but not limited to, Section 19353 of the Business and Professions Code, and Sections 11362.775 and 11362.9 of the Health and Safety Code. Manufacturers must also comply with Federal FDA practices and Standard Operating Procedures.
- (9) Any Manufacturer that changes the medium of extraction or solvent used in manufacturing from the type previously approved shall submit a report for approval by the Fresno Fire Department prior to the use of the equipment with said new medium or solvent. The technical report shall be revised at the cost of the Manufacturer.
- (10) Manufacturer shall employ quality control personnel and establish standard operating procedures that comply with current good manufacturing practices, as outlined by the State Department of Public Health and the U.S. Food and Drug Administration.
- (11) All Manufacturers have a continuous obligation to identify and/or evaluate known or reasonably foreseeable hazards and implement written preventive controls to significantly minimize or prevent manufactured cannabis products from becoming adulterated or misbranded.
- (12) Vacuum ovens shall not be used to process volatile solvents or flammable/combustible liquids contained in cannabis concentrate unless said vacuum oven is rated to process the vapors of volatile solvents or flammable/combustible liquids, such as a vacuum oven that is rated with an explosion-proof classification.
  - (i) Manufacturers conducting extractions with a vacuum oven shall take adequate precautions to ensure that any

cannabis concentrate introduced into said oven does not contain volatile solvents or flammable/combustible liquids.

- (ii) All vacuum ovens used in the manufacture of cannabis products shall be listed by a Nationally Recognized Testing Laboratory (NRTL).
- (13) Doors to any room where Manufacturers use volatile solvents, hazardous materials, or flammable/combustible liquids in the manufacture of cannabis shall swing in the direction of egress, be self-closing and/or self-latching, and be provided with panic hardware.
- (14) Volatile solvents, hazardous chemicals, and flammable/combustible liquids, including volatile solvents, hazardous chemicals, and flammable/combustible liquids contained in concentrated cannabis or cannabis goods, shall be stored in a refrigerator, refrigerated storage, or a freezer rated to store flammable liquids.
  - (i) Manufacturers shall store and process all volatile solvents or flammable/combustible liquids, including concentrated cannabis and manufactured cannabis that contains volatile solvents or flammable/combustible liquids, in refrigerators, refrigerated storage, or freezers rated to store flammable liquids which are, at a minimum, rated "Lab-Safe" or "Flammable Safe."
- (15) Closed loop system required.
  - (i) Chemical extractions using carbon dioxide or a volatile solvent shall be conducted in a professional and commercially manufactured closed loop extraction system that has been certified by a California-licensed engineer.
  - (ii) No closed loop systems shall be utilized without prior inspection and approval of the Fresno Fire Department. It shall meet any required fire, safety, and building code requirements, including but not limited to, National Fire Protection Association (NFPA) standards, International Building Code (IBC), and International Fire Code (IFC).
  - (iii) Certification requirements.
    - 1. Certifications from a California-licensed engineer of any closed loop system used by a Manufacturer shall be provided to certify that the system was commercially manufactured, is safe for its intended use, and was built to codes of recognized and generally accepted good engineering practices, including but not limited to:
      - a. The American Society of Mechanical Engineers (ASME);
      - b. American National Standards Institute (ANSI);
      - c. Underwriters Laboratories (UL); or
      - d. The American Society for Testing and Materials (ASTM).
    - 2. The certification document required pursuant this subsection shall contain the signature and stamp of the professional engineer and serial number of the extraction unit being certified.
  - (iv) Closed loop systems for compressed gas extraction systems must be commercially manufactured and bear a permanently affixed and visible serial number. The carbon dioxide must be of at least ninety-nine percent purity.
  - (v) Any person using solvents or gases in a closed looped system to create cannabis extracts must be fully trained on how to use the system, have direct access to applicable material safety data sheets and handle and store the solvents and gases safely.
  - (vi) Manufacturers shall control all sources of ignition where a flammable atmosphere is or may be present.
- (16) Manufacturers may only use volatile solvents or gases approved by the Fresno Fire Department and state law for extractions. Manufacturers may use nonvolatile solvents or mechanical processes to create or refine extracts, if approved by the Fresno Fire Department.
- (17) Manufacturers that use and generate hazardous materials or hazardous waste shall comply with all applicable hazardous material regulations for hazardous waste generators and hazardous material handling requirements.
- (18) Edible cannabis products.

- (i) The manufacture, distribution, and transportation of edible cannabis products shall be conducted in a manner that all applicable food safety laws for the protection of humans consuming cannabis.
- (ii) Cannabis facility requirements and limitations.
  - 1. All products, storage facilities, utensils, equipment, and materials used for the manufacture of edible cannabis products shall be approved, used, managed, and handled in accordance to the provisions of all State and local laws regarding the preparation, distribution, labeling, and sale of food.
  - 2. Any manufacturing site that proposes to prepare, store, dispense, and distribute edible cannabis products shall comply with the relevant provisions of all State and local laws regarding the preparation, distribution, labeling, and sale of food.
  - 3. No food production shall be allowed in a facility where edible cannabis products are manufactured to avoid the unintentional contamination of non-cannabis foods with cannabis.
  - 4. Facilities where edible cannabis products are manufactured shall be constructed, permitted, operated, and inspected in accordance with the applicable building code and applicable food safety requirements.
- (iii) All owners, employees, volunteers, or other individuals that participate in the production of edible cannabis products shall be State certified food handlers. The valid certificate number of each such owner, employee, volunteer, or other individual shall be on record at the permitted premises where said individual participates in the production of edible cannabis products.

(19) Accurate weights and measures.

- (i) Manufacturers shall maintain all weighing devices in good working order, approved, tested, sealed, and registered in compliance with Division 5 ("Weights and Measures") of the California Business and Professions Code, any regulations implemented by the Manufactured Cannabis Safety Branch, and all other applicable local, state, and Federal laws.
- (ii) Manufacturers are prohibited from using scales, weights, or measures that do not accurately conform to the standard of weights and measures of the State and county.

(b) **Security Measures.**

- (1) A permitted manufacturer shall implement sufficient security measures to deter and prevent the unauthorized entrance into areas containing cannabis or cannabis products, and to deter and prevent the theft of cannabis and cannabis products. Except as may otherwise be determined by the City Manager or his/her designee(s), these security measures shall include, but shall not be limited to, all of the following:
  - (i) Premises shall have a professionally installed, maintained, and monitored real-time alarm system by a security company licensed by the State of California Bureau of Security and Investigative Services.
  - (ii) Premises shall have perimeter security and lighting, including motion sensors, as approved by the Chief of Police.
  - (iii) Prevent individuals from remaining on the premises if they are not engaging in an activity directly related to the permitted operations of the manufacturer.
  - (iv) Establish limited access areas accessible only to authorized personnel.
  - (v) All cannabis and cannabis products shall be stored in a secured and locked vault or vault equivalent. All safes and vaults shall be compliant with Underwriter Laboratories burglary-resistant and fire-resistant standards. All cannabis and cannabis products shall be kept in a manner as to prevent diversion, theft, and loss.
  - (vi) The applicant must install a fully functional color digital video camera system ("System") that meets the following requirements:
    - 1. The System must continuously record, store, be capable of playing back images and be fully functional at all times, including during any hours the business is closed. The System must be maintained in a secured location inside of the business.
    - 2. The System shall have the correct date and time stamped onto the image at all times.

3. The camera storage capacity should be for at least ninety days. Such cameras must be capable of producing a more identifiable image than can be made a permanent record and that can be enlarged through projection or other means.
  4. Digital video recorder must be capable of storing at least ninety days of real-time activities.
  5. The System shall be capable of producing a CD or digital playback feature and may be provided to an authorized representative of the Fresno Police Department immediately, upon request for a criminal investigation and/or for purposes of compliance only.
  6. The interior of the business must have at least one camera placed to focus on each cash register transaction to include the clerk as well as the customer waiting area. There should be at least one camera focused on the entrance and the camera view should clearly show an image of the color coded height tape installed on the inside of the door jamb.
  7. There shall be exterior cameras placed so as to record activities in the primary customer parking areas of their business. These cameras should be of sufficient quality to be able to identify persons and or vehicles utilizing the business parking lot.
  8. All interior cameras shall record in color.
  9. All exterior cameras shall record in color and have automatic low light switching capabilities to black and white. Exterior cameras should be in weatherproof enclosures and located in a manner that will prevent or reduce the possibility of vandalism.
  10. An inoperable System may be good cause for seeking revocation of the Permit.
- (vii) Sensors shall be installed to detect entry and exit from all secure areas, and shall be monitored in real time by a security company licensed by the State of California Bureau of Security and Investigative Services.
  - (viii) Panic buttons shall be installed with direct notification to a licensed security company dispatch, and shall be configured to immediately alert dispatch for that licensed security company.
  - (ix) Any bars installed on the windows or the doors of the premises shall be installed only on the interior of the building.
  - (x) Armed security personnel shall be on-site during all hours of operation or alternative security as authorized by the City Manager or his/her designee(s). 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 shall be carried by security personnel at all times that they are on duty, except as otherwise authorized by the Chief of Police.
  - (xi) Premises shall have the capability to remain secure during a power outage and shall ensure that all access doors are not solely controlled by an electronic access panel to ensure that locks are not released during a power outage.
  - (xii) Entrance areas are to be locked at all times and under the control of a designated responsible party that is either; (a) an employee of the testing laboratory; or (b) a licensed security professional.
  - (xiii) The interior must have at least one camera placed to focus on each transaction. At least one camera should be focused on the entrance, and the camera view should clearly show an image of a color-coded height tape installed on the inside of the door jamb.
  - (xiv) An accounting software system in place to provide point of sale data as well as audit trails or both product and cash, where applicable.
  - (xv) Demonstrate to the Chief of Police, City Manager or their designees, compliance with the state's track and trace system for cannabis and cannabis products and all Cannabis regulations stated in the California Code of Regulations.
  - (xvi) Have state of the art network security protocols in place to protect computer information and all digital data.
  - (xvii) Exterior vegetation shall be planted, altered, and maintained in a fashion that precludes its use as a hiding place

for persons on the premises.

- (xviii) Identify a designated security representative/liaison to the city, who shall be reasonably available to meet with the City Manager or his/her designee(s) regarding any security related measures or and operational issues. The designated security representative/liaison shall, on behalf of the manufacturer, annually prepare and submit to the District Commander of the Fresno Police Department a security plan for approval and maintain a copy of the current security plan on the premises of the business, to present to a peace officer immediately upon request that meets the following requirements:
1. Confirms that a designated Manager will be on duty during business hours and will be responsible for monitoring the behavior of patrons.
  2. Identifies all Managers and their contact phone numbers.
  3. Confirms that first aid supplies and operational fire extinguishers are located in the service areas and the Manager's office.
  4. Confirms that burglar, fire, and panic alarms are operational and monitored by a licensed security company 24 hours a day, seven days a week, and provides contact information for each licensed security company.
  5. Identify a sufficient number of licensed, interior and exterior security personnel who will monitor individuals inside and outside the premises, the parking lot, and any adjacent property under the business' control.
  6. Confirm that the licensed security personnel shall regularly monitor the parking lot and any adjacent property to ensure that these areas are: (a) free of individuals loitering or causing a disturbance; (b) are cleared of patrons and their vehicles one-half hour after closing.
- (2) As part of the application and permitting process each manufacturer shall have a storage and transportation plan, which describes in detail the procedures for safely and securely storing and transporting all cannabis, cannabis products, and any currency.
- (3) The manufacturer shall cooperate with the city whenever the City Manager or his/her designee(s) makes a request, without prior notice, to inspect or audit the effectiveness of any security plan or of any other requirement of this Article.
- (4) Notify the City Manager or his/her designee(s) within twenty-four (24) hours after discovering any of the following:
- (i) Significant discrepancies identified during inventory. The level of significance shall be determined by the regulations promulgated by the City Manager or his/her designee(s).
  - (ii) Diversion, theft, loss, or any criminal activity involving the manufacturer or any agent or employee of the manufacturer.
  - (iii) The loss or unauthorized alteration of records related to cannabis, or employees or agents of the commercial cannabis business.
  - (iv) Any other breach of security.
- (5) Compliance with the foregoing requirements shall be verified by the Chief of Police prior to commencing business operations. The Chief of Police may supplement these security requirements once operations begin, subject to review by the City Manager if requested by the business owner.

(Added Ord. 2018-68, § 1, eff. 1-24-19; Am. Ord. 2020-002, § 13, eff. 3-2-20).

#### SEC. 9-3315. - OTHER OPERATIONAL REQUIREMENTS.

The City Manager or his/her designee may develop other commercial cannabis activity operational requirements or regulations as are determined to be necessary to protect the public health, safety and welfare.

- (a) A microbusiness must comply with all of the operational requirements applicable to each business type the microbusiness is comprised of.

(Added Ord. 2018-68, § 1, eff. 1-24-19; Amd. Ord. 2020-041, § 4, eff. 10-25-20).

SEC. 9-3316. - INITIAL APPLICATION PROCEDURE.

(a) The City Manager shall adopt the procedures to issue commercial cannabis business permits, which shall include or require the City Manager to provide detailed objective review criteria to be evaluated on a point system or equivalent quantitative evaluation scale tied to each set of review criteria. The City Manager or designee(s) shall be authorized to prepare the necessary forms, adopt any necessary rules to the application, regulations and processes, solicit applications, and conduct initial evaluations of the applicants.

(b) SOCIAL POLICY.

(1) Employment. Each applicant shall be required to hire individuals for a minimum of one-third (1/3) of the total annual work hours performed at the business who meets one of the following:

- (i) Annual family income below 80% AMI;
- (ii) Convicted for a cannabis related crime that could have been prosecuted as a misdemeanor or citation under current State law;
- (iii) Lived in a low to moderate income census tract in the city for a minimum of three (3) years;
- (iv) Veteran; or
- (v) Former foster home youth who was in foster care as a minor.
- (vi) Unemployed; or
- (vii) Receiving public assistance.

If selected to receive a commercial cannabis business permit, a condition of approval shall be to provide the city with ongoing proof of compliance of this requirement.

(2) Labor Peace Agreements. A commercial cannabis business or cannabis retail business with five (5) or more employees shall sign a labor peace agreement allowing employees to join or form a union without interference. At the time of application filing, or within thirty (30) days of its fifth (5th) hire, the commercial cannabis business or cannabis retail business shall sign such labor peace agreement and provide a copy of the executed agreement to the City Manager or designee(s). If such agreement is not received, the application shall be denied or the commercial cannabis business permit shall be revoked in accordance with Section 9-3321 of this Article.

- (i) Union shall mean a bona fide labor organization that is the recognized or certified exclusive bargaining representative of the employees of an employer. A labor organization is bona fide under this regulation if:
  - 1. It actually represents employees in California as to wages, hours and working conditions;
  - 2. Its officers have been elected by secret ballot or otherwise in a manner consistent with federal law; and
  - 3. It is free of domination or interference by any employer and has received no improper assistance or support from any employer.

(3) Workforce Plan. All applicants shall submit a workforce plan that includes at least the following provisions:

- (i) Commitment for 30% of employees to be local hires; this local hires requirement is satisfied when a business shows that it has either hired or made a good faith effort to hire bona fide residents of Fresno who have not established residency after application for employment with the permittee;
- (ii) Commitment to offer apprenticeships and/or compensation for continuing education in the field; and
- (iii) Commitment to pay a living wage to its employees.

(4) Collective Bargaining Agreement. If applicable, the applicant shall submit a current collective bargaining agreement with a bona fide labor organization that currently represents cannabis workers in the United States; the applicant shall provide a copy of the agreement to the City Manager or designee(s).

(5) Social Responsibility. At the time of filing, each applicant shall include a social responsibility element as part of the



application. The contents of the social responsibility element are at the discretion of the applicant. The weight of the social responsibility portion of the application will be considered in the overall scoring of the application. Options for the social responsibility element may include, but are not limited to:

- (i) Providing funding for or hosting expungement clinics or outreach services.
  - (ii) Incorporating an environmentally sustainable business model including energy efficient buildings and vehicles.
  - (iii) Providing a statement that the applicant will enter into, or demonstrate that it has already entered into, and abide by the terms of a labor peace agreement.
  - (iv) Utilizing vacant buildings, brownfields land, or blighted areas of the city for the business.
- (6) Social Equity Applicant.
- (i) A minimum of one (1) out of every seven (7) commercial cannabis business permits for cannabis retail businesses shall be awarded to an equity applicant. A maximum of two (2) out of every seven (7) commercial cannabis business permits for cannabis retail businesses may be awarded to an equity applicant.
  - (ii) A minimum of one (1) out of every eight (8) commercial cannabis business permits for commercial cannabis businesses shall be awarded to an equity applicant. A maximum of two (2) out of every eight (8) commercial cannabis business permits for commercial cannabis businesses may be awarded to an equity applicant.
  - (iii) To be considered an equity applicant, the majority ownership interest in the company applying must qualify under at least one of the following criteria:
    - 1. Low income household and either:
      - a. A past conviction for a cannabis crime, or
      - b. Immediate family member with a past conviction for a cannabis crime.
    - 2. Low income household in a zip code identified as at least 60% according to the CalEnviroScreen for five (5) consecutive year period and either:
      - a. A past conviction for a cannabis crime, or
      - b. Immediate family member with a past conviction for a cannabis crime.
    - 3. Low income household and either:
      - a. Five (5) years cumulative residency in a zip code identified as at least 70% according to the CalEnviroScreen, or
      - b. Ten (10) years cumulative residency in a zip code identified by CalEnviroScreen.
    - 4. Business with no less than fifty-one percent (51%) ownership by individuals who meet Criteria 1 and 2 above.
    - 5. Cannabis social enterprise with no less than fifty-one percent (51%) ownership by individuals who meet Criteria 1 and 2 above.
      - a. Cannabis social enterprise shall mean a cannabis business in the city that incubates and/or employs individuals meeting Criteria 1 or 2 above and uses commercial strategies to maximize improvements in financial, social, and environmental well-being of the disadvantaged community the organization sits in. This may include maximizing social impact alongside profits for external shareholders. It can be structured as a for-profit or non-profit organization and may take the form of a cooperative, mutual organization, a disregarded entity, a social business, a benefit corporation, a community interest company, a company limited by guarantee, or a charity organization. They can also take more conventional structures. Social enterprises have both business goals and social goals. As a result, their social goals are embedded in their objective, which differentiates them from other organizations and corporations.
    - 6. An individual with a membership interest in a cannabis business formed as a cooperative.
  - (iv) The City Manager shall determine if an applicant meets the above criteria and qualifies as an equity applicant.

- (v) If determined to not qualify as an equity applicant, the decision may be appealed in accordance with Section 9-332;
- (vi) If qualified as an equity applicant, the equity applicant's fees shall be waived and commercial cannabis business permit application assistance and compliance assistance shall be given. An equity applicant shall also be provided any other assistance as required by state law, as may be amended.
- (vii) An Equity Assistance Program shall be established by the City Manager once funding becomes available. The program shall be contingent upon Council approval, and shall include, but not be limited to, the following elements:
  - 1. Assistance in paying state regulatory and licensing fees;
  - 2. Assistance securing business locations prior to or during the application process;
  - 3. Assistance securing capital investments (excluding loans and grants from the city);
  - 4. Assistance in recruiting, training, and retention of a qualified/diverse workforce; and
  - 5. Business loans and/or grants to equity applicants.
- (c) At the time of filing an initial or renewal application, and in accordance with Section 26051.5(11)(A) of the Business and Professions Code, as may be amended, each applicant shall provide a statement that the applicant employs, or will employ within one year of receiving or renewing a commercial cannabis business permit, one supervisor and one employee who have successfully completed a Cal-OSHA 30-hour general industry outreach course offered by a training provider that is authorized by an OSHA Training Institute Education Center to provide the course. This paragraph shall not be construed to alter or amend existing requirements for employers to provide occupational safety and health training to employees.
- (d) At the time of filing, each applicant shall sign a statement, under penalty of perjury, that all information submitted is true and correct. If it is later discovered that any false information was provided by the applicant, the application shall be denied, and if a commercial cannabis business permit was granted, it shall be revoked with no opportunity for an appeal.
- (e) At the time of filing, each applicant shall pay an application fee established by resolution of the City Council, to cover all costs incurred by the city in the application process.
- (f) All applications must be submitted in a Portable Document Format (PDF), or comparable alternative as approved by the City Manager, and will be posted online on the city's website after the interview process is complete for all applications in that particular application process. Posting will occur upon completion of the review and redaction process and will include supporting documents. Names and addresses of applicants will be posted when an application period closes. All applications submitted are considered public documents for Public Records Act request purposes. Any application forms created by the city shall include this disclaimer.
- (g) At the time of filing, no Applicant or Owner shall initiate, engage in, or continue any communication to or with any elected official or Planning Commissioner, and no elected official or Planning Commissioner shall initiate, engage in, or continue any communication to or with any Applicant or Owner, concerning or touching upon any matter which is the subject of this Article. The application shall be rejected if prohibited communications take place.
- (h) At the time of filing a complete application, the City Manager shall notify the Councilmember of the district in which the applicant seeks to be located through electronic mail and confirming that it was received.
- (i) After the initial application review and preliminary elimination of applications, the City Manager shall provide notice by First Class mail delivery to all properties and property owners of record within a minimum 1,000-foot radius of the subject property as shown on the latest available assessment role. The City Manager shall also provide notice to the Councilmember whose district the business would be located in.
- (j) After the final review, ranking, and scoring of applications, the City Manager or his/her designee(s) shall make a determination in accordance with this Article.
- (k) THE CITY'S RESERVATION OF RIGHTS: The city reserves the right to reject any or all applications. Prior to permit issuance,

the city may also modify, postpone, or cancel any request for applications, or the entire program under this Article, at any time without liability, obligation, or commitment to any party, firm, or organization, to the extent permitted under California state law. Persons submitting applications assume the risk that all or any part of the program, or any particular category of permit potentially authorized under this Article, may be cancelled at any time prior to permit issuance. The city further reserves the right to request and obtain additional information from any candidate submitting an application. In addition to any other justification provided a failure to comply with other requirements in this Article, an application RISKS BEING REJECTED for any of the following reasons:

- (1) Proposal received after designated time and date.
- (2) Proposal not containing the required elements, exhibits, nor organized in the required format.
- (3) Proposal considered not fully responsive to this request for permit application.

(Added Ord. 2018-68, § 1, eff. 1-24-19; Am. Ord. 2020-002, §§ 14—18, eff. 3-2-20; Am. Ord. 2020-022, § 1, eff. 6-30-20; Am. Ord. 2021-021, § 1, eff. 7-8-21).

#### SEC. 9-3317. - PERMITTEE SELECTION PROCESS.

- (a) The City Manager shall adopt a procedure guideline and Review Criteria by which the top applicants in each category of each commercial cannabis activity shall be evaluated with a final determination made by the City Manager, which may be appealed to the City Council by the Councilmember whose district the business would be located in. Local preference shall be included in the Review Criteria.
- (b) Within ten (10) days of the City Manager making a determination to issue a commercial cannabis business permit, notice of the determination shall be sent to all properties and property owners of record within a minimum 1,000-foot radius of the business location as shown on the latest available assessment role, as well as the Councilmember whose district the business will be located in.
- (c) Any decision of the City Manager regarding approval of a commercial cannabis business permit may be appealed to the City Council by: the applicant, the Mayor or the Councilmember whose district the business would be located in. Appeals must be initiated by filing a letter with the City Manager. Such action shall require a statement of reasons for the appeal. All appeals shall be filed with the City Manager in writing within 15 days of the date of the decision to issue a commercial cannabis business permit. A City Council hearing shall be set within twenty (20) days of the City Manager receiving an appeal. Ten (10) days prior to the scheduled City Council hearing, a notice of the hearing shall be sent to all properties and property owners of record within a minimum 1,000-foot radius of the business location as shown on the latest available assessment role, as well as the Councilmember who filed the appeal and the applicant.
- (d) Official issuance of the commercial cannabis business permit(s), is conditioned upon the prevailing candidate(s) obtaining all required land use approvals and a Cannabis Business License Tax certificate. Following the City Manager's selection, the prevailing candidate(s) shall apply to the city's Planning and Development Department to obtain all required land use approvals or entitlements for the permittee's location. Land use applications shall be reviewed by all active Council District Project Review Committees. Land use approvals shall include compliance with all applicable provisions of CEQA. The City Manager or his/her designee(s) shall formally issue the commercial cannabis business permit(s) once the Planning and Development Director or his/her designee(s) affirms that all of the required land use approvals have been obtained and the City Controller affirms that a Cannabis Business License Tax certificate has been obtained.
- (e) Issuance of a commercial cannabis business permit does not create a land use entitlement. The commercial cannabis business permit shall only be for a term of twelve (12) months, beginning the day the commercial cannabis business permit is physically issued by the City Manager once the required land use entitlement is obtained, and shall expire at the end of the twelve (12) month period unless it is renewed as provided herein. Furthermore, no permittee may begin operations, notwithstanding the issuance of a permit, unless all of the state and local laws and regulations, including but not limited to the requirements of this Article and of the permit, have been complied with.

- (f) Notwithstanding anything in this Article to the contrary, the City Manager reserves the right to reject any or all applications he/she determines it would be in the best interest of the city, taking into account any health, safety and welfare impacts on community. Applicants shall have no right to a commercial cannabis business permit. Each applicant assumes the risk that, time prior to the issuance of a permit, the City Manager may terminate or delay the program created under this Article.
- (g) If an application is denied, a new application may not be filed for one (1) year from the date of the denial.
- (h) Each person granted a commercial cannabis business permit shall be required to pay the permit fee established by resolution of the City Council, to cover the costs of administering the commercial cannabis business permit program created in this Article.

(Added Ord. 2018-68, § 1, eff. 1-24-19; Am. Ord. 2020-002, § 19, eff. 3-2-20).

SEC. 9-3318. - PERSONS PROHIBITED FROM HOLDING A COMMERCIAL CANNABIS BUSINESS PERMIT.

- (a) Any person, including but not limited to any individual, firm, partnership, joint venture, association, corporation, limited liability company, estate, trust, business trust, receiver, syndicate, or any other group or combination acting as a unit, and the plural as well as the singular in which any of the following actions or notices have been issued in non-compliance, shall be prohibited from holding a commercial cannabis business permit in the city. In addition, the following shall be grounds for denial of a commercial cannabis business permit:
  - (1) The applicant has had a cannabis license or permit suspended or revoked by any city, county, city and county, or any other state cannabis licensing authority within five years of the date of the application;
  - (2) Evidence that the applicant was in non-compliance of properly paying federal, state, or local taxes and/or fees when notified by the appropriate agencies;
  - (3) As of the date of application submittal, applicant was conducting commercial cannabis activity in the city in violation of local and state law.
  - (4) The applicant was convicted of illegal use, possession, transportation, distribution or similar activities related to controlled substances, as defined in the Federal Controlled Substances Act, except for cannabis related offenses for which the conviction occurred after the passage of the Compassionate Use Act of 1996.
  - (5) The applicant has been convicted of a violent felony, a crime involving moral turpitude, a crime involving lotteries, gambling, bookmaking, larceny, perjury, bribery, extortion, fraud, theft, or embezzlement, or has been convicted of prostitution, pimping, human trafficking, or pandering, or has been convicted of any crime substantially related to service or entertainment business;
  - (6) The applicant has been convicted of a crime involving dishonesty, fraud, or deceit with the intent to substantially benefit the applicant or benefit another, or substantially injure another;
  - (7) The applicant has violated any provisions of this Article;
  - (8) The applicant has knowingly made a false statement in his or her application or to any city officer, employee, or agent;
  - (9) The applicant has been noticed, charged, cited, or convicted of violating any law or ordinance relating to the operation of a commercial cannabis activity.
- (b) No person shall be issued a commercial cannabis business permit to operate who enters into an agreement to lease, sublease or any other agreement, regardless of whether it is verbally or in writing to any terms of use of the premises from a property owner, commercial broker or any third party, unless that property is leased at fair market value and such lease, sublease, or agreement does not have any terms or conditions for the cannabis permit licensee to pay the property owner, commercial broker, or any third party a percentage of gross receipts, royalties, equity, or other unreasonable compensation as determined by the city. In addition, all leases, subleases, or other agreements must be based a monthly rate.
- (c) At the time of submission of an application for a commercial cannabis business permit, all operators, owners, investors,

and managers of a commercial cannabis business or cannabis retail business shall submit information for a background check, which shall include, but not be limited to, the following information:

- (1) Name, address, and phone number of the applicant;
- (2) A copy of a birth certificate, driver's license, government issued identification card, passport or other proof that the applicant is at least twenty-one (21) years of age must be submitted with the application;
- (3) The application shall be accompanied by fingerprints and a recent photograph of the applicant in a form and manner as required by the City Manager or his/her designee(s).
- (4) A signed statement under penalty of perjury that the information provided is true and correct.
- (5) A fee paid in an amount set by resolution of the City Council in an amount necessary to cover the costs of administering the background check. The fee is non-refundable and shall not be returned in the event the permit is denied or revoked.

(d) The City Manager or his/her designee(s) shall review the application for completeness, shall conduct a background check, and shall not issue a permit if any grounds for denial of a permit listed above are found.

(Added Ord. 2018-68, § 1, eff. 1-24-19; Am. Ord. 2020-002, § 20, eff. 3-2-20).

#### SEC. 9-3319. - EMPLOYEE REQUIREMENTS.

(a) Any person who is an employee or who otherwise works or volunteers within a commercial cannabis business or cannabis retail business must be legally authorized to do so under applicable state law.

(Added Ord. 2018-68, § 1, eff. 1-24-19; Am. Ord. 2020-002, § 21, eff. 3-2-20).

#### SEC. 9-3320. - EXPIRATION OF COMMERCIAL CANNABIS BUSINESS PERMITS.

Each commercial cannabis business permit issued pursuant to this Article shall expire twelve (12) months after the date of its issuance. Commercial cannabis permits may be renewed as provided in Section 9-3322.

(Added Ord. 2018-68, § 1, eff. 1-24-19).

#### SEC. 9-3321. - REVOCATION OF PERMITS.

Commercial cannabis business permits may be revoked for any violation of any law, rule, regulation and/or standard adopted or if an application contained false information. The revocation of a commercial cannabis business permit may be appealed in accordance with Section 9-3323.

(Added Ord. 2018-68, § 1, eff. 1-24-19; Am. Ord. 2020-002, § 22, eff. 3-2-20).

#### SEC. 9-3322. - RENEWAL APPLICATIONS.

- (a) An application for renewal of a commercial cannabis business permit shall be filed at least sixty (60) calendar days prior to the expiration date of the current permit.
- (b) The renewal application shall contain all the information required for new applications.
- (c) The applicant shall pay a fee in an amount to be set by the City Council to cover the costs of processing the renewal permit application, together with any costs incurred by the city to administer the program created under this Article.
- (d) An application for renewal of a commercial cannabis business permit shall be rejected if any of the following exists:
  - (1) The application is filed less than sixty (60) days before its expiration.
  - (2) The commercial cannabis business permit is suspended or revoked at the time of the application.
  - (3) The commercial cannabis business or cannabis retail business has not been in regular and continuous operation in the four (4) months prior to the renewal application.

- (4) The commercial cannabis business or cannabis retail business has failed to conform to the requirements of this Article, or of any regulations adopted pursuant to this Article.
- (5) The commercial cannabis business or cannabis retail business fails or is unable to renew its state license.
- (6) If the city or state has determined, based on substantial evidence, that the commercial cannabis business or cannabis retail business is in violation of the requirements of this Article, of any city Ordinance, or of state rules and regulations, and the city has determined that the violation is grounds for termination or revocation of the commercial cannabis business permit.
- (e) The City Manager or his/her designee(s) is authorized to make all decisions concerning the issuance of a renewal permit. In making the decision, the City Manager or his/her designee(s) is authorized to impose additional conditions to a renewal permit, if it is determined to be necessary to ensure compliance with state or local laws and regulations or to preserve the public health, safety or welfare. Appeals from the decision of the City Manager or his/her designee(s) shall be handled pursuant to Section 9-3323.
- (f) If a renewal application is rejected, a person may file a new application pursuant to this Article no sooner than one (1) year from the date of the rejection.

(Added Ord. 2018-68, § 1, eff. 1-24-19).

#### SEC. 9-3323. - APPEALS.

Whenever an appeal is provided for in this Article from a decision of the City Manager or his/her designee(s), the appeal shall be conducted as prescribed in Chapter 1, Article 4 of this Code.

(Added Ord. 2018-68, § 1, eff. 1-24-19).

#### SEC. 9-3324. - EFFECT OF STATE LICENSE SUSPENSION, REVOCATION, OR TERMINATION.

Suspension of a license issued by the state shall immediately suspend the ability of a commercial cannabis business or cannabis retail business to operate within the city, until the state reinstates or reissues the license. Should the state revoke or terminate the license of a commercial cannabis business or cannabis retail business, such revocation or termination shall also revoke or terminate the ability of the commercial cannabis business or cannabis retail business to operate within the city.

(Added Ord. 2018-68, § 1, eff. 1-24-19).

#### SEC. 9-3325. - CHANGE IN LOCATION OR OWNERSHIP REQUIRES REAPPLICATION.

- (a) Any time a commercial cannabis business (a) or a cannabis retail business has a change in location or business ownership, the applicant shall reapply with the City Manager or his/her designee(s). The process and the fees shall be the same as the process and fees set for an initial application as set forth in Section 9-3316.
  - (1) **Change in Business Ownership:** A change in ownership for the replacement of any operator, owner, investor or manager, of a commercial cannabis business or a commercial retail business, shall only be considered at the same time as a renewal application and with the filing requirements as stated in Section 9-3322.
  - (2) **Social Equity Permits:** A change in ownership for the replacement of any operator, owner, investor or manager, of a commercial cannabis business or a commercial retail business that was approved for a Social Equity permit by the City Manager will require that the next available commercial business or commercial retail business permit be awarded to a Social Equity Applicant to maintain the minimum number of Social Equity permits outlined in Section 9-3326(b)(4).
- (b) Within fifteen (15) calendar days of any other change in the information provided in the registration form or any change in status of compliance with the provisions of this Article, the applicant shall file an updated registration form with the City Manager or his/her designee(s) for review along with a registration amendment fee.

(Added Ord. 2018-68, § 1, eff. 1-24-19; Am. Ord. 2020-002, § 23, eff. 3-2-20; Am. Ord. 2021-021, § 2, 7-8-21).

SEC. 9-3326. - CITY BUSINESS LICENSE.

Prior to commencing operations, a commercial cannabis business or cannabis retail business shall obtain a city business license.

(Added Ord. 2018-68, § 1, eff. 1-24-19).

SEC. 9-3327. - BUILDING PERMITS AND INSPECTION.

Prior to commencing operations, a commercial cannabis business or cannabis retail business shall be subject to a mandatory building inspection and must obtain all required permits and approvals which would otherwise be required for any business of the same size and intensity operating in that zone. This includes but is not limited to obtaining any required building permit(s), the Fire Department approvals, Health Department approvals and other zoning and land use permit(s) and approvals.

(Added Ord. 2018-68, § 1, eff. 1-24-19).

SEC. 9-3328. - CANNABIS CONDITIONAL USE PERMIT.

Prior to commencing operations, a commercial cannabis business or cannabis retail business must obtain the appropriate land use entitlement from the Planning and Development Department.

(Added Ord. 2018-68, § 1, eff. 1-24-19; Am. Ord. 2020-002, § 24, eff. 3-2-20).

SEC. 9-3329. - RIGHT TO OCCUPY AND TO USE PROPERTY.

As a condition precedent to the city's issuance of a commercial cannabis business permit pursuant to this Article, any person intending to operate a commercial cannabis business or cannabis retail business shall provide a signed and notarized statement, prepared by the City Attorney, demonstrating the legal right to occupy and to use the proposed location for commercial cannabis activity.

(Added Ord. 2018-68, § 1, eff. 1-24-19).

SEC. 9-3330. - PROMULGATION OF REGULATIONS, STANDARDS AND OTHER LEGAL DUTIES.

- (a) In addition to any regulations adopted by the City Council, the City Manager or his/her designee is authorized to establish any additional rules, regulations and standards governing the issuance, denial or renewal of commercial cannabis business permits, the ongoing operation of commercial cannabis businesses and the city's oversight, or concerning any other subject determined to be necessary to carry out the purposes of this Article.
- (b) Regulations shall be published on the city's website.
- (c) Regulations promulgated by the City Manager shall become effective upon date of publication.

(Added Ord. 2018-68, § 1, eff. 1-24-19).

SEC. 9-3331. - RECORDS AND RECORDKEEPING.

- (a) Each owner and operator of a commercial cannabis business or cannabis retail business shall maintain accurate books and records in an electronic format, detailing all of the revenues and expenses of the business, and all of its assets and liabilities. On no less than an annual basis (at or before the time of the renewal of a commercial cannabis business permit issued pursuant to this Article), or at any time upon reasonable request of the city, each commercial cannabis business or cannabis retail business shall file a sworn statement detailing the number of sales by the commercial cannabis business or cannabis retail business during the previous twelve-month period (or shorter period based upon the timing of the request), provided on a per-month basis. The statement shall also include gross sales for each month,

and all applicable taxes paid or due to be paid. On an annual basis, each owner and operator shall submit to the city a financial audit of the business's operations conducted by an independent certified public accountant. Each permittee shall be subject to a regulatory compliance review and financial audit as determined by the City Manager or his/her designee(s).

- (b) Each owner and operator of a commercial cannabis business or cannabis retail business shall maintain a current register of the names and the contact information (including the name, address, and telephone number) of anyone owning or holding an interest in the commercial cannabis business or cannabis retail business, and separately of all the officers, managers, employees, agents and volunteers currently employed or otherwise engaged by the commercial cannabis business or cannabis retail business. The register required by this paragraph shall be provided to the City Manager or his/her designee(s) upon a reasonable request.
- (c) All commercial cannabis businesses and cannabis retail businesses shall maintain an inventory control and reporting system that accurately documents the present location, amounts, and descriptions of all cannabis and cannabis products for all stages of the growing and production or manufacturing, laboratory testing, and distribution processes until purchase as set forth MAUCRSA.
- (d) Subject to any restrictions under the Health Insurance Portability and Accountability Act (HIPAA) regulations, each commercial cannabis business or cannabis retail business shall allow the city to have access to the business's books, records, accounts, together with any other data or documents relevant to its permitted commercial cannabis activities, for the purpose of conducting an audit or examination. Books, records, accounts, and any and all relevant data or documents will be produced no later than twenty-four (24) hours after receipt of the city's request, unless otherwise stipulated by the city. The city may require the materials to be submitted in an electronic format that is compatible with the city's software and hardware.

(Added Ord. 2018-68, § 1, eff. 1-24-19).

#### SEC. 9-3332. - FEES AND CHARGES.

- (a) No person may commence or continue any commercial cannabis activity in the city, without timely paying in full all fees and charges required for the operation of a commercial cannabis business or cannabis retail business. Fees and charges associated with the operation of a commercial cannabis activity shall be established by resolution of the City Council which may be amended from time to time.
- (b) All commercial cannabis businesses or cannabis retail businesses authorized to operate under this Article shall pay all sales, use, business, and other applicable taxes, and all license, registration, and other fees required under federal, state, and local law. Each commercial cannabis business or cannabis retail business shall cooperate with the city with respect to any reasonable request to audit the business' books and records for the purpose of verifying compliance with this section, including but not limited to a verification of the amount of taxes required to be paid during any period.

(Added Ord. 2018-68, § 1, eff. 1-24-19).

#### SEC. 9-3333. - LIMITATIONS ON CITY'S LIABILITY.

To the fullest extent permitted by law, the city shall not assume any liability whatsoever with respect to having issued a commercial cannabis business permit pursuant to this Article or otherwise approving the operation of any commercial cannabis business or cannabis retail business. As a condition to the approval of any commercial cannabis business permit, the applicant shall be required to meet all of the following conditions before they can receive the commercial cannabis business permit:

- (a) They must execute an agreement, in a form approved by the City Attorney, agreeing to indemnify, defend (at applicant's sole cost and expense), and hold the city, and its officers, officials, employees, representatives, and agents, harmless, from any and all claims, losses, damages, injuries, liabilities or losses which arise out of, or which



are in any way related to, the city's issuance of the commercial cannabis business permit or the alleged violation of any federal, state or local laws by the commercial cannabis business or cannabis retail business or any of its officers, employees or agents.

- (b) Maintain insurance at coverage limits and with conditions thereon determined necessary and appropriate from time to time by the City Manager.
- (c) Reimburse the city for all costs and expenses, including but not limited to legal fees and costs and court costs, which the city may be required to pay as a result of any legal challenge related to the city's approval of the applicant's commercial cannabis business permit. The city may, at its sole discretion, participate at its own expense in the defense of any such action, but such participation shall not relieve any of the obligations imposed hereunder.

(Added Ord. 2018-68, § 1, eff. 1-24-19).

#### SEC. 9-3334. - PERMIT HOLDER RESPONSIBLE FOR VIOLATIONS.

The person to whom a commercial cannabis business permit is issued pursuant to this Article shall be responsible for violations of any laws, whether committed by the permittee or any employee or agent of the permittee, which occur in or about the premises of the commercial cannabis business or cannabis retail business.

(Added Ord. 2018-68, § 1, eff. 1-24-19).

#### SEC. 9-3335. - INSPECTION AND ENFORCEMENT.

- (a) The City Manager, or his/her designee(s) charged with enforcing the provisions of this Code, as well as the City Attorney, or his/her designee(s) and the Chief of Police, or his/her designee(s), may enter the location of a commercial cannabis business or cannabis retail business at any time, without notice, and inspect the premises as well as any recordings and records required to be maintained pursuant to this Article or under applicable provisions of state law.
- (b) It is unlawful for any person to impede, obstruct, interfere with, or otherwise not to allow, the city to conduct an inspection, review or copy records, recordings or other documents required to be maintained by a commercial cannabis business or cannabis retail business under this Article or under state or local law. It is also unlawful for a person to conceal, destroy, deface, damage, or falsify any records, recordings or other documents required to be maintained by a commercial cannabis business or cannabis retail business under this Article or under state or local law.
- (c) The City Manager, or his/her designee(s) charged with enforcing the provisions of this Article, as well as the City Attorney, or his/her designee(s) and the Chief of Police, or his/her designee(s), may enter the premises of a commercial cannabis business or cannabis retail business at any time during the hours of operation and without notice to obtain samples of the cannabis to test for public safety purposes. Any samples obtained by the city shall be logged, recorded, and maintained in accordance with established procedures by the City Manager.

(Added Ord. 2018-68, § 1, eff. 1-24-19; Am. Ord. 2020-002, § 25, eff. 3-2-20).

#### SEC. 9-3336. - VIOLATIONS DECLARED A PUBLIC NUISANCE.

Each and every violation of the provisions of this Article is hereby deemed unlawful and a public nuisance.

(Added Ord. 2018-68, § 1, eff. 1-24-19).

#### SEC. 9-3337. - EACH VIOLATION A SEPARATE OFFENSE.

Each and every violation of this Article shall constitute a separate violation and shall be subject to all remedies and enforcement measures authorized by the city. Additionally, as a nuisance per se, any violation of this Article shall be subject to injunctive relief, any permit issued pursuant to this Article being deemed null and void, disgorgement and payment to the city for any monies unlawfully obtained, costs of abatement, costs of investigation, attorney fees, and any other relief or remedy available at law or in

equity. The city may also pursue any and all remedies and actions available and applicable under state and local laws for any violations committed by the commercial cannabis business or cannabis retail business or persons related to, or associated with, the commercial cannabis activity. Additionally, when there is a violation of this Article, the City Manager, or his/her designee(s), may take immediate action to temporarily suspend a commercial cannabis business permit issued by the city.

(Added Ord. 2018-68, § 1, eff. 1-24-19; Am. Ord. 2020-002, § 26, eff. 3-2-20).

#### KSEC. 9-3338. - CRIMINAL PENALTIES.

Each and every violation of the provisions of this Article may in the discretion of the District Attorney or City Attorney be prosecuted as a misdemeanor and upon conviction be subject to a fine not to exceed one thousand dollars (\$1,000) or imprisonment in the County jail for a period of not more than twelve (12) months, or by both such fine and imprisonment. Each day a violation is committed or permitted to continue shall constitute a separate offense.

(Added Ord. 2018-68, § 1, eff. 1-24-19).

#### SEC. 9-3339. - REMEDIES CUMULATIVE AND NOT EXCLUSIVE.

The remedies provided herein are not to be construed as exclusive remedies. The city is authorized to pursue any proceedings or remedies provided by law.

(Added Ord. 2018-68, § 1, eff. 1-24-19).

#### SEC. 9-3340. - SEVERABILITY.

If any section, sentence, clause or phrase of this article is for any reason held to be invalid or unconstitutional by a decision of any court of competent jurisdiction, such decision shall not affect the validity of the remaining portion of this article. The Council hereby declares that it would have passed this ordinance and adopted this article and each section, sentence, clause or phrase thereof, irrespective of the fact that any one or more sections, subsections, sentences, clauses or phrases be declared invalid or unconstitutional.

(Added Ord. 2018-68, § 1, eff. 1-24-19).

#### SEC. 9-3341. - NO VESTED RIGHTS.

Neither this article, nor any other provision of this Code or action, failure to act, statement, representation, certificate, approval, or permit issued by the city or its departments, or their respective representatives, agents, employees, attorneys, or assigns, shall create, confer, or convey any vested or nonconforming right or benefit regarding any commercial cannabis activity. Any benefit conferred by this ordinance shall expire permanently and in full on the effective date of the City Council's enactment of new cannabis legislation or upon repeal of this ordinance. Should the city repeal or amend this article, no claim for loss of property rights or due process of any kind shall be maintained against the city.

(Added Ord. 2018-68, § 1, eff. 1-24-19).

#### SEC. 9-3342. - YEARLY REVIEW.

The City Manager shall review the operation of this Article within twelve months of its effective date and report his/her findings and recommendations to Council. After the initial twelve month review, City Council shall annually review this Article and its effects on the community.

(Added Ord. 2018-68, § 1, eff. 1-24-19).

# EXHIBIT B



**OFFICE OF THE CITY MANAGER**

May 28, 2021

**NOTICE TO ALL CURRENT COMMERCIAL CANNABIS PERMIT APPLICANTS**

Fresno Municipal Code (FMC) Section 9-3316(a) regarding the Commercial Cannabis Business Permits, Initial Application Procedure, states:

*“The City Manager shall adopt the procedures to issue commercial cannabis business permits, which shall include or require the City Manager to provide detailed objective review criteria to be evaluated on a point system or equivalent quantitative evaluation scale tied to each set of review criteria. The City Manager or designee(s) shall be authorized to prepare the necessary forms, adopt any necessary rules to the application, regulations and processes, solicit applications, and conduct initial evaluations of the applicants.”*

The City Manager’s Office hereby provides notice of a change, as explained below, to the Application Procedures & Guidelines for a Commercial Cannabis Business Permit (Application Procedures) dated October 19, 2020.

The City Manager removes the requirement listed on page 5 of the Application Procedures which requires applicants to score a minimum of 80% (1,280 points) in Phase II to advance to Phase III of the process.

The updated Application Procedures are attached to this Notice.

For all current information related to the Cannabis application process, please go to: <http://www.fresno.gov/cannabis>



# City of Fresno

Office of the City Manager  
2600 Fresno Street  
Fresno, CA 93721  
P: 559.621.5555

E-mail: [Cannabis.regs@fresno.gov](mailto:Cannabis.regs@fresno.gov)

## APPLICATION PROCEDURES & GUIDELINES FOR A COMMERCIAL CANNABIS BUSINESS PERMIT October 19, 2020

Information on the Commercial Cannabis Business (CCB) Application process can be found on the City's website at <https://www.fresno.gov/citymanager/office-of-cannabis-oversight/> and includes the following:

- California state regulations and resources
- Fresno Municipal Code Chapter 15
- Fresno Municipal Code Chapter 9, Article 33
- Application Procedures Guidelines
- Background Application form
- Commercial Cannabis Business Application

**The application for a CCB permit in Fresno will be available on October 19, 2020.** The application procedures and link to the Cannabis Permitting Portal will be available on the City's website, listed above. Applications must be submitted through the portal prior to the deadline.

*Applicants should monitor the City's web page for any additional information, FAQ's or updates. It is the responsibility of the Applicant to stay informed of any changes or updates to the process.*

### AMENDMENTS TO THE APPLICATION

After December 4, 2020, Applicants will not be allowed to make amendments to their application or to supplement their application, except as otherwise specifically permitted in these procedures or as authorized in writing by the City. City staff will conduct a preliminary evaluation of the applications for completeness and will reject any application that is missing a major component (i.e. Business Plan), notifying the applicant by email. Substantive evaluations of the applications will occur during Phase II. At that time, the City will notify applicants by email if applications are found to be missing minor requirements (for example, signatures/dates on forms, proof of payments receipts, or missing scanned pages in one of the scored criteria documents). Applicants will be granted one week from the date of the email to submit the required supplemental information.

### LIMITATIONS

Applicants possessing an ownership interest of twenty percent (20%) or more in any cannabis business will be limited to submitting a maximum of three applications during the current application period. In addition, the City is imposing a limitation on the CCB retail locations to a maximum of two per council district. Furthermore, Social Equity applicants are not permitted to apply for the standard application process. Since the requirements for the two application processes are distinctly different, and applicants cannot participate in both, all applicants should carefully consider which of the two application processes they wish to participate in before filing an application.

## **CITY'S RESERVATION OF RIGHTS**

To the fullest extent permitted by law, the City shall not assume any liability whatsoever with respect to having issued a commercial cannabis business permit pursuant to FMC Chapter 9, Article 33 (FMC 9-3333). The City reserves the right to reject any and/or all applications, with or without cause or reason. The City may modify, postpone, or cancel the request for a CCB permit without liability, obligation, or commitment to any party, firm, or organization. Applicants shall have no right to a CCB permit. Each applicant assumes the risk that, at any time prior to the issuance of a permit, the City Manager may terminate or delay the program. In addition, the City reserves the right to request and obtain additional information from any candidate submitting an application. Late or incomplete applications at the time of application closing (October 9, 2020) WILL BE REJECTED. Furthermore, an application RISKS BEING REJECTED for the following reasons:

- The application/proposal was received after the deadline.
- The application/proposal does not contain the required elements, exhibits, nor is it organized in the required format.
- The application/proposal is not fully responsive to the City's Request for Permit application.
- The issuance of the CCB permit at the proposed location is inconsistent with State law, FMC Chapter 9, Article 33, or other applicable Fresno city codes.

## **APPLICATION PROCESS**

**Review the information regarding the application process to determine which documents you will need. Before submitting it, review your application in its entirety to ensure that it is complete and accurate.**

***The following procedures outline the application evaluation and selection process, required materials, and other information necessary to apply for a permit to operate a CCB in Fresno.***

## **CCB APPLICATION SUBMITTAL REQUIREMENTS**

All applications must be submitted in a PDF format or alternative format approved by the City Manager. All CCB Application materials required for Phases I through IV must be submitted with the Phase I, CCB Application submittal. Applicants must submit their application, evaluation criteria, and required documents through the **City of Fresno Cannabis Permitting Portal** at: <https://fresnocca.viewpointcloud.com/>.

**Please Note:** Responses to the Evaluation Criteria (Sections 1-7 found in Appendix A of the Application Procedures Guidelines) shall be limited to 200 pages. Responses pertaining to Backgrounds and Proof of Capitalization shall not be included in the 200-page limitation. All materials must be submitted through the City of Fresno Cannabis Permitting Portal, including:

- CCB Initial Application – submitted directly through the Portal
- Evaluation Criteria (Responses to Sections 1-7 of Appendix A limited to 200 pages) – each section must be submitted in a separate PDF document uploaded to the Portal.
- Proof of Capitalization (All bank statements, loan documents, promissory notes, financial and commitment letters) – must be submitted as a PDF document uploaded to the Portal.
- Verification of Ownership, a "Letter of Intention" to Lease, or a Leasing Agreement.

All applications submitted to the City are public documents for purposes of Public Records Act requests and will be posted online on the City's website, with the exception of redactions for the Security Plan and financial information.

### **SUPPLEMENTAL APPLICATION SUBMITTAL REQUIREMENTS**

At the time of filing, pursuant to FMC 9-3316, all applicants are required to provide the following:

- A statement that the applicant employs, or will employ within one year of receiving a commercial cannabis business permit, one supervisor and one employee who have completed a Cal-OSHA industry outreach course offered by a duly authorized training provider (FMC 9-3316(c)).
- A statement, signed under penalty of perjury, that all information contained in the application is true and correct. A subsequent finding of false information shall be grounds for denial or revocation of the commercial cannabis business permit. A denial or revocation on these grounds shall not be appealable (FMC 9-3319(d)).

### **PROHIBITION ON EX PARTE COMMUNICATIONS**

Beginning at the time of filing, no Applicant or Owner shall initiate, engage in, or continue any communication to or with any elected official or Planning Commissioner for the City of Fresno, and no elected official or Planning Commissioner shall initiate, engage in, or continue any communication to or with any Applicant or Owner, concerning any matter related to the application. The application shall be rejected if prohibited communications take place (FMC 9-3316(g)).

### **BACKGROUND CHECK**

Each owner, operator, investor or manager must undergo a criminal history background check to demonstrate they do not provide grounds for denial per FMC Section 9-3318(c). Owners, operators, investors, or managers who do not meet the criminal history eligibility requirements of Section 9-3318(c) will be disqualified. Included in the application package is a background check form which must be completed and submitted as part of the application process.

This process will be required to meet the minimum threshold qualifications pursuant to FMC Section 9-3318. However, the background check will be completed at Phase IV of the application process and only those Applicants which are successful at being awarded a permit will be required to pay the background check fee of \$69.00.

### **ZONING INQUIRY LETTER (ZIL)**

Prior to submitting a CCB application (Phase I), an Applicant must obtain a Zoning Inquiry Letter from the Planning and Development Department. The fee for a Zoning Inquiry letter is \$522. To secure this letter, an Applicant must make a written request, submitted through the online application system FASTER, which should specify the intended use of the building (cannabis retail, etc.), and the proposed building location. Please advise the City if you currently occupy the premises or if there is a tenant currently occupying the premises. Please note: ZIL responses may take up to 14 business days so please submit your request in a timely fashion so that it can be included with your application.

Please visit: <https://www.fresno.gov/darm/planning-development/applications-forms-fees/#tab-13>

The issuance of a ZIL does not constitute written evidence of permission given by the City or any of its officials to operate a cannabis business, nor does it establish a "permit" within the meaning of the Permit Streamlining Act, nor does it create an entitlement under the Zoning, Development, or Building Code. A regulatory permit for a CCB does not constitute a permit that runs with the land on which the cannabis business is established. Please note that the cannabis

business will be required to obtain a Cannabis Conditional Use Permit, which in turn requires completion of a separate application that will be made available only after the awarding of the CCB permit at the end of Phase IV.

## FEES

All applicants will be required to submit a deposit covering the full amount of the application fee. This amount will be charged against time spent by City staff in reviewing applications and administrating the application process. Applicants are advised that they may be required to pay additional amounts as required for the sole purpose of the City's completion of the application review process. The application fee amount is \$7,920.00. There will be an additional background fee of \$69.00 per owner required in Phase IV. The ZVL fee charged is \$522.00 per site and is due to the Planning and Development Department at the time the request is submitted.

Payments must be made either through the Cannabis Permit Portal at <https://fresnocv.viewpointcloud.com/> or in the form of check, money order, or cashier's check and mailed directly to the City Manager's Office at the following address utilizing certified mail or a delivery service with confirmation (i.e. FedEx, UPS, etc.):

City of Fresno  
Office of the Mayor and City Manager  
**Office of Cannabis Oversight**  
2600 Fresno Street  
Fresno, California 93721

Payment must be received by the application due date. If mailing your payment, please ensure that your business name, location address, and application number (assigned when you begin your application in the Portal) is included with your payment. **The full deposit amount is required to be paid by the application due date.** However, any remaining balance that is not used as a result of the Applicant not participating in any phase of the application process will be returned to the Applicant.

In addition to the application fee, FMC 9-2217 (h) states that each person granted a CCB permit shall be required to pay a permit fee established by resolution of the City Council to cover costs administering the CCB permit program. This fee has not yet been established, however, once it is it will be posted on the Office of Cannabis Oversight website.

## OUTREACH AND ORIENTATION MEETINGS

The City will hold a "kick off" virtual orientation meeting on the following date:

- The application process orientation meeting is scheduled for October 20, 2020 from 1pm-3pm.

Pre-registration for the orientation meeting is required. The registration link is available at: <https://www.fresno.gov/citymanager/office-of-cannabis-oversight>

## APPLICATION REVIEW, SCORING AND SELECTION CRITERIA

### PHASE I: DETERMINATION OF ELIGIBILITY

Applications must be submitted in their entirety, no later than December 4, 2020 at 4:00 p.m. Upon receiving a completed application, the City Manager's Office will conduct an initial review



of the application for completeness. Applications that meet the minimum eligibility requirements will advance to Phase II (Criteria Evaluation and Initial Ranking).

## **PHASE II: CRITERIA EVALUATION AND INITIAL RANKING (1,600 points)**

Applications will be evaluated, scored and ranked based on the criteria below. These items should be saved in PDF format as instructed above. Responses to evaluation criteria shall not exceed 200 pages. See APPENDIX A for a description of the evaluation criteria:

- Section 1. Business Plan (300 points)
- Section 2. Social Policy and Local Enterprise Plan (400 points)
- Section 3. Neighborhood Compatibility Plan (300 points)
- Section 4. Safety Plan (300 points)
- Section 5. Security Plan (300 points)

The top applicants, as determined by the City, ~~which score a minimum of 80% (1,280 points) in Phase II~~ will move on to Phase III of the application process.

## **PHASE III: INTERVIEWS AND SECOND RANKING (2,400 points)**

Applicants will be interviewed and evaluated based upon the criteria below. See APPENDIX A for a description of the evaluation criteria:

- Section 1. Business Plan (300 points)
- Section 2. Social Policy & Local Enterprise Plan (500 points)
- Section 3. Neighborhood Compatibility Plan (300 points)
- Section 4. Safety Plan (300 points)
- Section 5. Security Plan (300 points)
- Section 6. Location (200 points)
- Section 7. Community Benefits and Investments Plan (500 points)

Phase III scores will be tabulated and combined with Phase II scores to establish an overall ranking of the applications. The top applicants, as determined by the City, ~~which maintain an aggregate score of at least 80% (3,200 points) or greater~~ will advance to Phase IV of the selection process.

## **PHASE IV: CITY MANAGER'S FINAL DETERMINATION AND ISSUANCE OF CCB PERMIT**

The City Manager will make a final determination regarding the Applicants to be awarded a permit. If requested by the City Manager, the top Applicants may be requested to provide additional information or respond to further questions before the City Manager makes the final decision on the awarding of a permit(s). Permit awardees will be required to submit to a background check prior to advancing to the land use permitting process. Once the background check is successfully completed, permit awardees will then apply for the necessary land use permits, including a Cannabis Conditional Use Permit (CUP) as required by FMC Sections 9-3305 and 15-2739. In addition, as part of the land use permitting approval process, those applicants awarded a permit will be required to produce Proof of Insurance.

As a condition of approval of any commercial cannabis business permit, applicants shall be required to meet all of the following conditions before they may be issued a permit:

1. Applicants must execute an agreement, in a form approved by the City Attorney, which indemnifies the City, its employees and agents from any and all claims, losses and liabilities arising out of the city's issuance of a commercial cannabis business permit (See FMC 9-3333(a) for the full extent of the indemnification).

2. Maintain insurance at coverage limits and with conditions thereon determined necessary and appropriate by the City Manager (FMC 9-3333(b)).
3. Reimburse the City for all costs and expenses, including but not limited to legal fees, costs, and court costs which the City may be required to pay as a result of any legal challenge related to the City's approval of a commercial cannabis business permit.

Any decision of the City Manager regarding **approval** of a CCB permit may be appealed to the City Council by: the applicant, the Mayor or the Councilmember whose district the business would be located in. Appeals must be initiated by filing a letter with the City Manager. Such action shall require a statement of reasons for the appeal. All appeals shall be filed with the City Manager in writing within 15 days of the date of the decision to issue a commercial cannabis business permit. A City Council hearing shall be set within twenty (20) days of the City Manager receiving an appeal. Ten (10) days prior to the scheduled City Council hearing, a notice of the hearing shall be sent to the applicant, to all properties and property owners of record within a minimum 1,000-foot radius of the proposed business location, and to the Councilmember in whose district the proposed location resides.

### **ESTABLISHMENT OF THE FRESNO COMMUNITY REINVESTMENT FUND**

In order to support equity in the local cannabis industry, The City of Fresno will establish the Fresno Community Reinvestment Fund ("the Fund") to support local equity businesses operating in the City of Fresno under Article 33 Section 9-3315(b)(6). The fund will support local equity businesses in the area of workforce development, access to affordable commercial real estate, access to investment financing, and access to legal services and business administration technical assistance. Businesses are encouraged to consider this in the development of their community benefits and investment plan.

### **CONTACT**

If you have any questions or would like an update on the status of your application, please contact the City of Fresno (559) 621-5555 or by email at [Cannabis.regs@fresno.gov](mailto:Cannabis.regs@fresno.gov).

## APPENDIX A: EVALUATION CRITERIA

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### CRITERIA

#### **1. BUSINESS PLAN** *Criteria required in Phases II and III*

- 1.1. Owner qualifications. Resumes are not to exceed two (2) pages per owner.
- 1.2. A budget for construction, operation, and maintenance, compensation of employees, equipment costs, utility cost, and other operation costs.
- 1.3. Proof of capitalization in the form of documentation of cash or other liquid assets on hand, Letters of Credit or other equivalent assets which can be verified by the City.\*
- 1.4. Pro forma for at least three years of operation.
- 1.5. Fully describe hours of operation and opening and closing procedures.
- 1.6. Daily operations. With as much detail as possible, the Business Plan should describe the day-to-day operations which meet industry best practices. This should include at a minimum the following criteria for each permit type in which you are applying for a permit.
  - 1.6.1. Fully describe the day-to-day operations if your applying for a **RETAIL** permit :
    - i. Describe customer check-in procedures.
    - ii. Identify location and procedures for receiving deliveries during business hours.
    - iii. Identify the name of the Point-of-sale system to be used and the number of Point-of-Sale locations.
    - iv. The estimated number of customers to be served per hour/day.
    - v. Describe the proposed product line to be sold and estimate the percentage of sales of flower and manufactured products.
    - vi. If proposed, describe delivery service procedures, number of vehicles and product security during transportation.
  - 1.7. Fully describe the day-to-day operations if you are applying for a **DISTRIBUTION** permit:
    - 1.7.1. Criteria for distribution operations:
      - i. Identify the number of deliver drivers, hours of deliver and vehicles to be used.
      - ii. Describe the transportation security procedures.
      - iii. Describe the how inventory will be received, processed, stored, and secured in the permitted premises.
      - iv. Describe the quality control procedures designed to ensure all cannabis is proper packaged, labeled and tested.
  - 1.8. Fully describe the day-to-day operations if you are applying for a **MANUFACTURING** permit:
    - 1.8.1. Criteria for manufacturing operations:
      - i. Identify all cannabis products manufactured within the permitted premises.
      - ii. Describe quality control procedures.
      - iii. Describe inventory control procedures.
      - iv. Describe the extraction process, equipment and room in which extractions will be conducted.
      - v. Provide detail as to whether the extraction equipment has been reviewed and certified by a Professional Engineer or Certified Industrial Hygienist.
      - vi. Describe the sanitation procedures.
  - 1.9. Fully describe the day-to-day operations if you are applying for a **CULTIVATION** permit:
    - 1.9.1. Criteria for all cultivation operations:

- i. Identify location and procedures for receiving deliveries of seedlings and immature plants.
  - ii. Describe the planned square footage/acreage of the cultivation.
  - iii. The estimated number of pounds produced per harvest, and number of anticipated harvests per year.
  - iv. Describe whether the cultivation operation will use natural light, artificial light, or mixed light.
  - v. Identify how cultivation waste will be rendered unusable and unrecognizable, and how it will be stored and disposed of.
  - vi. Describe the use of any gases used in the cultivation operation, such as CO<sub>2</sub>, including storage, location, and monitoring systems for employee safety.
- 1.10. Fully describe the day-to-day operations if you are applying for a **TESTING** permit:
- 1.10.1 Criteria for all testing operations:
- i. Describe the sampling standard operating procedures
  - ii. Describe procedures for transporting cannabis field samples
  - iii. Describe the chain of custody for field samples
  - iv. Describe the quality control procedures
  - v. Describe the Laboratory Supervisor/Manager responsibilities and qualifications
  - vi. Identify location and procedures for storing cannabis products

**2. SOCIAL POLICY AND LOCAL ENTERPRISE PLAN** *Criteria required in Phases II and III*

- 2.1. Describe whether the Commercial Cannabis Business is committed to offering employees a Living Wage.
- 2.2. Briefly describe benefits provided to employees such as health care, vacation, and medical leave, to the degree they are offered as part of employment.
- 2.3. Describe compensation to and opportunities for continuing education and employee training.
- 2.4. Describe the Commercial Cannabis Business plan to recruit individuals who meet the criteria listed in the Social Policy Section 9-3316 (b) (1) of the Fresno Municipal Code (FMC) and the percentage of local employees it hires.
- 2.5. Describe the extent to which the Commercial Cannabis Business will be a locally managed enterprise whose owners and /or managers reside within or own a commercial business within the City of Fresno, for at least one year prior to March 2, 2020.
- 2.6. Describe the number of employees, title/position and their respected responsibilities.
- 2.7. Describe whether the CCB has five (5) or more employees and whether it has signed a labor peace agreement allowing employees to unionize without interference.
- 2.8. Provide a workforce plan that includes at a minimum the following provisions:
  - 2.8.1. Commitment for 30% of employees to be local hires; the business must show that it has either hired or made a good faith effort to hire bona fide residents of Fresno who have not established residency after the submission of an application for employment with the applicant/permittee.
  - 2.8.2. Commitment to offer apprenticeships and/or compensation for continuing education in the field; and
  - 2.8.3. Commitment to pay a living wage to its employees.
- 2.9. Describe whether the business is willing to serve as a Social Equity Business Incubator by offering support to local cannabis social equity businesses in the form of mentorship, training, equipment donation, a percentage of shelf space dedicated to Fresno equity business products, legal assistance, financial services assistance, or other technical assistance support.

3. **NEIGHBORHOOD COMPATIBILITY PLAN** *Criteria required in Phases II and III*
  - 3.1. Describe how the CCB will proactively address and respond to complaints related to noise, light, odor, litter, vehicles, and pedestrian traffic.
  - 3.2. Describe how the CCB will be managed to avoid becoming a nuisance or having impacts on its neighbors and the surrounding community.
  - 3.3. Describe odor mitigation practices.
  - 3.4. Identify potential sources of odor.
  - 3.5. Describe odor control devices and techniques employed to ensure that odors from cannabis are not detectable beyond the permitted premises.
  - 3.6. Describe all proposed staff odor training and system maintenance.
  - 3.7. Describe the waste management plan.
  
4. **SAFETY PLAN** *Criteria required in Phases II and III*

The Safety Plan should consider all possible fire, medical and hazardous situations. **Complete policy/procedures manuals are not required at this point in the application process.** Please only provide a description for each criterion which incorporates the following provisions:

  - 4.1. The Safety Plan shall be prepared and/or assessed by a professional fire prevention and suppression consultant.
  - 4.2. Describe accident and incident reporting procedures.
  - 4.3. Describe evacuation routes.
  - 4.4. Location of fire extinguishers and other fire suppression equipment.
  - 4.5. Describe procedures and training for all fire and medical emergencies.
  
5. **SECURITY PLAN\*\*** *Criteria required in Phases II and III*

The Security Plan should consider all access control, inventory control, cash handling procedures. **Complete policy/procedures manuals are not required at this point in the application process.** Please only provide a description for each criteria which incorporates the following provisions:

  - 5.1 The Security Plan shall be prepared and/or assessed by a professional security consultant.
  - 5.2 Premises (Security) Diagram. In addition to diagrams submitted for other sections of the application, applicants are expected to submit a premises diagram (or site plan) which, focuses on the proposed security measures and how they relate to the overall business. (Pursuant to CCR Title 16, Division 42, §5006. Premises Diagram).
    - 5.2.1 The diagram shall be accurate, dimensioned and to scale (minimum scale ¼"). The scale may be smaller if the proposed location exceeds more than a 1/2-acre parcel but must not be printed on larger than an 11" x 17" sheet of paper. **(Blueprints and engineering site plans are not required at this point of the application process)**
    - 5.2.2 The diagram must be drawn to scale and clearly identify property boundaries, entrances, exits, interior partitions, walls, rooms, windows, and doorways. The activity in each room and the location of all cameras must be identified in the diagram.
    - 5.2.3 Description of cannabis activity that will be conducted in each area of the premise. Commercial cannabis activities that must be identified on the diagram/site plan may include but are not limited to the following if applicable to the business operations; storage areas, batch sampling areas, loading/unloading of shipment areas, packaging and labeling, customer sales areas, training areas, employee break room areas, extractions, infusions, processing, and testing areas.
    - 5.2.4 Limited-access areas, defined as areas in which cannabis goods are stored or held and only accessible to permittees, or its employees or contractors and areas

used for video surveillance monitoring and storage devices (Pursuant to CCR Title 16, Division 42, §5000 (m) Limited-Access Area and §5042 Limited-Access Area.

5.2.5 Number and location of all video surveillance cameras.

5.3 Identify intrusion alarm and monitoring system including the name and contact information for the monitoring company (if the company has been selected).

5.4 Briefly describe cash handling procedures which covers day to day transactions with customers, vendors armor carrier vehicles and transporting it to the bank.

5.5 Discuss whether the CCB will utilize the services of on-site security guards. Include in the discussion:

5.5.1 Number of guards.

5.5.2 Hours guards will be on-site.

5.5.3 Locations at which they will be positioned.

5.5.4 Guards' roles and responsibilities.

## 6. **LOCATION** *Criteria required in Phase III*

6.1. In addition to the location-related details provided in the Commercial Cannabis Business (CCB) Application (pages 1-7), the application shall include a thorough description of the proposed location, including but not limited to the overall property, building, and floor plan.

6.2. The application shall include at least one (1) photograph of the front (street side) of the building or street view of the vacant parcel.

6.3. Premises (Site) Diagram for each proposed location. In addition to diagrams submitted for other sections of the CCB Application, applicants are expected to submit a premise/site diagram that focuses on the overall property, building. This diagram should show the overall parcel and adjoining or neighboring buildings that may be affected by the commercial cannabis business.

6.3.1. A Premise (Site) Diagram must be accurate, dimensioned and to-scale (minimum scale of ¼"). The diagram shall provide a detailed description of all available/shared parking spaces, driveway locations, and auxiliary buildings on the parcel. **(Blueprints and engineering site plans are not required at this point of the application process. Security features are not required for this section.)**

## 7. **COMMUNITY BENEFITS AND INVESTMENTS PLAN** *Criteria required in Phase III*

7.1. The CCB Application should describe the social responsibility plan. This should include all benefits the CCB has provided or plans to provide to the local community, for example by directly aiding, participating in, or funding the work of local non-profits, community-based organizations, civic organizations, or social services organizations. Benefits may be in the form of volunteer services, monetary donations, financial support of City-sponsored activities or organizations, in-kind donations to the City or other charitable organizations and/or any other economic incentives to the City. It may also include, but is not limited to:

7.1.1 Providing funding for or hosting expungement clinics or outreach services.

7.1.2 Incorporating an environmentally sustainable business model including energy efficient buildings and vehicles.

7.1.3 Utilizing vacant buildings, brownfields land, or blighted areas of the city for the business.

7.2. Describe the Commercial Cannabis Business plan to develop a public health outreach and educational program that outlines the risks of youth use of cannabis and that identifies resources available to youth related to drugs and drug addiction.

7.3. Describe whether the Business plans to contribute to the Fresno Community Reinvestment Fund, established to support local cannabis equity businesses.

\* Should an applicant wish the financial information to be treated as confidential, they should clearly identify it on each page as such. However, applicants should be aware that the information may be subject to disclosure under Government Code Section 6254. All applications submitted are considered public documents for Public Records Act request purposes.

\*\* Security Plans will not be made public pursuant to Government Code Section 6254(f).





EXHIBIT C



**OFFICE OF THE CITY MANAGER**

September 8, 2021  
**(Date Revised)**

Elliot Lewis  
Catalyst Fresno LLC  
6700 Pacific Coast Hwy. Ste. 201  
Long Beach, CA 90803  
[elliott.lewis.ceo@southcordholdings.com](mailto:elliott.lewis.ceo@southcordholdings.com)

Application #C-20-87  
Proposed location: 2250 N. Weber Avenue

Dear Applicant,

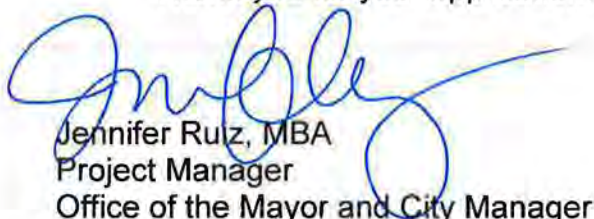
On September 8, 2021, the City Manager's Office completed its review of Cannabis Business Permit applications and made a determination on Applicants receiving a preliminary award of a Commercial Cannabis Business Permit (CCB Permit).

Your application was not selected for a preliminary award. Your application will remain open and you may be contacted in the event a permit awardee fails to meet the conditions that must be satisfied in order to obtain official issuance of a CCB Permit.

Now that the interview process is complete, Applicants may request their own application scoring details by submitting a Public Records Act (PRA) request. For PRA requests, please visit <https://www.fresno.gov/pr>

A notice regarding a final decision on your application will be provided when the City Manager officially issues the CCB Permits pursuant to FMC Section 9-3317 (d), for this application process.

Thank you for your application.



Jennifer Ruiz, MBA  
Project Manager  
Office of the Mayor and City Manager  
Office of Cannabis Oversight  
E-Mail: [Jennifer.Ruiz@fresno.gov](mailto:Jennifer.Ruiz@fresno.gov)

cc: Thomas Esqueda, City Manager  
City Attorney's Office

# EXHIBIT D



# **Cannabis Permit Application Process Orientation**

**October 20, 2020 1:00 PM**

# AGENDA

- Introductions
- Background / Key Information
- Application Procedures
- Submitting the Application
- Questions

# INTRODUCTIONS



# BACKGROUND

- December 13, 2018 the Fresno City Council adopted the Cannabis Retail Business and Commercial Cannabis Business Ordinance.
- Amended on January 30, 2020 and June 25<sup>th</sup>, 2020 and September 24, 2020.

# BACKGROUND

- Authorizes fourteen (14) total Cannabis Retail Businesses within the City (two per Council district).
- An additional seven (7) may be authorized by City Council Resolution.
- A Minimum of one (1), Maximum of two (2) per every seven (7) will be to an equity applicant.



# BACKGROUND

- Authorizes sixteen (16) Cultivators, Distributors, or Manufacturers, Microbusiness (non-retail) (no specific number of each type).
- A minimum of one (1), maximum of two (2) per every eight (8) of these permits will be awarded to an equity applicant.
- No limit on Testing Laboratories.

# Zoning

- Retail: DTN (Downtown Neighborhood), DTG (Downtown General), CMS (Commercial Main Street), CC (Commercial Community), CR (Commercial Regional), CG (Commercial General), CH (Commercial Highway), NMX (Neighborhood Mixed-Use), CMX (Corridor/Center Mixed Use), or RMX (Regional Mixed-Use), and must meet all of the requirements for development in these zones.
- All buildings in which a cannabis retail business is located shall be no closer than eight hundred (800) feet from any property boundary containing sensitive use.

# Zoning

- Commercial Cannabis Businesses (non-retail): Cannabis Innovation Hub or within one-half (1/2) mile of State Route 99 between Shaw Ave. and Clinton Ave., one (1) mile of State Route 99 north of Shaw Ave. or south of Clinton Ave., or within one (1) mile of State Route 180 west of State Route 99, and must be zoned either **IL (Light Industrial)** or **IH (Heavy Industrial)**, and must meet all of the requirements for development in these zones.
- All buildings shall be no closer than one thousand (1,000) feet from any property boundary containing sensitive use.

# Fees

- Application Fee: \$7,920.00  
(Phase I: \$4,406; Phase II: \$2,576; Phase III: \$696; Phase IV: \$242)
- CCB Permit Fee: TBD
- Zoning Inquiry Letter: \$522.00
- \*Livescan Background Check: \$69.00 per person
- \*Conditional Use Permit: \$13,391.00
- \*Business Tax Certificate Application: \$14.00

## **ESTABLISHMENT OF THE FRESNO COMMUNITY REINVESTMENT FUND**

In order to support equity in the local cannabis industry, The City of Fresno will establish the Fresno Community Reinvestment Fund (“the Fund”) to support local equity businesses operating in the City of Fresno under Article 33 Section 9-3315(b)(6). The fund will support local equity businesses in the area of workforce development, access to affordable commercial real estate, access to investment financing, and access to legal services and business administration technical assistance. Businesses are encouraged to consider this in the development of their community benefits and investment plan.

# CITY OF FRESNO-CANNABIS BUSINESS PERMITS 2020-2021

PROJECT/EVENT	CANNABIS PERMIT REVIEW PROCESS
ORGANIZER	JENNIFER RUIZ, PROJECT MANAGER

This timeframe is based on a number of assumptions and variables and therefore is only an estimate.

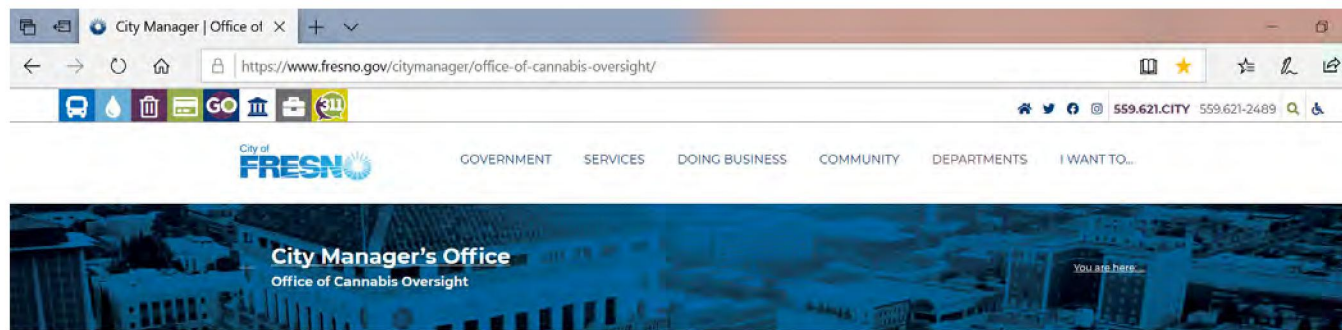
PROJECT PHASE	STARTING	ENDING	KEY DATES	DATE
Applicants Prepare & Submit Apps	10/19/2020	12/04/2020	Applications Available / No Council Contact	10/19/2020
Review of Written Application Materials	12/07/2020	2/26/2021	Standard Application Process Orientation	10/20/2020
			Social Equity Process Orientation	10/21/2020
Tabulate Total Scores/Schedule Interviews	03/01/2021	3/05/2021	Standard Applications Due	12/04/2020
Conduct Interviews	3/08/2021	4/16/2021	SE Applicants Eligibility Docs Due	11/13/2020
Tabulate Total Score/City Manager Final Review	4/19/2021	4/30/2021	SE Application Sec. 1, 2, 3, 7 Due	1/08/2021
			SE Applications Location/Capitalization Due	1/29/2021
CUP/Final Requirements/Appeals	5/3/2021	8/13/2021	Earliest Projected Grand Opening Date	8/16/2021

OCTOBER							NOVEMBER							DECEMBER							JANUARY							FEBRUARY							MARCH						
M	T	W	T	F	S	S	M	T	W	T	F	S	S	M	T	W	T	F	S	S	M	T	W	T	F	S	S	M	T	W	T	F	S	S	M	T	W	T	F	S	S
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							31																				30	31																						

<https://www.fresno.gov/cannabis>



## Office of Cannabis Oversight

Under the direction of the City Manager, the Office of Cannabis Oversight is responsible for coordinating the implementation of the City's cannabis laws and regulations.

On November 8, 2016, California voters passed Proposition 64, the Control, Regulate, and Tax Adult Use of Marijuana ("AUMA") Act. This law legalizes nonmedical, recreational marijuana, subject to the regulation of local government jurisdictions in the State of California.

On December 13, 2018, Fresno City Council adopted the Cannabis Retail Business and Commercial Cannabis Business Ordinance, which sets out the permitting framework and regulatory requirements for Medicinal and Adult-Use Cannabis businesses to operate within the City for commercial activities such as cultivation, manufacturing, and distribution. This ordinance was amended on January 30th, 2020, on June 25th, 2020, and may be further refined by the City Council.

### [Planning and Development Department Cannabis Information](#)

For those interested in cannabis businesses in the City of Fresno, please review the relevant City ordinances:

### [About the City Manager](#)

### [City Manager's Key Staff](#)

### [Addressing Homelessness](#)

### [Office of Independent Review](#)

### [Office of Cannabis Oversight](#)

### [City Communications Office](#)

### [News Releases](#)

# Social Equity Application Process

- Orientation meeting 10/21/2020 at 1:00 P.M.
- Registration link on the Office of Cannabis Oversight website.



## FAQ: “Local Preference”

- Criteria 2.5 - Describe the extent to which the Commercial Cannabis Business will be a locally managed enterprise whose owners and /or managers reside within or own a commercial business within the City of Fresno, for at least one year prior to March 2, 2020. (Criteria represents 20% of section score)
- Met when 51% of ownership meets this criteria.
- Partial points for County of Fresno vs. City of Fresno.

## FAQ / FYI:

- Separate application for each permit type.
- Please use 12 point font, Times New Roman or Arial
- Point deductions will occur if applicant does not adhere to page limitations.
- Point deductions will occur if applicant does not provide responses to the criteria in the correct section.
- Diagrams should be legible.
- Living Wage  
(<https://livingwage.mit.edu/counties/06019>)

## FAQ / FYI:

- Q: Can an in-house security consultant qualify as a professional consultant? A: If your in-house security person is a qualified professional security expert who possess such expertise and it can be demonstrated by preparing a response to the scoring criteria this would be acceptable.

# Application Procedures



# Submitting the Application

# Questions

# Thank you!

<https://www.fresno.gov/citymanager/office-of-cannabis-oversight/>

Phone: (559) 621-5555

Email: [Cannabis.regs@fresno.gov](mailto:Cannabis.regs@fresno.gov)



# EXHIBIT E



City of Fresno  
Office of the City Manager  
Office of Cannabis Oversight  
As of August 31, 2021  
Cannabis Retail Permit Application - Final Scores  
Revised 10/01/2021

App# C-20-#	Business Name	Proposed Location	Permit Type	District	TOTAL SCORE (%)	Status
<b>District 1</b>						
64	1261 Wishon OPCO LLC	1264 North Wishon Blvd, 93728	Retail	1	90.00%	Preliminary Approval
34	The Artist Tree	1426 N Van Ness Ave, 93728	Retail	1	88.75%	Preliminary Approval
3	Authentic 559 LLC	4248 W Ashlan, Fresno, CA 93722	Retail	1	87.87%	
87	Catalyst Highway 99	2250 N Weber Ave, 93705	Retail	1	84.78%	
52	Crescent Conquest LLC	3759 W Shaw Ave Ste 101, 93711	Retail	1	84.30%	
<b>District 2</b>						
70	7315 Blackstone OPCO	7315 N Blackstone, 93650	Retail	2	90.37%	Preliminary Approval
47	The Artist Tree	7835 North Palm, Ste 102, 93711	Retail	2	88.57%	Preliminary Approval
21	Embarc Fresno	1784 West Shaw Avenue, 93711	Retail	2	86.64%	
39	Culture Cannabis Club	6893 N Golden State Blvd, 93722	Retail	2	84.55%	Buffered out by CSE-20-57
129	Token Farms	51 W Alluvial, 93650	Retail	2	80.55%	
<b>District 3</b>						
108	Haven #20 LLC	335 W Olive, 93728	Retail	3	87.63%	Preliminary Approval
90	Catalyst Downtown Fresno	721 Broadway, 93721	Retail	3	85.33%	Buffered out by CSE-20-59
44	Public Cannabis	1220 E Olive Ave, 93728	Retail	3	84.29%	Preliminary Approval
22	West Coast Cannabis Club	10 E Olive Avenue, 93728	Retail	3	82.06%	
97	Fresh Farms	471-479 E Belmont, 93702	Retail	3	81.83%	
<b>District 4</b>						
65	5048 Blackstone OPCO	5048 N Blackstone Ave, 93710	Retail	4	89.86%	Preliminary Approval
98	Haven XVI LLC	110 East Shaw Ave, 93710	Retail	4	88.37%	Buffered out by C-20-65
5	Authentic Fresno	4931 N Blackstone Ave, 93726	Retail	4	88.10%	Buffered out by C-20-65
23	Infinity Assets Fresno	618 E Shaw Ave, 93710	Retail	4	82.49%	Preliminary Approval
95	Urbn Leaf	4931 N Blackstone Ave, 93726	Retail	4	82.24%	Buffered out by C-20-65
27	Higher Level of Care	4795 N Blackstone Ave, 93726	Retail	4	82.19%	Preliminary Approval
<b>District 5</b>						
75	Culture Cannabis Club	2590 S Maple Ave, Ste 103-104, 93725	Retail	5	83.73%	Preliminary Approval
88	Fresno Farms	3849 E Ventura St, 93702	Retail	5	82.29%	Preliminary Approval
42	Element 7 Fresno	4686 E Kings Canyon Rd, 93702	Retail	5	82.08%	Preliminary Approval
79	Tradecraft Farms	3594 E Ventura Ave, 93702	Retail	5	80.19%	
109	Yerba Wellness	4619 E Eugenia Ave, 93725	Retail	5	80.15%	
<b>District 6</b>						
19	Embarc Fresno	51 East Pinedale Ave, 93650	Retail	6	86.51%	Buffered out by D2 C-20-70
4	Authentic Fresno	6929 N Willow Ave, Ste 103-104, 93710	Retail	6	86.38%	Preliminary Approval
93	Culture Cannabis Club	314 E Bullard, 93710	Retail	6	83.59%	Preliminary Approval
106	Perfect Union	45 E Minarets, 93650	Retail	6	72.43%	Buffered out by D2 C-20-70
74	GBH Retail LLC	8070 N Cedar Ave, 93720	Retail	6	68.22%	
<b>District 7</b>						
104	Haven #1 LLC	1704 E Belmont Ave, 93701	Retail	7	88.57%	Preliminary Approval
20	Embarc Fresno	4592 N Blackstone, Ste 109, 93726	Retail	7	86.68%	Preliminary Approval
45	Crescent Cosmos LLC	1610 E Gettysburg Ave, 93704	Retail	7	86.44%	Buffered out by C-20-20
81	Sweet Flower Fresno	3150 E Olive Ave, 93702	Retail	7	85.22%	Preliminary Approval
59	Everything Cannabis	4595 E Kings Canyon Rd, 93702	Retail	7	79.70%	

\*Document Updated 10/01/2021 to correct address for C-20-42 and business name for C-20-64.

# EXHIBIT F



## Frequently Asked Questions

### Commercial Cannabis Business (CCB) Permit

#### Preliminary Approvals

<http://www.fresno.gov/cannabis>

September 14, 2021

The Fresno Municipal Code (FMC) can be found here:

[https://library.municode.com/ca/fresno/codes/code\\_of\\_ordinances?nodeId=MUCOCHFRCA](https://library.municode.com/ca/fresno/codes/code_of_ordinances?nodeId=MUCOCHFRCA)

1. Who can file an appeal?
  - a. The approved Applicant, the Mayor, or the Councilmember for that District.
2. When must an appeal be filed by?
  - a. September 23, 2021
3. If I did not get preliminary approval or if my application was rejected based on the scoring process can I appeal?
  - a. No, only an application approval can be appealed.
4. What happens if a preliminary approval is appealed?
  - a. A Council Hearing will be set where the Councilmembers will vote to approve or deny the application. Applicants may participate in the public hearing. (See FMC 9-3317(c))
5. Can an applicant granted preliminary approval communicate with an elected official or Planning Commissioner?
  - a. No, except in the public hearing process. Communications concerning cannabis applications with the elected officials and Planning Commissioners are prohibited until the permit and CUP process is complete. Preliminary approvals issued by the City are not yet final and the permitting process is still ongoing. As such, FMC 9-3316(g) still applies to communications between applicants and elected officials.
6. Can an applicant not selected for a preliminary approval communicate with an elected official or Planning Commissioner?

- a. If the application remains open, communications concerning cannabis applications with elected officials and Planning Commissioners are prohibited until the permit and CUP process is complete.
7. I did not receive preliminary approval. Can I find out why? Will the City send out final scores for Phase III?
  - a. The City will not respond to any requests seeking information only that do not seek production of an existing public record pursuant to California Government Code § 6253(b). You may send the Fresno City Attorney's Office a Public Records Act request pursuant to the California Government Code (<http://www.fresno.gov/pr>). In addition, please refer to the information and links provided on the City's website, City Manager's Office - Office of Cannabis Oversight page (<http://www.fresno.gov/cannabis>).
8. If an applicant with preliminary approval is not successful at obtaining a final approved Commercial Cannabis Business Permit, will another applicant in this application round be selected for preliminary approval instead?
  - a. This decision will be at the City Manager's discretion.

# EXHIBIT G

**Commercial Cannabis Business  
Permit Application**

**C-20-64**

Submitted On: Dec 04, 2020

**Applicant**

 Marcus Vik  
   
 @marcus@cookiesre.com

**Applicant (Entity) Information**

**Applicant (Entity) Name:**

1261 Wishon OPCO, LLC

**Physical Address:**

1264 North Wishon Blvd

**State:**

California

**Primary Contact Same as Above?**

No

**Primary Contact Title:**

Head of Licensing

**Primary Contact City:**

Newport Beach

**Primary Contact Zip Code:**

92660

**Primary Contact Email:**

marcus@cookiesre.com

**DBA:**

--

**City:**

Fresno

**Zip Code:**

93728

**Primary Contact Name:**

Marcus Vik

**Primary Contact Address:**

4675 MacArthur Court

**Primary Contact State:**

California

**Primary Contact Phone:**



**HAS ANY INDIVIDUAL IN THIS APPLICATION APPLIED FOR ANY OTHER CANNABIS PERMIT IN THE CITY OF FRESNO?:**

Yes

**Application Type**

Select one or more of the following categories. For each category, indicate whether you are applying for Adult-Use ("A") or/and Medicinal ("M") or both

Both

**Permit Type**

Retail (Storefront)

Please make one selection for permit type. If making multiple applications, please submit a new application for each permit type and proposed location.

**Business Formation Documentation:**

Limited Liability Company

**Proposed Location**

**Property Owner Name:**

Brian Richburg

**City:**

Fresno

**Zip Code:**

**Proposed Location Address:**

1264 North Wishon Boulevard

**State:**

California

**Property Owner Phone:**

93728



Property Owner Email:

Assessor's Parcel Number (APN):

451-264-13

Proposed Location Square Footage:

7000

### Supporting Information

List all fictitious business names the applicant is operating under including the address where each business is located:

N/A

Has the Applicant or any of its owners been the subject of any administrative action, including but not limited to suspension, denial, or revocation of a cannabis business license at any time during the past three (3) years?

Is the Applicant or any of its owners currently involved in an application process in any other jurisdiction?

Yes

No

If so, please list and explain:

Applicant and/or its owners are currently involved in application processes in Illinois, Missouri, Antioch CA, Coalinga CA, El Cerrito CA, Stanton CA, San Diego CA, San Francisco CA, Santa Rosa CA, Santa Barbara CA, Napa CA, Union City CA, Puerto Rico, Portland OR, Corvallis OR.

### Application Certification

I hereby certify, under penalty of perjury, on behalf of myself and all owners, managers and supervisors identified in this application that the statements and information furnished in this application and the attached exhibits present the data and information required for this initial evaluation to the best of my ability, and that the facts, statements, and information presented are true and correct to the best of my knowledge and belief. I understand that a misrepresentation of fact is cause for rejection of this application, denial of the permit, or revocation of a permit issued.

Name and Digital Signature

true

Title

CEO

In addition, I understand that the filing of this application grants the City of Fresno permission to reproduce submitted materials for distribution to staff, Commission, Board and City Council Members, and other Agencies to process the application. Nothing in this consent, however, shall entitle any person to make use of the intellectual property in plans, exhibits, and photographs for any purpose unrelated to the City's consideration of this application.

Please note: the issuance of a permit will be determined based on the application you submit and any major changes to your business or proposal (i.e. ownership, location, etc.) after your application is submitted may result in a denial.

All applications submitted are considered public documents for Public Records Act request purposes.

For details about the information required as part of the application process, see the Application Procedures & Guidelines, City of Fresno Municipal Code Article 33 and any additional requirements to complete the application process. All documents can be found online via this link.

Furthermore, by submitting this application, I understand and agree that any business resulting from an approval shall be maintained and operated in accordance with requirements of the City of Fresno Municipal Code and State law. Under penalty of perjury, I hereby declare that the information contained in within and submitted with the application is true, complete, and accurate. I understand that a misrepresentation of the facts is cause for rejection of this application, denial of a permit or revocation of an issued permit. A denial or revocation on these grounds shall not be appealable (FMC 9-3319(d)).

For questions please contact the City Manager's Office at 559.621.5555.

## Owner Information

Owner Name:

Kacey Auston

Owner Title:

CEO

Owner Address:

[REDACTED]

Owner City:

Fresno

Owner State:

California

Owner Zip:

93720

Has Owner Completed Background Check Application?

Yes

Ownership Percentage (%):

51

Owner Name:

Aaron Herzberg

Owner Title:

Owner

Owner Address:

575 Anton Boulevard

Owner City:

Costa Mesa

Owner State:

California

Owner Zip:

92626

Has Owner Completed Background Check Application?

Yes

Ownership Percentage (%):

4.9

Owner Name:

Brandon Michael Johnson

Owner Title:

Owner

Owner Address:

[REDACTED]

Owner City:

Newport Beach

Owner State:

California

Owner Zip:

92660

Has Owner Completed Background Check Application?

Yes

Ownership Percentage (%):

24.7

Owner Name:

Ryan Christopher Johnson

Owner Title:

Owner

Owner Address:

[REDACTED]

Owner City:

Costa Mesa

Owner State:

California

Owner Zip:

92627



**Has Owner Completed Background Check Application?**

Yes

**Ownership Percentage (%):**

5.29

**Owner Name:**

Daniel C Firtel

**Owner Title:**

Owner

**Owner Address:**

171 Pier Avenue #466

**Owner City:**

Santa Monica

**Owner State:**

California

**Owner Zip:**

90405

**Has Owner Completed Background Check Application?**

Yes

**Ownership Percentage (%):**

5.29

**Owner Name:**

Edward Ross Fussell

**Owner Title:**

Owner

**Owner Address:**

1275 4th Steet #228

**Owner City:**

Santa Rosa

**Owner State:**

California

**Owner Zip:**

95404

**Has Owner Completed Background Check Application?**

Yes

**Ownership Percentage (%):**

1.74

**Owner Name:**

Gilbert Anthony Milam, Jr.

**Owner Title:**

Owner

**Owner Address:**

[REDACTED]

**Owner City:**

San Rafael

**Owner State:**

California

**Owner Zip:**

94901

**Has Owner Completed Background Check Application?**

Yes

**Ownership Percentage (%):**

3.49

**Owner Name:**

Lesjai Peronnet Chang

**Owner Title:**

Owner

**Owner Address:**

945 Taraval Street Apt 210

**Owner City:**

San Francisco

**Owner State:**

California

**Owner Zip:**

94116

**Has Owner Completed Background Check Application?**

Yes

**Ownership Percentage (%):**

5.29

Yes

3.18

**Owner Name:**

Martin Andrew Kaufman

**Owner Title:**

Owner

**Owner Address:**

[REDACTED]

**Owner City:**

Fairfax

**Owner State:**

California

**Owner Zip:**

94930

**Has Owner Completed Background Check Application?**

Yes

**Ownership Percentage (%):**

0.155

**Owner Name:**

Salwa Osama Ibrahim

**Owner Title:**

Owner

**Owner Address:**

[REDACTED]

**Owner City:**

Oakland

**Owner State:**

California

**Owner Zip:**

94602

**Has Owner Completed Background Check Application?**

Yes

**Ownership Percentage (%):**

0.155

**Owner Name:**

Thomas J Linovitz

**Owner Title:**

Owner

**Owner Address:**

260 Newport Center Dr Ste 100

**Owner City:**

Newport Beach

**Owner State:**

California

**Owner Zip:**

92660

**Has Owner Completed Background Check Application?**

Yes

**Ownership Percentage (%):**

0.09

**Owner Name:**

Kelley Michael Jimenez

**Owner Title:**

Owner

**Owner Address:**

[REDACTED]

**Owner City:**

Manhattan Beach

**Owner State:**

California

**Owner Zip:**

90266

**Has Owner Completed Background Check Application?**

Yes

**Ownership Percentage (%):**

0.01

**Owner Name:**  
Melissa Campos

**Owner Address:**  
[REDACTED]

**Owner State:**  
CA

**Has Owner Completed Background Check Application?**  
Yes

**Owner Title:**  
District Manager

**Owner City:**  
Newport Beach

**Owner Zip:**  
92660

**Ownership Percentage (%):**  
0

**Owner Name:**  
David Chiovetti

**Owner Address:**  
[REDACTED]

**Owner State:**  
CA

**Has Owner Completed Background Check Application?**  
Yes

**Owner Title:**  
Chief Operating Officer

**Owner City:**  
Redondo Beach

**Owner Zip:**  
90277

**Ownership Percentage (%):**  
0

**Owner Name:**  
Michael Kramer

**Owner Address:**  
[REDACTED]

**Owner State:**  
CA

**Has Owner Completed Background Check Application?**  
Yes

**Owner Title:**  
Chief Financial Officer

**Owner City:**  
Corona Del Mar

**Owner Zip:**  
92625

**Ownership Percentage (%):**  
0

**Owner Name:**  
Maria Lurence

**Owner Address:**  
[REDACTED]

**Owner State:**  
CA

**Has Owner Completed Background Check Application?**  
Yes

**Owner Title:**  
Vice President Retail Operations

**Owner City:**  
Whittier

**Owner Zip:**  
90605

**Ownership Percentage (%):**  
0

**Owner Name:**

Anita Mendoza

**Owner Address:**

[REDACTED]

**Owner State:**

CA

**Has Owner Completed Background Check Application?**

Yes

**Owner Title:**

Director of Social Equity and Community Outreach

**Owner City:**

Lake Forest

**Owner Zip:**

92650

**Ownership Percentage (%):**

0

**Owner Name:**

Crystal Millican

**Owner Address:**

[REDACTED]

**Owner State:**

CA

**Has Owner Completed Background Check Application?**

Yes

**Owner Title:**

Head of Retail Operations

**Owner City:**

Santa Monica

**Owner Zip:**

90405

**Ownership Percentage (%):**

0

EXHIBIT H

**Business Name:** 1261 Wishon OPCO LLC  
**Application #:** C-20-64

**CANNABIS BUSINESS PERMIT APPLICATION REVIEW - RETAIL**

Points Possible	All or None	Exceptional	Good	Acceptable	Applicant Score	Evaluation Notes (Explain each time points are deducted)
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**SECTION 1: BUSINESS PLAN** **300 Points Possible for Section 1**

*1.1 Owner qualifications. Resumes are not to exceed two (2) pages per owner. (30 points possible)*

**Resume:**

Resumes Provided for All Owners: Score	5	5				5	
Resumes Provided in 2-page Format: Score	2	2				2	

**Education: (select highest academic level among ownership team, cannabis specific education separately)**

Cannabis specific education/training (accredited)	2	2				0	Not described
High School Degree Reported: Score	4	4				-	
Bachelor's Degree Reported: Score	6	6				-	
Master's Degree or Higher Reported: Score	8	8				8	

**Experience: (among ownership team, select one at highest level)**

Regulated Cannabis Retail Ownership Experience CA	13	13				13	
Regulated Cannabis Retail Experience CA (management level or below): Score	10	10				-	
Other Retail Business Experience Reported, More than 5 years: or	8	8				-	
Other Retail Business Experience Reported, Less than 5 Years: Score	5	5				-	

Criteria Narrative:

<b>1.1 Sub-Total:</b>	30					28	
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*1.2 A budget for construction, operation, and maintenance, compensation of employees, equipment costs, utility cost, and other operation costs.(50 points possible)*

**Construction Cost Estimate:**

Construction Cost Estimate Provided: Score	8		8	6	4	4	Very basic, needs detail. Just listed as a single line item
Construction Contingency Factor Included: Score	6	6				0	Not included
All Labor, Trades, Materials, Supplies and Permits and other Cost Factors Identified: Score	6		6	4	2	2	Very basic, needs detail. Lists permits only but not trades and materials.
Reference Data Provided for Unit Cost Factors: Score	5		5	3	1	0	Not included

**Operation and Maintenance Cost Estimates:**

Operation and Maintenance Cost Estimate Provided: Score	8		8	6	4	6	Needs detail. Just has amounts in lump sum form
All Labor, Trades, Materials, Supplies, Utilities, and other Cost Factors Identified: Score	6		6	4	2	4	Needs more detail.
Annual Cost Escalators for Operating Costs Provided: Score	6		6	4	2	0	Not included
Reference Data Provided for Unit Cost Factors: Score	5		5	3	1	1	Cites experience, no detail

Criteria Narrative:

<b>1.2 Sub-Total:</b>	50					17	
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*1.3 Proof of capitalization in the form of documentation of cash or other liquid assets on hand, Letters of Credit or other equivalent assets which can be verified by the City. (50 Points Possible)*

Proof of Capitalization Specific to one or more Owners: Score	5	5				0	Not specific
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Proof of Capitalization Specific to Business Name/Address: Score	5	5				5	
Proof of Capitalization Sufficient to Cover Proforma (3 months) and Construction Costs: Score	15	15				15	
Certified Audited Financial Report Provided for one or more Owners: Score	5	5				0	Not included
<b>Score one of the following for a maximum 20 points:</b>							
Capital source is 100% liquid (cash in owners bank, no debt obligation)	20	20				-	
Capital source is debt obligation (letter of credit/loan from individual or institution)	10	10				10	
Capital consists of non-liquid assets (i.e. real property)	8	8				-	
Capital consists of a mixture of liquid and non-liquid assets	15	15				-	

Criteria Narrative:

<b>1.3 Sub-Total:</b>	50					30	
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**1.4 Pro forma for at least three years of operation.**

Three Years of Data Provided: Score	10		10	8	6	8	Needs more detail.
Total Gross Revenue Estimates Provided:	3	3				3	
Total Gross Revenue by Product Type (flower and manufactured) Identified:	3	3				3	
Total Personnel Costs Provided:	5		5	4	3	4	Has separate breakdown, but needs a little more detail ie. payroll taxes, etc.
Total Property Rental or Purchase Costs Provided:	2	2				2	
Total Utilities Costs Provided:	2	2				2	
Total Cannabis Product Purchase Expense Provided	2	2				2	
All Contract Services Identified:	2	2				2	
Annual Net Revenue Identified:	3	3				3	
Annual Cost Escalators Identified:	4		4	3	2	3	Most costs shown as escalating but no explanations
Annual Estimated Sales Tax Payments to State Provided:	2	2				2	
Annual Estimated Sale Tax Payments to City of Fresno Provided:	5	5				0	Not included
Annual Business Tax License and Cannabis Permit Fee Provided:	2	2				2	
Annual Net Income Provided:	5	5				5	
Scoring Guidance: full points for realistic figures for all three years. Dock points for severe miscalculations, unrealistic estimates, or providing less than the request three years.							

Criteria Narrative:

<b>1.4 Sub-Total:</b>	50					41	
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**1.5 Fully describe hours of operation and opening and closing procedures. (20 points possible)**

Hours of Operation Provided: Score	5	5				5	
Hours of Operation Provided for all 7 days of the week: Score	3	3				0	Days of the week not specified
Hours of Operation Provided for Holidays: Score	2	2				0	Holidays not specified
Opening and Closing Procedures Provided: Score	10		10	8	6	10	
Scoring Guidance: full points for describing information in detail. Dock points for leaving information out or not providing enough detail.							

Criteria Narrative:

<b>1.5 Sub-Total:</b>	20					15	
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**1.6 Daily operations. With as much detail as possible, the Business Plan should describe the day-to-day operations which meet industry best practices. This should include at a minimum the following criteria for each permit type in which you are applying for a permit. (100 points possible)**

**1.6.1 Fully describe the day-to-day operations if your applying for a retail permit:**

i. Describe customer check-in procedures.	20		20	15	10	20	
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ii. Identify location and procedures for receiving deliveries during business hours.	10		10	8	6	10	
iii. Identify the name of the Point-of-sale system to be used and the number of Point-of-Sale locations.	10	10				10	COVA- 7 locations
iv. The estimated number of customers to be served per hour/day.	20		20	15	10	20	
v. Describe the proposed product line to be sold and estimate the percentage of sales of flower and manufactured products.	20		20	15	10	20	
vi. If proposed, describe delivery service procedures, number of vehicles and product security during transportation. (if no delivery service application must state this clearly for full points)	20		20	15	10	20	
<b>1.6 Sub-Total:</b>	100					100	

Criteria Narrative:

<b>Section 1 Total:</b>	300					231	
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**SECTION 2: SOCIAL POLICY AND LOCAL ENTERPRISE** 400 Points Possible for Section 2

*2.1 Describe whether the Commercial Cannabis Business is committed to offering employees a Living Wage. (20 points possible)*

Description of Commitment to pay a Living Wage provided: Score	10		10	8	6	10	
Definition of Living Wage Provided: Score	5		5	4	3	5	
Living Wage Defined as Greater than Minimum Wage: Score	5	5				5	
<b>Scoring Guidance:</b> <a href="https://livingwage.mit.edu/counties/06019">https://livingwage.mit.edu/counties/06019</a>							

Criteria Narrative:

<b>2.1 Sub-Total:</b>	20					20	
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*2.2 Briefly describe benefits provided to employees such as health care, vacation, and medical leave, to the degree they are offered as part of employment. (50 points possible)*

**Wages and Salary**

CCB Entry-Level Hourly Wage Greater than Minimum Wage	5	5				5	
CCB Entry-Level Annual Salary Greater than Median Household Income (\$50,432)	5	5				0	

**Health Care Benefits**

CCB Offers Medical Coverage to All Employees: Score	5	5				5	
CCB Offers Dental Coverage to All Employees: Score	3	3				3	
CCB Offers Vision Coverage to All Employees: Score	3	3				3	
CCB Offers Health Reimbursement Account for Qualified Medical Expenses: Score	1	1				0	
Employee Pays \$0 for Employee Medical Premium: Score	3	3				3	
Employee Pays \$0 for Employee Dental Premium: Score	2	2				2	
Employee Pays \$0 for Employee Vision Premium: Score	2	2				2	
Employee Pays less than \$500 per month for Family Health Care Coverage (Medical, Dental, Vision): Score	2	2				-	

**Leave Benefits**

Number of Paid Vacation/PTO Days Per Year: (10+ days = excep; 6-9 days = Good; 3-5 days Acceptable)	5		5	4	3	5	
Number of Paid Holidays Per Year: (10 or more paid holidays = excep; 4-10 = Good; 1-3 Acceptable)	5		5	4	3	0	unspecified
Number of days paid time off for Sick/Medical time: (7+ days= Exceptional, 4-6 days = Good, 3 days = acceptable (8 hour day))	5		5	4	3	5	

**Retirement**

Offers employee retirement plan	2	2				2	
Offers company match for employee retirement plan	2	2				2	



Criteria Narrative:

<b>2.2 Sub-Total:</b>	50	37
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*2.3 Describe compensation to and opportunities for continuing education and employee training.(20 points possible)*

CCB Provides Tuition Reimbursement for Certificates: Score	3	3		3		annual tuition assistance
CCB Provides Tuition Reimbursement for associate degrees: Score	3	3		3		annual tuition assistance
CCB Provides Tuition Reimbursement for bachelor's degrees: Score	3	3		3		annual tuition assistance
CCB Provides Tuition Reimbursement for master's degrees: Score	3	3		3		annual tuition assistance
CCB Provides Tuition Reimbursement for Specialized Commercial Cannabis Business Operations Training: Score	3	3		3		annual tuition assistance
CCB Offers General Training for Health and Safety, Workplace Environment, Customer Service, etc.	5		5	4	3	5

Criteria Narrative:

<b>2.3 Sub-Total:</b>	20	20
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*2.4 Describe the Commercial Cannabis Business plan to recruit individuals who meet the criteria listed in the Social Policy Section 9-3316 (b) (1) of the Fresno Municipal Code (FMC) and the percentage of local employees it hires. (50 points possible)*

General Recruitment Plan Provided: Score	10		10	8	6	10	
Social Policy Recruitment Plan Provided: Score	10		10	8	6	10	
Recruitment Plan Includes Demographic Data for District, City or County: Score	10		10	8	6	10	
Recruitment Plan Includes List of CBOs, Non-Profits and Public-Agency Hiring Partners: Score	10		10	8	6	10	
Recruitment Plan Includes Hiring Targets (percentages) by Demographic Groups: Score	10		10	8	6	8	exceeds FMC targets, does not describe additional targets.

Criteria Narrative:

<b>2.4 Sub-Total:</b>	50	48
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*2.5 Describe the extent to which the Commercial Cannabis Business will be a locally managed enterprise whose owners and /or managers reside within or own a commercial business within the City of Fresno, for at least one year prior to March 2, 2020.(80 points possible)*

**Owners**

*IF full points achieved for Ownership category, don't score managers.  
Section is total of 80 points possible.*

Number of Owners:					12
Number of Owners that live within the City of Fresno:					1
Number of Owners that live in the County of Fresno:					0
Number of Owners that Own a Business in the City of Fresno:					1
51%+ ownership interest percent of the Owners live or own a business in the City: Score	80	80		80	
51%+ ownership interest percent of the Owners live or own a business in the County: Score	40	40		-	
Less than 50 percent equity of the Owners live or own a business in the City (If no owners are local, score zero)	20	20		-	

**Managers**

Number of Managers (salaried, non-owners)					8
Number of Managers that live in the City of Fresno:					1
Number of Managers that Own a Business in the City of Fresno:					0
100 percent of the Managers live or own a business in the City: Score	20	20		-	
75 to 99 percent of the Managers live or own a business in the City: Score	15	15		-	
50 to 74 percent of the Managers live or own a business in the City: Score	10	10		-	

Less than 50 percent of the Managers live or own a business in the City: Score	5	5			5	one local manager identified (GM)
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Criteria Narrative:

<b>2.5 Sub-Total:</b>	80				80	
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*2.6 Describe the number of employees, title/position and their respected responsibilities.(20 points possible)*

Responsibilities Described for All Titles/Positions: Score	20		20	15	10	20
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Criteria Narrative:

<b>2.6 Sub-Total:</b>	20				20	
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*2.7 Describe whether the CCB has five (5) or more employees and whether it has signed a labor peace agreement allowing employees to unionize without interference. (10 points possible)*

Does CCB have more than five employees:	5	5			5	
CCB has signed a peace agreement: Score	5	5			5	

Criteria Narrative:

<b>2.7 Sub-Total:</b>	10				10	
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*2.8 Provide a workforce plan that includes at a minimum the following provisions: (50 points possible)*

*2.8.1. Commitment for 30% of employees to be local hires; the business must show that it has either hired or made a good faith effort to hire bona fide residents of Fresno who have not established residency after the submission of an application for employment with the applicant/permittee.*

*2.8.2. Commitment to offer apprenticeships and/or compensation for continuing education in the field; and*

*2.8.3. Commitment to pay a living wage to its employees*

Work Force Plan Provided: Score	10		10	8	6	10
Commitment to Local Hire Provided:	10		10	8	6	10
Commitment to Offer Apprenticeships Provided:	10		10	8	6	10
Commitment paying for continuing education provided	10		10	8	6	10
Description of commitment to paying a living wage provide. (Score same as sec. 2.1)	10		10	8	6	10

Criteria Narrative:

<b>2.8 Sub-Total:</b>	50				50	
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*2.9 Describe whether the business is willing to serve as a Social Equity Business Incubator by offering support to local cannabis social equity businesses in the form of mentorship, training, equipment donation, a percentage of shelf space dedicated to Fresno equity business products, legal assistance, financial services assistance, or other technical assistance support.(100 points possible)*

CCB is willing to serve as Social Equity Business Incubator: Score	100		100	80	60	100
Mentorship and Training: Score						yes
Equipment Donation: Score						yes
Shelf Space: Score						yes
Legal Assistance: Score						yes
Finance Services Assistance: Score						
Other Technical Assistance: Score						loans
Scoring Guidance: full points for willingness to serve with detailed plan offering at least three aspects mentioned above or of similar benefit. Less points for willingness to serve but vague or unclear commitment. Zero points if there is no clear commitment to serve as Incubator.						
<b>2.9 Sub-Total:</b>	100					100

Criteria Narrative:

<b>Section 2 Total:</b>	400					385
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**SECTION 3: NEIGHBORHOOD COMPATIBILITY PLAN**

**300 Points Possible for Section 3**

*3.1 Describe how the CCB will proactively address and respond to complaints related to noise, light, odor, litter, vehicles, and pedestrian traffic.(50 points possible)*

CCB will document complaints (time of complaint, nature of complaint, resolution of complaint): Score	10		10	8	6	10	
CCB will established a dedicated contact person to receive complaints: Score	10	10				10	
CCB will establish a dedicated phone number to receive complaints: Score	5	5				5	
CCB will establish a dedicated email address to receive complaints: Score	5	5				5	
CCB will establish a response time standard for returning complaint calls and emails: Score	5	5				0	Info not provided
CCB will schedule or participate in periodic community meetings to engage with residents about the CCB operation: Score	10	10				10	
Other measure unique to business (i.e. website complaint form)	5	5				5	
Scoring Guidance: full points for detailed proactive plan addressing all aspects mentioned. Dock points for leaving out aspect, vagueness, or reactive plans.							

Criteria Narrative:

<b>3.1 Sub-Total:</b>	50	45
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*3.2 Describe how the CCB will be managed to avoid becoming a nuisance or having impacts on its neighbors and the surrounding community.(100 points possible)*

CCB will maintain a listserv of community residents to update and information residents of business operations.	10	10				10	
CCB will schedule or attend periodic community meetings (at least annually) to engage with residents about the CCB operation: Score	10	10				10	
CCB will prepare a community outreach and engagement plan: Score	50		50	40	30	50	
CCB will issue periodic Newsletters to community providing information about CCB operations	10	10				0	Info not provided
CCB will hire residents from the community work at the CCB: Score	20	20				20	
Scoring Guidance: full points for detailed proactive plan. Dock points for leaving out aspect, vagueness, or reactive plans.							

Criteria Narrative:

<b>3.2 Sub-Total:</b>	100	90
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*3.3 Describe odor mitigation practices.(40 points possible)*

CCB has identified sensitive receptors to nuisance odors in vicinity of business operations: Score	5	5				0	Info not provided
CCB has prepared a nuisance odor control plan: Score	10		10	8	6	10	
Nuisance odor control plan identifies locations where fugitive emissions may exit the premise boundary: Score	5	5				5	
Nuisance odor control plan describes specific odor control measures to reduce fugitive emissions exiting the premise boundary: Score	5	5				5	
CCB has established an odor reporting system: Score	5	5				5	
CCB will install a nuisance odor monitoring system: Score	10	10				0	Info not provided

Criteria Narrative:

<b>3.3 Sub-Total:</b>	40	25
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*3.4 Identify potential sources of odor. (10 points possible)*

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CCB has identified the potential sources of nuisance odors for the business operation: Score	10		10	8	6	10	
Scoring Guidance: full points for detailed proactive plan. Dock points for vagueness or reactive plans.							

Criteria Narrative:

<b>3.4 Sub-Total:</b>	10					10	
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*3.5 Describe odor control devices and techniques employed to ensure that odors from cannabis are not detectable beyond the permitted premises. (30 points possible)*

Nuisance odor control plan describes specific odor control equipment: Score	10		10	8	6	10	
Nuisance odor control plan describes specific odor control measures/techniques: Score	10		10	8	6	10	
Odor control measures are identified for different nuisance odor sources: Score	10	10				10	

Criteria Narrative:

<b>3.5 Sub-Total:</b>	30					30	
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*3.6 Describe all proposed staff odor training and system maintenance.(20 points possible)*

Nuisance odor control plan describes the operation, monitoring, and maintenance requirements for odor control measures: Score	10	10				10	
Nuisance odor control plan describes the staff training required for system operations, maintenance, repair, and troubleshooting.	10	10				10	

Criteria Narrative:

<b>3.6 Sub-Total:</b>	20					20	
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*3.7 Describe the waste management plan. (50 points possible)*

CCB has identified the sources of waste generated by the business operation: Score	10	10				0	Needs more specificity
CCB has prepared a source-separation plan to segregate different sources of waste generated by business operations: Score	10	10				10	
The source-separation plan identifies policy, procedures, and locations where different sources of waste are to be collected for disposal: Score	10		10	8	6	10	
The source-separation plan describes specific measures to control the collection and disposal cannabis waste: Score	10	10				10	
The name of licensed cannabis disposal company provided: Score	10	10				10	
<b>3.7 Sub-Total:</b>	50					40	

Criteria Narrative:

<b>Section 3 Total:</b>	300					260	
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**SECTION 4: SAFETY PLAN**

**300 Points Possible for Section 4**

*4.1 The Safety Plan shall be prepared and/or assessed by a professional fire prevention and suppression consultant. (50 points possible)*

Safety Plan Prepared by Consultant: Score	10	10				10	
Safety Plan Assessed by Consultant: Score (if prepared by, also give points for assessed by)	10	10				10	
Safety Plan Prepared for CCB Address (specific proposed location): Score	10	10				10	
Safety Plan includes Site Plan of Premise: Score	10	10				5	no overall site to public way
Safety Plan includes Building Layout Plan: Score	10	10				10	

Criteria Narrative:

<b>4.1 Sub-Total:</b>	50	45
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**4.2 Describe accident and incident reporting procedures. (50 points possible)**

Written Accident/Incident Procedure Provided: Score	20		20	15	10	10	form only no procedures	
Procedures Address Multiple Accident/Incident Scenarios: Score	10		10	8	6	0	not provided	
Total Number of Scenarios Described:	Data-write response in Evaluation Notes Column						0	
Active Shooter Incident Described: Score	10	10				0	not mentioned	
Robbery Incident Described: Score	10	10				0	not mentioned	

Criteria Narrative:

<b>4.2 Sub-Total:</b>	50	10
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**4.3 Describe evacuation routes. (50 points possible)**

Evacuation Plan Provided: Score	20		20	15	10	20	
Adequate Number of Evacuation Routes Identified: Score	20		20	15	10	20	
Evacuation Route Distance to Public Right of Way: Score	10		10	8	6	0	no overall site plan

Criteria Narrative:

<b>4.3 Sub-Total:</b>	50	40
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**4.4 Location of fire extinguishers and other fire suppression equipment. (50 points possible)**

Location of Fire Suppression System Elements Identified: Score	10	10				10	
Type of Fire Suppression System Elements Identified: Score	20		20	15	10	20	
Location of Fire Extinguishers Identified: Score	10	10				10	
Adequate Number of Fire Extinguisher Locations Identified: Score	10		10	8	6	10	

Criteria Narrative:

<b>4.4 Sub-Total:</b>	50	50
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**4.5 Describe procedures and training for all fire and medical emergencies.(100 points possible)**

Written Procedure for Fire Emergencies Provided: Score	20		20	15	10	20	
Written Procedure for Medical Emergencies Provided: Score	20		20	15	10	20	
Cardiac Arrest Medical Emergency Described: Score	20		20	15	10	0	not mentioned
Gunshot Wound Medical Emergency Described: Score	20		20	15	10	0	not mentioned
Other Medical Emergency Conditions Described: Score	20		20	15	10	0	not mentioned
<b>4.5 Sub-Total:</b>	100	40					

Criteria Narrative:

<b>Section 4 Total:</b>	300	185
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**SECTION 5: SECURITY PLAN**

**300 Points Possible for Section 5**

**5.1 The Security Plan shall be prepared and/or assessed by a professional security consultant.(50 points possible)**

Security Plan Prepared by Consultant: Score	10	10				10	
Security Plan Assessed by Consultant(if prepared by, also give points for assessed by): Score	10	10				10	
Security Plan Prepared for CCB Address (specific proposed location): Score	10	10				10	
Security Plan includes Site Plan of Premise: Score	10	10				10	
Security Plan includes Building Layout Plan: Score	10	10				10	

Criteria Narrative:

**5.1 Sub-Total: 50**

**50**

5.2 Premises (Security) Diagram. In addition to diagrams submitted for other sections of the application, applicants are expected to submit a premises diagram (or site plan) which, focuses on the proposed security measures and how they relate to the overall business. (Pursuant to CCR Title 16, Division 42, §5006. Premises Diagram).

5.2.1 The diagram shall be accurate, dimensioned and to scale (minimum scale ¼"). The scale may be smaller if the proposed location exceeds more than a 1/2-acre parcel but must not be printed on larger than an 11" x 17" sheet of paper. (Blueprints and engineering site plans are not required at this point of the application process)

5.2.2 The diagram must be drawn to scale and clearly identify property boundaries, entrances, exits, interior partitions, walls, rooms, windows, and doorways. The activity in each room and the location of all cameras must be identified in the diagram.

5.2.3 Description of cannabis activity that will be conducted in each area of the premise. Commercial cannabis activities that must be identified on the diagram/site plan may include but are not limited to the following if applicable to the business operations; storage areas, batch sampling areas, loading/unloading of shipment areas, packaging and labeling, customer sales areas, training areas, employee break room areas, extractions, infusions, processing, and testing areas.

5.2.4 Limited-access areas, defined as areas in which cannabis goods are stored or held and only accessible to permittees, or its employees or contractors and areas used for video surveillance monitoring and storage devices (Pursuant to CCR Title 16, Division 42, §5000 (m) Limited-Access Area and §5042 Limited-Access Area.

5.2.5 Number and location of all video surveillance cameras. (50 points possible)

Premises (Security) Diagram Provided: Score	20		20	15	10	20	
Diagram is drawn to correct scale: Score	5	5				5	
Diagram provides required details for premise: Score	5	5				5	
Diagram shows the location of all security cameras: Score	5	5				5	
Descriptions of activities to be conducted in each area of the premise	5	5				5	
Limited-Access Areas Clearly Marked: Score	5	5				5	
Number and Location of All Security Cameras Identified: Score	5	5				5	

Criteria Narrative:

**5.2 Sub-Total: 50**

**50**

5.3 Identify intrusion alarm and monitoring system including the name and contact information for the monitoring company (if the company has been selected).(50 points possible)

Intrusion Alarm and Monitoring System Identified: Score	15	15				15	
Name and Contact Information for Monitoring Company Provided: Score	5	5				5	
Total Points of Entry into Premise Identified: Score	5	5				5	
All Points of Entry to be Alarmed Identified:	5	5				5	
Type of Alarm Identified (motion, infrared, glass break, etc.): Score	10	10				10	
Backup Power Supply Identified: Score	10	10				10	

Criteria Narrative:

**5.3 Sub-Total: 50**

**50**

5.4 Briefly describe cash handling procedures which covers day to day transactions with customers, vendors armor carrier vehicles and transporting it to the bank.(100 points possible)

Written Cash-Handling Procedure Provided: Score	30		30	20	15	30	
Dual-Custody is Practiced for all cash handling: Score	10	10				10	
Video Surveillance Used to Monitor All Cash Handling: Score	20	20				20	
Armored Car Service Used for Bank Deposits: Score	10	10				10	
All Cash Deposited weekly with Bank: Score	10	10				10	
Onsite Vault Provided to Secure Cash Prior to Bank Deposit: Score	20	20				20	

Criteria Narrative:

**5.4 Sub-Total: 100**

**100**

5.5 Discuss whether the CCB will utilize the services of on-site security guards. Include in the discussion: (50 points possible)

5.5.1 Number of guards.

5.5.2 Hours guards will be on-site.

5.5.3 Locations at which they will be positioned.

5.5.4 Guards' roles and responsibilities.

CCB will use onsite security guards: Score	10	10		10	
All onsite guards will be licensed and bonded: Score	10	10		0	No mention of being bonded
All onsite security guards will be licensed to carry firearms: Score	10	10		10	
Onsite security guards will be on duty before CCB opens for business: Score	10	10		0	No mention
Onsite security guards will be on duty after CCB closes for business: Score	10	10		10	
<b>5.5 Sub-Total:</b>	<b>50</b>			<b>30</b>	

Criteria Narrative:

<b>Section 5 Total:</b>	<b>300</b>	<b>280</b>
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TOTAL SCORE							
<i>Section 1: Business Plan Total Points:</i>	300					231	<b>83.81%</b>
<i>Section 2: Social Policy &amp; Local Enterprise Total Points:</i>	400					385	
<i>Section 3: Neighborhood Compatibility Total Points:</i>	300					260	
<i>Section 4: Safety Plan Total Points:</i>	300					185	
<i>Section 5: Security Plan Total Points:</i>	300					280	
<b>Total Points Achieved:</b>	<b>1600</b>					<b>1341</b>	

# EXHIBIT I





**California Secretary of State  
Electronic Filing**



**LLC Registration – Articles of Organization**

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Entity Name: 1261 Wishon OPCO, LLC

Entity (File) Number: 202017110423

File Date: 06/18/2020

Entity Type: Domestic LLC

Jurisdiction: California

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Detailed Filing Information

1. Entity Name: **1261 Wishon OPCO, LLC**
  
2. Business Addresses:
  - a. Initial Street Address of Designated Office in California: 2804 Gateway Oaks Drive #100  
Sacramento, California 95833  
United States
  
  - b. Initial Mailing Address: 2804 Gateway Oaks Drive #100  
Sacramento, California 95833  
United States
  
3. Agent for Service of Process: PARACORP INCORPORATED  
(C1082536)
  
4. Management Structure: **One Manager**
  
5. Purpose Statement: The purpose of the limited liability company is to engage in any lawful act or activity for which a limited liability company may be organized under the California Revised Uniform Limited Liability Company Act.

Electronic Signature:

The organizer affirms the information contained herein is true and correct.

Organizer: **Ryan Johnson**

# EXHIBIT J



**Secretary of State**  
**Statement of Information**  
(Limited Liability Company)

**LLC-12**

20-D17192

**FILED**

In the office of the Secretary of State  
of the State of California

AUG 10, 2020

**IMPORTANT** — Read instructions before completing this form.

**Filing Fee – \$20.00**

**Copy Fees** – First page \$1.00; each attachment page \$0.50;  
Certification Fee - \$5.00 plus copy fees

**This Space For Office Use Only**

**1. Limited Liability Company Name** (Enter the exact name of the LLC. If you registered in California using an alternate name, see instructions.)

1261 WISHON OPCO, LLC

**2. 12-Digit Secretary of State File Number**      **3. State, Foreign Country or Place of Organization** (only if formed outside of California)

202017110423

CALIFORNIA

**4. Business Addresses**

a. Street Address of Principal Office - Do not list a P.O. Box 2804 Gateway Oaks Drive #100	City (no abbreviations) Sacramento	State CA	Zip Code 95833
b. Mailing Address of LLC, if different than item 4a 2804 Gateway Oaks Drive #100	City (no abbreviations) Sacramento	State CA	Zip Code 95833
c. Street Address of California Office, if Item 4a is not in California - Do not list a P.O. Box 2804 Gateway Oaks Drive #100	City (no abbreviations) Sacramento	State CA	Zip Code 95833

**5. Manager(s) or Member(s)**

If no managers have been appointed or elected, provide the name and address of each member. At least one name and address must be listed. If the manager/member is an individual, complete Items 5a and 5c (leave Item 5b blank). If the manager/member is an entity, complete Items 5b and 5c (leave Item 5a blank). Note: The LLC cannot serve as its own manager or member. If the LLC has additional managers/members, enter the name(s) and addresses on Form LLC-12A (see instructions).

a. First Name, if an individual - Do not complete Item 5b Brandon	Middle Name	Last Name Johnson	Suffix
b. Entity Name - Do not complete Item 5a			
c. Address 2804 Gateway Oaks Drive #100	City (no abbreviations) Sacramento	State CA	Zip Code 95833

**6. Service of Process** (Must provide either Individual OR Corporation.)

**INDIVIDUAL** – Complete Items 6a and 6b only. Must include agent's full name and California street address.

a. California Agent's First Name (if agent is not a corporation)	Middle Name	Last Name	Suffix
b. Street Address (if agent is not a corporation) - Do not enter a P.O. Box			
		City (no abbreviations)	State CA      Zip Code

**CORPORATION** – Complete Item 6c only. Only include the name of the registered agent Corporation.

c. California Registered Corporate Agent's Name (if agent is a corporation) – Do not complete Item 6a or 6b PARACORP INCORPORATED (C1082536)
---

**7. Type of Business**

a. Describe the type of business or services of the Limited Liability Company Retail
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**8. Chief Executive Officer, if elected or appointed**

a. First Name Ryan	Middle Name	Last Name Johnson	Suffix
b. Address 4675 MacArthur Court, Floor 15	City (no abbreviations) Newport Beach	State CA	Zip Code 92660

**9. The information contained herein, including any attachments, is true and correct.**

08/10/2020

Ryan Johnson

Counsel

Date

Type or Print Name of Person Completing the Form

Title

Signature

**Return Address (Optional)** (For communication from the Secretary of State related to this document, or if purchasing a copy of the filed document enter the name of a person or company and the mailing address. This information will become public when filed. SEE INSTRUCTIONS BEFORE COMPLETING.)

Name: [ ]

Company:

Address:

City/State/Zip: [ ]

EXHIBIT K

**Commercial Cannabis Business  
Permit Application**

**C-20-34**

Submitted On: Dec 04, 2020

**Applicant**

 Lauren Fontein  
 213-700-6858  
 lauren@theartisttree.com

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**Applicant (Entity) Information**

**Applicant (Entity) Name:**

TAT Fresno LLC

**DBA:**

The Artist Tree

**Physical Address:**

1426 N. Van Ness Ave.

**City:**

Fresno

**State:**

CA

**Zip Code:**

93728

**Primary Contact Same as Above?**

Yes

**Primary Contact Name:**

Lauren Fontein

**Primary Contact Title:**

Owner

**Primary Contact Phone:**

(213) 700-6858

**Primary Contact Email:**

Lauren@theartisttree.com

**HAS ANY INDIVIDUAL IN THIS APPLICATION APPLIED FOR ANY OTHER CANNABIS PERMIT IN THE CITY OF FRESNO?:**

Yes

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**Application Type**

Select one or more of the following categories. For each category, indicate whether you are applying for Adult-Use ("A") or/and Medicinal ("M") or both

Both

Please make one selection for permit type. If making multiple applications, please submit a new application for each permit type and proposed location.

**Permit Type**

Retail (Storefront)

**Business Formation Documentation:**

Limited Liability Company

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**Proposed Location**

**Property Owner Name:**

Ryan Janisse on behalf of P&P Holdings, LLC

**Proposed Location Address:**

1426 N. Van Ness Ave.

**City:**

Fresno

**State:**

CA

**Zip Code:**

93728

**Property Owner Phone:**

(559) 448-9800, Ext. 107

**Property Owner Email:**

rjanisse@gmlegal.net

**Assessor's Parcel Number (APN):**

45112215

**Proposed Location Square Footage:**

## Supporting Information

List all fictitious business names the applicant is operating under including the address where each business is located:

TAT Fresno LLC dba The Artist Tree operating at 1426 N. Van Ness Fresno CA

Has the Applicant or any of its owners been the subject of any administrative action, including but not limited to suspension, denial, or revocation of a cannabis business license at any time during the past three (3) years?

No

Is the Applicant or any of its owners currently involved in an application process in any other jurisdiction?

No

## Application Certification

I hereby certify, under penalty of perjury, on behalf of myself and all owners, managers and supervisors identified in this application that the statements and information furnished in this application and the attached exhibits present the data and information required for this initial evaluation to the best of my ability, and that the facts, statements, and information presented are true and correct to the best of my knowledge and belief. I understand that a misrepresentation of fact is cause for rejection of this application, denial of the permit, or revocation of a permit issued.

In addition, I understand that the filing of this application grants the City of Fresno permission to reproduce submitted materials for distribution to staff, Commission, Board and City Council Members, and other Agencies to process the application. Nothing in this consent, however, shall entitle any person to make use of the intellectual property in plans, exhibits, and photographs for any purpose unrelated to the City's consideration of this application.

Furthermore, by submitting this application, I understand and agree that any business resulting from an approval shall be maintained and operated in accordance with requirements of the City of Fresno Municipal Code and State law. Under penalty of perjury, I hereby declare that the information contained in within and submitted with the application is true, complete, and accurate. I understand that a misrepresentation of the facts is cause for rejection of this application, denial of a permit or revocation of an issued permit. A denial or revocation on these grounds shall not be appealable (FMC 9-3319(d)).

Name and Digital Signature

true

Title

Owner

Please note: the issuance of a permit will be determined based on the application you submit and any major changes to your business or proposal (i.e. ownership, location, etc.) after your application is submitted may result in a denial.

All applications submitted are considered public documents for Public Records Act request purposes.

For details about the information required as part of the application process, see the Application Procedures & Guidelines, City of Fresno Municipal Code Article 33 and any additional requirements to complete the application process. All documents can be found online via this link.

For questions please contact the City Manager's Office at 559.621.5555.

## Owner Information

Owner Name:

Lawrence Artenian

Owner Address:

1111 E. Herndon Ave. Suite 317

Owner Title:

Owner

Owner City:

Fresno

**Owner State:**

CA

**Owner Zip:**

93720

**Has Owner Completed Background Check Application?**

Yes

**Ownership Percentage (%):**

51

**Owner Name:**

Aviv Halimi

**Owner Title:**

Owner

**Owner Address:**

[REDACTED]

**Owner City:**

Encino

**Owner State:**

CA

**Owner Zip:**

91436

**Has Owner Completed Background Check Application?**

Yes

**Ownership Percentage (%):**

2.45

**Owner Name:**

Dennis Kahan

**Owner Title:**

Owner

**Owner Address:**

[REDACTED]

**Owner City:**

Los Angeles

**Owner State:**

CA

**Owner Zip:**

90024

**Has Owner Completed Background Check Application?**

Yes

**Ownership Percentage (%):**

2.45

**Owner Name:**

Mitchell Kahan

**Owner Title:**

Owner

**Owner Address:**

[REDACTED]

**Owner City:**

Los Angeles

**Owner State:**

CA

**Owner Zip:**

90046

**Has Owner Completed Background Check Application?**

Yes

**Ownership Percentage (%):**

22.05

**Owner Name:**

Avi Kahan

**Owner Title:**

Owner

**Owner Address:**

[REDACTED]

**Owner City:**

Los Angeles

**Owner State:**

**Owner Zip:**

CA

91607

**Has Owner Completed Background Check Application?**

**Ownership Percentage (%):**

Yes

11.025

**Owner Name:**

Lauren Fontein

**Owner Title:**

Owner

**Owner Address:**

[REDACTED]

**Owner City:**

Valley Village

**Owner State:**

CA

**Owner Zip:**

91604

**Has Owner Completed Background Check Application?**

**Ownership Percentage (%):**

Yes

11.025



EXHIBIT L

**Business Name:** The Artist Tree  
**Application #:** C-20-34

**CANNABIS BUSINESS PERMIT APPLICATION REVIEW - RETAIL**

Points Possible	All or None	Exceptional	Good	Acceptable	Applicant Score	Evaluation Notes (Explain each time points are deducted)
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**SECTION 1: BUSINESS PLAN** **300 Points Possible for Section 1**

*1.1 Owner qualifications. Resumes are not to exceed two (2) pages per owner. (30 points possible)*

**Resume:**

Resumes Provided for All Owners: Score	5	5			5	
Resumes Provided in 2-page Format: Score	2	2			2	

**Education: (select highest academic level among ownership team, cannabis specific education separately)**

Cannabis specific education/training (accredited)	2	2			0	Not described
High School Degree Reported: Score	4	4			-	
Bachelor's Degree Reported: Score	6	6			-	
Master's Degree or Higher Reported: Score	8	8			8	

**Experience: (among ownership team, select one at highest level)**

Regulated Cannabis Retail Ownership Experience CA	13	13			13	
Regulated Cannabis Retail Experience CA (management level or below): Score	10	10			-	
Other Retail Business Experience Reported, More than 5 years: or	8	8			-	
Other Retail Business Experience Reported, Less than 5 Years: Score	5	5			-	

Criteria Narrative:

<b>1.1 Sub-Total:</b>	<b>30</b>	<b>28</b>
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*1.2 A budget for construction, operation, and maintenance, compensation of employees, equipment costs, utility cost, and other operation costs.(50 points possible)*

**Construction Cost Estimate:**

Construction Cost Estimate Provided: Score	8		8	6	4	6	Needs more detail
Construction Contingency Factor Included: Score	6	6				0	Not described
All Labor, Trades, Materials, Supplies and Permits and other Cost Factors Identified: Score	6		6	4	2	4	Needs more detail
Reference Data Provided for Unit Cost Factors: Score	5		5	3	1	1	Experience

**Operation and Maintenance Cost Estimates:**

Operation and Maintenance Cost Estimate Provided: Score	8		8	6	4	4	Disjointed and doesn't have 3 month projections
All Labor, Trades, Materials, Supplies, Utilities, and other Cost Factors Identified: Score	6		6	4	2	4	Needs totals, more detail
Annual Cost Escalators for Operating Costs Provided: Score	6		6	4	2	0	Not included
Reference Data Provided for Unit Cost Factors: Score	5		5	3	1	0	Not included

Criteria Narrative:

<b>1.2 Sub-Total:</b>	<b>50</b>	<b>19</b>
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*1.3 Proof of capitalization in the form of documentation of cash or other liquid assets on hand, Letters of Credit or other equivalent assets which can be verified by the City. (50 Points Possible)*

Proof of Capitalization Specific to one or more Owners: Score	5	5			5	
Proof of Capitalization Specific to Business Name/Address: Score	5	5			5	
Proof of Capitalization Sufficient to Cover Proforma (3 months) and Construction Costs: Score	15	15			15	

Certified Audited Financial Report Provided for one or more Owners: Score	5	5				0	Not included
<b>Score one of the following for a maximum 20 points:</b>							
Capital source is 100% liquid (cash in owners bank, no debt obligation)	20	20				20	
Capital source is debt obligation (letter of credit/loan from individual or institution)	10	10				-	
Capital consists of non-liquid assets (i.e. real property)	8	8				-	
Capital consists of a mixture of liquid and non-liquid assets	15	15				-	

Criteria Narrative:

<b>1.3 Sub-Total:</b>	50					45	
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*1.4 Pro forma for at least three years of operation.*

Three Years of Data Provided: Score	10		10	8	6	8	Needs detail
Total Gross Revenue Estimates Provided:	3	3				3	
Total Gross Revenue by Product Type (flower and manufactured) Identified:	3	3				0	Not included
Total Personnel Costs Provided:							Has separate breakdown of positions and how many hours/costs per position plus benefits and taxes, payroll costs, etc.
	5		5	4	3	5	
Total Property Rental or Purchase Costs Provided:	2	2				2	
Total Utilities Costs Provided:	2	2				2	
Total Cannabis Product Purchase Expense Provided	2	2				2	
All Contract Services Identified:	2	2				2	
Annual Net Revenue Identified:	3	3				3	
Annual Cost Escalators Identified:	4		4	3	2	3	Most costs shown as escalating, no explanations
Annual Estimated Sales Tax Payments to State Provided:	2	2				0	Not included
Annual Estimated Sale Tax Payments to City of Fresno Provided:	5	5				0	not included
Annual Business Tax License and Cannabis Permit Fee Provided:	2	2				2	
Annual Net Income Provided:	5	5				5	
Scoring Guidance: full points for realistic figures for all three years. Dock points for severe miscalculations, unrealistic estimates, or providing less than the request three years.							

Criteria Narrative:

<b>1.4 Sub-Total:</b>	50					37	
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*1.5 Fully describe hours of operation and opening and closing procedures. (20 points possible)*

Hours of Operation Provided: Score	5	5				5	8am to 10pm 7 days
Hours of Operation Provided for all 7 days of the week: Score	3	3				3	
Hours of Operation Provided for Holidays: Score	2	2				0	unspecified
Opening and Closing Procedures Provided: Score	10		10	8	6	10	
Scoring Guidance: full points for describing information in detail. Dock points for leaving information out or not providing enough detail.							

Criteria Narrative:

<b>1.5 Sub-Total:</b>	20					18	
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*1.6 Daily operations. With as much detail as possible, the Business Plan should describe the day-to-day operations which meet industry best practices. This should include at a minimum the following criteria for each permit type in which you are applying for a permit. (100 points possible)*

1.6.1 Fully describe the day-to-day operations if your applying for a retail permit:

i. Describe customer check-in procedures.	20		20	15	10	20	
ii. Identify location and procedures for receiving deliveries during business hours.	10		10	8	6	10	

iii. Identify the name of the Point-of-sale system to be used and the number of Point-of-Sale locations.	10	10				10	Blaze - 4 POS locations
iv. The estimated number of customers to be served per hour/day.	20		20	15	10	20	
v. Describe the proposed product line to be sold and estimate the percentage of sales of flower and manufactured products.	20		20	15	10	20	
vi. If proposed, describe delivery service procedures, number of vehicles and product security during transportation. (if no delivery service application must state this clearly for full points)	20		20	15	10	20	
<b>1.6 Sub-Total:</b>	100					100	

Criteria Narrative:

<b>Section 1 Total:</b>	300					247	
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## SECTION 2: SOCIAL POLICY AND LOCAL ENTERPRISE

400 Points Possible for Section 2

### 2.1 Describe whether the Commercial Cannabis Business is committed to offering employees a Living Wage. (20 points possible)

Description of Commitment to pay a Living Wage provided: Score	10		10	8	6	10	
Definition of Living Wage Provided: Score	5		5	4	3	0	did not reference source for Living Wage rate
Living Wage Defined as Greater than Minimum Wage: Score	5	5				5	
<b>Scoring Guidance:</b> <a href="https://livingwage.mit.edu/counties/06019">https://livingwage.mit.edu/counties/06019</a>							

Criteria Narrative:

<b>2.1 Sub-Total:</b>	20					15	
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### 2.2 Briefly describe benefits provided to employees such as health care, vacation, and medical leave, to the degree they are offered as part of employment. (50 points possible)

#### Wages and Salary

CCB Entry-Level Hourly Wage Greater than Minimum Wage	5	5				5	entry level wage
CCB Entry-Level Annual Salary Greater than Median Household Income (\$50,432)	5	5				0	

#### Health Care Benefits

CCB Offers Medical Coverage to All Employees: Score	5	5				5	
CCB Offers Dental Coverage to All Employees: Score	3	3				3	
CCB Offers Vision Coverage to All Employees: Score	3	3				3	
CCB Offers Health Reimbursement Account for Qualified Medical Expenses: Score	1	1				0	
Employee Pays \$0 for Employee Medical Premium: Score	3	3				0	
Employee Pays \$0 for Employee Dental Premium: Score	2	2				0	
Employee Pays \$0 for Employee Vision Premium: Score	2	2				0	
Employee Pays less than \$500 per month for Family Health Care Coverage (Medical, Dental, Vision): Score	2	2				2	75% of premium covered

#### Leave Benefits

Number of Paid Vacation/PTO Days Per Year: (10+ days = excep; 6-9 days = Good; 3-5 days Acceptable)	5		5	4	3	3	
Number of Paid Holidays Per Year: (10 or more paid holidays = excep; 4-10 = Good; 1-3 Acceptable)	5		5	4	3	0	unspecified
Number of days paid time off for Sick/Medical time: (7+ days= Exceptional, 4-6 days = Good, 3 days = acceptable (8 hour day))	5		5	4	3	4	

#### Retirement

Offers employee retirement plan	2	2				2	
Offers company match for employee retirement plan	2	2				2	50% match up to 6% of salary

Criteria Narrative:

**2.2 Sub-Total: 50** **29**

*2.3 Describe compensation to and opportunities for continuing education and employee training.(20 points possible)*

CCB Provides Tuition Reimbursement for Certificates: Score	3	3				3	per month for employees enrolled in education program.
CCB Provides Tuition Reimbursement for associate degrees: Score	3	3				3	
CCB Provides Tuition Reimbursement for bachelor's degrees: Score	3	3				3	
CCB Provides Tuition Reimbursement for master's degrees: Score	3	3				3	
CCB Provides Tuition Reimbursement for Specialized Commercial Cannabis Business Operations Training: Score	3	3				3	Cannabis training schools
CCB Offers General Training for Health and Safety, Workplace Environment, Customer Service, etc.	5		5	4	3	5	

Criteria Narrative:

**2.3 Sub-Total: 20** **20**

*2.4 Describe the Commercial Cannabis Business plan to recruit individuals who meet the criteria listed in the Social Policy Section 9-3316 (b) (1) of the Fresno Municipal Code (FMC) and the percentage of local employees it hires. (50 points possible)*

General Recruitment Plan Provided: Score	10		10	8	6	10	
Social Policy Recruitment Plan Provided: Score	10		10	8	6	10	
Recruitment Plan Includes Demographic Data for District, City or County: Score	10		10	8	6	0	
Recruitment Plan Includes List of CBOs, Non-Profits and Public-Agency Hiring Partners: Score	10		10	8	6	10	
Recruitment Plan Includes Hiring Targets (percentages) by Demographic Groups: Score	10		10	8	6	8	Exceeded FMC target, but did not describe other demogrphic hiring targets.

Criteria Narrative:

**2.4 Sub-Total: 50** **38**

*2.5 Describe the extent to which the Commercial Cannabis Business will be a locally managed enterprise whose owners and /or managers reside within or own a commercial business within the City of Fresno, for at least one year prior to March 2, 2020.(80 points possible)*

**Owners**

*IF full points achieved for Ownership category, don't score managers.  
Section is total of 80 points possible.*

Number of Owners:						6	
Number of Owners that live within the City of Fresno:						1	
Number of Owners that live in the County of Fresno:						0	
Number of Owners that Own a Business in the City of Fresno:						1	
51%+ ownership interest percent of the Owners live or own a business in the City: Score	80	80				80	
51%+ ownership interest percent of the Owners live or own a business in the County: Score	40	40				-	
Less than 50 percent equity of the Owners live or own a business in the City (If no owners are local, score zero)	20	20				-	

**Managers**

Number of Managers (salaried, non-owners)							
Number of Managers that live in the City of Fresno:							
Number of Managers that Own a Business in the City of Fresno:							
100 percent of the Managers live or own a business in the City: Score	20	20				20	Commitment to hire local managers
75 to 99 percent of the Managers live or own a business in the City: Score	15	15				-	
50 to 74 percent of the Managers live or own a business in the City: Score	10	10				-	
Less than 50 percent of the Managers live or own a business in the City: Score	5	5				-	

Criteria Narrative:

<b>2.5 Sub-Total:</b>	80	80
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*2.6 Describe the number of employees, title/position and their respected responsibilities.(20 points possible)*

Responsibilities Described for All Titles/Positions: Score	20	20	15	10	20	
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Criteria Narrative:

<b>2.6 Sub-Total:</b>	20	20
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*2.7 Describe whether the CCB has five (5) or more employees and whether it has signed a labor peace agreement allowing employees to unionize without interference. (10 points possible)*

Does CCB have more than five employees:	5	5	5	
CCB has signed a peace agreement: Score	5	5	5	

Criteria Narrative:

<b>2.7 Sub-Total:</b>	10	10
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*2.8 Provide a workforce plan that includes at a minimum the following provisions: (50 points possible)*

*2.8.1. Commitment for 30% of employees to be local hires; the business must show that it has either hired or made a good faith effort to hire bona fide residents of Fresno who have not established residency after the submission of an application for employment with the applicant/permittee.*

*2.8.2. Commitment to offer apprenticeships and/or compensation for continuing education in the field; and*

*2.8.3. Commitment to pay a living wage to its employees*

Work Force Plan Provided: Score	10	10	8	6	10	
Commitment to Local Hire Provided:	10	10	8	6	10	100% local hire commitment
Commitment to Offer Apprenticeships Provided:	10	10	8	6	10	
Commitment paying for continuing education provided	10	10	8	6	10	
Description of commitment to paying a living wage provide. (Score same as sec. 2.1)	10	10	8	6	10	

Criteria Narrative:

<b>2.8 Sub-Total:</b>	50	50
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*2.9 Describe whether the business is willing to serve as a Social Equity Business Incubator by offering support to local cannabis social equity businesses in the form of mentorship, training, equipment donation, a percentage of shelf space dedicated to Fresno equity business products, legal assistance, financial services assistance, or other technical assistance support.(100 points possible)*

CCB is willing to serve as Social Equity Business Incubator: Score	100	100	80	60	100	
Mentorship and Training: Score	Data to inform score on first line of this section. Write response in Evaluation Notes column.					yes
Equipment Donation: Score						
Shelf Space: Score						
Legal Assistance: Score						
Finance Services Assistance: Score						
Other Technical Assistance: Score						Funding .5% FCRF
Scoring Guidance: full points for willingness to serve with detailed plan offering at least three aspects mentioned above or of similar benefit. Less points for willingness to serve but vague or unclear commitment. Zero points if there is no clear commitment to serve as Incubator.						
<b>2.9 Sub-Total:</b>	100	100				

Criteria Narrative:

<b>Section 2 Total:</b>	400	362
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**SECTION 3: NEIGHBORHOOD COMPATIBILITY PLAN**

**300 Points Possible for Section 3**

*3.1 Describe how the CCB will proactively address and respond to complaints related to noise, light, odor, litter, vehicles, and pedestrian traffic.(50 points possible)*

CCB will document complaints (time of complaint, nature of complaint, resolution of complaint): Score	10		10	8	6	10	
CCB will established a dedicated contact person to receive complaints: Score	10	10				10	
CCB will establish a dedicated phone number to receive complaints: Score	5	5				5	
CCB will establish a dedicated email address to receive complaints: Score	5	5				5	
CCB will establish a response time standard for returning complaint calls and emails: Score	5	5				5	
CCB will schedule or participate in periodic community meetings to engage with residents about the CCB operation: Score	10	10				10	
Other measure unique to business (i.e. website complaint form)	5	5				0	Info not provided
Scoring Guidance: full points for detailed proactive plan addressing all aspects mentioned. Dock points for leaving out aspect, vagueness, or reactive plans.							

Criteria Narrative:

<b>3.1 Sub-Total:</b>	50					45	
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*3.2 Describe how the CCB will be managed to avoid becoming a nuisance or having impacts on its neighbors and the surrounding community.(100 points possible)*

CCB will maintain a listserv of community residents to update and information residents of business operations.	10	10				0	Info not provided
CCB will schedule or attend periodic community meetings (at least annually) to engage with residents about the CCB operation: Score	10	10				10	
CCB will prepare a community outreach and engagement plan: Score	50		50	40	30	40	Needs more detail
CCB will issue periodic Newsletters to community providing information about CCB operations	10	10				0	Info not provided
CCB will hire residents from the community work at the CCB: Score	20	20				20	
Scoring Guidance: full points for detailed proactive plan. Dock points for leaving out aspect, vagueness, or reactive plans.							

Criteria Narrative:

<b>3.2 Sub-Total:</b>	100					70	
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*3.3 Describe odor mitigation practices.(40 points possible)*

CCB has identified sensitive receptors to nuisance odors in vicinity of business operations: Score	5	5				5	
CCB has prepared a nuisance odor control plan: Score	10		10	8	6	8	Needs more detail
Nuisance odor control plan identifies locations where fugitive emissions may exit the premise boundary: Score	5	5				5	Stated in Section 3.5
Nuisance odor control plan describes specific odor control measures to reduce fugitive emissions exiting the premise boundary: Score	5	5				5	Stated in Section 3.5
CCB has established an odor reporting system: Score	5	5				5	Stated in Section 3.5
CCB will install a nuisance odor monitoring system: Score	10	10				10	Stated in Section 3.5

Criteria Narrative:

<b>3.3 Sub-Total:</b>	40					38	
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*3.4 Identify potential sources of odor. (10 points possible)*

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CCB has identified the potential sources of nuisance odors for the business operation: Score	10		10	8	6	10	
Scoring Guidance: full points for detailed proactive plan. Dock points for vagueness or reactive plans.							

Criteria Narrative:

<b>3.4 Sub-Total:</b>	10					10	
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*3.5 Describe odor control devices and techniques employed to ensure that odors from cannabis are not detectable beyond the permitted premises. (30 points possible)*

Nuisance odor control plan describes specific odor control equipment: Score	10		10	8	6	10	
Nuisance odor control plan describes specific odor control measures/techniques: Score	10		10	8	6	10	
Odor control measures are identified for different nuisance odor sources: Score	10	10				10	

Criteria Narrative:

<b>3.5 Sub-Total:</b>	30					30	
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*3.6 Describe all proposed staff odor training and system maintenance.(20 points possible)*

Nuisance odor control plan describes the operation, monitoring, and maintenance requirements for odor control measures: Score	10	10				10	
Nuisance odor control plan describes the staff training required for system operations, maintenance, repair, and troubleshooting.	10	10				10	

Criteria Narrative:

<b>3.6 Sub-Total:</b>	20					20	
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*3.7 Describe the waste management plan. (50 points possible)*

CCB has identified the sources of waste generated by the business operation: Score	10	10				10	
CCB has prepared a source-separation plan to segregate different sources of waste generated by business operations: Score	10	10				10	
The source-separation plan identifies policy, procedures, and locations where different sources of waste are to be collected for disposal: Score	10		10	8	6	10	
The source-separation plan describes specific measures to control the collection and disposal cannabis waste: Score	10	10				10	
The name of licensed cannabis disposal company provided: Score	10	10				10	
<b>3.7 Sub-Total:</b>	50					50	

Criteria Narrative:

<b>Section 3 Total:</b>	300					263	
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**SECTION 4: SAFETY PLAN**

**300 Points Possible for Section 4**

*4.1 The Safety Plan shall be prepared and/or assessed by a professional fire prevention and suppression consultant. (50 points possible)*

Safety Plan Prepared by Consultant: Score	10	10				10	
Safety Plan Assessed by Consultant: Score (if prepared by, also give points for assessed by)	10	10				10	
Safety Plan Prepared for CCB Address (specific proposed location): Score	10	10				10	
Safety Plan includes Site Plan of Premise: Score	10	10				5	mentioned streets/no overall site plan
Safety Plan includes Building Layout Plan: Score	10	10				10	

Criteria Narrative:



<b>4.1 Sub-Total:</b>	50	45
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**4.2 Describe accident and incident reporting procedures. (50 points possible)**

Written Accident/Incident Procedure Provided: Score	20		20	15	10	10		
Procedures Address Multiple Accident/Incident Scenarios: Score	10		10	8	6	0	sited fire code only, no specific procedures	
Total Number of Scenarios Described: Score	Data-write response in Evaluation Notes Column						0	
Active Shooter Incident Described: Score	10	10				0	not mentioned	
Robbery Incident Described: Score	10	10				0	not mentioned	

Criteria Narrative:

<b>4.2 Sub-Total:</b>	50	10
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**4.3 Describe evacuation routes. (50 points possible)**

Evacuation Plan Provided: Score	20		20	15	10	20	
Adequate Number of Evacuation Routes Identified: Score	20		20	15	10	20	
Evacuation Route Distance to Public Right of Way: Score	10		10	8	6	5	no map, only written

Criteria Narrative:

<b>4.3 Sub-Total:</b>	50	45
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**4.4 Location of fire extinguishers and other fire suppression equipment. (50 points possible)**

Location of Fire Suppression System Elements Identified: Score	10	10				10	
Type of Fire Suppression System Elements Identified: Score	20		20	15	10	20	
Location of Fire Extinguishers Identified: Score	10	10				10	
Adequate Number of Fire Extinguisher Locations Identified: Score	10		10	8	6	10	

Criteria Narrative:

<b>4.4 Sub-Total:</b>	50	50
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**4.5 Describe procedures and training for all fire and medical emergencies.(100 points possible)**

Written Procedure for Fire Emergencies Provided: Score	20		20	15	10	0	no written procedures given for section
Written Procedure for Medical Emergencies Provided: Score	20		20	15	10	0	
Cardiac Arrest Medical Emergency Described: Score	20		20	15	10	0	not mentioned
Gunshot Wound Medical Emergency Described: Score	20		20	15	10	0	none
Other Medical Emergency Conditions Described: Score	20		20	15	10	0	none
<b>4.5 Sub-Total:</b>	100	0					

Criteria Narrative:

<b>Section 4 Total:</b>	300	150
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**SECTION 5: SECURITY PLAN**

**300 Points Possible for Section 5**

**5.1 The Security Plan shall be prepared and/or assessed by a professional security consultant.(50 points possible)**

Security Plan Prepared by Consultant: Score	10	10				10	
Security Plan Assessed by Consultant(if prepared by, also give points for assessed by): Score	10	10				10	
Security Plan Prepared for CCB Address (specific proposed location): Score	10	10				10	
Security Plan includes Site Plan of Premise: Score	10	10				10	
Security Plan includes Building Layout Plan: Score	10	10				10	

Criteria Narrative:

**5.1 Sub-Total:** 50

50

5.2 Premises (Security) Diagram. In addition to diagrams submitted for other sections of the application, applicants are expected to submit a premises diagram (or site plan) which, focuses on the proposed security measures and how they relate to the overall business. (Pursuant to CCR Title 16, Division 42, §5006. Premises Diagram).

5.2.1 The diagram shall be accurate, dimensioned and to scale (minimum scale ¼"). The scale may be smaller if the proposed location exceeds more than a 1/2-acre parcel but must not be printed on larger than an 11" x 17" sheet of paper. (Blueprints and engineering site plans are not required at this point of the application process)

5.2.2 The diagram must be drawn to scale and clearly identify property boundaries, entrances, exits, interior partitions, walls, rooms, windows, and doorways. The activity in each room and the location of all cameras must be identified in the diagram.

5.2.3 Description of cannabis activity that will be conducted in each area of the premise. Commercial cannabis activities that must be identified on the diagram/site plan may include but are not limited to the following if applicable to the business operations; storage areas, batch sampling areas, loading/unloading of shipment areas, packaging and labeling, customer sales areas, training areas, employee break room areas, extractions, infusions, processing, and testing areas.

5.2.4 Limited-access areas, defined as areas in which cannabis goods are stored or held and only accessible to permittees, or its employees or contractors and areas used for video surveillance monitoring and storage devices (Pursuant to CCR Title 16, Division 42, §5000 (m) Limited-Access Area and §5042 Limited-Access Area.

5.2.5 Number and location of all video surveillance cameras. (50 points possible)

Premises (Security) Diagram Provided: Score	20		20	15	10	20	
Diagram is drawn to correct scale: Score	5	5				5	
Diagram provides required details for premise: Score	5	5				5	
Diagram shows the location of all security cameras: Score	5	5				5	
Descriptions of activities to be conducted in each area of the premise	5	5				5	
Limited-Access Areas Clearly Marked: Score	5	5				5	
Number and Location of All Security Cameras Identified: Score	5	5				5	

Criteria Narrative:

**5.2 Sub-Total:** 50

50

5.3 Identify intrusion alarm and monitoring system including the name and contact information for the monitoring company (if the company has been selected).(50 points possible)

Intrusion Alarm and Monitoring System Identified: Score	15	15				15	
Name and Contact Information for Monitoring Company Provided: Score	5	5				5	
Total Points of Entry into Premise Identified: Score	5	5				5	
All Points of Entry to be Alarmed Identified:	5	5				5	
Type of Alarm Identified (motion, infrared, glass break, etc.): Score	10	10				10	
Backup Power Supply Identified: Score	10	10				10	

Criteria Narrative:

**5.3 Sub-Total:** 50

50

5.4 Briefly describe cash handling procedures which covers day to day transactions with customers, vendors armor carrier vehicles and transporting it to the bank.(100 points possible)

Written Cash-Handling Procedure Provided: Score	30		30	20	15	30	
Dual-Custody is Practiced for all cash handling: Score	10	10				10	
Video Surveillance Used to Monitor All Cash Handling: Score	20	20				20	
Armored Car Service Used for Bank Deposits: Score	10	10				10	
All Cash Deposited weekly with Bank: Score	10	10				10	
Onsite Vault Provided to Secure Cash Prior to Bank Deposit: Score	20	20				20	

Criteria Narrative:

**5.4 Sub-Total:** 100

100

5.5 Discuss whether the CCB will utilize the services of on-site security guards. Include in the discussion: (50 points possible)

5.5.1 Number of guards.

5.5.2 Hours guards will be on-site.

5.5.3 Locations at which they will be positioned.

5.5.4 Guards' roles and responsibilities.

CCB will use onsite security guards: Score	10	10		10	
All onsite guards will be licensed and bonded: Score	10	10		0	No mention of being bonded
All onsite security guards will be licensed to carry firearms: Score	10	10		10	
Onsite security guards will be on duty before CCB opens for business: Score	10	10		10	
Onsite security guards will be on duty after CCB closes for business: Score	10	10		10	
<b>5.5 Sub-Total:</b>	<b>50</b>			<b>40</b>	

Criteria Narrative:

<b>Section 5 Total:</b>	<b>300</b>	<b>290</b>
-------------------------	------------	------------

TOTAL SCORE							
<i>Section 1: Business Plan Total Points:</i>	300					247	<b>82.00%</b>
<i>Section 2: Social Policy &amp; Local Enterprise Total Points:</i>	400					362	
<i>Section 3: Neighborhood Compatibility Total Points:</i>	300					263	
<i>Section 4: Safety Plan Total Points:</i>	300					150	
<i>Section 5: Security Plan Total Points:</i>	300					290	
<b>Total Points Achieved:</b>	<b>1600</b>					<b>1312</b>	

# EXHIBIT M



**California Secretary of State  
Electronic Filing**



**LLC Registration – Articles of Organization**

---

Entity Name: TAT FRESNO LLC

Entity (File) Number: 202025810708

File Date: 09/10/2020

Entity Type: Domestic LLC

Jurisdiction: California

---

Detailed Filing Information

1. Entity Name: TAT FRESNO LLC
  
2. Business Addresses:
  - a. Initial Street Address of Designated Office in California: 11330 Ventura Boulevard  
Los Angeles, California 91604  
United States
  
  - b. Initial Mailing Address: 11330 Ventura Boulevard  
Los Angeles, California 91604  
United States
  
3. Agent for Service of Process: AVI KAHAN  
11330 Ventura Boulevard  
Los Angeles California 91604  
United States
  
4. Management Structure: **More than One Manager**
  
5. Purpose Statement: The purpose of the limited liability company is to engage in any lawful act or activity for which a limited liability company may be organized under the California Revised Uniform Limited Liability Company Act.

Electronic Signature:

The organizer affirms the information contained herein is true and correct.

Organizer: Courtney Caron

EXHIBIT N



**Secretary of State**  
**Statement of Information**  
(Limited Liability Company)

**LLC-12**

21-F43351

**FILED**

In the office of the Secretary of State  
of the State of California

OCT 19, 2021

**This Space For Office Use Only**

**IMPORTANT** — [Read instructions](#) before completing this form.

**Filing Fee – \$20.00**

**Copy Fees** – First page \$1.00; each attachment page \$0.50;  
Certification Fee - \$5.00 plus copy fees

**1. Limited Liability Company Name** (Enter the exact name of the LLC. If you registered in California using an alternate name, [see instructions](#).)

TAT FRESNO LLC

**2. 12-Digit Secretary of State File Number**

202025810708

**3. State, Foreign Country or Place of Organization** (only if formed outside of California)

CALIFORNIA

**4. Business Addresses**

a. Street Address of Principal Office - Do not list a P.O. Box 11330 Ventura Blvd.	City (no abbreviations) Studio City	State CA	Zip Code 91604
b. Mailing Address of LLC, if different than item 4a 11330 Ventura Blvd.	City (no abbreviations) Studio City	State CA	Zip Code 91604
c. Street Address of California Office, if Item 4a is not in California - Do not list a P.O. Box 11330 Ventura Blvd.	City (no abbreviations) Studio City	State CA	Zip Code 91604

**5. Manager(s) or Member(s)**

If no **managers** have been appointed or elected, provide the name and address of each **member**. At least one name **and** address must be listed. If the manager/member is an individual, complete Items 5a and 5c (leave Item 5b blank). If the manager/member is an entity, complete Items 5b and 5c (leave Item 5a blank). Note: The LLC cannot serve as its own manager or member. If the LLC has additional managers/members, enter the name(s) and addresses on Form LLC-12A ([see instructions](#)).

a. First Name, if an individual - Do not complete Item 5b Avi	Middle Name	Last Name Kahan	Suffix
b. Entity Name - Do not complete Item 5a			
c. Address 11330 Ventura Blvd.	City (no abbreviations) Studio City	State CA	Zip Code 91604

**6. Service of Process** (Must provide either Individual **OR** Corporation.)

**INDIVIDUAL** – Complete Items 6a and 6b only. Must include agent's full name and California street address.

a. California Agent's First Name (if agent is <b>not</b> a corporation) Avi	Middle Name	Last Name Kahan	Suffix
b. Street Address (if agent is <b>not</b> a corporation) - <b>Do not enter a P.O. Box</b> 11330 Ventura Blvd.	City (no abbreviations) Studio City	State CA	Zip Code 91604

**CORPORATION** – Complete Item 6c only. Only include the name of the registered agent Corporation.

c. California Registered Corporate Agent's Name (if agent is a corporation) – Do not complete Item 6a or 6b

**7. Type of Business**

a. Describe the type of business or services of the Limited Liability Company

Retail

**8. Chief Executive Officer, if elected or appointed**

a. First Name Avi	Middle Name	Last Name Kahan	Suffix
b. Address 11330 Ventura Blvd.	City (no abbreviations) Studio City	State CA	Zip Code 91604

**9. The Information contained herein, including any attachments, is true and correct.**

10/19/2021

Date

Courtney Caron

Type or Print Name of Person Completing the Form

Manager

Title

Signature

**Return Address (Optional)** (For communication from the Secretary of State related to this document, or if purchasing a copy of the filed document enter the name of a person or company and the mailing address. This information will become public when filed. [SEE INSTRUCTIONS](#) BEFORE COMPLETING.)

Name: [ ]

Company:

Address:

City/State/Zip: [ ]



**Attachment to  
Statement of Information  
(Limited Liability Company)**

**LLC-12A  
Attachment**

21-F43351

**A. Limited Liability Company Name**

TAT FRESNO LLC

This Space For Office Use Only

**B. 12-Digit Secretary of State File Number**

202025810708

**C. State or Place of Organization (only if formed outside of California)**

CALIFORNIA

**D. List of Additional Manager(s) or Member(s) - If the manager/member is an individual, enter the individual's name and address. If the manager/member is an entity, enter the entity's name and address. Note: The LLC cannot serve as its own manager or member.**

First Name Mitch	Middle Name	Last Name Kahan	Suffix
Entity Name			
Address 11330 Ventura Blvd.	City (no abbreviations) Studio City	State CA	Zip Code 91604
First Name Courtney	Middle Name	Last Name Caron	Suffix
Entity Name			
Address 1222 PEARL ST	City (no abbreviations) SANTA MONICA	State CA	Zip Code 90405
First Name	Middle Name	Last Name	Suffix
Entity Name LMA Fresno LLC			
Address 1111 E. Herndon Ave, Suite 204	City (no abbreviations) Fresno	State CA	Zip Code 93720
First Name	Middle Name	Last Name	Suffix
Entity Name The Artist Tree Holdings LLC			
Address 11330 Ventura Blvd.	City (no abbreviations) Studio City	State CA	Zip Code 91604
First Name	Middle Name	Last Name	Suffix
Entity Name			
Address	City (no abbreviations)	State	Zip Code
First Name	Middle Name	Last Name	Suffix
Entity Name			
Address	City (no abbreviations)	State	Zip Code
First Name	Middle Name	Last Name	Suffix
Entity Name			
Address	City (no abbreviations)	State	Zip Code
First Name	Middle Name	Last Name	Suffix
Entity Name			
Address	City (no abbreviations)	State	Zip Code



EXHIBIT 0

**Commercial Cannabis Business  
Permit Application**

**C-20-3**

Submitted On: Dec 01, 2020

**Applicant**

 Ellen Wysocki

@ ellen.wysocki@shrynegroup.com

**Applicant (Entity) Information**

**Applicant (Entity) Name:**

Authentic 559 LLC

**Physical Address:**

4248 W Ashlan Avenue

**State:**

CA

**Primary Contact Same as Above?**

No

**Primary Contact Title:**

Co-CEO / Co-Owner

**Primary Contact City:**

Los Angeles

**Primary Contact Zip Code:**

90012

**Primary Contact Email:**

brian.mitchell@shrynegroup.com

**DBA:**

Authentic Fresno

**City:**

Fresno

**Zip Code:**

93722

**Primary Contact Name:**

Brian Mitchell

**Primary Contact Address:**

728 E Commercial St.

**Primary Contact State:**

CA

**Primary Contact Phone:**

(415)336-0374

**HAS ANY INDIVIDUAL IN THIS APPLICATION APPLIED FOR ANY OTHER CANNABIS PERMIT IN THE CITY OF FRESNO?:**

Yes

**Application Type**

Select one or more of the following categories. For each category, indicate whether you are applying for Adult-Use ("A") or/and Medicinal ("M") or both

Both

**Permit Type**

Retail (Storefront)

Please make one selection for permit type. If making multiple applications, please submit a new application for each permit type and proposed location.

**Business Formation Documentation:**

Limited Liability Company

**Proposed Location**

**Property Owner Name:**

MMPF LLC - Manager is Manuel Perales

**City:**

Fresno

**Zip Code:**

**Proposed Location Address:**

4248 W Ashlan Avenue

**State:**

CA

**Property Owner Phone:**

93722

Property Owner Email:

Assessor's Parcel Number (APN):

510-100-48S

Proposed Location Square Footage:

7800

---

## Supporting Information

List all fictitious business names the applicant is operating under including the address where each business is located:

The applicant was formed for the purpose of applying for a cannabis permit in Fresno and does not have any operations yet.

Has the Applicant or any of its owners been the subject of any administrative action, including but not limited to suspension, denial, or revocation of a cannabis business license at any time during the past three (3) years?

No

Is the Applicant or any of its owners currently involved in an application process in any other jurisdiction?

Yes

If so, please list and explain:

El Cerrito, Fairfield, Tracy, El Centro, Union City, Stanton, and Concord. These are all for storefront retail applications.

---

## Application Certification

I hereby certify, under penalty of perjury, on behalf of myself and all owners, managers and supervisors identified in this application that the statements and information furnished in this application and the attached exhibits present the data and information required for this initial evaluation to the best of my ability, and that the facts, statements, and information presented are true and correct to the best of my knowledge and belief. I understand that a misrepresentation of fact is cause for rejection of this application, denial of the permit, or revocation of a permit issued.

In addition, I understand that the filing of this application grants the City of Fresno permission to reproduce submitted materials for distribution to staff, Commission, Board and City Council Members, and other Agencies to process the application. Nothing in this consent, however, shall entitle any person to make use of the intellectual property in plans, exhibits, and photographs for any purpose unrelated to the City's consideration of this application.

Furthermore, by submitting this application, I understand and agree that any business resulting from an approval shall be maintained and operated in accordance with requirements of the City of Fresno Municipal Code and State law. Under penalty of perjury, I hereby declare that the information contained in within and submitted with the application is true, complete, and accurate. I understand that a misrepresentation of the facts is cause for rejection of this application, denial of a permit or revocation of an issued permit. A denial or revocation on these grounds shall not be appealable (FMC 9-3319(d)).

Name and Digital Signature

true

Title

Retail Expansion Analyst

Please note: the issuance of a permit will be determined based on the application you submit and any major changes to your business or proposal (i.e. ownership, location, etc.) after your application is submitted may result in a denial.

All applications submitted are considered public documents for Public Records Act request purposes.

For details about the information required as part of the application process, see the Application Procedures & Guidelines, City of Fresno Municipal Code Article 33 and any additional requirements to complete the application process. All documents can be found online via this link.

For questions please contact the City Manager's Office at 559.621.5555.

## Owner Information

**Owner Name:**

Brian Mitchell

**Owner Address:**

[REDACTED]

**Owner State:**

CA

**Has Owner Completed Background Check Application?**

Yes

**Owner Title:**

Co-CEO / Co-Owner

**Owner City:**

Fairfield

**Owner Zip:**

94534

**Ownership Percentage (%):**

14.25

**Owner Name:**

James Kim

**Owner Address:**

[REDACTED]

**Owner State:**

CA

**Has Owner Completed Background Check Application?**

Yes

**Owner Title:**

Co-Owner/Managing Director

**Owner City:**

La Habra

**Owner Zip:**

90631

**Ownership Percentage (%):**

14.25

**Owner Name:**

Tony Huang

**Owner Address:**

[REDACTED]

**Owner State:**

CA

**Has Owner Completed Background Check Application?**

Yes

**Owner Title:**

Co-Owner / Head of Operations

**Owner City:**

Walnut

**Owner Zip:**

91789

**Ownership Percentage (%):**

19.5

**Owner Name:**

Jonathan Avidor

**Owner Address:**

[REDACTED]

**Owner State:**

CA

**Has Owner Completed Background Check Application?**

Yes

**Owner Title:**

Co-Owner / Executive Chairman

**Owner City:**

Simi Valley

**Owner Zip:**

93063

**Ownership Percentage (%):**

1

**Owner Name:**

Matthew Garza

**Owner Title:**

Co-CEO / Co-Owner

**Owner Address:**

[REDACTED]

**Owner City:**

Clovis

**Owner State:**

CA

**Owner Zip:**

93619

**Has Owner Completed Background Check Application?**

Yes

**Ownership Percentage (%):**

51

EXHIBIT P



**Secretary of State**  
**Statement of Information**  
 (Limited Liability Company)

**LLC-12**

20-B25001

**FILED**

In the office of the Secretary of State  
 of the State of California

MAR 13, 2020

**This Space For Office Use Only**

**IMPORTANT** — Read instructions before completing this form.

**Filing Fee** – \$20.00

**Copy Fees** – First page \$1.00; each attachment page \$0.50;  
 Certification Fee - \$5.00 plus copy fees

**1. Limited Liability Company Name** (Enter the exact name of the LLC. If you registered in California using an alternate name, see instructions.)

AUTHENTIC 559 LLC

**2. 12-Digit Secretary of State File Number**

201931910483

**3. State, Foreign Country or Place of Organization** (only if formed outside of California)

CALIFORNIA

**4. Business Addresses**

a. Street Address of Principal Office - Do not list a P.O. Box 728 E Commercial St, 2nd Floor	City (no abbreviations) Los Angeles	State CA	Zip Code 90012
b. Mailing Address of LLC, if different than item 4a 728 E Commercial St, 2nd Floor	City (no abbreviations) Los Angeles	State CA	Zip Code 90012
c. Street Address of California Office, if Item 4a is not in California - Do not list a P.O. Box 728 E Commercial St, 2nd Floor	City (no abbreviations) Los Angeles	State CA	Zip Code 90012

**5. Manager(s) or Member(s)**

If no managers have been appointed or elected, provide the name and address of each member. At least one name and address must be listed. If the manager/member is an individual, complete Items 5a and 5c (leave Item 5b blank). If the manager/member is an entity, complete Items 5b and 5c (leave Item 5a blank). Note: The LLC cannot serve as its own manager or member. If the LLC has additional managers/members, enter the name(s) and addresses on Form LLC-12A (see instructions).

a. First Name, if an individual - Do not complete Item 5b Brian	Middle Name	Last Name Mitchell	Suffix
b. Entity Name - Do not complete Item 5a			
c. Address 728 E Commercial St, 2nd Floor	City (no abbreviations) Los Angeles	State CA	Zip Code 90012

**6. Service of Process** (Must provide either Individual OR Corporation.)

**INDIVIDUAL** – Complete Items 6a and 6b only. Must include agent's full name and California street address.

a. California Agent's First Name (if agent is not a corporation)	Middle Name	Last Name	Suffix
b. Street Address (if agent is not a corporation) - Do not enter a P.O. Box	City (no abbreviations)	State CA	Zip Code

**CORPORATION** – Complete Item 6c only. Only include the name of the registered agent Corporation.

c. California Registered Corporate Agent's Name (if agent is a corporation) – Do not complete Item 6a or 6b

LEGALINC REGISTERED AGENTS, INC. (C4249296)

**7. Type of Business**

a. Describe the type of business or services of the Limited Liability Company  
 Retail Sales

**8. Chief Executive Officer, if elected or appointed**

a. First Name	Middle Name	Last Name	Suffix
b. Address	City (no abbreviations)	State	Zip Code

**9. The information contained herein, including any attachments, is true and correct.**

03/13/2020

Eric Lightman

Legal Counsel

Date

Type or Print Name of Person Completing the Form

Title

Signature

**Return Address (Optional)** (For communication from the Secretary of State related to this document, or if purchasing a copy of the filed document enter the name of a person or company and the mailing address. This information will become public when filed. SEE INSTRUCTIONS BEFORE COMPLETING.)

Name: [ ]

Company:

Address:

City/State/Zip: [ ]

# EXHIBIT Q





**California Secretary of State  
Electronic Filing**



**LLC Registration – Articles of Organization**

---

Entity Name: Authentic 559 LLC

Entity (File) Number: 201931910483

File Date: 11/12/2019

Entity Type: Domestic LLC

Jurisdiction: California

---

Detailed Filing Information

1. Entity Name: Authentic 559 LLC
  
2. Business Addresses:
  - a. Initial Street Address of Designated Office in California: 575 Anton Boulevard, Ste 800  
Costa Mesa, California 92626  
United States
  
  - b. Initial Mailing Address: 575 Anton Boulevard, Ste 800  
Costa Mesa, California 92626  
United States
  
3. Agent for Service of Process: LEGALINC REGISTERED AGENTS,  
INC. (C4249296)
  
4. Management Structure: **One Manager**
  
5. Purpose Statement: The purpose of the limited liability company is to engage in any lawful act or activity for which a limited liability company may be organized under the California Revised Uniform Limited Liability Company Act.

Electronic Signature:

The organizer affirms the information contained herein is true and correct.

Organizer: Eric Lightman

EXHIBIT R



**Secretary of State**  
**Statement of Information**  
(Limited Liability Company)

**LLC-12**

21-F77573

**FILED**

In the office of the Secretary of State  
of the State of California

**IMPORTANT** — [Read instructions](#) before completing this form.

**Filing Fee – \$20.00**

**Copy Fees** – First page \$1.00; each attachment page \$0.50;  
Certification Fee - \$5.00 plus copy fees

**NOV 02, 2021**

**This Space For Office Use Only**

**1. Limited Liability Company Name** (Enter the exact name of the LLC. If you registered in California using an alternate name, [see instructions](#).)  
AUTHENTIC 559 LLC

**2. 12-Digit Secretary of State File Number**  
201931910483

**3. State, Foreign Country or Place of Organization** (only if formed outside of California)  
CALIFORNIA

**4. Business Addresses**

a. Street Address of Principal Office - Do not list a P.O. Box 728 E Commercial St	City (no abbreviations) Los Angeles	State CA	Zip Code 90012
b. Mailing Address of LLC, if different than item 4a 728 E Commercial St	City (no abbreviations) Los Angeles	State CA	Zip Code 90012
c. Street Address of California Office, if Item 4a is not in California - Do not list a P.O. Box 728 E Commercial St	City (no abbreviations) Los Angeles	State CA	Zip Code 90012

**5. Manager(s) or Member(s)** If no **managers** have been appointed or elected, provide the name and address of each **member**. At least one name **and** address must be listed. If the manager/member is an individual, complete Items 5a and 5c (leave Item 5b blank). If the manager/member is an entity, complete Items 5b and 5c (leave Item 5a blank). Note: The LLC cannot serve as its own manager or member. If the LLC has additional managers/members, enter the name(s) and addresses on Form LLC-12A ([see instructions](#)).

a. First Name, if an individual - Do not complete Item 5b	Middle Name	Last Name	Suffix
b. Entity Name - Do not complete Item 5a SGI Management LLC			
c. Address 728 E Commercial St	City (no abbreviations) Los Angeles	State CA	Zip Code 90012

**6. Service of Process** (Must provide either Individual **OR** Corporation.)  
**INDIVIDUAL** – Complete Items 6a and 6b only. Must include agent's full name and California street address.

a. California Agent's First Name (if agent is <b>not</b> a corporation)	Middle Name	Last Name	Suffix
b. Street Address (if agent is <b>not</b> a corporation) - <b>Do not enter a P.O. Box</b>	City (no abbreviations)	State CA	Zip Code

**CORPORATION** – Complete Item 6c only. Only include the name of the registered agent Corporation.

c. California Registered Corporate Agent's Name (if agent is a corporation) – Do not complete Item 6a or 6b  
**LEGALINC REGISTERED AGENTS, INC. (C4249296)**

**7. Type of Business**

a. Describe the type of business or services of the Limited Liability Company  
**Retail Sales**

**8. Chief Executive Officer, if elected or appointed**

a. First Name	Middle Name	Last Name	Suffix
b. Address	City (no abbreviations)	State	Zip Code

**9. The Information contained herein, including any attachments, is true and correct.**

11/02/2021

Jena Krzeminski

Legal Manager

Date

Type or Print Name of Person Completing the Form

Title

Signature

**Return Address (Optional)** (For communication from the Secretary of State related to this document, or if purchasing a copy of the filed document enter the name of a person or company and the mailing address. This information will become public when filed. [SEE INSTRUCTIONS BEFORE COMPLETING.](#))

Name: [ ]

Company:

Address:

City/State/Zip: [ ]

INTENTIONALLY LEFT BLANK

EXHIBIT S

EXHIBIT T

**Business Name:** Authentic 559 LLC  
**Application #:** C-20-3

**CANNABIS BUSINESS PERMIT APPLICATION REVIEW - RETAIL**

Points Possible	All or None	Exceptional	Good	Acceptable	Applicant Score	Evaluation Notes (Explain each time points are deducted)
-----------------	-------------	-------------	------	------------	-----------------	--

**SECTION 1: BUSINESS PLAN**

300 Points Possible for Section 1

*1.1 Owner qualifications. Resumes are not to exceed two (2) pages per owner. (30 points possible)*

**Resume:**

Resumes Provided for All Owners: Score	5	5				5	
Resumes Provided in 2-page Format: Score	2	2				2	

**Education: (select highest academic level among ownership team, cannabis specific education separately)**

Cannabis specific education/training (accredited)	2	2					
High School Degree Reported: Score	4	4					
Bachelor's Degree Reported: Score	6	6					
Master's Degree or Higher Reported: Score	8	8				8	

**Experience: (among ownership team, select one at highest level)**

Regulated Cannabis Retail Ownership Experience CA	13	13				13	
Regulated Cannabis Retail Experience CA (management level or below): Score	10	10					
Other Retail Business Experience Reported, More than 5 years: or	8	8					
Other Retail Business Experience Reported, Less than 5 Years: Score	5	5					

Criteria Narrative:

<b>1.1 Sub-Total:</b>	30					28	
-----------------------	----	--	--	--	--	----	--

*1.2 A budget for construction, operation, and maintenance, compensation of employees, equipment costs, utility cost, and other operation costs.(50 points possible)*

**Construction Cost Estimate:**

Construction Cost Estimate Provided: Score	8		8	6	4	6	Needs detail
Construction Contingency Factor Included: Score	6	6				6	
All Labor, Trades, Materials, Supplies and Permits and other Cost Factors Identified: Score	6		6	4	2	4	Needs detail
Reference Data Provided for Unit Cost Factors: Score	5		5	3	1	1	Very little explanation, just says based on experience

**Operation and Maintenance Cost Estimates:**

Operation and Maintenance Cost Estimate Provided: Score	8		8	6	4	6	Needs detail
All Labor, Trades, Materials, Supplies, Utilities, and other Cost Factors Identified: Score	6		6	4	2	4	Needs detail for salaries, etc.
Annual Cost Escalators for Operating Costs Provided: Score	6		6	4	2	0	Not included
Reference Data Provided for Unit Cost Factors: Score	5		5	3	1	1	Very little explanation, just says based on experience

Criteria Narrative:

<b>1.2 Sub-Total:</b>	50					28	
-----------------------	----	--	--	--	--	----	--

*1.3 Proof of capitalization in the form of documentation of cash or other liquid assets on hand, Letters of Credit or other equivalent assets which can be verified by the City. (50 Points Possible)*

Proof of Capitalization Specific to one or more Owners: Score	5	5					
---	---	---	--	--	--	--	--

Proof of Capitalization Specific to Business Name/Address: Score	5	5				5	In name of Shryne/SGI which will be same company that owns Authentic 559/letter of explanation
Proof of Capitalization Sufficient to Cover Proforma (3 months) and Construction Costs: Score	15	15				15	Assets in excess of [REDACTED]
Certified Audited Financial Report Provided for one or more Owners: Score	5	5					
<b>Score one of the following for a maximum 20 points:</b>							
Capital source is 100% liquid (cash in owners bank, no debt obligation)	20	20				20	
Capital source is debt obligation (letter of credit/loan from individual or institution)	10	10					
Capital consists of non-liquid assets (i.e. real property)	8	8					
Capital consists of a mixture of liquid and non-liquid assets	15	15					

Criteria Narrative:

<b>1.3 Sub-Total:</b>	50					40	
-----------------------	----	--	--	--	--	----	--

*1.4 Pro forma for at least three years of operation.*

Three Years of Data Provided: Score	10		10	8	6	8	Needs detail
Total Gross Revenue Estimates Provided:	3	3				3	
Total Gross Revenue by Product Type (flower and manufactured) Identified:	3	3					
Total Personnel Costs Provided:	5		5	4	3	3	Just listed as line item. Needs more detail
Total Property Rental or Purchase Costs Provided:	2	2				2	
Total Utilities Costs Provided:	2	2				2	
Total Cannabis Product Purchase Expense Provided	2	2				2	
All Contract Services Identified:	2	2				2	
Annual Net Revenue Identified:	3	2				2	
Annual Cost Escalators Identified:	4		4	3	2	3	Shows some cost escalation but no explanation
Annual Estimated Sales Tax Payments to State Provided:	2	2				2	
Annual Estimated Sale Tax Payments to City of Fresno Provided:	5	2				2	
Annual Business Tax License and Cannabis Permit Fee Provided:	2	2				2	
Annual Net Income Provided:	5	5				5	
Scoring Guidance: full points for realistic figures for all three years. Dock points for severe miscalculations, unrealistic estimates, or providing less than the request three years.							

Criteria Narrative:

<b>1.4 Sub-Total:</b>	50					38	
-----------------------	----	--	--	--	--	----	--

*1.5 Fully describe hours of operation and opening and closing procedures. (20 points possible)*

Hours of Operation Provided: Score	5	5				5	
Hours of Operation Provided for all 7 days of the week: Score	3	3				3	
Hours of Operation Provided for Holidays: Score	2	2				0	Holidays not mentioned
Opening and Closing Procedures Provided: Score	10		10	8	6	8	Does not describe role of contracted security guards in opening nor closing procedures
Scoring Guidance: full points for describing information in detail. Dock points for leaving information out or not providing enough detail.							

Criteria Narrative:

<b>1.5 Sub-Total:</b>	20					16	
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*1.6 Daily operations. With as much detail as possible, the Business Plan should describe the day-to-day operations which meet industry best practices. This should include at a minimum the following criteria for each permit type in which you are applying for a permit. (100 points possible)*

1.6.1 Fully describe the day-to-day operations if your applying for a retail permit:

i. Describe customer check-in procedures.	20		20	15	10	20	
II. Identify location and procedures for receiving deliveries during business hours.	10		10	8	6	10	
iii. Identify the name of the Point-of-sale system to be used and the number of Point-of-Sale locations.	10	10				10	IndicaOnline; 18 POS locations
iv. The estimated number of customers to be served per hour/day.	20		20	15	10	15	Did not describe method of estimation/source
v. Describe the proposed product line to be sold and estimate the percentage of sales of flower and manufactured products.	20		20	15	10	20	
vi. If proposed, describe delivery service procedures, number of vehicles and product security during transportation. (if no delivery service application must state this clearly for full points)	20		20	15	10	20	
<b>1.6 Sub-Total:</b>	100					95	

Criteria Narrative:

<b>Section 1 Total:</b>	300					245	
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**SECTION 2: SOCIAL POLICY AND LOCAL ENTERPRISE**

**400 Points Possible for Section 2**

2.1 Describe whether the Commercial Cannabis Business is committed to offering employees a Living Wage. (20 points possible)

Description of Commitment to pay a Living Wage provided: Score	10		10	8	6	10	
Definition of Living Wage Provided: Score	5		5	4	3	5	
Living Wage Defined as Greater than Minimum Wage: Score	5	5				5	is minimum per CBA
<b>Scoring Guidance:</b> <a href="https://livingwage.mit.edu/counties/06019">https://livingwage.mit.edu/counties/06019</a>							

Criteria Narrative:

<b>2.1 Sub-Total:</b>	20					20	
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2.2 Briefly describe benefits provided to employees such as health care, vacation, and medical leave, to the degree they are offered as part of employment. (50 points possible)

**Wages and Salary**

CCB Entry-Level Hourly Wage Greater than Minimum Wage	5	5				5	
CCB Entry-Level Annual Salary Greater than Median Household Income (\$50,432)	5	5				0	

**Health Care Benefits**

CCB Offers Medical Coverage to All Employees: Score	5	5				5	
CCB Offers Dental Coverage to All Employees: Score	3	3				3	
CCB Offers Vision Coverage to All Employees: Score	3	3				3	
CCB Offers Health Reimbursement Account for Qualified Medical Expenses: Score	1	1				0	Not mentioned
Employee Pays \$0 for Employee Medical Premium: Score	3	3				0	
Employee Pays \$0 for Employee Dental Premium: Score	2	2				0	
Employee Pays \$0 for Employee Vision Premium: Score	2	2				0	
Employee Pays less than \$500 per month for Family Health Care Coverage (Medical, Dental, Vision): Score	2	2				2	Employer pays 70% of premium

**Leave Benefits**

Number of Paid Vacation/PTO Days Per Year: (10+ days = excep; 6-9 days = Good; 3-5 days Acceptable)	5		5	4	3	4	
Number of Paid Holidays Per Year: (10 or more paid holidays = excep; 4-10 = Good; 1-3 Acceptable)	5		5	4	3	5	
Number of days paid time off for Sick/Medical time: (7+ days= Exceptional, 4-6 days = Good, 3 days = acceptable (8 hour day))	5		5	4	3	4	

**Retirement**

Offers employee retirement plan	2	2				2	
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Offers company match for employee retirement plan	2	2				2	Employer funded pension in addition to 401k
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Criteria Narrative:

<b>2.2 Sub-Total:</b>	50					35	
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*2.3 Describe compensation to and opportunities for continuing education and employee training. (20 points possible)*

CCB Provides Tuition Reimbursement for Certificates: Score	3	3				0	
CCB Provides Tuition Reimbursement for associate degrees: Score	3	3				3	LA Tech college provides employee courses free of charge. Proposed partnership with FCC.
CCB Provides Tuition Reimbursement for bachelor's degrees: Score	3	3				0	
CCB Provides Tuition Reimbursement for master's degrees: Score	3	3				0	
CCB Provides Tuition Reimbursement for Specialized Commercial Cannabis Business Operations Training: Score	3	3				0	
CCB Offers General Training for Health and Safety, Workplace Environment, Customer Service, etc.	5		5	4	3	5	

Criteria Narrative: LOI with Fresno City College to pay up to 3 scholarship to cover 2-years for qualified social equity. Offer for PT employment.

<b>2.3 Sub-Total:</b>	20					8	
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*2.4 Describe the Commercial Cannabis Business plan to recruit individuals who meet the criteria listed in the Social Policy Section 9-3316 (b) (1) of the Fresno Municipal Code (FMC) and the percentage of local employees it hires. (50 points possible)*

General Recruitment Plan Provided: Score	10		10	8	6	10	
Social Policy Recruitment Plan Provided: Score	10		10	8	6	10	
Recruitment Plan Includes Demographic Data for District, City or County: Score	10		10	8	6	0	
Recruitment Plan Includes List of CBOs, Non-Profits and Public-Agency Hiring Partners: Score	10		10	8	6	10	
Recruitment Plan Includes Hiring Targets (percentages) by Demographic Groups: Score	10		10	8	6	6	No targets other than social policy and local hire targets referenced in FMC

Criteria Narrative:

<b>2.4 Sub-Total:</b>	50					36	
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*2.5 Describe the extent to which the Commercial Cannabis Business will be a locally managed enterprise whose owners and /or managers reside within or own a commercial business within the City of Fresno, for at least one year prior to March 2, 2020. (80 points possible)*

**Owners**

*IF full points achieved for Ownership category, don't score managers.*

*Section is total of 80 points possible.*

Number of Owners:						5	
Number of Owners that live within the City of Fresno:						0	
Number of Owners that live in the County of Fresno:						1	
Number of Owners that Own a Business in the City of Fresno:						1	
51%+ ownership interest percent of the Owners live or own a business in the City: Score	80	80				80	
51%+ ownership interest percent of the Owners live or own a business in the County: Score	40	40					
Less than 50 percent of the Owners live or own a business in the City (no owners are local, score zero)	20	20					

**Managers**

Number of Managers (salaried, non-owners):						7	
Number of Managers that live in the City of Fresno:						3	
Number of Managers that Own a Business in the City of Fresno:							

100 percent of the Managers live or own a business in the City: Score	20	20					
75 to 99 percent of the Managers live or own a business in the City: Score	15	15					
50 to 74 percent of the Managers live or own a business in the City: Score	10	10					
Less than 50 percent of the Managers live or own a business in the City: Score	5	5				5	Specified 3 local managers

Criteria Narrative:

<b>2.5 Sub-Total:</b>	80					80	
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*2.6 Describe the number of employees, title/position and their respected responsibilities.(20 points possible)*

Responsibilities Described for All Titles/Positions: Score	20		20	15	10	20	
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Criteria Narrative:

<b>2.6 Sub-Total:</b>	20					20	
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*2.7 Describe whether the CCB has five (5) or more employees and whether it has signed a labor peace agreement allowing employees to unionize without interference. (10 points possible)*

Does CCB have more than five employees:	5	5				5	
CCB has signed a peace agreement: Score	5	5				5	signed, CBA in effect

Criteria Narrative:

<b>2.7 Sub-Total:</b>	10					10	
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*2.8 Provide a workforce plan that includes at a minimum the following provisions: (50 points possible)*

*2.8.1. Commitment for 30% of employees to be local hires; the business must show that it has either hired or made a good faith effort to hire bona fide residents of Fresno who have not established residency after the submission of an application for employment with the applicant/permittee.*

*2.8.2. Commitment to offer apprenticeships and/or compensation for continuing education in the field; and*

*2.8.3. Commitment to pay a living wage to its employees*

Work Force Plan Provided: Score	10		10	8	6	10	
Commitment to Local Hire Provided:	10		10	8	6	10	
Commitment to Offer Apprenticeships Provided:	10		10	8	6	10	
Commitment paying for continuing education provided	10		10	8	6	6	Limited to classes provided by company, not at discretion of employee
Description of commitment to paying a living wage provide. (Score same as sec. 2.1)	10		10	8	6	10	

Criteria Narrative:

<b>2.8 Sub-Total:</b>	50					46	
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*2.9 Describe whether the business is willing to serve as a Social Equity Business Incubator by offering support to local cannabis social equity businesses in the form of mentorship, training, equipment donation, a percentage of shelf space dedicated to Fresno equity business products, legal assistance, financial services assistance, or other technical assistance support.(100 points possible)*

CCB is willing to serve as Social Equity Business Incubator: Score	100		100	80	60	100	
Mentorship and Training: Score							yes
Equipment Donation: Score							yes
Shelf Space: Score							yes
Legal Assistance: Score							yes
Finance Services Assistance: Score							
Other Technical Assistance: Score							compliance, application assistance, connection to distribution network
Scoring Guidance: full points for willingness to serve with detailed plan offering at least three aspects mentioned above or of similar benefit. Less points for willingness to serve but vague or unclear commitment. Zero points if there is no clear commitment to serve as Incubator.							

2.9 Sub-Total: 100 100

Criteria Narrative:

Section 2 Total: 400 355

**SECTION 3: NEIGHBORHOOD COMPATIBILITY PLAN**

**300 Points Possible for Section 3**

*3.1 Describe how the CCB will proactively address and respond to complaints related to noise, light, odor, litter, vehicles, and pedestrian traffic.(50 points possible)*

CCB will document complaints (time of complaint, nature of complaint, resolution of complaint): Score	10		10	8	6	8	Needs more detail
CCB will established a dedicated contact person to receive complaints: Score	10	10				10	
CCB will establish a dedicated phone number to receive complaints: Score	5	5				5	
CCB will establish a dedicated email address to receive complaints: Score	5	5				5	
CCB will establish a response time standard for returning complaint calls and emails: Score	5	5				0	Info not provided
CCB will schedule or participate in periodic community meetings to engage with residents about the CCB operation: Score	10	10				10	Stated in Section 3.2
Other measure unique to business (i.e. website complaint form)	5	5				5	
Scoring Guidance: full points for detailed proactive plan addressing all aspects mentioned. Dock points for leaving out aspect, vagueness, or reactive plans.							

Criteria Narrative:

3.1 Sub-Total: 50 43

*3.2 Describe how the CCB will be managed to avoid becoming a nuisance or having impacts on its neighbors and the surrounding community.(100 points possible)*

CCB will maintain a listserv of community residents to update and information residents of business operations.	10	10				0	Info not provided
CCB will schedule or attend periodic community meetings (at least annually) to engage with residents about the CCB operation: Score	10	10				10	
CCB will prepare a community outreach and engagement plan: Score	50		50	40	30	40	Needs more detail
CCB will issue periodic Newsletters to community providing information about CCB operations	10	10				0	Info not provided
CCB will hire residents from the community work at the CCB: Score	20	20				0	Info not provided
Scoring Guidance: full points for detailed proactive plan. Dock points for leaving out aspect, vagueness, or reactive plans.							

Criteria Narrative:

3.2 Sub-Total: 100 50

*3.3 Describe odor mitigation practices.(40 points possible)*

CCB has identified sensitive receptors to nuisance odors in vicinity of business operations: Score	5	5				0	Info not provided
CCB has prepared a nuisance odor control plan: Score	10		10	8	6	6	Needs more detail
Nuisance odor control plan identifies locations where fugitive emissions may exit the premise boundary: Score	5	5				5	Stated in Section 3.4
Nuisance odor control plan describes specific odor control measures to reduce fugitive emissions exiting the premise boundary: Score	5	5				5	
CCB has established an odor reporting system: Score	5	5				0	Info not provided
CCB will install a nuisance odor monitoring system: Score	10	10				0	Info not provided

Criteria Narrative:

<b>3.3 Sub-Total:</b>	40					16	
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**3.4 Identify potential sources of odor. (10 points possible)**

CCB has identified the potential sources of nuisance odors for the business operation: Score	10		10	8	6	10	
Scoring Guidance: full points for detailed proactive plan. Dock points for vagueness or reactive plans.							

Criteria Narrative:

<b>3.4 Sub-Total:</b>	10					10	
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**3.5 Describe odor control devices and techniques employed to ensure that odors from cannabis are not detectable beyond the permitted premises. (30 points possible)**

Nuisance odor control plan describes specific odor control equipment: Score	10		10	8	6	8	Needs more detail
Nuisance odor control plan describes specific odor control measures/techniques: Score	10		10	8	6	10	
Odor control measures are identified for different nuisance odor sources: Score	10	10				0	Info not provided

Criteria Narrative:

<b>3.5 Sub-Total:</b>	30					18	
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**3.6 Describe all proposed staff odor training and system maintenance.(20 points possible)**

Nuisance odor control plan describes the operation, monitoring, and maintenance requirements for odor control measures: Score	10	10				10	
Nuisance odor control plan describes the staff training required for system operations, maintenance, repair, and troubleshooting.	10	10				10	

Criteria Narrative:

<b>3.6 Sub-Total:</b>	20					20	
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**3.7 Describe the waste management plan. (50 points possible)**

CCB has identified the sources of waste generated by the business operation: Score	10	10				10	
CCB has prepared a source-separation plan to segregate different sources of waste generated by business operations: Score	10	10				10	
The source-separation plan identifies policy, procedures, and locations where different sources of waste are to be collected for disposal: Score	10		10	8	6	10	
The source-separation plan describes specific measures to control the collection and disposal cannabis waste: Score	10	10				10	
The name of licensed cannabis disposal company provided: Score	10	10				10	
<b>3.7 Sub-Total:</b>	50					50	

Criteria Narrative:

<b>Section 3 Total:</b>	300					207	
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**SECTION 4: SAFETY PLAN**

**300 Points Possible for Section 4**

**4.1 The Safety Plan shall be prepared and/or assessed by a professional fire prevention and suppression consultant. (50 points possible)**

Safety Plan Prepared by Consultant: Score	10	10				10	
Safety Plan Assessed by Consultant: Score (if prepared by, also give points for assessed by)	10	10				0	no mention of assessment

Safety Plan Prepared for CCB Address (specific proposed location): Score	10	10				5	moderate details
Safety Plan includes Site Plan of Premise: Score	10	10				10	section 4.5
Safety Plan includes Building Layout Plan: Score	10	10				10	4.5

Criteria Narrative:

<b>4.1 Sub-Total:</b>	50					35	
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**4.2 Describe accident and incident reporting procedures. (50 points possible)**

Written Accident/Incident Procedure Provided: Score	20		20	15	10	20		
Procedures Address Multiple Accident/Incident Scenarios: Score	10		10	8	6	10		
Total Number of Scenarios Described: Score	Data-write response in Evaluation Notes Column							12 different possible injuries
Active Shooter Incident Described: Score	10	10				0	not mentioned	
Robbery Incident Described: Score	10	10				0	not mentioned	

Criteria Narrative:

<b>4.2 Sub-Total:</b>	50					30	
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**4.3 Describe evacuation routes. (50 points possible)**

Evacuation Plan Provided: Score	20		20	15	10	20	
Adequate Number of Evacuation Routes Identified: Score	20		20	15	10	20	
Evacuation Route Distance to Public Right of Way: Score	10		10	8	6	5	no over all site plan

Criteria Narrative:

<b>4.3 Sub-Total:</b>	50					45	
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**4.4 Location of fire extinguishers and other fire suppression equipment. (50 points possible)**

Location of Fire Suppression System Elements Identified: Score	10	10				10	
Type of Fire Suppression System Elements Identified: Score	20		20	15	10	20	
Location of Fire Extinguishers Identified: Score	10	10				10	
Adequate Number of Fire Extinguisher Locations Identified: Score	10		10	8	6	10	

Criteria Narrative:

<b>4.4 Sub-Total:</b>	50					50	
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**4.5 Describe procedures and training for all fire and medical emergencies.(100 points possible)**

Written Procedure for Fire Emergencies Provided: Score	20		20	15	10	20	
Written Procedure for Medical Emergencies Provided: Score	20		20	15	10	20	
Cardiac Arrest Medical Emergency Described: Score	20		20	15	10	0	not mentioned
Gunshot Wound Medical Emergency Described: Score	20		20	15	10	0	not mentioned
Other Medical Emergency Conditions Described: Score	20		20	15	10	0	not mentioned
<b>4.5 Sub-Total:</b>	100					40	

Criteria Narrative:

<b>Section 4 Total:</b>	300					200	
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**SECTION 5: SECURITY PLAN**

**300 Points Possible for Section 5**

**5.1 The Security Plan shall be prepared and/or assessed by a professional security consultant.(50 points possible)**

Security Plan Prepared by Consultant: Score	10	10				10	
Security Plan Assessed by Consultant(if prepared by, also give points for assessed by): Score	10	10				10	

Security Plan Prepared for CCB Address (specific proposed location): Score	10	10				10
Security Plan includes Site Plan of Premise: Score	10	10				10
Security Plan includes Building Layout Plan: Score	10	10				10

Criteria Narrative:

<b>5.1 Sub-Total:</b>	50					50
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5.2 Premises (Security) Diagram. In addition to diagrams submitted for other sections of the application, applicants are expected to submit a premises diagram (or site plan) which, focuses on the proposed security measures and how they relate to the overall business. (Pursuant to CCR Title 16, Division 42, §5006. Premises Diagram).

5.2.1 The diagram shall be accurate, dimensioned and to scale (minimum scale ¼"). The scale may be smaller if the proposed location exceeds more than a 1/2-acre parcel but must not be printed on larger than an 11" x 17" sheet of paper. (Blueprints and engineering site plans are not required at this point of the application process)

5.2.2 The diagram must be drawn to scale and clearly identify property boundaries, entrances, exits, interior partitions, walls, rooms, windows, and doorways. The activity in each room and the location of all cameras must be identified in the diagram.

5.2.3 Description of cannabis activity that will be conducted in each area of the premise. Commercial cannabis activities that must be identified on the diagram/site plan may include but are not limited to the following if applicable to the business operations; storage areas, batch sampling areas, loading/unloading of shipment areas, packaging and labeling, customer sales areas, training areas, employee break room areas, extractions, infusions, processing, and testing areas.

5.2.4 Limited-access areas, defined as areas in which cannabis goods are stored or held and only accessible to permittees, or its employees or contractors and areas used for video surveillance monitoring and storage devices (Pursuant to CCR Title 16, Division 42, §5000 (m) Limited-Access Area and §5042 Limited-Access Area.

5.2.5 Number and location of all video surveillance cameras. (50 points possible)

Premises (Security) Diagram Provided: Score	20		20	15	10	20
Diagram is drawn to correct scale: Score	5	5				5
Diagram provides required details for premise: Score	5	5				5
Diagram shows the location of all security cameras: Score	5	5				5
Descriptions of activities to be conducted in each area of the premise	5	5				5
Limited-Access Areas Clearly Marked: Score	5	5				5
Number and Location of All Security Cameras Identified: Score	5	5				5

Criteria Narrative:

<b>5.2 Sub-Total:</b>	50					50
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5.3 Identify intrusion alarm and monitoring system including the name and contact information for the monitoring company (if the company has been selected).(50 points possible)

Intrusion Alarm and Monitoring System Identified: Score	15	15				15
Name and Contact Information for Monitoring Company Provided: Score	5	5				5
Total Points of Entry into Premise Identified: Score	5	5				5
All Points of Entry to be Alarmed Identified:	5	5				5
Type of Alarm Identified (motion, infrared, glass break, etc.): Score	10	10				10
Backup Power Supply Identified: Score	10	10				10

Criteria Narrative:

<b>5.3 Sub-Total:</b>	50					50
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5.4 Briefly describe cash handling procedures which covers day to day transactions with customers, vendors armor carrier vehicles and transporting it to the bank.(100 points possible)

Written Cash-Handling Procedure Provided: Score	30		30	20	15	30
Dual-Custody is Practiced for all cash handling: Score	10	10				10
Video Surveillance Used to Monitor All Cash Handling: Score	20	20				20
Armored Car Service Used for Bank Deposits: Score	10	10				10
All Cash Deposited weekly with Bank: Score	10	10				10
Onsite Vault Provided to Secure Cash Prior to Bank Deposit: Score	20	20				20

Criteria Narrative:

**5.4 Sub-Total:** 100

100

5.5 Discuss whether the CCB will utilize the services of on-site security guards. Include in the discussion: (50 points possible)

5.5.1 Number of guards.

5.5.2 Hours guards will be on-site.

5.5.3 Locations at which they will be positioned.

5.5.4 Guards' roles and responsibilities.

CCB will use onsite security guards: Score	10	10		10	
All onsite guards will be licensed and bonded: Score	10	10		0	No mention of being bonded
All onsite security guards will be licensed to carry firearms: Score	10	10		10	
Onsite security guards will be on duty before CCB opens for business: Score	10	10		10	
Onsite security guards will be on duty after CCB closes for business: Score	10	10		10	
<b>5.5 Sub-Total:</b>	<b>50</b>			<b>40</b>	

Criteria Narrative:

**Section 5 Total:** 300

290

TOTAL SCORE						
Section 1: Business Plan Total Points:	300					245
Section 2: Social Policy & Local Enterprise Total Points:	400					355
Section 3: Neighborhood Compatibility Total Points:	300					207
Section 4: Safety Plan Total Points:	300					200
Section 5: Security Plan Total Points:	300					290
<b>Total Points Achieved:</b>	<b>1600</b>					<b>1297</b>

**81.06%**

# EXHIBIT U





## Frequently Asked Questions

### Commercial Cannabis Business (CCB) Permit

#### Preliminary Approvals

<http://www.fresno.gov/cannabis>

September 14, 2021

The Fresno Municipal Code (FMC) can be found here:

[https://library.municode.com/ca/fresno/codes/code\\_of\\_ordinances?nodeId=MUCOCHFRCA](https://library.municode.com/ca/fresno/codes/code_of_ordinances?nodeId=MUCOCHFRCA)

1. Who can file an appeal?
  - a. The approved Applicant, the Mayor, or the Councilmember for that District.
2. When must an appeal be filed by?
  - a. September 23, 2021
3. If I did not get preliminary approval or if my application was rejected based on the scoring process can I appeal?
  - a. No, only an application approval can be appealed.
4. What happens if a preliminary approval is appealed?
  - a. A Council Hearing will be set where the Councilmembers will vote to approve or deny the application. Applicants may participate in the public hearing. (See FMC 9-3317(c))
5. Can an applicant granted preliminary approval communicate with an elected official or Planning Commissioner?
  - a. No, except in the public hearing process. Communications concerning cannabis applications with the elected officials and Planning Commissioners are prohibited until the permit and CUP process is complete. Preliminary approvals issued by the City are not yet final and the permitting process is still ongoing. As such, FMC 9-3316(g) still applies to communications between applicants and elected officials.
6. Can an applicant not selected for a preliminary approval communicate with an elected official or Planning Commissioner?

- a. If the application remains open, communications concerning cannabis applications with elected officials and Planning Commissioners are prohibited until the permit and CUP process is complete.
7. I did not receive preliminary approval. Can I find out why? Will the City send out final scores for Phase III?
  - a. The City will not respond to any requests seeking information only that do not seek production of an existing public record pursuant to California Government Code § 6253(b). You may send the Fresno City Attorney's Office a Public Records Act request pursuant to the California Government Code (<http://www.fresno.gov/pr>). In addition, please refer to the information and links provided on the City's website, City Manager's Office - Office of Cannabis Oversight page (<http://www.fresno.gov/cannabis>).
8. If an applicant with preliminary approval is not successful at obtaining a final approved Commercial Cannabis Business Permit, will another applicant in this application round be selected for preliminary approval instead?
  - a. This decision will be at the City Manager's discretion.

VERIFICATION

State of California, County of Fresno

I have read the foregoing VERIFIED PETITION FOR WRIT OF MANDAMUS AND COMPLAINT FOR: (1) PEREMPTORY WRIT OF MANDATE PURSUANT TO CCP §§1085; AND (2) INJUNCTIVE RELIEF and know its contents.

I have been authorized by Petitioner and Plaintiff Catalyst – Fresno LLC, to make this verification for and on its behalf, and I make this verification for that reason.

I am informed and believe and on that basis allege that the claims, allegations and averments stated in the foregoing document are true based upon the information reasonably available to me.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

Executed on November 30, 2021, at Long Beach, California.



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