



COUNTY OF HUMBOLDT
PLANNING AND BUILDING DEPARTMENT
CURRENT PLANNING DIVISION

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Hearing Date: March 15, 2018

To: Humboldt County Planning Commission

From: John H. Ford, Director of Planning and Building Department

Subject: **First MC Processing, LLC**
MC Marketing Group, LLC
Application Numbers: 12081, 12084
Case Numbers: CUP16-531, SP16-932, SP16-17-175, SP16-393
Assessor's Parcel Number (APN): 032-012-001
615 Bear Creek Road, Garberville area

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Please contact Michelle Nielsen, Senior Planner, at 707-445-7541 or by email at mnielsen@co.humboldt.ca.us if you have any questions about the scheduled public hearing item.

AGENDA ITEM TRANSMITTAL

Hearing Date March 15, 2018	Subject Conditional Use Permit and Special Permits	Contact Michelle Nielsen, Senior Planner
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Project Description: Please note: This report is regarding two proposed projects at will be heard by the Planning Commission at the same time.

Two applications for four permits: a Conditional Use Permit (CUP) for a cannabis dispensary, a Special Permit (SP) for a commercial medical cannabis processing facility, a SP for a medical cannabis distribution facility and a SP for a parking exception. The cannabis dispensary would be located within Unit A with its storefront facing Bear Creek Road/Redwood Drive. The SPs for manufacturing and distribution would to be located within Unit B of an existing structure. The Applicant is proposing manufacturing that entail utilizing non-volatile CO2 to extract raw cannabis oil from cannabis plants. Products to be processed and manufactured include bulk cannabis oil and vaporization cartridges. Additional products, such as pre-rolled cannabis joints, flower packaging and manufacturing of concentrates, such as rosin or ice hash may be manufactured here depending on market demand (APPS #12081). The proposed distribution facility would transport medical cannabis products between license types and to testing facilities (APPS #12084). The Applicant is requesting an exception to the parking requirements regarding location and number of parking spaces. The proposed uses require one parking space compliant with the Americans with Disabilities Act (ADA), which is proposed in the existing driveway. The loading space for deliveries would be parallel and directly in front of the existing structure. Conditions of Approval require all loading and unloading occur after business hours to avoid blocking the ADA-compliant parking space in the driveway. Approval of the parking exception request would be required for approval of the proposed projects. The parcel is served by P.G. & E. Water and sewer service is provided by Garberville Sanitary District.

Project Location: The project is located in Humboldt County, in the Garberville area, on the east side of US Highway 101, approximately 150 feet North from the intersection of Bear Creek Road and Redwood Drive, on the property known as 615 Bear Creek Road.

Present Plan Land Use Designations: Commercial General (CG), Humboldt County General Plan 2017 (HCGP), Density: N/A, Stability: Moderate Instability (2).

Present Zoning: (C-2-D) Community Commercial (C-2), Design Review (D).

Application Numbers: 12081, 12084

Case Numbers: CUP16-531, SP16-932, SP16-17-175, SP16-393

Assessor Parcel Number: 032-012-001

Applicant
First MC Processing, LLC
Attn: Karyn Wagner
1271 Evergreen Road, #814
Redway, CA 95560

Owner
BSPX Advisory and
Management CO LLC
1335 N Astor Street, #4C
Chicago, IL 60610

Agent
Green Guidance, LLC
Attn: Amber Morris
9416 Buffalo Avenue
Sacramento, CA 95562

MC Marketing Group, LLC
Attn: Richard D. Johnson

615 Bear Creek Road
Garberville, CA 95542

Environmental Review: The project is categorically exempt from the provisions of the California Environmental Quality Act (CEQA) per Class 1, Section 15301 (Existing Facilities) and Class 3, Section 15303 (New Structures or Conversion of Small Structures) of the CEQA Guidelines.

State Appeal Status: Project is NOT appealable to the California Coastal Commission.

Major Issues: Parking issues.

**FIRST MC PROCESSING, LLC
MC MARKETING GROUP, LLC**

Case Numbers: CUP16-531, SP16-392, SP17-175, SP16-393
Assessor's Parcel Number: 032-012-001

Recommended Commission Action

1. Describe the application at a public hearing;
2. Request that staff present the project;
3. Open the public hearing and receive testimony;
4. Close the hearing and take the following action:

Move to continue the First MC Processing, LLC Conditional Use Permit and Special Permits and MC Marketing Group, LLC Special Permit to a date uncertain to allow the applicants to submit additional evidence in support of the required findings; OR

Alternatively, find the First MC Processing, LLC Special Permit (SP 16-392) project Categorically Exempt from environmental review pursuant to Sections 15301 and 15303 of the State CEQA Guidelines, make all the required findings for approval of Special Permit (SP 16-392) and associated parking exception (SP 17-175) based on evidence in the staff report and any public testimony, and adopt the Resolution approving SP 16-392 subject to the recommended conditions and continue the First MC Processing, LLC Conditional Use Permit and MC Marketing Group, LLC Special Permit to a date uncertain to allow the applicants to submit additional evidence in support of the required findings.

Executive Summary: The proposed Conditional Use and Special Permits would allow operation of cannabis dispensary, manufacturing and distribution facilities in compliance with the Medical Cannabis Dispensaries ordinance (Humboldt County Code Section 314-55.3) and the County Commercial Medical Marijuana Land Use Ordinance (CMMLUO). All facilities will be located within a one-story, approximately a 2,300-square-foot (per site plan) existing structure that is separated into two units (Units A and B). Water and sewer services are provided by the Garberville Sanitary District. Electrical power is provided by PG&E. The hours of operation would be as follows:

- Dispensary: 10:00 AM – 6:00 PM, seven days per week. Deliveries will occur outside of retail hours and no more than twice per month.
- Manufacturing: 6:00 AM – 10:00 AM, 6:00 PM – 10:00 PM. Deliveries of raw product for manufacturing are expected to be seasonal and occur 1-2 times a week between September to November.
- Distribution: 7:00 AM – 9:00 AM – 7:00 PM – 9:00 PM.

The Applicant states there will be a maximum of four (4) employees working daily, however, the Applicant did not indicate a total number of employees required to meet operational needs.

On-site security will include fencing, lighting, video surveillance, alarm system secured doors and windows, commercial grade locks and entry protocols for vendors. All windows and doors have sensors and are linked to central alarm system. A video surveillance system will be strategically placed in the facilities, both indoors and outdoors. The video surveillance will record continuously for 24 hours and recorded data will be kept for a minimum of 30 days. The security system would include automatic law enforcement for unauthorized entries. The Applicants will Only authorized employees and contractors will be allowed to enter the premises outside of business hours. The Applicant will adhere to all State and local regulations for medical cannabis dispensaries, distribution and manufacturing, including regulations applying to employee safety, training and compensation.

Project History

The applications were submitted on December 20, 2016. The file was opened on June 26, 2017, once the minimum amount of application materials were received. On August 10 and August 17, 2017, the Planning Division staff requested additional information from the Applicant, which included notification that loading and parking exceptions would be required for the proposed project (see Attachment 6 – Communication with Applicant). Although the Applicant provided a statement regarding parking on the same day, the Applicant did not submit the application materials required for the loading and parking exceptions. In December 2017, the Applicant inquired about the status of the project as the project had not been sent to referral as the requested information regarding parking had not been submitted. Planning Division staff referred the project on December 13, 2017. The following day, the Applicant was made aware that additional information regarding the proposed projects was needed for staff to make a determination regarding parking. Planning Division staff was in communication with the Applicant on a weekly basis (sometimes more) regarding the project. In a letter dated January 17, 2018, Planning Division staff provided a detailed letter regarding the outstanding information required for the proposed project, including how to perform a parking survey to accompany the parking exception request. The Applicant requested the project move forward to hearing without submitting all the information required by the Planning Division. Subsequently, the Planning Division received the parking exception request and site plan revisions on February 15, 2018. A consolidated operations plan and project description was received on March 1, 2018.

Cannabis Dispensary

A Conditional Use Permit has been requested by First MC Processing, LLC, to authorize operation of a cannabis dispensary for medicinal and adult use. The cannabis dispensary would dispense cannabis products directly to qualified patient and customers. The dispensary would be located in Unit A, which is the front portion of the existing structure on the subject parcel. The hours of operation would be 10:00 AM – 6:00 PM, seven days per week. Deliveries would occur outside of business hours and no more than twice per month. Walk-in patients and customers will be required to check-in with staff at the registration desk and provide valid identification to verify that they qualify to enter the respective areas containing cannabis products. Access to the dispensary is only granted after identification and other documentation are deemed valid. Dispensary operations, including product display, daily sales limits, and marketing materials will comply with applicable State and local regulations. Product tracking and sales will be monitored through the use of *Trellis*, a seed-to-sale software system.

The annual monitoring and reporting requirement allows for adaptive management of the facility and annual evaluation of operational performance by the Planning Commission and Planning staff. Review of the report permits County staff and the applicant to review the adequacy of the operational restrictions, and, if appropriate, develop ways to better address any neighborhood impacts that may arise.

The Consolidated Operations Manual (page 14 through 17) describes a medicinal cannabis dispensary model (DBA Tea House Collective). However, a facility for dispensing both medicinal cannabis and adult use retail cannabis is authorized by County Code.

Adult Use Retail Cannabis Dispensary

On November 14, 2017, in response to the California voter's enactment of Proposition 64, and the legislative approval of the Medicinal and Adult Use Cannabis Regulation and Safety Act ("MAUCRSA") (SB 94), the Board of Supervisors adopted Ordinance No. 2588. This ordinance among other things amended Section 314-55.3 et seq., Medical Cannabis Dispensaries regulations, to add the following provision:

55.3.3.8: *Adult Use Retail Sales facilities are a conditionally permitted use, subject to the same permit requirements that apply pursuant to Humboldt County Code Sections 314-55.3, et seq. applicable to Medical Cannabis Dispensaries. All regulations applicable to permitting of Medical Cannabis Dispensaries shall be applicable to Adult Use Retail Sales facilities, except those limiting sales exclusively to medical cannabis.*

The First MC Processing, LLC (DBA Tea House Collective) is seeking approval of a medical cannabis dispensary and adult use cannabis retail dispensary within the same business location. Pursuant to Business and Professions Code §26140 operation of an adult use retail dispensary must restrict sales of cannabis or cannabis products to persons 21 years or older. As noted above, all regulations applicable to permitting of Medical Cannabis Dispensaries shall be applicable to Adult Use Retail Sales facilities, except those limiting sales exclusively to medical cannabis.

Manufacturing and Distribution

The manufacturing and distribution facilities included in the proposed project will be co-located in Unit B at the project location. The Applicant will be utilizing a portion of the facility for office equipment and packaging materials and will participate in both any State and/or County track and trace programs, records keeping and retention for retailers and consumers and financial information. The Applicant is proposing to manufacture raw cannabis oil using non-volatile extraction technology with carbon dioxide (CO₂) as the primary solvent. In Phase One, the Applicant will produce and package bulk cannabis oil for sale to other manufacturers for further processing. Additional product lines, such as the production of infused pre-rolled cannabis joints, packaging of flower and non-volatile concentrates (rosin, live resin, ice water hash, etc.) may be added based on market demand and trends. The manufacturing facility will be located in Unit B at the proposed location. Hours of operation for the manufacturing facility would be from 6:00 AM – 10:00 AM and 6:00 PM – 10:00 PM, seven days per week. Operating hours would occur before and after retail hours for the dispensary. The Applicant indicates that one employee will be required to be on-site to operate the manufacturing facility as the process is highly automated.

The distribution facility would distribute medical cannabis flowers and medical cannabis products between license types, including retailers and to testing facilities. Hours of operations for the distribution facility would be 7:00 AM – 9:00 AM and 7:00 PM – 9:00 PM, seven days per week. Operating hours would occur before and after retail hours for the dispensary. The Applicant indicates that one employee will be required to be on-site to manage the distribution facility. The Applicant did not indicate the number of drivers required to meet operational needs. Cannabis products will be stored on-site in a secured vault.

Parking Exception Request

The proposed project is located at 615 Bear Creek Road, which is at the north end of the community of Garberville. Bear Creek Road is a 30-foot wide, paved roadway that is accessed from Redwood Drive. There is a 20-foot public right-of-way maintained by the Department of Public Works that allows for access to the additional parcels served on Bear Creek Road after the subject parcel. The west side of Bear Creek Road contains signage stating 'No parking.' On the east side of Bear Creek Road, the Applicant painted the road with perpendicular parking spaces. According to the Department of Public Works, this type of parking is only allowed by an ordinance approved by the Board of Supervisors and the improvements may extend into the public right-of-way and no encroachment permit was granted. Conditions of approval for the project require the Applicant to remove the perpendicular parking stalls constructed without an encroachment permit in the public right-of-way on the subject parcel.

The site plan prepared by Ontiveros and Associates, dated February 15, 2018, shows the existing conditions of the site based on a site visit and aerial imagery. Prior to preparation of the site plan, the Applicant made the County aware the subject parcel had not been surveyed previously based on research provided by the surveyor. Although the Planning Department requested a survey, the Applicant indicated that they wanted to move the project forward to decision without obtaining an official survey of the parcel. Therefore, the site plan reflects nearby measurements based on the Town of Garberville Map (e.g. north line of Lot 1) and field survey data. The exact location of the 20-foot public right-of-way in relation to the edge of pavement on the east side of Bear Creek Road is unknown.

The Humboldt County Code (H. C.C.) requires loading zone dimensions to be 10 feet wide, sixty feet in length with 14 feet of vertical clearance. The loading zone for the proposed project will be located within the first 10 feet of pavement on the east side of Bear Creek Road. The loading zone will extend from the south to north parcel lines to meet the required 60-foot dimension. To ensure loading and unloading does not interfere with the use of the ADA-compliant parking space, the project is conditioned on only allowing for deliveries outside of hours of operation for the dispensary (i.e., 10:00 AM – 6:00 PM, seven days per week). Additionally, in their comments dated February 27, 2018, the Department of Public Works, is supportive of allowing a 10-foot wide parallel space in front of the existing structure so it can be used as a loading zone to help ensure loading and unloading will occur outside of the 20-foot public right-of-way. However, because this space will be used as a loading zone, no off-street parking exists on the subject parcel (except for the ADA-compliant space). Conditions of approval for the proposed project require the Applicant to provide parallel parking markings and signage per the California Manual of Uniform Traffic Control Devices (CA MUTCD).

According to H.C.C. §314-109.1, 11 parking spaces are required based on the information provided by the Applicant. Currently, there are no off-street spaces available on the subject parcel (except the proposed ADA space available only when use of the loading space is prohibited) and 44 on-street spaces in four designated areas along Redwood Drive based on the *Parking Exception Request* provided by Green Guidance Solutions, LLC. The *Parking Exception Request* evaluated the availability of on-street parking areas labeled as Areas A, B, C and D. The following table describes the areas that were evaluated¹:

	Area A	Area B	Area C	Area D
Approximate distance from Project Location to First Available Parking Space	220 feet	380 feet	210 feet	400 feet
Approximate Length	115 feet	250 feet	150 feet	300 feet
Number of Available On-Street Parking Spaces	6	14	8	16
Parking Space Orientation	Parallel	Diagonal (Ordinance to allow approved by Board of	Parallel	Parallel

¹ Information provided for the table contained in *Parking Exception Request* from Green Guidance Solutions, LLC, dated February 2018, and review of measurements and imagery provided on Google Earth by Planning staff on March 5, 2018.

		Supervisors)		
Improvements	None	Curb, gutter, sidewalk, striping	None	None
Restrictions	2 hour parking 9:00 AM – 6:00 PM	None	2 hour parking 9:00 AM – 6:00 PM	2 hour parking 9:00 AM – 6:00 PM

The *Parking Exception Request* includes a survey of the available parking over a one week period (starting January 27, 2018) conducted during morning and evening peak hours (9:00 AM – 11:00 AM and 4:00 PM – 6:00 PM). The area surveyed from available parking each day included the east and west sides of Redwood Drive from Thomas Street to the north to Conger Street to the south. Occupied parking in either time frame ranged from 7 to 13 spaces. The *Parking Exception Request* noted that there appeared to be abandoned vehicles, which were included in the count. The *Parking Exception Request* concludes that there is sufficient on-street parking to meet the parking demand. The *Parking Exception Request* states that hours of operation will reduce the parking demand when compared to what is required by the H.C.C. In their comments dated February 27, 2018, the Department of Public Works noted that the parking exception request dated February 15, 2018, contained incomplete code references and also referenced the coastal zoning. The Applicant revised the parking exception request using the inland zoning standards for parking.

Based on the information provided the *Parking Exception Request*, staff believes additional information is required to recommend approval of the request as it applies to all three cannabis activities (dispensary, manufacturing and distribution). There are a number of items that should be considered by the Planning Commission when reviewing this parking exception. First, the parking demand is based on uses, square footages and number of employees on-site daily. A **total** number of employees for all three uses was not provided by the Applicant, therefore, the parking calculation may be lower than what is required by the zoning code. Additionally, the Department's recent experience with customer traffic and neighborhood issues associated with a dispensary providing cannabis for both medical and adult use (CannaBoutique and THCC) raises questions about the parking needs estimates for the dispensary use. Further, the Applicant did not state the number of vehicles that will be used for the distribution facility nor where those vehicles will be stored when not in use. Because the majority of available parking has a two-hour time restriction, employees of the proposed businesses may be required to move their vehicles during business hours that may impact security of the businesses. Finally, the survey of available parking spaces was completed during a single week in January. Peak tourism and seasonal influx of temporary workers occurs during the summer and fall months, when parking is most likely more impacted than in the winter months.

One of the purposes of the off-street parking regulations is to permit safe passage of passengers to and from their destinations. The Applicant does not address potential impacts to public health and safety associated with the proposed on-street parking. The proposed parking locations (Area A, C and D) are unimproved. There are no curb, gutters, sidewalks or parking space striping. The use of all of the proposed parking areas require customers to walk from Redwood Drive onto Bear Creek Road, where no clear path of travel exists as there are no improvements, such as sidewalks. Customers would be required to navigate traffic exiting Redwood Drive to nearby businesses. The use of parking areas C and D require customers to cross Redwood Drive and there are no crosswalks or other pedestrian safety improvements. The posted speed limit for this section of Redwood Drive traveling northbound is 40 miles-per-hour and the on-ramp to Highway 101 North is located in close proximity to proposed parking areas C and D.

Given the unanswered questions for which information has yet to be provided, planning staff believes that the evidence is lacking to support of making all of the required findings for approving parking exception request on which the three cannabis activities depend. To provide the Applicant an opportunity to submit additional information in support of the required findings, staff recommends that the Planning Commission continue the project to a date uncertain.

At a minimum, the Applicant shall provide the Planning Division with the following information:

- Traffic study that evaluates the current traffic volume and predicts the amount of traffic that will be generated by the proposed projects, especially the dispensary use;
- Complete a survey and provide a revised site plan of the subject parcel (prepared by a qualified professional) that shows the following:
 - Location of the property lines, property corners, and public right-of-way;
 - Dimensions of subject parcel;
 - Sufficient area for development of the required on-site loading space;
 - Existing and proposed development, including improvements required by the Department of Public Works and for development of the ADA-compliant parking space; and
 - Required items on the Planning Department Plot Plan Checklist;
- Revised Consolidated Operations Plan to include the following:
 - Total number of employees and work hours assigned to all proposed projects; and
 - Number of vehicles required for distribution operations and where those vehicles will be stored when not in use;
- Revised parking exception request completed over two weeks during a time of year with peak tourism and seasonal workers. An examination of seasonally appropriate air photos may be necessary.
- Loading space exception request with justification if deliveries are performed by smaller box trucks or vans. This could enable the ADA parking to be available during all business hours.

Staff has prepared an alternative to a full project continuance. In Alternative 1 below staff would support partial approval of one element of the two applications: manufacturing. Continuance of the balance of the cannabis activity permits (Distribution and Dispensary uses) is recommended to allow for submittal of additional evidence.

ALTERNATIVES: The Planning Commission could elect to:

1. Approve the manufacturing portion of the project only. Staff supports an approval of the manufacturing operation as this use involves the fewest employees and would have the lowest trip generation and parking demand. The requirement for this activity based on the parking formula and the Applicant's parking study would be two (2) spaces plus a loading space. The other project elements could be continued until further information becomes available. A Resolution for this alternative has been presented; or
2. Approve the entire project as proposed if the Planning Commission is able to make the required findings based on the evidence and testimony provided; or
3. Elect to deny the project based on the inability to make one or more of the required findings; or
4. Modify the project. Modifications may cause potentially significant impacts, additional CEQA analysis and findings may be required.

Planning staff recommends further consideration of the alternatives if the Planning Commission does not elect to continue the project as recommended.

Resolution to be used with Alternative #1

**RESOLUTION OF THE PLANNING COMMISSION
OF THE COUNTY OF HUMBOLDT
Resolution Number 18-**

**Case Numbers: CUP16-531, SP16-932, SP17-175, SP16-393
Assessor Parcel Number: 032-012-001**

Makes the required findings for certifying compliance with the California Environmental Quality Act and conditionally approves the First MC Processing, LLC, Special Permit request.

WHEREAS, First MC Processing, LLC, and MC Marketing Group, LLC, submitted applications and evidence in support of approving a Conditional Use Permit and three Special Permits to permit a cannabis dispensary, processing facility, distribution facility and allow for a parking exception to both the location and number of off-street parking spaces. The cannabis dispensary would be located within Unit A with its storefront facing Bear Creek Road/Redwood Drive. The SPs for manufacturing and distribution would be located within Unit B of an existing structure. The Applicant is requesting an exception to the parking requirements regarding location and number of parking spaces that would allow for on-parking on the east and west sides of Redwood Drive south of the proposed project site; and

WHEREAS, the County Planning Division has reviewed the submitted application and evidence and has referred the application and evidence to involved reviewing agencies for site inspections, comments and recommendations; and

WHEREAS, the County Planning Division finds that additional information is required to support the parking exception requested for the three proposed projects; and

WHEREAS, the County Planning Division recommends that the Planning Commission make all the required findings for approval of First MC Processing, LLC Special Permit (SP 16-392) and associated parking exception (SP 17-175) only based on evidence in the staff report and any public testimony, subject to the recommended conditions and continue the First MC Processing, LLC Conditional Use Permit and MC Marketing Group, LLC Special Permit to a date uncertain to allow the applicants to submit additional evidence in support of the required findings; and

WHEREAS, a public hearing was held on the matter before the Humboldt County Planning Commission on March 15, 2018.

NOW, THEREFORE, be it resolved, determined, and ordered by the Planning Commission that:

1. The proposed project is exempt from environmental review; and
2. The findings in Attachment 2 of the Planning Division staff report support approval of Case Numbers SP16-932 and the associated parking exception (SP 17-175) based on the submitted evidence and
3. Conditional Use Permit (Case Number CUP16-531) and Special Permit (SP16-393) be continued to a date uncertain to allow the Applicant to submit additional information in support of making the required findings; and
4. First MC Processing, LLC Special Permit (SP 16-392) and associated parking exception (SP 17-175) is approved as recommended and conditioned in Attachment 1.

Adopted after review and consideration of all the evidence on March 15, 2018.

The motion was made by Commissioner ____ and seconded by Commissioner ____.

AYES: Commissioners:

NOES: Commissioners:

ABSTAIN: Commissioners:

ABSENT: Commissioners:

DECISION: Motion carries

I, John Ford, Secretary to the Planning Commission of the County of Humboldt, do hereby certify the foregoing to be a true and correct record of the action taken on the above entitled matter by said Commission at a meeting held on the date noted above.

John Ford
Director, Planning and Building Department

Resolution to be used with Alternative #2

**RESOLUTION OF THE PLANNING COMMISSION
OF THE COUNTY OF HUMBOLDT
Resolution Number 18-**

**Case Numbers: CUP16-531, SP16-932, SP17-175, SP16-393
Assessor Parcel Number: 032-012-001**

Makes the required findings for certifying compliance with the California Environmental Quality Act and conditionally approves the First MC Processing, LLC, and MC Marketing Group, LLC, Conditional Use Permit and Special Permit requests.

WHEREAS, First MC Processing, LLC, and MC Marketing Group, LLC, submitted applications and evidence in support of approving a Conditional Use Permit and three Special Permits to permit a cannabis dispensary, processing facility, distribution facility and allow for a parking exception to both the location and number of off-street parking spaces. The cannabis dispensary would be located within Unit A with its storefront facing Bear Creek Road/Redwood Drive. The SPs for manufacturing and distribution would be located within Unit B of an existing structure. The Applicant is requesting an exception to the parking requirements regarding location and number of parking spaces that would allow for on-parking on the east and west sides of Redwood Drive south of the proposed project site; and

WHEREAS, the County Planning Division has reviewed the submitted application and evidence and has referred the application and evidence to involved reviewing agencies for site inspections, comments and recommendations; and

WHEREAS, the project is categorically exempt from environmental review pursuant to Class 1, 15301(Existing Facilities) and Class 3, 15303 (New Structures or Conversion of Small Structures) of the California Environmental Quality Act (CEQA) Guidelines; and

WHEREAS, a public hearing was held on the matter before the Humboldt County Planning Commission on March 15, 2018.

NOW, THEREFORE, be it resolved, determined, and ordered by the Planning Commission that:

1. The proposed project is exempt from environmental review; and
2. The findings in Attachment 2 of the Planning Division staff report support approval of Case Numbers CUP16-531, SP16-932, SP17-175, SP16-393 based on the submitted evidence; and
3. Conditional Use Permit CUP16-531 and Special Permits SP16-932, SP17-175, SP16-393 are approved as recommended and conditioned in Attachment 1 subject to the recommended conditions of Approval.

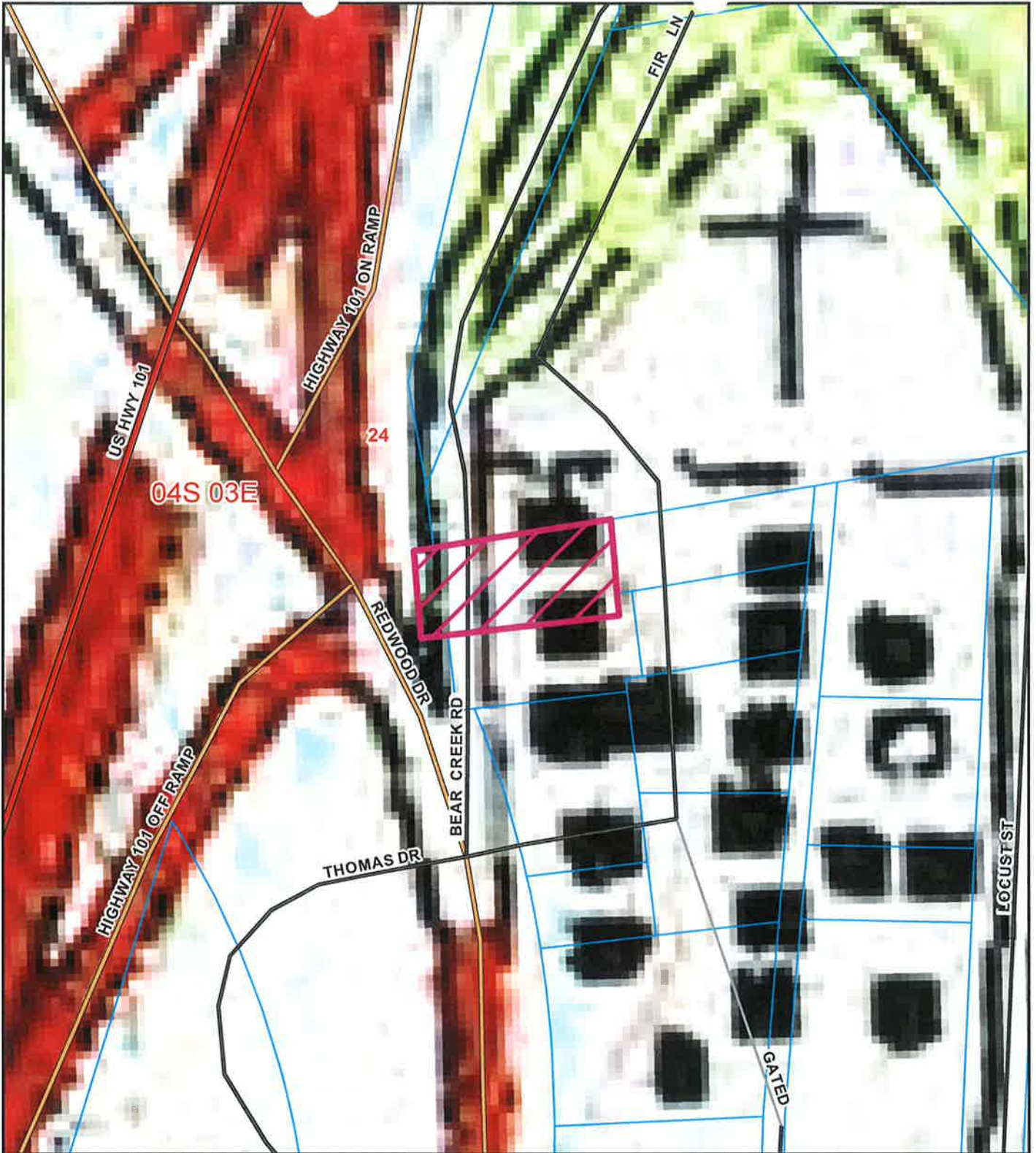
Adopted after review and consideration of all the evidence on March 15, 2018.

The motion was made by Commissioner ____ and seconded by Commissioner ____.

AYES: Commissioners:
NOES: Commissioners:
ABSTAIN: Commissioners:
ABSENT: Commissioners:
DECISION: Motion carries

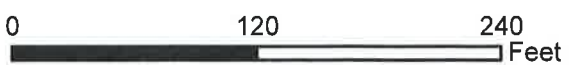
I, John Ford, Secretary to the Planning Commission of the County of Humboldt, do hereby certify the foregoing to be a true and correct record of the action taken on the above entitled matter by said Commission at a meeting held on the date noted above.

John Ford
Director, Planning and Building Department

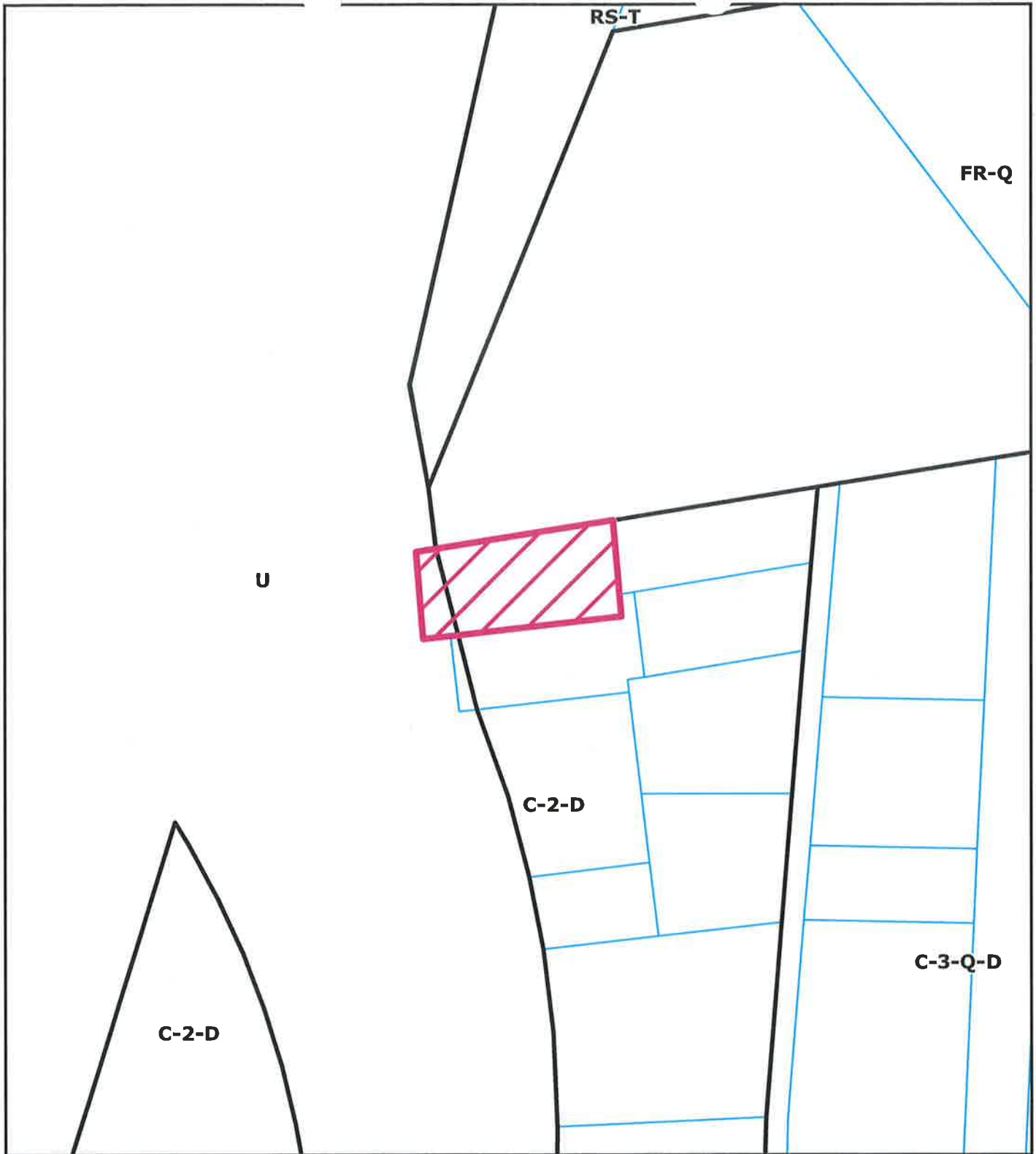


TOPO MAP
PROPOSED FIRST MC PROCESSING
GARBERVILLE AREA
CUP-16-531; SP-16-392; SP-17-175
APN: 032-012-001
T04S R03E S24 HB&M (GARBERVILLE)

Project Area = 



This map is intended for display purposes and should not be used for precise measurement or navigation. Data has not been completely checked for accuracy.



ZONING MAP
PROPOSED FIRST MC PROCESSING
GARBERVILLE AREA
CUP-16-531; SP-16-392; SP-17-175
APN: 032-012-001
T04S R03E S24 HB&M (GARBERVILLE)

Project Area = 



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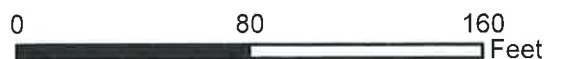


Project Area = 

**AERIAL MAP
PROPOSED FIRST MC PROCESSING
GARBERVILLE AREA
CUP-16-531; SP-16-392; SP-17-175
APN: 032-012-001
T04S R03E S24 HB&M (GARBERVILLE)**



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VICINITY MAP



OWNER

First MC Processing, LLC
 1333 North Astor Street, Unit C
 Garberville, CA 95542
 Chicago, IL 60610

ENGINEER

BSX Advisory and Management, LLC
 9160 Dunlap Ave
 Fortuna, CA 95540
 Contact: Kari Johnson
 (916) 906-0771
 Contact: Amber Morris

AGENT

Amber Morris and Associates
 404 North Fortuna Boulevard
 Fortuna, CA 95540
 (707) 723-7410

SITE INFORMATION

± 0.19 acres

Water: Garberville CSD

Sewer: Garberville CSD

Building Setbacks

Front - 0'

Rear - 15'

Sides - 0'

PROJECT DESCRIPTION

The purpose of this application is to permit a cannabis retail dispensary and non-retail manufacturing within an existing building footprint.

Easement/Right of Way for Bear Creek Road shown, no other

known easements

No trees are to be removed as part of this project.

No Known historical buildings or known archaeological or

palaeontological resources.

GIS: Humboldt County APN maps, aerial photo, owner

Information shown herein is derived from Humboldt County

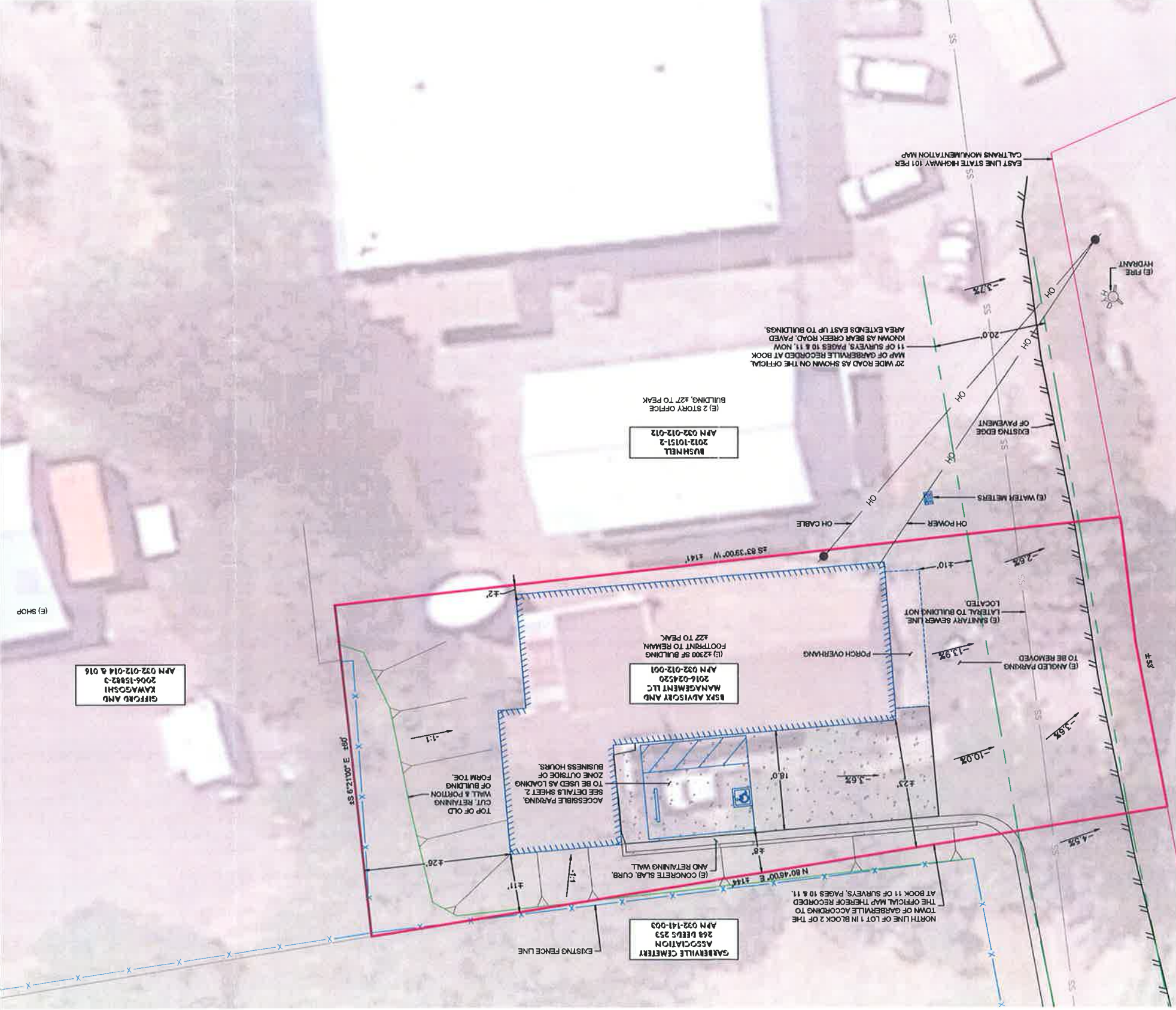
supplied information, and topographic information collected on

site 2/9/2018.

Calculated property lines and Right of Way are shown.

NTS

SITE PLAN



SITE PLAN

PROJECT NAME
FIRST MC PROCESSING, LLC
 615 BEAR CREEK RD,
 GARBERVILLE, CA 95542
 APN: 032-012-001

CONTRACTOR
Owley Electric
 P.O. Box 828
 Fortuna, CA 95540
 (707) 273-3693



CONSULTING ENGINEERS AND SURVEYORS
ONTVIBROS & ASSOCIATES - INC.
 404 N. Fortuna Blvd. • Fortuna, CA 95540
 Phone (707) 725-7410 • Fax (707) 725-7411
 Ontario.assoc@att.net

REVISIONS

MARK	DATE	DESCRIPTION

PROJECT NO: 16-013
 DATE: 2/15/2018
 DRAWN BY: KRJ
 CHECK BY: BKO
 SUBMITTAL STATUS: PERMIT SUBMITTAL

PLAT INFORMATION
 CAD DRAW FILE: P16-013 WORKING CHANGING SITE PLAN.DWG
 PLOT DATE: 2/15/2018 11:41 AM
 SAVE DATE: 2/15/2018 11:39 AM



CONTRACTOR
Owsley Electric
 P.O. Box 828
 Fortuna, CA 95540
 (707) 273-3693
Kriterion Construction Services
 P.O. Box 722
 Fortuna, CA 95540

PROJECT NAME
FIRST MC PROCESSING, LLC SITE PLAN

FIRST MC PROCESSING, LLC
 615 BEAR CREEK RD.
 GARBERVILLE, CA 95542

APN: 032-012-001

SHEET TITLE
Accessible Parking Details

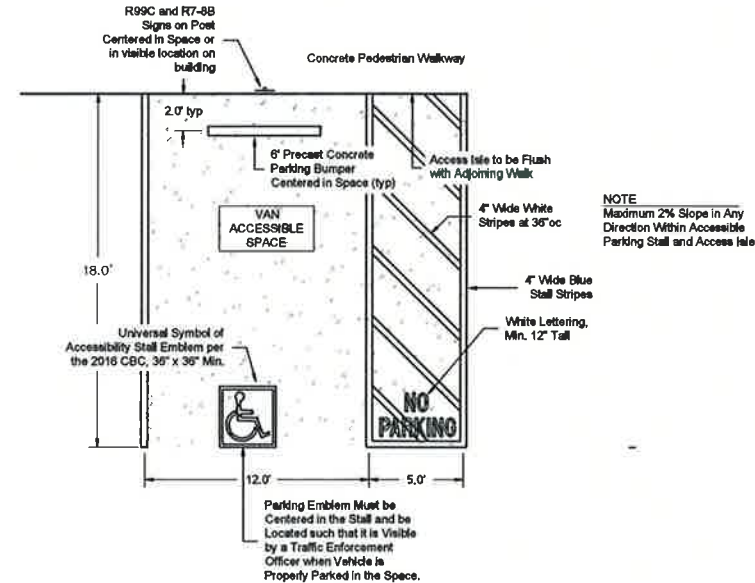
PLOT INFORMATION
 CAD DWG FILE: P116-013 WAGNER CANNABIS SITE PLAN18-013
 PLOT DATE: 2/15/2018 11:43 AM
 SAVE DATE: 2/15/2018 11:43 AM

MARK	DATE	DESCRIPTION

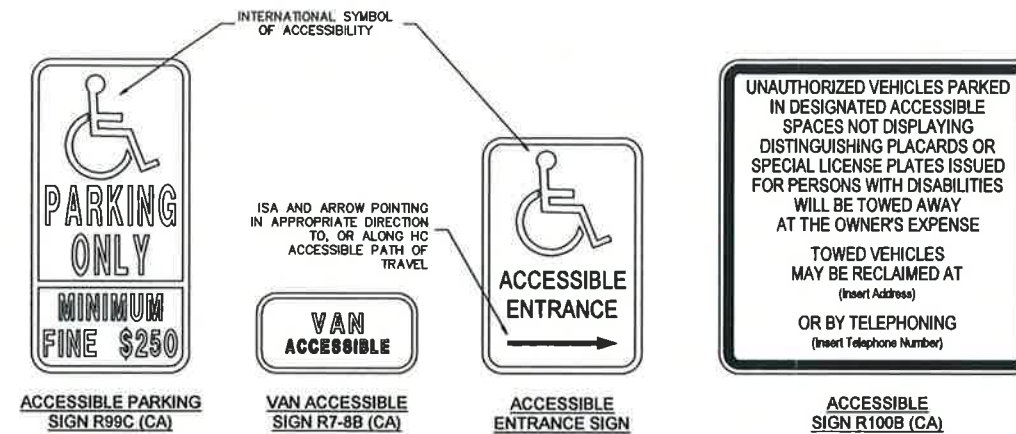
PROJECT NO: 18-013
 DATE: 2/15/2018
 DRAWN BY: KRJ
 CHKD BY: BKO

SUBMITTAL STATUS
PERMIT SUBMITTAL

C1.2
 SHEET 2 OF 2



ACCESSIBLE PARKING DETAIL
 NTS



- NOTES
1. ACCESSIBLE PARKING SIGNS SHALL CONFORM TO THE REQUIREMENTS OF THE 2016 CBC AND THE DETAILS SHOWN ON THIS DRAWING.
 2. THE BOTTOM OF THE SIGN OR PLAQUE PANEL SHALL BE A MINIMUM OF 80" ABOVE THE SURROUNDING SURFACE.
 3. SIGN PANELS SHALL BE REFLECTORIZED, 1/8 GA MIN GALV STL WITH PORCELAIN ENAMEL FINISH AND WHITE LETTERS/SYMBOLS ON A BLUE BACKGROUND. THE BLUE COLOR SHALL BE EQUAL TO COLOR NO. 15090 IN FEDERAL STANDARD 595A.
 4. SIGNS SHALL BE CENTERED IN FRONT OF PARKING STALLS AND SHALL BE LOCATED SUCH THAT THEY CANNOT BE OBSCURED BY A VEHICLE PARKED IN THE SPACE.
 5. ADDRESS AND TELEPHONE NUMBER FOR ACCESSIBLE SIGN R100B (CA) TO BE PROVIDED BY COUNTY, AND INCORPORATED INTO THE SIGN AT TIME OF FABRICATION.

STANDARD ACCESSIBLE PARKING SIGNS
 NTS

ATTACHMENT 1

RECOMMENDED CONDITIONS OF APPROVAL

Approval of the Conditional Use Permit and Special Permits is conditioned on the following terms and requirements which must be satisfied before release of the building permit or initiation of operations, whichever occurs first.

Section 0: Legal Lot Determination

1. Evidence shall be provided to the satisfaction of the Planning Director to validate the separate legal status of the subject property consistent with the State Subdivision Map Act and County Subdivision Regulations.

Section 1: Development Restrictions

1. The project shall be developed in accordance with the project description and project site plan.
2. The applicant is responsible for obtaining all necessary County and State permits and licenses, and for meeting all of the requirements as set forth by other regulatory agencies.
3. To insure the safety of the collective members, applicant shall have a qualified laboratory test samples of all medicine for pesticides, herbicides, mold, mildew, and pests.
4. Where feasible, new utilities shall be underground or sited unobtrusively, if above ground.
5. Applicant shall adhere to the comments from the Building Inspection Division dated January 3, 2018, which indicate a change of use from residential may be required. The Applicant is required to obtain from the Building Inspection Division any Building or other required permits prior to commencing construction activities or the approved use. Alternatively, a letter from the Building Inspection Division stating a change or use and/or additional building permits are not required would also satisfy this condition.
6. The project shall address odor management by incorporating a ventilation/air filtration system limiting potential adverse odor emission impacts to employees and/or properties located in the vicinity. The system shall be designed, signed, and stamped by a mechanical engineer for review and approval by the Building Official.
7. The approved project shall meet all applicable fire codes, including fire suppression infrastructure requirements deemed necessary for the project. Sign off on the Occupancy Permit by the Building Division shall satisfy this requirement.
8. Applicant shall obtain from the Department of Environmental Health any Environmental Health or other required permits prior to commencing construction activities or the approved use.
9. The Applicant shall remove the perpendicular parking stalls constructed without an encroachment permit in the public right-of-way on the subject parcel.

10. The Applicant shall provide parallel parking markings and signage per the California Manual of Uniform Traffic Control Devices (CA MUTCD).
11. Deliveries for all uses shall occur Monday - Saturday from 6:00 AM – 10:00 AM or 6:00 PM – 10:00 PM only to ensure access to the ADA-accessible parking space in the driveway. Loading and unloading for deliveries associated all uses will be located within the first 10 feet of pavement on Bear Creek Road (outside of the public right-of-way).
12. Any permit transfers would require the new applicant to have their parking plan reviewed and approved by the Planning Department prior to the permit transfer taking place.
13. If operation of the business requires use of a volatile liquid the applicant shall identify the liquid, the amounts to be stored on site, and provide a Material Safety Data Sheet Report for review and approval by the Building Official.
14. Prior to any ground disturbance, the Applicant shall submit a cultural resources survey subject to the review and approval by the Bear River Band of Rohnerville Rancheria Tribe.
15. By utilizing this permit the applicant acknowledges and declares that:
 - a. All cannabis or cannabis products under my control, or the control of my agents or employees, and cultivated or manufactured pursuant to local Ordinance and the California Medical and Adult Use Marijuana Regulation and Safety Act (MAUCRSA) will be distributed within the State of California; and
 - b. All commercial cannabis activity conducted by me, or my agents or employees pursuant to a permit from the County of Humboldt will be conducted in compliance with the California Medical and Adult Use Marijuana Regulation and Safety Act (MAUCRSA).
16. The applicant is required to pay for permit processing on a time and material basis as set forth in the schedule of fees and charges as adopted by ordinance of the Humboldt County Board of Supervisors. Any and all outstanding Planning fees to cover the processing of the subdivision shall be paid to the Humboldt County Planning Division, 3015 "H" Street, Eureka. The Department will provide a bill to the applicant upon file close out.
17. If applicable, the Applicant shall secure permits from the North Coast Unified Air Quality Management District. A letter or similar communication from the North Coast Air Quality Management District verifying that all their requirements have been met and/or no additional permitting is required will satisfy this condition.
18. Prior to initiating the medical cannabis dispensary use the applicant shall obtain a Business License from the Humboldt County Tax Collector.
19. The Applicant is required to pay for permit processing on a time and material basis as set forth in the schedule of fees and charges as adopted by ordinance of the Humboldt County Board of Supervisors. The Department will provide a bill to the Applicant after the decision. Any and all outstanding Planning fees to cover the processing of the application to decision by the Hearing Officer shall be paid to the Humboldt County Planning Division, 3015 "H" Street, Eureka.

Dispensary Operation On-Going Requirements/Restrictions:

1. All components of project shall be developed, operated, and maintained in conformance with the Project Description, the approved Site Plan, the Plan of Operations, and these conditions of approval. Changes shall require modification of this permit except where consistent with Humboldt County Code Section 312-11.1, Minor Deviations to Approved Plot Plan.
2. The hours of operation shall be Tuesday thru Saturday; 10AM – 7PM, Closed on Sundays.
3. The collective will provide adequate security on the premises, including lighting and alarms, to insure the safety of persons and to protect the premises from theft.
4. The collective shall operate at all times in conformance with the provisions of Humboldt County Ordinance #2554, including the Operational Standards in Section 314-55.3.11 and the requirement for annual Performance Review Report per Section 314-55.1.3.12.
5. No cannabis shall be smoked, ingested, or otherwise consumed on the premises.
6. The collective shall not hold or maintain a license from the State Department of Alcohol Beverage Control to sell alcoholic beverages, or operate a business that sells alcoholic beverages.
7. The collective shall maintain records of all patients using only the identification card number issued by the county, or its agent, pursuant to California Health and Safety Code Section 11362.7 et seq., as protection of the confidentiality of the cardholders, or a copy of the written recommendation.
8. The collective shall follow the staff screening process as detailed on page 12 of the Operations Manual that includes a criminal background check.
9. As identified under the 2008 Attorney General Guidelines (for the Security and Non-Diversion of Marijuana Grown for Medical Use), the Collective shall "track and record the source of their marijuana", and keep records of its division and distribution.
10. The collective shall permit the Planning Director or his/her designee to have access to the entities' books, records, accounts, and any and all data relevant to its permitted activities for the purpose of conducting an audit or examination in order to determine compliance with the conditions of the Conditional Use Permit. Books, records, accounts, and any and all relevant data will be produced no later than twenty-four (24) hours after the request from the Planning Director or his/her designee.
11. All compensation to Grower/Members providing excess medicine to the Collective shall be made by check instead of cash as soon as banking is available. The Grower/Member shall provide or verify their Social Security Number (SSN) to the collective in association with each transaction. SSN's will be kept on file with the Collective and used to file 1099 forms for each Grower/Member at the end of each fiscal year.
12. The collective shall provide the Planning Director or his/her designee, the Sheriff, and all neighboring property owners within three-hundred (300) feet of the establishment with the name, telephone number of an on-site representative of the collective to whom one

can provide notice if there are operating problems associated with the facility. The collective shall make every good faith effort to encourage neighbors to call this contact person to try and solve problems, if any, before calls or complaints are made to the Sheriff or Planning Director. Should problems arise that cannot be adequately resolved in this group-setting, the disgruntled party can petition the Planning Commission to initiate the process of permit revocation per §312-14, Humboldt County Code.

13. There is to be no loitering on or about the premises at any time. Further, the Sheriff shall provide to the Planning Director and/or his/her designee a list of any complaints and law enforcement related problems associated with the Collective, upon request.
14. The Collective shall participate in inspections to verify that all cannabis is being grown and distributed in compliance with all state and local regulations. Inspections are intended to ensure that grower-members are legal and compliant in the numbers of plants they grow, and that growing is done in a safe and sustainable manner, away from public view, and inaccessible to minors.
15. A review fee for Conformance with Conditions as set forth in the schedule of fees and charges as adopted by ordinance of the Humboldt County Board of Supervisors (currently \$95.00) shall be paid to the Humboldt County Planning Division, 3015 "H" Street, Eureka. This fee is a deposit, and if actual review costs exceed this amount, additional fees will be billed at the County's current burdened hourly rate.
16. Patients younger than 18 will not be allowed membership except under special circumstances where they can provide "documentation of a serious condition for which treatment with medical cannabis has been recommended".
17. Methods used to track inventories, quantities, and distribution between verified members will match "standard industry procedures" which includes the following:
18. All incoming medicine will be assigned a lot number which will retained as medicine is subsequently divided and distributed to members
19. All medical cannabis will be tracked by the gram.
20. 'Quickbooks' or similar software shall be used as a point of sale to record transactions, inventory, invoicing, and revenue-related record keeping.
21. Patients shall receive medicine in individual units no more than twice during a 24-hour period. Patients are required to take the medicine directly home and not to share it with absolutely anyone. Membership shall be immediately revoked for any Patient found violating this rule.
22. The medical marijuana cooperative, collective or delivery service shall be inspected by the Humboldt County Sheriff or his/her designee and either members of the Code Compliance Division of Planning and Building or the Code Enforcement Investigator on an annual basis, or more frequently as requested by the Planning Commission, to determine if the cooperative, collective or delivery service is in compliance with its Conditional Use Permit and Operations Manual. After payment of the inspection fees as indicated in the following section, a copy of the results from this inspection shall be given to the medical marijuana collective, cooperative or delivery service for inclusion in their "Performance Review Report" to the Planning Commission.

23. Non-compliance by the medical marijuana collective, cooperative or delivery service in allowing the inspection by the above-mentioned County personnel, or non-compliance in submitting the annual "Performance Review Report" per Section 314-55.3.12 for review by the Planning Commission shall be deemed grounds for a revocation of the conditional use permit and/ or subject the holder of the conditional use permit to the penalties outlined in this Code, above. A deposit shall be collected for the County's time spent performing the inspection (based on the fees in effect at the time the request is submitted).
24. All signage shall comply with Section 314-87.2 of the Humboldt County Code.
25. The operation shall participate in the Medical Cannabis Track and Trace Program administered by the Humboldt County Agricultural Commissioner, when available.
26. Pay all applicable application and annual inspection fees.

Ongoing Requirements/Development Restrictions for Distribution, Processing and Manufacturing Activities Which Must be Satisfied for the Life of the Project:

1. All components of project shall be developed, operated, and maintained in conformance with the Project Description, the approved Site Plan, the Plan of Operations, and these conditions of approval. Changes shall require modification of this permit except where consistent with Humboldt County Code Section 312-11.1, Minor Deviations to Approved Plot Plan.
2. Consistent with Section 11362.775 of the Health and Safety Code, until or unless amended, all manufacturing operations shall comply with the following standards:
 - A. Operations consist of either or both of the following:
 - (1) Utilizes only manufacturing processes that are either solventless or that employ only nonflammable, nontoxic solvents that are generally recognized as safe pursuant to the federal Food, Drug, and Cosmetic Act (21 U.S.C. Sec. 301 et seq.).
 - (2) Utilizes only manufacturing processes that use solvents exclusively within a closed-loop system that meets all of the following requirements:
 - (a) The system uses only solvents that are generally recognized as safe pursuant to the federal Food, Drug, and Cosmetic Act (21 U.S.C. Sec. 301 et seq.).
 - (b) The system is designed to recapture and contain solvents during the manufacturing process, and otherwise prevent the off-gassing of solvents into the ambient atmosphere to mitigate the risks of ignition and explosion during the manufacturing process.
 - (c) A licensed engineer certifies that the system was commercially manufactured, safe for its intended use, and built to codes of recognized and generally accepted good engineering practices, including, but not limited to, the American Society of Mechanical Engineers (ASME), the American National Standards Institute (ANSI), Underwriters Laboratories (UL), the American Society for Testing and Materials (ASTM), or OSHA Nationally Recognized Testing Laboratories (NRTLs).
 - (d) The system has a certification document that contains the signature and stamp of a professional engineer and the serial number of the extraction unit being certified.
 - B. The project receives and maintains approval from the local fire official for the closed-loop system, other equipment, the extraction operation, and the facility.

- C. The project meets required fire, safety, and building code requirements in one or more of the following:
 - (1) The California Fire Code.
 - (2) The National Fire Protection Association (NFPA) standards.
 - (3) International Building Code (IBC).
 - (4) The International Fire Code (IFC).
 - (5) Other applicable standards, including complying with all applicable fire, safety, and building codes in processing, handling, and storage of solvents or gasses.

- 3. Cannabis cultivation and other commercial cannabis activity shall be conducted in compliance with all laws and regulations as set forth in the Humboldt County Commercial Medical Marijuana Land Use Ordinance (CMMLUO) and the Medical and Adult Use Cannabis Regulation and Safety Act (MAUCRSA), as may be amended from time to time, as applicable to the permit type.

- 4. Possession of a current, valid required license, or licenses, issued by any agency of the State of California in accordance with the MAUCRSA, and regulations promulgated thereunder, as soon as such licenses become available.

- 5. Possession of a current, valid permit or license, issued by the Humboldt County Department of Health and Human Services-Environmental Health Division, as soon as such permits or licenses become available.

- 6. All persons hiring employees to engage in commercial processing of medical cannabis shall comply with the following Employee Safety Practices:
 - A. Implement safety protocols and provide all employees with adequate safety training relevant to their specific job functions, which may include:
 - 1) Emergency action response planning as necessary;
 - 2) Employee accident reporting and investigation policies;
 - 3) Fire prevention;
 - 4) Hazard communication policies, including maintenance of material safety data sheets (MSDS);
 - 5) Materials handling policies;
 - 6) Job hazard analyses; and
 - 7) Personal protective equipment policies, including respiratory protection.

 - B. Visibly post and maintain an emergency contact list which includes at a minimum:
 - 1) Operation manager contacts;
 - 2) Emergency responder contacts;
 - 3) Poison control contacts.

 - C. At all times, employees shall have access to safe drinking water and toilets and handwashing facilities that comply with applicable federal, state, and local laws and regulations. Plumbing facilities and water source must be capable of handling increased usage without adverse consequences to neighboring properties or the environment.

- 7. Odors shall be contained on the property on which the Cannabis activity is located. To implement this requirement air filtration and ventilation equipment is to be maintained in good working condition and monitored on an on-going basis to limit potential adverse odor emission impacts to employees and/or properties located in the vicinity of the business in the

Meadows Business Park. If the County receives any odor complaints, the permit holder shall work with the Building Official to correct odor concerns.

8. Permit Duration. The Special Permits for distribution, processing and manufacturing activities shall be valid for one year from the effective date of approval, and on the anniversary date of such effective each year thereafter, unless an annual compliance inspection has been completed and the permit has been found to comply with all conditions of approval. In the event the inspection finds noncompliance, a written notification of shall be provided to the permit holder identifying the items not in compliance and the action the permit holder may take to cure the noncompliance. Failure to cure the noncompliance shall result in termination of the permit. The process of notification, re-inspection and appeal of any noncompliance determination shall be as set forth in sections 55.4.1.2.2 and 55.4.13 of the CMMLUO.
9. Transfers. Transfer of any leases or permits approved by this project is subject to the review and approval of the Planning Director for conformance with CMMLUO eligibility requirements, and agreement to permit terms and acknowledgments. The fee for required conformance with conditions review shall accompany the request. The request shall include the following information:
 - (1) Identifying information for the new Owner(s) and management as required in an initial permit application;
 - (2) A written acknowledgment by the new Owner in accordance as required for the initial Permit application;
 - (3) The specific date on which the transfer is to occur; and
 - (4) Acknowledgement of full responsibility for complying with the existing Permit; and
 - (5) Execution of an Affidavit of Non-diversion of Medical Cannabis.
10. Modifications to the Facility. Prior to making any modifications to a permitted facility, the permittee shall submit to the Planning Director a request for determination of County approvals, together with the appropriate fee. The request shall contain a description sufficiently detailed to allow the Planning Director to determine what permits and other approvals, are needed, and whether a modified Permit is required.
11. Inspections. The permit holder and subject property owner are to permit the County or representative(s) or designee(s) to make inspections at any reasonable time deemed necessary to assure that the activities being performed under the authority of this permit are in accordance with the terms and conditions prescribed herein.
12. All signage shall comply with Section 314-87.2 of the Humboldt County Code.
13. Pay all applicable application, review for conformance with conditions and annual inspection fees.
14. All new and existing outdoor lighting shall be compatible with the existing setting and directed within the property boundaries.

Informational Notes:

1. The permit approvals shall expire and become null and void at the expiration of one (1) year after all appeal periods have lapsed (see "Effective Date"); except where building permits have been secured and/or the use initiated pursuant to the terms of the permit, the use is subject to the Permit Duration and Renewal provisions set forth in Condition of Approval #8 of the On-Going Requirements /Development Restrictions, above.
2. If cultural resources are encountered during construction activities, the contractor on site shall cease all work in the immediate area and within a 50 foot buffer of the discovery location. A qualified archaeologist as well as the appropriate Tribal Historic Preservation Officer(s) are to be contacted to evaluate the discovery and, in consultation with the Applicant and lead agency, develop a treatment plan in any instance where significant impacts cannot be avoided.

Prehistoric materials may include obsidian or chert flakes, tools, locally darkened midden soils, groundstone artifacts, shellfish or faunal remains, and human burials. If human remains are found, California Health and Safety Code 7050.5 requires that the County Coroner be contacted immediately at 707-445-7242. If the Coroner determines the remains to be Native American, the NAHC will then be contacted by the Coroner to determine appropriate treatment of the remains pursuant to PRC 5097.98. Violators shall be prosecuted in accordance with PRC Section 5097.99.

3. The Applicant is responsible for costs for post-project approval review for conformance with conditions on a time and material basis as set forth in the schedule of fees and charges as adopted by ordinance of the Humboldt County Board of Supervisors. The Department will send a bill to the Applicant for all staff costs incurred for review of the project for conformance with the conditions of approval. All Planning fees for this service shall be paid to the Humboldt County Planning Division, 3015 "H" Street, Eureka.
4. The applicant is required to pay for permit processing on a time and material basis as set forth in the schedule of fees and charges as adopted by ordinance of the Humboldt County Board of Supervisors. The Department will provide a bill to the applicant after the decision. Any and all outstanding Planning fees to cover the processing of the application to decision by the Hearing Officer shall be paid to the Humboldt County Planning Division, 3015 "H" Street, Eureka.

ATTACHMENT 2

STAFF ANALYSIS OF THE EVIDENCE SUPPORTING THE REQUIRED FINDINGS

Required Findings: To approve this project, the Hearing Officer must determine that the Applicant has submitted evidence in support of making **all** of the following required findings.

The County Zoning Ordinance, Sections 312-1.1.2 and 312-17.1 of the Humboldt County Code (Required Findings for All Discretionary Permits) specify the findings that are required to grant a Conditional Use Permit and Special Permit:

1. The proposed development is in conformance with the County General Plan;
2. The proposed development is consistent with the purposes of the existing zone in which the site is located;
3. The proposed development conforms with all applicable standards and requirements of these regulations;
4. The proposed development and conditions under which it may be operated or maintained will not be detrimental to the public health, safety, or welfare; or materially injurious to property or improvements in the vicinity;
5. The proposed development does not reduce the residential density for any parcel below that utilized by the Department of Housing and Community Development in determining compliance with housing element law (the midpoint of the density range specified in the plan designation) unless the following written findings are made supported by substantial evidence: 1) the reduction is consistent with the adopted general plan including the housing element; and 2) the remaining sites identified in the housing element are adequate to accommodate the County share of the regional housing need; and 3) the property contains insurmountable physical or environmental limitations and clustering of residential units on the developable portions of the site has been maximized; and
6. In addition, the California Environmental Quality Act (CEQA) states that one of the following findings must be made prior to approval of any development which is subject to the regulations of CEQA. The project either:
 - a. Is categorically or statutorily exempt; or
 - b. Has no substantial evidence that the project will have a significant effect on the environment and a negative declaration has been prepared; or
 - c. Has had an environmental impact report (EIR) prepared and all significant environmental effects have been eliminated or substantially lessened, or the required findings in Section 15091 of the CEQA Guidelines have been made.

Staff Analysis of the Evidence Supporting the Required Findings: To approve this project, the Hearing Officer must determine that the Applicant has submitted evidence in support of making **all** of the following required findings.

1. The proposed development must be consistent with the General Plan. The following table identifies the evidence which supports finding that the proposed development is in conformance with all applicable policies and standards of the Humboldt County General Plan 2017, including Appendix C – Community Area Plans Extract – Garberville-Redway-Benbow-Alderpoint Community Plan.

Plan Section	Summary of Applicable Goal, Policy or Standard	Evidence Which Supports Making the General Plan Conformance Finding
Land Use Chapter 4 Land Use Designations Section 4.8 Commercial General	Commercial General (CG): This designation is intended to classify lands that because of their location, access, and availability of services are suitable for commercial development. This includes retail trade services that are easily accessible, compatible and geared for local neighborhood or regional needs.	The Applicant is proposing to develop a medical cannabis dispensary, manufacturing and distribution facilities within an existing structure on APN 032-012-001. Retail sales and services are allowed uses in areas designated CG.

Plan Section	Summary of Applicable Goal, Policy or Standard	Evidence Which Supports Making the General Plan Conformance Finding
Circulation Chapter 7	<p>Goals and policies contained in this Chapter relate to a balanced, safe, efficient, accessible and convenient circulation system that is appropriate for each type of unincorporated community (C-G1,C-G2); coordinated planning design, development, operations, and maintenance between the County and other transportation system service providers (C-G3); and access for all transportation mode types with improved opportunities to move goods within, into and out of Humboldt County (C-G4, C-G5)</p> <p>Related policies: C-P3. Consideration of Transportation Impacts in Land Use Decision Making</p>	<p>Access to the site is directly off a 30-foot, paved County-maintained public road (Bear Creek Road). The proposed project occurs within a structure that was constructed prior enactment of the County Code. The proposed project would allow for a parallel space in the first 10 feet of pavement on Bear Creek Road outside of the public right-of-way. The proposed project includes a parking exception request to allow on-street parking in four separate areas off of Redwood Drive to meet the parking demand.</p> <p>However, aspects of the parking exception request remain unclear and unsupported including: parking demand - the total number of employees for all three uses was not provided by the Applicant, therefore, the parking calculation may be lower than what is required by the zoning code; traffic generation - parking needs estimates for the dispensary use are much lower than experienced in other location and the disparity is not explained; Distribution facility - the number of vehicles that will be used and where those vehicles will be stored when not in use; security - . the majority of available on-street parking has a two-hour time restriction causing employees of the proposed to move their vehicles during business hours; timing of survey - the survey of available parking spaces was completed during a single week in January. Peak tourism and seasonal influx of temporary workers occurs during the summer and fall months, when parking is most likely more impacted than in the winter months; safety of pedestrian movements - the proposed parking locations (Area A, C and D) are unimproved. There are no curb, gutters, sidewalks or parking space striping. The use of all of the proposed parking areas require customers to walk from Redwood Drive onto Bear Creek Road, where no clear path of travel exists as there are no improvements, such as sidewalks; ramp to Highway 101 North is located in close proximity to proposed parking areas C and D. A continuance is recommended to permit submittal and analysis of additional evidence.</p>

Plan Section	Summary of Applicable Goal, Policy or Standard	Evidence Which Supports Making the General Plan Conformance Finding
Housing Chapter 8	<p>Goals and policies contained in this Element seek to identify existing and projected housing needs and establish goals, policies, standards and measures for the preservation, improvement, and development of housing.</p> <p>Related policies: H-P3, Development of Parcels in the Residential Land Inventory</p>	<p>The project does not involve residential development, nor is the project site part of the Housing element Residential Land Inventory. However, the project will not preclude any future residential development. The project will not reduce the residential density for any parcel below that utilized by the Department of Housing and Community Development in determining compliance with housing element law.</p>
<p>Conservation and Open Space Chapter 10</p> <p>Open Space Section 10.2</p>	<p>Goals and policies contained in this Chapter relate to an Open Space and Conservation Program that is complimentary to other agencies' plans and that preserves the county's unique open spaces (CO-G1,CO-G3)</p> <p>Related policies: CO-P1, Conservation and Open Space Program; CO-P12, Development Review, CO-S1, Identification of Local Open Space Plan, and CO-S2. Identification of the Open Space Action Program</p>	<p>The proposed project is located within an existing development, not on working resource lands or park lands. However, the project will not preclude orderly development and coordination with other agencies programs related to conserving open space lands.</p>
<p>Conservation and Open Space Chapter 10</p> <p>Biological Resources Section 10.3</p>	<p>Goals and policies contained in this Chapter relate to mapped sensitive habitat areas where policies are applied to protect fish and wildlife and facilitate the recovery of endangered species (BR-G1, Threatened and Endangered Species, BR-G2, Sensitive and Critical Habitat, BR-G3, Benefits of Biological Resources)</p> <p>Related policies: BR-P1, Compatible Land Uses, BR-P5, Streamside Management Areas.</p>	<p>The Biological Resource maps of the Framework Plan do not identify any sensitive or critical habitat areas on the project site.</p>
Conservation and Open Space Chapter 10	Goals and policies contained in this Chapter relate to the protection and enhancement of significant cultural resources,	The project was referred to the Northwest Information Center (NWIC) and the Bear River Band on December 13, 2017. No responses have been received to date. The

Plan Section	Summary of Applicable Goal, Policy or Standard	Evidence Which Supports Making the General Plan Conformance Finding
Cultural Resources Section 10.6	<p>providing heritage, historic, scientific, educational, social and economic values to benefit present and future generations (CU-G1, Protection and Enhancement of Significant Cultural Resources)</p> <p>Related policies: CU-P1. Identification and Protection, CU-P2. Native American Tribal Consultation]</p>	<p>project as proposed does not include any ground disturbing activities, however, the project is conditioned on submitting a cultural resources survey prior to any ground disturbing activities subject to review and approval by the Bear River Band of Rohnerville Rancheria Tribe. Additionally, an ongoing condition of approval are incorporated regarding the inadvertent discovery protocol to protect cultural resources.</p>
<p>Conservation and Open Space Chapter 10</p> <p>Scenic Resources Section 10.6</p>	<p>Goals and policies contained in this Chapter relate to the protection of scenic areas that contribute to the enjoyment of Humboldt County's beauty and abundant natural resources (SR-G1); and a system of scenic highways roadways that increase the enjoyment of, and opportunities for, recreational and cultural pursuits and tourism in the County. (SR-G2)</p> <p>Related policies: SR-S4. Light and Glare</p>	<p>The proposed project is located within an existing commercial development. The proposed project does not include any additional lighting or signage at this time. Any future lighting and/or signs that may be proposed must conform to Humboldt County Code lighting or signage requirements.</p>
<p>Water Resources Chapter 11</p> <p>Stormwater Drainage</p>	<p>Goals and policies contained in this Chapter relate to coordinated watershed planning and land use decision making to advance management priorities (WR-G3, WR-G4, WR-G5); watershed conservation and restoration efforts aimed at de-listing water bodies and watersheds which are restored to meet all beneficial uses, including water use, salmon and steelhead recovery plans, recreational activities, and the economy (WR-G1, WR-G2, WR-G7, WR-G8, WR-G9); and</p> <p>Related policies: WR-P10. Erosion and Sediment Discharge; WR-42 Erosion and Sediment Control Measures.</p>	<p>The proposed project occurs within an existing structure that occurred construction predating the County Code. Conditions of approval for the proposed project require that the development meet the requirements of the Building Department the Department of Public Works regarding erosion and stormwater management.</p>

Plan Section	Summary of Applicable Goal, Policy or Standard	Evidence Which Supports Making the General Plan Conformance Finding
<p>Water Resources Chapter 11</p> <p>Onsite Wastewater Systems</p>	<p>Goals and policies contained in this Chapter relate to adequate public water supply as well as onsite wastewater systems and natural and developed storm drainage systems that minimize interference with surface and groundwater flows and storm water pollution (WR-G6, WR-G9, WR G10)</p> <p>Related policies: WR-IM7. Basin Plan Septic Requirements; and IS-P17. On-Site Sewage Disposal Requirements.</p>	<p>Water and sewer services are provided by the Garberville Sanitary District. The proposed project occurs within an existing structure that occurred construction predating the County Code. Conditions of approval for the proposed project require that the development meet the requirements of the Building Department and the Department of Environmental Health.</p>
<p>Noise Chapter 13</p>	<p>Goals and policies contained in this Chapter discourage incompatible uses within communities and reduce excessive noise through the application of standards (N-G1, N-G2)</p> <p>Related policies: N-P1, Minimize Noise from Stationary and Mobile Sources; N-P4, Protection from Excessive Noise</p>	<p>The subject parcel is not located in an area that requires special noise attenuation measures. The proposed projects are for dispensing, distribution and manufacturing of medical cannabis and medical cannabis products. Power to the existing structure is provided by PG&E and does not require use electrical generators.</p>

Plan Section	Summary of Applicable Goal, Policy or Standard	Evidence Which Supports Making the General Plan Conformance Finding
<p>Safety Element Chapter 14</p> <p>Geologic & Seismic</p>	<p>Goals and policies contained in this Chapter relate to communities that are designed and built to minimize the potential for loss of life and property resulting from natural and manmade hazards; and to prevent unnecessary exposure to areas of geologic instability, floodplains, tsunami run-up areas, high risk wildland fire areas, and airport areas planned and conditioned to prevent unnecessary exposure of people and property to risks of damage or injury. (S-G1, S-G2)</p> <p>Related policies: S-P11. Site Suitability, S-P7. Structural Hazards.</p>	<p>The project site is not located in a mapped Alquist-Priolo fault zone nor is subject to liquefaction. Geologic hazard maps of the Framework Plan show the slope instability of the property to be moderate, and the proposed project is within an existing building so the proposed project is not likely to be subject to geologic hazards. Conditions of approval for the proposed project require that the development meet the requirements of the Building Department.</p>
<p>Safety Element Chapter 14</p> <p>Flooding</p>	<p>Goals and policies contained in this Chapter relate to the use of natural drainage channels and watersheds that are managed to minimize peak flows in order to reduce the severity and frequency of flooding. (S-G3)</p> <p>Related policies include: S-P12, Federal Flood Insurance Program; S-P13, Flood Plains; S-P15, Construction Within Special Flood Hazard Areas.</p>	<p>The subject site is outside any mapped flood hazard areas. The project site is not within a mapped dam or levee inundation area and, at several miles distance from the coast, is outside the areas subject to tsunami run-up.</p>
<p>Safety Element Chapter 14</p> <p>Fire Hazards</p>	<p>Goals and policies of this Chapter encourage development designed to reduce the risk of structural and wildland fires supported by fire protection services that minimize the potential</p> <p>Related policies: S-P19, Conformance with State Responsibility Areas (SRA) Fire Safe Regulations;</p>	<p>The parcel is in an area of High Fire Hazard rating and within the Garberville Fire Protection District. All applicable referral agencies were referred and did not identify any issues relating to hazards.</p>

Plan Section	Summary of Applicable Goal, Policy or Standard	Evidence Which Supports Making the General Plan Conformance Finding
Air Quality Chapter 15	<p>Goals and policies contained in this Chapter relate to improved air quality to meet current and future state and federal standards, including attainment of particulate matter requirements (AQ-G1, AQ-G2, AQ-G3) and the successful reduction of greenhouse gas emissions to levels consistent with state and federal requirements (AQ-G4)</p> <p>Related policies: AQ-P4, Construction and Grading Dust Control, AQ-S1, Construction and Grading Dust Control, AQ-P7, Interagency Coordination.</p>	As a condition of project approval, the Applicant shall secure permits from the North Coast Unified Air Quality Management District. A letter or similar communication from the North Coast Air Quality Management District verifying that all their requirements have been met and/or no additional permitting is required will satisfy this condition.
GRCP-P21 Garberville Parking Improvements	<p>The following are recommended traffic improvements:</p> <ul style="list-style-type: none"> • Adopt a parking plan for Garberville. • Establish a Parking Authority for the downtown commercial district of Garberville. 	Lack of parking in the community of Garberville has been an issue for many years. At the current time, there are no policies planned or in place to adopt a parking plan for Garberville or establish a parking authority for the downtown commercial district of Garberville. Proposed commercial projects in Garberville are reviewed on an individual basis in regard to parking. To encourage additional parking availability, the Board of Supervisors has approved resolutions allowing for diagonal parking along the public right-of-way on Redwood drive by ordinance (e.g. parking in front of the Humboldt House Inn - Best Western). As proposed, this project would utilize parking available within the public-of-right-way on Redwood Drive, including nearby diagonal parking.

2. Zoning Compliance and 3. Conforms with applicable standards and requirements of these regulations: The following table identifies the evidence which supports finding that the proposed development is in conformance with all applicable policies and standards in the Humboldt County Zoning Regulations.

Zoning Section	Summary of Applicable Requirement	Evidence That Supports the Zoning Finding
§312-1.1.2 Legal Lot Requirement	Development permits shall be issued only for a lot that was created in compliance with all applicable state and local subdivision regulations.	No evidence of parcel legal status has been submitted as of the date of this report. Research on the pedigree of the parcel is underway by a title company and the results will be presented to the Planning Commission when available. The parcel of land known as APN 032-012-011
§314-2.2 Community Commercial	The Community Commercial Zone is intended to apply to areas where more complete commercial facilities are necessary for community convenience.	<p>The Applicants are proposing to develop a cannabis dispensary, manufacturing and distribution facilities. The proposed uses are specifically allowed with Conditional Use Permit (dispensary) and Special Permits (manufacturing and distribution) in the C-2 zoning districts under the following H.C.C. Sections:</p> <ul style="list-style-type: none"> • §314-55.3.8.2 of the Medical Cannabis Dispensaries code (dispensary) • §314-55.4.8.5 and §314-55.4.8.6 of the CMMLUO (manufacturing and distribution). <p>[Note: This request includes and adult use retail cannabis dispensary. Pursuant to HCC Section 314-55.3.3.8: Adult Use Retail Sales facilities are a conditionally permitted use, subject to the same permit requirements that apply pursuant to Humboldt County Code Sections 314-55.3, et seq. applicable to Medical Cannabis Dispensaries. All regulations applicable to permitting of Medical Cannabis Dispensaries shall be applicable to Adult Use Retail Sales facilities, except those limiting sales exclusively to medical cannabis.]</p>
Minimum Lot Area:	2,000 square feet	Approximately 8,276 square feet (0.19 acres)
Minimum Lot Width:	25 feet	>25 feet
Maximum Ground Coverage:	None specified.	Approximately 28%
Minimum Yard Setbacks:	Front: None. Rear: 15 feet, except that where a rear yard abuts an alley, such rear yard may be not less than 5 feet. Sides: None.	Front: >5 feet Rear: >5 feet Sides: >5 feet
Max. Building Height	75 feet	< 75 feet

<p>§314-19 "D" Combining Zone Designations</p>	<p>The reviewing authority shall take the following items under consideration in approving plans within a D zone:</p> <p>The height, bulk and area of buildings.</p> <p>All setbacks from property lines.</p> <p>The color, textures and materials of exterior walls. The type, pitch and material of roofs.</p> <p>The type, size and location of signs.</p> <p>Landscaping, and parking lot layout.</p> <p>Relationship to other buildings and/or uses in the area.</p> <p>Architectural treatment of any historical buildings or structures.</p> <p>Location and treatment of the site as related to its natural setting.</p>	<p>The proposed project is located within a structure that was first assessed by the County Assessor in 1929. Façade improvements have occurred over the years, which have changed the original siding to more contemporary materials that do not appear to be historical significant. The structure meets the required setbacks from property lines. The Applicant completed a Neighborhood Design Review Survey of six nearby structures. The other structures are both 1- and 2-stories ranging in height from 12 – 30 feet. Architectural styles range from modern to modified bungalow. The existing structure conforms with the neighborhood. No new construction is proposed except for interior modifications and minor exterior alterations, including motion-activated security cameras and improvements for ADA-compliance and the loading zone.</p>
<p>§314-109.1.2.1.1 Exceptions to the Location Requirement for Parking Facilities</p>		
<p>§ 109.1.2.1.1.1 Availability of Required Parking</p>	<p>A substitute parking area is to be provided and remain available for as long as the use to which the required parking pertains shall continue.</p>	<p>The substitute parking areas are located along Redwood Drive, which will remain available as long as the use shall continue as the substitute parking areas are currently providing on-street parking for other commercial businesses in the vicinity.</p>

<p>§109.1.2.1.1.2</p> <p>Location of Substitute Parking</p>	<p>The substitute parking area is within an area designated in the General Plan for commercial or other businesses use and within which parking is a permitted and compatible use.</p>	<p>The areas proposed for on-street parking are located within areas designated Commercial General (CG) and surrounding business are commercial in nature.</p>
<p>§109.1.2.1.1.3</p> <p>Location of Substitute Parking</p>	<p>All or part of the substitute parking is within four hundred feet (400') of the principal use for which the parking is being provided, measured in walking distance along the way open to public pedestrian passage.</p>	<p>The Applicant evaluated three potential areas for on-street parking, known as Areas A, B and C in the Parking Exception Request dated February 15, 2018, prepared by Green Guidance Solutions, LLC. The location of the proposed on-street parking facilities is as follows:</p> <p>Area A:</p> <p>Area B:</p> <p>Area C:</p> <p>Area D:</p>
<p>§109.1.2.1.1.4</p> <p>Ownership of Substitute Parking</p>	<p>The substitute parking area is owned by the owner of the property on which the use the parking is being provided or is owned by a public entity empowered to provide public parking facilities.</p>	<p>The Applicant evaluated four potential areas for on-street parking, known as Areas A, B, C, and D, in the Parking Exception Request dated February 15, 2018, prepared by Green Guidance Solutions, LLC. All four proposed locations are within the public right-of-way held by Humboldt County, which is a public entity empowered to provide public parking facilities.</p>
<p>§109.1.2.1.1.5</p> <p>Entrepreneurial Parking</p>	<p>There is available a site specifically designed for entrepreneurial parking at which substitute parking can be provided at the expense of the party seeking the exception to on-site parking.</p>	<p>N/A.</p>
<p>§109.1.2.1.1.1</p> <p>Availability of Required Parking</p>	<p>A substitute parking area is to be provided and remain available for as long as the use to which the required parking pertains shall continue.</p>	<p>The substitute parking areas are located along Redwood Drive will remain available as long as the use shall continue as the substitute parking areas are currently providing on-street parking for other commercial businesses in the vicinity. A condition of approval for the proposed project requires any new operators of the any of the proposed businesses would need to validate parking based on their specific business plan.</p>

§314-109.1.2.12 Exceptions to the Requirements for the Number of Off-Street Parking Spaces

<p>§109.1.2.12 Off-Street Parking Exception Request</p>	<p>Exceptions to the requirements for the number of off-street parking spaces maybe allowed by filing an exception petition containing information in support of the exception. Exceptions may be granted based upon the following factors: geographic location of the site, identification as a Rural Center in a Community Plan, historically designated structures, proximity to urban built-up areas, and levels of anticipated use</p>	<p>According to <i>Parking Exception Request</i> prepared by Green Guidance Solutions, LLC (attached), the on-street parking will accommodate the levels of anticipated use as the project is located near urban built-up areas that contain ample on-street parking. Green Guidance Solutions, LLC, conducted a parking survey by monitoring on-street parking availability in four distinct areas long Redwood Drive during one week in January 2018 to determine the amount of on-street parking available near to the proposed project.</p> <p>The businesses that are included in the project operate during different hours that do not all overlap. The anticipated parking demand was estimated using the Humboldt County Code and adjusted to reflect the hours of operation and number of employees on-site at one time for all of the proposed businesses. Based on the adjusted rates, the peak parking demand for the parcel is 11 spaces based on the information provided by the Applicant.</p> <p>Based on the information provided the <i>Parking Exception Request</i>, staff believes additional information is required to recommend approval for the request (see Circulation discussion above).</p> <p>The table below identifies the exact parking requirements by use in HCC using information provided by the Applicant.</p>
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Humboldt County Off-Street Parking Requirements		
Zoning Section & Summary of Applicable Requirement	Use	Number of Spaces Required
<p>§109.1.3.3.1 1 space for every 300 square feet of gross floor area with a minimum of 4 spaces plus 1 space for each employee</p>	<p>Retail Space</p>	<p>6 spaces (610 square feet, 2 employees)</p>
<p>§109.1.3.3.5 1 space for every 300 square feet of gross foot area plus 1 space for each employee</p>	<p>Office Areas (for all uses)</p>	<p>3 spaces (292 square feet, 2 employees)</p>

<p>§109.1.3.4.1</p> <p>The higher of one parking space for each 1500 square feet of gross floor space within all enclosed building areas or one (1) parking space for each employee at peak shift. A minimum of two (2) parking spaces are required.</p>	<p>Manufacturing</p>	<p>2 spaces (921 square feet, 4 employees total (2 at peak shift))</p>
<p>TOTAL PARKING SPACES REQUIRED</p>		<p>11 parking spaces</p>
<p>314-55.3 Medical Cannabis Dispensaries Ordinance</p>		
<p>§314-55.3.8 Dispensaries</p>	<p>All medical cannabis dispensaries shall operate in compliance with the County code, the MCRSA, and all other applicable state and local laws.</p> <p>Medical cannabis dispensaries are a conditionally permitted use in zone districts C-1, C-2, C-3, MB, ML, MH.</p> <p>Dispensaries shall at all times be operated in such a way as to ensure the safety of patients and staff; to ensure the security of the medical cannabis; and to safeguard against the diversion of medical cannabis for nonmedical purposes.</p>	<p>The proposed project will:</p> <ol style="list-style-type: none"> 1. Receive deliveries from regional cannabis farmers and wholesale distributors; and 2. Make available cannabis flowers and cannabis products to patients and customers at their store-front location. <p>The subject property is zoned Community Commercial (C-2). The Plan of Operation and conditions of approval require the proposed use is operated consistent with this Code, the MAUCRSA, and all other applicable state and local laws, and to ensure the security of the medical cannabis; and to safeguard against the diversion of medical cannabis for non-medical purposes.</p> <p><i>[Note: This request includes and adult use retail cannabis dispensary. Pursuant to HCC Section 314-55.3.3.8: Adult Use Retail Sales facilities are a conditionally permitted use, subject to the same permit requirements that apply pursuant to Humboldt County Code Sections 314-55.3, et seq. applicable to Medical Cannabis Dispensaries. All regulations applicable to permitting of Medical Cannabis Dispensaries shall be applicable to Adult Use Retail Sales facilities, except those limiting sales exclusively to medical cannabis.]</i></p>
<p>§314-55.3.9.1 Medical Cannabis Dispensary Requirements</p>	<p>Preparation of a hazardous materials storage, handling, and disposal plan approved by the Division of Environmental Health, if applicable.</p>	<p>The Division of Environmental Health was referred the project and did not provide any comments. The project is conditioned on obtaining all necessary approvals from the Department of Environmental Health, including those relating to the preparation and approval of a hazardous materials storage, handling and disposal plan as applicable.</p>

<p>§314-55.3.9.2 §314-55.3.9.3 Medical Cannabis Dispensary Requirements</p>	<p>No medical cannabis dispensaries, operators, establishments, or providers who possess, cultivate, or distribute medical cannabis shall be located within a 600-foot radius of a school.</p> <p>The location of a dispensary proximate to existing uses such as residential neighborhoods, churches, parks, residential treatment facilities, school bus stops, or other dispensaries may be used to deny issuance of a permit if found to have a potential significant impact.</p>	<p>The nearest school is Redway Elementary School, which is approximately 2.8 miles from the project site. The applicant's site plan indicates that there are no playgrounds, public parks, libraries, licensed day care facilities, residential treatment facilities, or places of worship within 600 feet of the site.</p>
<p>§314-55.3.10 Operations Manual</p>	<p>Dispensaries shall submit an Operations Manual that includes all the following:</p> <p>Authorization for the County, its agents, and employees to seek verification of the information contained within the conditional use permit application.</p> <p>A description of the staff screening processes, including a requirement for criminal background checks.</p>	<p>A detailed Dispensary Operations Manual is included in Attachment 3 that contains all of the required elements. Additionally, the operations will remain subject to annual monitoring and reporting requirements. Furthermore, the collective will be regulated by numerous state and local regulations including Article 2.5 of the Health and Safety Code (Senate Bill 420). The retail dispensary is also regulated by the MAUCRSA and will be subject to state licensing in 2018 once available.</p> <p><i>[Note: This request includes and adult use retail cannabis dispensary. Pursuant to HCC Section 314-55.3.3.8: Adult Use Retail Sales facilities are a conditionally permitted use, subject to the same permit requirements that apply pursuant to Humboldt County Code Sections 314-55.3, et seq, applicable to Medical Cannabis Dispensaries. All regulations applicable to permitting of Medical Cannabis Dispensaries shall be applicable to Adult Use Retail Sales facilities, except those limiting sales exclusively to medical cannabis.]</i></p>

<p>§314-55.3.10 Operations Manual</p>	<p>Dispensaries shall submit an Operations Manual that includes all the following:</p> <p>The hours and days of the week when the Dispensary will be open.</p> <p>Text and graphic materials showing the site, floor plan and facilities. The material shall also show structures and land uses within a 600 foot radius.</p> <p>A description of the security measures located on the premises, including but not limited to, lighting, alarms, and automatic law enforcement notification, and how these will ensure the safety of staff and clients and secure the medical cannabis against diversion for non-medical purposes.</p> <p>A description of the screening, registration and validation process and procedures for qualified patients and primary caregivers.</p> <p>A description of qualified patient records acquisition and retention procedures and policies.</p> <p>A description of the processes, procedures and inventory controls for tracking the disparate strains, the source of supply, and amounts of medical cannabis that come in and go out of the dispensary.</p>	<p>A detailed Dispensary Operations Manual that contains all of the required elements. Additionally, the operations will remain subject to annual monitoring and reporting requirements. Furthermore, the collective will be regulated by numerous state and local regulations including Article 2.5 of the Health and Safety Code (Senate Bill 420). The retail dispensary is also regulated by the Medical and Adult Use Cannabis Regulation and Safety Act (MAUCRSA) and will be subject to state licensing in 2018 once available.</p>
<p>§314-55.3.11 Operating Standards</p>	<p>Dispensaries that function as medical cannabis delivery services shall not operate from an address of convenience located in a residential zone.</p>	<p>The proposed project does not include medical cannabis delivery services.</p>

<p>§314-55.3.11 Operating Standards</p>	<p>Medical cannabis dispensaries may not be operated by any persons who have been convicted of a felony in the last five years.</p> <p>No dispensing of medical cannabis to an individual qualified patient shall be permitted more than twice a day.</p> <p>The hours of operation of medical cannabis dispensaries shall be no earlier than 10 a.m. and no later than 7 p.m.</p> <p>Dispensaries shall only provide medical cannabis to an individual qualified patient who has a valid, verified physician's recommendation issued in the state of California. Dispensaries shall verify on an annual basis, or more frequently if required by the state of California, that the physician's recommendations of their clients are current and valid.</p> <p>Dispensaries shall display their client rules and/or regulations in a conspicuous place that is readily seen by all persons entering the dispensary. A copy of the client rules and/or regulations shall be provided to the qualified patient by a medical cannabis delivery service.</p> <p>Smoking, ingesting, or otherwise consuming medical cannabis products on the premises of a medical cannabis dispensary is prohibited. Each building entrance to a medical cannabis dispensary shall be clearly and legibly posted with a notice indicating that smoking, ingesting, or consuming medical cannabis or medical cannabis products is prohibited on the premises or in the vicinity of</p>	<p>All operating standards have been made conditions of approval.</p> <p><i>[Note: This request includes and adult use retail cannabis dispensary. Pursuant to HCC Section 314-55.3.3.8: Adult Use Retail Sales facilities are a conditionally permitted use, subject to the same permit requirements that apply pursuant to Humboldt County Code Sections 314-55.3, et seq. applicable to Medical Cannabis Dispensaries. All regulations applicable to permitting of Medical Cannabis Dispensaries shall be applicable to Adult Use Retail Sales facilities, except those limiting sales exclusively to medical cannabis.]</i></p>
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<p>§314-55.3.11 Operating Standards</p>	<p>Each building entrance to a medical cannabis dispensary shall be clearly and legibly posted with a notice indicating that persons under the age of 18 are precluded from entering the premises unless they are qualified patients and they are accompanied by their parent or legal guardian.</p> <p>No medical cannabis dispensary or delivery service shall provide medical cannabis to any qualified patient or holder of a medical cannabis recommendation who is under 18 unless their parent or guardian has previously given written permission that is on file with the delivery service and that same parent or guardian is present to accept the delivery of medical cannabis.</p> <p>All medical cannabis dispensaries shall display a copy of the inspection receipt issued by the Humboldt County Sealer of Weights and Measures for all weighing and measuring devices.</p> <p>All medical cannabis dispensed by dispensaries must be obtained in accordance with the MCRSA and other applicable state and local laws.</p> <p>All signs for medical cannabis dispensaries must comply with Sections 313-87.3 and 314-87.2 of the County Zoning Regulations.</p> <p>An up-to-date inventory of all hazardous materials stored and used on-site shall be maintained on the premises of the dispensary with a copy of this inventory provided to the Humboldt County Division of Environmental Health.</p>	<p>All operating standards have been made conditions of approval.</p>
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314-55.4 et seq. HCC: Commercial Cultivation, Processing, Manufacturing and Distribution of Cannabis for Medical Use Inland Land Use Regulation (CMMLUO)

<p>§314-55.4.8.5 Manufacturing</p> <p>§314-55.4.8.6 Distribution</p>	<p>Manufacturing of commercial cannabis for medical use shall be a permitted use in zone districts C-2, C-3, MB, ML, U (where developed as an industrial use) and MH, subject to a Special Permit and the conditions and limitations set forth in this Section.</p> <p>Wholesale distribution facilities for commercial cannabis for medical use shall be permitted in zoning districts C-2, C-3, MB, ML, U (where developed as an industrial use) and MH, subject to a Special Permit and the conditions and limitations set forth in this Section.</p>	<p>The proposed project will:</p> <ol style="list-style-type: none"> 1. Manufacture raw oil to be sold wholesale to other licensed manufacturers to further process at another permitted location. 2. Distribute cannabis flowers and cannabis products between license types, including to retailers and testing laboratories. <p>The subject property is correctly zoned, Community Commercial (C-2), and the applicant will comply with all conditions of the CMMLUO ordinances, as specified in the recommended conditions of approval.</p>
<p>§314-55.4.8.10 Permit Limit</p>	<p>No more than four commercial cannabis activity permits may be issued to a single person, as defined in the referenced section.</p>	<p>According to records maintained by the Department, the Applicant holds no other cannabis activity permits, and is entitled to four. Although this application is for four permits, only one permit for each Applicant is subject to the permit limit imposed by the CMMLUO. First MC Processing, LLC, will be issued the SP for manufacturing and MC Marketing Group, LLC, will be issued the SP for distribution. The CUP for the cannabis dispensary and the parking exception request is not subject to the permit limited imposed by the CMMLUO.</p>
<p>§314-55.4.10 Application Requirements</p>	<p>Identifies the Information Required for All Applications.</p>	<p>Attachment 3 identifies the information submitted with the application, and shows all the required information was received.</p>
<p>§314-55.4.11 Performance Standards</p>	<p>Identifies the Performance Standards for Cannabis Cultivation Activities.</p>	<p>All the applicable performance standards are included as Conditions of project approval. They are required to be met throughout the timeframe of the permit.</p>

<p>§314-55.4.11.c Performance Standards-Water</p>	<p>Compliance with all statutes, regulations and requirements of the California State Water Resources Control Board, Division of Water Rights, at a minimum to include a statement of diversion of surface water from a stream, river, underground stream, or other watercourse required by Water Code Section 5101, or other applicable permit, license, or registration.</p>	<p>Water for the proposed project is provided by the Garberville Sanitary District, therefore, water rights are not required for this project. Based on the submitted evidence, the project complies with the referenced section.</p>
<p>§314-55.4.11.d Performance Standards-Setbacks</p>	<p>The area of cannabis cultivation and on-site processing shall be setback at least 30 feet from any property line, and 600 feet from any school, school bus stop, church or other place of religious worship, public park, or tribal cultural resources (TCRs).</p>	<p>The site plan shows the project complies with property line setbacks. There are no schools, school bus stops or public parks as defined HCC Section 314- 55.4.7 within 600 feet of the project location. This section primarily applies to cultivation and processing activities, which are not a part of the proposed project.</p>

<p>§314-55.4.11.o Performance Standards-Generator Noise</p>	<p>The noise produced by a generator used for cannabis cultivation shall not be audible by humans from neighboring residences. The combined decibel level for all noise sources, including generators, at the property line shall be no more than 60 decibels. Where applicable, sound levels must also show that they will not result in the harassment of Marbled Murrelet or Spotted Owl species, when generator use is to occur in the vicinity of potential habitat. Conformance will be evaluated using current auditory disturbance guidance prepared by the United State Fish and Wildlife Service.</p>	<p>No generators will be used as a part of the proposed project.</p>
<p>§314-55.4.17 Sunset Date</p>	<p>No application for any Use Permit pursuant to the CMMLUO shall be processed for issuance or approval that is received after December 31, 2016.</p>	<p>The applicants filed the applications on December 20, 2016.</p>

4. Public Health, Safety and Welfare. The following table identifies the evidence which supports finding that the proposed location of the use and conditions under which it may be operated or maintained will not be detrimental to the public health, safety or welfare, or materially injurious to properties or improvements in the vicinity.

Code Section	Summary of Applicable Requirements	Evidence that Supports the Required Finding
§312-17.1.4	The proposed development will not be detrimental to the public health, safety and welfare, and will not be materially injurious to properties or improvements in the vicinity.	The Department finds that the proposed project will not be detrimental to the public health, safety and welfare since all reviewing referral agencies have approved the proposed project design. The project as proposed and conditioned is consistent with the general plan and zoning ordinances; and the proposed project is not expected to cause any environmental damage.

5. Residential Density Target: The following table identifies the evidence which supports finding that the proposed project will not reduce the residential density for any parcel below that utilized by the Department of Housing and Community Development in determining compliance with housing element law.

Code Section	Summary of Applicable Requirement	Evidence that Supports the Required Finding
§312-17.1.5 Housing Element Densities	The proposed development shall not reduce the residential density for any parcel below that utilized by the Department of Housing and Community Development in determining compliance with housing element law.	The parcels were not included in the 2014 Housing Inventory.

6. Environmental Impact: The following table identifies the evidence which supports finding that the proposed development will not adversely impact the environment.

Code Section	Summary of Applicable Requirement	Evidence that Supports the Required Finding
§15301 and §15303 of CEQA Guidelines	Categorically exempt from State environmental review.	The project has been determined to be exempt from CEQA pursuant to Sections 15301, Existing Facilities, and Section Class 3, 15303 (New Structures or Conversion of Small Structures) of the State CEQA Guidelines. Section 15301 exempts from environmental review the operation, repair maintenance, permitting, licensing, or minor alteration of existing private structures or facilities where involving negligible or no expansion of use. Section 15303 exempts from environmental review the maintenance, permitting, and minor alteration an existing private structure..."

		<p>The proposed development will occupy two units (Units A and B) of an existing structure. The project site is zoned C-2 and is served by community water and sewer meeting the County's definition of an "urban development area". The proposed use will not result in any significant adverse impact on the environment as the lot is 0.19 acres in size and no new exterior construction is proposed.</p>
--	--	---

ATTACHMENT 3
Applicant's Evidence In Support of the Required Findings

Attachment 3 includes a listing of all written evidence which has been submitted by the Applicant in support of making the required findings. The following materials are on file with the Planning Division:

1. The name, contact address and phone number(s) of the Applicant. (On file)
2. If the Applicant is not the record title owner of parcel, written consent of the owner for the application with original signature and notary acknowledgement. (On file)
3. Site plan showing the entire parcel, including easements, streams, springs, ponds and other surface water features, and the location and area for cultivation on the parcel with dimensions of the area for cultivation and setbacks from property lines. The site plan shall also include all areas of ground disturbance or surface water disturbance associated with cultivation activities, including: access roads, water diversions, culverts, ponds, dams, graded flats, and other related features. If the area for cultivation is within ¼ mile (1,320 ft.) of a school, school bus stop, church or other place of religious worship, public park, or Tribal Cultural Resource, the site plan shall include dimensions showing that the distance from the location of such features to the nearest point of the cultivation area is at least 600 feet. (Attached)
4. A cultivation and operations plan that meets or exceeds minimum legal standards for water storage, 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 cultivation activities (outdoor, indoor, mixed light), the approximate date(s) cannabis cultivation activities have been conducted on the parcel prior to the effective date of this ordinance, if applicable, and schedule of activities during each month of the growing and harvesting season. (Attached)
5. Copy of the statement of water diversion, or other permit, license or registration filed with the State Water Resources Control Board, Division of Water Rights, if applicable. (Not Applicable)
6. Description of water source, storage, irrigation plan, and projected water usage. (On file)
7. Copy of Notice of Intent and Monitoring Self-Certification and other documents filed with the North Coast Regional Water Quality Control Board demonstrating enrollment in Tier 1, 2 or 3, North Coast Regional Water Quality Control Board Order No. 2015-0023, or any substantially equivalent rule that may be subsequently adopted by the County of Humboldt or other responsible agency. (Not applicable)
8. If any on-site or off-site component of the cultivation facility, including access roads, water supply, grading or terracing impacts the bed or bank of any stream or other watercourse, a copy of the Streambed Alteration Permit obtained from the Department of Fish & Wildlife. (Not applicable)

9. If the source of water is a well, a copy of the County well permit, if available. (Not applicable)
10. If the parcel is zoned FR, U or TPZ, or involves the conversion of timberland as defined under section 4526 of the Public Resources Code, a copy of a less-than-3-acre conversion exemption or timberland conversion permit, approved by the California Department of Forestry and Fire Protection (CAL-FIRE). Alternately, for existing operations occupying sites created through prior unauthorized conversion of timberland, evidence may be provided showing that the landowner has completed a civil or criminal process and/or entered into a negotiated settlement with CAL-FIRE. (Not applicable)
11. Consent for onsite inspection of the parcel by County officials at prearranged date and time in consultation with the Applicant prior to issuance of any clearance or permit, and once annually thereafter. (On file)
12. For indoor cultivation facilities, identify the source of electrical power and how it will meet with the energy requirements in section 55.4.8.2.3, and plan for compliance with applicable Building Codes. (Not applicable)
13. Acknowledge that the County reserves the right to reduce the size of the area allowed for cultivation under any clearance or permit issued in accordance with this Section in the event that environmental conditions, such as a sustained drought or low flows in the watershed will not support diversions for irrigation. (Not applicable)
14. Acknowledge that the county reserves the right to engage with local Tribes before consenting to the issuance of any clearance or permit, if cultivation operations occur within an Area of Traditional Tribal Cultural Affiliation, as defined herein. This process will follow current departmental referral protocol, including engagement with the Tribe(s) through coordination with their Tribal Historic Preservation Officer (THPO) or other tribal representatives. This procedure shall be conducted similar to the protocols outlined under SB 18 (Burton) and AB 52 (Gatto), which describe "government to government" consultation, through tribal and local government officials and their designees. During this process, the tribe may request that operations associated with the clearance or permit be designed to avoid, minimize or mitigate impacts to Tribal Cultural Resources, as defined herein. Examples include, but are not limited to: conducting a site visit with the THPO or their designee to the existing or proposed cultivation site, requiring that a professional cultural resources survey be performed, or requiring that a tribal cultural monitor be retained during project-related ground disturbance within areas of sensitivity or concern. The county shall request that a records search be performed through the California Historical Resources Information System (CHRIS). (On-file)
15. Neighborhood Design Review survey. (On-file)
16. Parking Exception Request prepared by Green Guidance Solutions, LLC (Attached – see Appendix A of the Consolidated Operations Plan - Attachment 5).

ATTACHMENT 4

REFERRAL AGENCY COMMENTS AND RECOMMENDATIONS

The project was referred to the following referral agencies for review and comment. Those agencies that provided written comments are checked off.

Referral Agency	Response APPS #12081	Response APPS #12084	Recommendation	Location
Building Inspection Division	✓	✓	Conditional Approval	Attached
Department of Public Works Land Use Division			Conditional Approval	Attached
Caltrans			No response	
Division Environmental Health			No response	
Calfire	✓	✓	Approval	On file with Planning
Garberville Fire Protection District			No response	
Department of Fish & Wildlife			No response	
NWIC			No response	
Bear River Band of the Rohnerville Rancheria			No response	
Sinkyone Intertribal Wilderness Council			No response	
RWQCB			No response	
SWRCB – Division of Water Rights			No response	
Humboldt County Sheriff			No response	
Humboldt County District Attorney			No response	
Humboldt County Agricultural Commissioner			No response	
Garberville Sanitary District		✓	No response (APPS #12081) Conditional Approval (APPS #12084)	On file with Planning
Southern Humboldt Unified School District			No response	



**HUMBOLDT COUNTY
PLANNING AND BUILDING DEPARTMENT
CURRENT PLANNING DIVISION
3015 H STREET, EUREKA, CA 95501 ~ PHONE (707) 445-7541**



12/13/2017

PROJECT REFERRAL TO: Building Inspection Division

Project Referred To The Following Agencies:

Building Inspection Division, Public Works Land Use Division, Health and Human Services Environmental Health Division, County Counsel, CalFire, California Department of Fish And Wildlife, Northwest Information Center, Bear River Band Rohnerville Rancheria, California Department of Transportation District #1, Regional Water Quality Control Board, North Coast Unified Air Quality Management District, Humboldt County District Attorney, Humboldt County Agriculture Commissioner, Intertribal Sinkyone Wilderness Council, Humboldt County Sheriff, Garberville Community Services District, Garberville Fire Protection District, SWRCB - Division of Water Rights Southern Humboldt Joint Unified School District

Applicant Name First MC Processing **Key Parcel Number** 032-012-001-000

Application (APPS#) 12081 **Assigned Planner** Cannabis Planner (CPOD) (707) 445-7541 **Case Number(s)** CUP16-531
SP16-392
SP17-175

032-012-001

Please review the above project and provide comments with any recommended conditions of approval. To help us log your response accurately, please include a copy of this form with your correspondence.

Questions concerning this project may be directed to the assigned planner for this project between 8:30am and 5:30pm Monday through Friday.

County Zoning Ordinance allows up to 15 calendar days for a response. If no response or extension request is received by the response date, processing will proceed as proposed.

If this box is checked, please return large format maps with your response.

Return Response No Later Than 12/28/2017 Planning Commission Clerk
County of Humboldt Planning and Building Department
3015 H Street
Eureka, CA 95501
E-mail: PlanningClerk@co.humboldt.ca.us **Fax:** (707) 268-3792

We have reviewed the above application and recommend the following (please check one):

Recommend Approval. The Department has no comment at this time.

Recommend Conditional Approval. Suggested Conditions Attached.

Applicant needs to submit additional information. List of items attached.

Recommend Denial. Attach reasons for recommended denial.

Other Comments: See photos @ CUP16-531 - folder 032-012-001



COUNTY OF HUMBOLDT
PLANNING AND BUILDING DEPARTMENT
BUILDING DIVISION

3015 H STREET EUREKA CA 95501
PHONE: (707) 445-7245 FAX: (707) 445-7446

Building Division's Referral Comments for Cannabis Operations:

Application No.: 12081 (45530)
Parcel No.: 032-012-001
Case No.: CUP16-531, SP16-392, SP17-175

The following comments apply to the proposed project, (check all that apply).

- Site/plot plan appears to be accurate.
- Submit revised site/plot plan showing all of the following items: all grading including ponds and roads, location of any water course including springs, all structure including size and use and all setbacks from the above stated to each other and property lines.
- Existing operation appears to have expanded, see comments: _____

- Existing structures used in the cannabis operation shall not to be used/occupied until all required permits have been obtained.
- Proposed new operation has already started.
- Recommend approval based on the condition that all required grading, building, plumbing electrical and mechanical permits and or Agricultural Exemption are obtained.
- Other Comments: See photos @ CUP16-531 - folder 032-012-001
May need change of use/occupancy

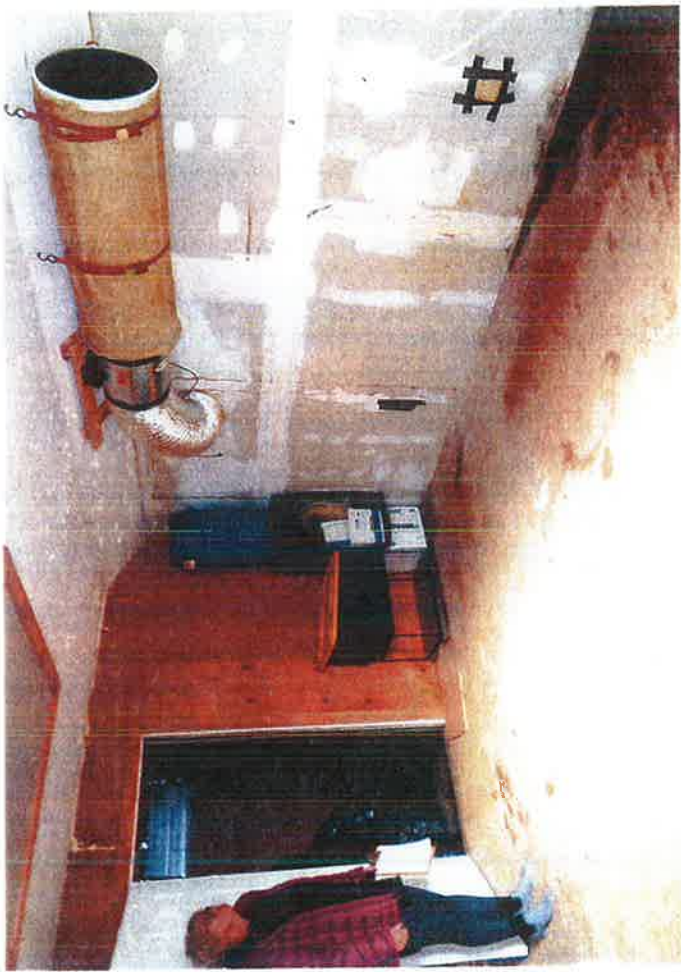
Name: Gustin Dumlac

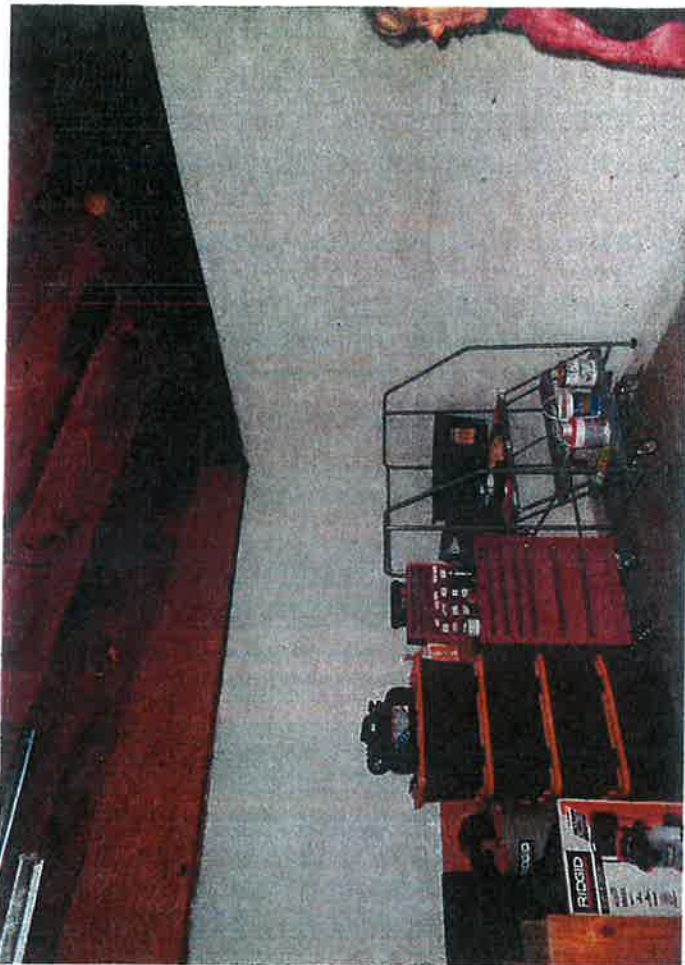
Date: 1-6-18

Note: Remember to take photographs and then save them to the Planning's case number. File location J, Current Planning, Projects, (CUP, SP, ZCC) Case number.



100-112-550
8/2/11





11/2/18 030-010-001



CUP 16-531 First MC Processing 12081
SP 16-393 MC Marketing Group 12084



March 15, 2018

Vendor LACO 3

From: Pasquini, Chad
Sent: Wednesday, March 07, 2018 7:06 AM
To: Vendor LACO 3
Subject: RE: APPS #12081, 12084 - First MC Processing

Hi Meghan,

During my site visit to Karen Wagner's place of business, I informed her that she would need to install a lift at the entrance to the front of the building due to it not being accessible. Karen said this would not be an issue and that she would do so during the tenant improvement project we have already plan checked and approved but have yet to issue. Please let me know if you have any questions. Thank you

Chad Pasquini
Chief Building Official
County of Humboldt
Planning and Building Department
3015 H St. Eureka, CA 95501
Office: (707) 268-3743
Cell: (707) 382-0110
Fax: (707) 445-7446
Cpasquini1@co.humboldt.ca.us

From: Vendor LACO 3
Sent: Tuesday, March 06, 2018 5:06 PM
To: Pasquini, Chad <cpasquini1@co.humboldt.ca.us>
Subject: APPS #12081, 12084 - First MC Processing

Hi Chad –

Please let me know if you have any additional comments regarding accessibility for the project located at 615 Bear Creek Road in Garberville.

Thanks,
Meghan



DEPARTMENT OF PUBLIC WORKS
COUNTY OF HUMBOLDT

MAILING ADDRESS: 1106 SECOND STREET, EUREKA, CA 95501-0579
AREA CODE 707

ARCATA-EUREKA AIRPORT TERMINAL
MCKINLEYVILLE
FAX 839-3596

PUBLIC WORKS BUILDING
SECOND & L ST., EUREKA
FAX 445-7409

CLARK COMPLEX
HARRIS & H ST., EUREKA
FAX 445-7388

AVIATION 839-5401

ADMINISTRATION 445-7491
BUSINESS 445-7852
ENGINEERING 445-7377
FACILITY MAINTENANCE 445-7493

NATURAL RESOURCES 445-7741
NATURAL RESOURCES PLANNING 267-9540
PARKS 445-7651
ROADS & EQUIPMENT MAINTENANCE 445-7421

LAND USE 445-7206

LAND USE DIVISION INTEROFFICE MEMORANDUM

TO: Michelle Nielsen, Senior Planner, Planning & Building Department

FROM: Kenneth M. Freed, Assistant Engineer *KMF*

DATE: 02/27/2018

RE:

Applicant Name	FIRST MC PROCESSING	
APN	032-012-001-000	
APPS#	12081	CUP16-531

The Department has reviewed the above project and has the following comments:

The Department's recommended conditions of approval are attached as **Exhibit "A"**.

Additional comments/notes:

1. The Department has reviewed the site plan dated 2/15/2018 from Ontiveros & Associates. It appears that the applicant has sufficient room to provide parallel parking on the east side of the County roadway, outside of the County right of way, along the frontage of the building. The applicant has constructed perpendicular parking in the public right of way without an encroachment permit. Applicant shall remove the perpendicular parking stalls and provide parallel parking markings and signage per the California Manual on Uniform Traffic Control Devices (CA MUTCD).

The Applicant is requesting a parking exception to utilize existing parking along Redwood Drive (a County maintained roadway). Currently parking is allowed along both sides of the Redwood Drive with posted restrictions. The Department cannot guarantee that that on-street parking will always be provided on Redwood Drive, or any other publically maintained road. Allowing properties to not have sufficient off-street parking places a burden on the Department should parking ever need to be restricted on a County maintained road.

Further, the Town of Garberville has impacted parking. The General Plan requires 1) the formation of a parking authority for the downtown commercial district of Garberville; and 2) adopt a parking plan for Garberville. [Humboldt County General Plan, Appendix C, GRCP-P21]. The Department recommends that project be presented to the Parking Authority prior to being presented to the Planning Commission.

Also, there are limited pedestrian facilities from the proposed on-street parking to the subject property.

2. The Department has briefly reviewed the parking exception request dated February 15, 2018 from Green Guidance Solutions, LLC. It appears that the code sections listed in the report are incomplete and refer to the coastal zoning code. The report should be revised to use complete code references for the inland zoning code.

// END //

Exhibit "A"

Public Works Recommended Conditions of Approval

(All checked boxes apply)

APPS # 12081

COUNTY ROADS- FENCES & ENCROACHMENTS:

All fences and gates shall be relocated out of the County right of way. All gates shall be setback sufficiently from the County road so that vehicles will not block traffic when staging to open/close the gate. In addition, no materials shall be stored or placed in the County right of way.

This condition shall be completed to the satisfaction of the Department of Public Works prior to commencing operations, final sign-off for a building permit, or Public Works approval for a business license.

COUNTY ROADS- DRIVEWAY (PART 1):

The submitted site plan is unclear and/or shows improvements that are inconsistent with County Code and/or Department of Public Works policies. The applicant is advised that these discrepancies will be addressed at the time that the applicant applies to the Department of Public Works for an Encroachment Permit. If the applicant wishes to resolve these issues prior to approval of the Planning & Building permit for this project, the applicant should contact the Department to discuss how to modify the site plan for conformance with County Code and/or Department of Public Works policies. Notes:

COUNTY ROADS- DRIVEWAY (PART 2):

Any existing or proposed driveways that will serve as access for the proposed project that connect to a county maintained road shall be improved to current standards for a commercial driveway. An encroachment permit shall be issued by the Department of Public Works prior to commencement of any work in the County maintained right of way. This also includes installing or replacing driveway culverts; minimum size is typically 18 inches.

- If the County road has a paved surface at the location of the driveway, the driveway apron shall be paved for a minimum width of 18 feet and a length of 50 feet.
- If the County road has a gravel surface at the location of the driveway, the driveway apron shall be rocked for a minimum width of 18 feet and a length of 50 feet.
- If the County road is an urban road, frontage improvements (curb, gutter, and sidewalk) shall also be constructed to the satisfaction of the Department. Any existing curb, gutter or sidewalk that is damaged shall be replaced.

The exact location and quantity of driveways shall be approved by the Department at the time the applicant applies to the Department of Public Works for an Encroachment Permit.

This condition shall be completed to the satisfaction of the Department of Public Works prior to commencing operations, final sign-off for a building permit, or Public Works approval for a business license.

COUNTY ROADS- DRIVEWAY (PART 3):

The existing driveway will require substantial modification in order to comply with County Code. The applicant may wish to consider relocating the driveway apron if a more suitable location is available.

COUNTY ROADS-PARKING LOT- STORM WATER RUNOFF:

Surfaced parking lots shall have an oil-water filtration system prior to discharge into any County maintained facility.

This condition shall be completed to the satisfaction of the Department of Public Works prior to commencing operations, final sign-off for a building permit, or Public Works approval for a business license.

COUNTY ROADS- DRIVEWAY & PRIVATE ROAD INTERSECTION VISIBILITY:

All driveways and private road intersections onto the County Road shall be maintained in accordance with County Code Section 341-1 (Sight Visibility Ordinance).

This condition shall be completed to the satisfaction of the Department of Public Works prior to commencing operations, final sign-off for a building permit, or Public Works approval for a business license.

COUNTY ROADS- PRIVATE ROAD INTERSECTION:

Any existing or proposed non-county maintained access roads that will serve as access for the proposed project that connect to a county maintained road shall be improved to current standards for a commercial driveway. An encroachment permit shall be issued by the Department of Public Works prior to commencement of any work in the County maintained right of way.

- If the County road has a paved surface at the location of the access road, the access road shall be paved for a minimum width of 20 feet and a length of 50 feet where it intersects the County road.
- If the County road has a gravel surface at the location of the access road, the access road shall be rocked for a minimum width of 20 feet and a length of 50 feet where it intersects the County road.

This condition shall be completed to the satisfaction of the Department of Public Works prior to commencing operations, final sign-off for a building permit, or Public Works approval for a business license.

COUNTY ROADS- ROAD EVALUATION REPORT(S):

All recommendations in the Road Evaluation Report(s) for County maintained road(s) shall be constructed/implemented to the satisfaction of the Public Works Department prior to commencing operations, final sign-off for a building permit, or approval for a business license. An encroachment permit shall be issued by the Department of Public Works prior to commencement of any work in the County maintained right of way.

// END //

ATTACHMENT 5

**FIRST MC PROCESSING, LLC AND MC MARKETING GROUP, LLC
CONSOLIDATED OPERATIONS PLAN
REVISED FEBRUARY 2018**

FIRST MC PROCESSING

Dispensary (DBA Tea House Collective) and Manufacturing
Application #12081

FIRST MC MARKETING

Distribution
Application #12084

615 Bear Creek Road
Garberville, CA 95542
APN 032-012-001

CONSOLIDATED OPERATIONS MANUAL

Revised Feb 2018 by:



Amber Morris, Principal
9416 Buffalo Ave, 95662
(916) 606-0771

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Confidentiality Statement and Legal Disclaimer

The provisions of this operations manual are privileged and confidential. Unauthorized reproduction or distribution of this operations manual or any of its contents in any form or under any circumstances without prior written consent is prohibited. The recipient is responsible for returning all copies of the Operation Manual immediately upon request of First Mc Processing or First MC Distribution (Applicant).

While the information set forth herein is deemed by the Applicant to be accurate, the Applicant shall not be held liable for the accuracy of or any omissions from this Operations Manual or for any other written or oral communication transmitted to the recipient and any other party in the course of its evaluation of transactions involving the Applicant.

County Authorization

First MC Processing grants the County, its agents and employees authorization to seek verification of the information contained within the conditional use permit application, the Operations Manual, and the Operating Standards for Tea House Collective at any time before or after the conditional use permit is issued.

Project Location

Partner applicants, First MC Processing (App# 12081) and First MC Marketing (App# 12084) propose three site uses at the same address, 615 Bear Creek Road, Garberville, located in C-2 zoning at the northern end of town.

As shown in **Image 1**, manufacturing is proposed to occur in Unit B, and a small dispensary and distribution facility are proposed in Unit A.

The entire interior of the property (including Units A and B) measures 1,872 sq ft. For perspective, the facility is substantially smaller than a standard tennis court (78 ft. x 36 ft. or 2,808 sq ft). The Applicants will run small businesses that are in line with improving the economic viability of Garberville through increased tourism and the creation of local jobs, while creating minimal impact to town resources and the environment.

Structures and Land Uses within 600 ft Radius

Image 2 shows an aerial view of the Site and a 600ft radius from the Site. The proposed Site and its neighboring properties are all zoned C-2. Properties further from the Site but within the radius are either C-2 or C-3 with the exception of the Garberville Cemetery (zoned FR) that borders the northern boundary of the Site.

There are no churches, schools, playgrounds, public parks, libraries, licensed daycare facilities, places where children congregate, or residential treatment facilities nearby. Nearby property uses include Napa Auto Zone, Best Western, Garberville Laundromat, Well's Drilling, a volunteer Fire Department, Sherriff's station, Don's Auto Parts, storage facility, PG&E Substation, and housing (although not zoned residential).

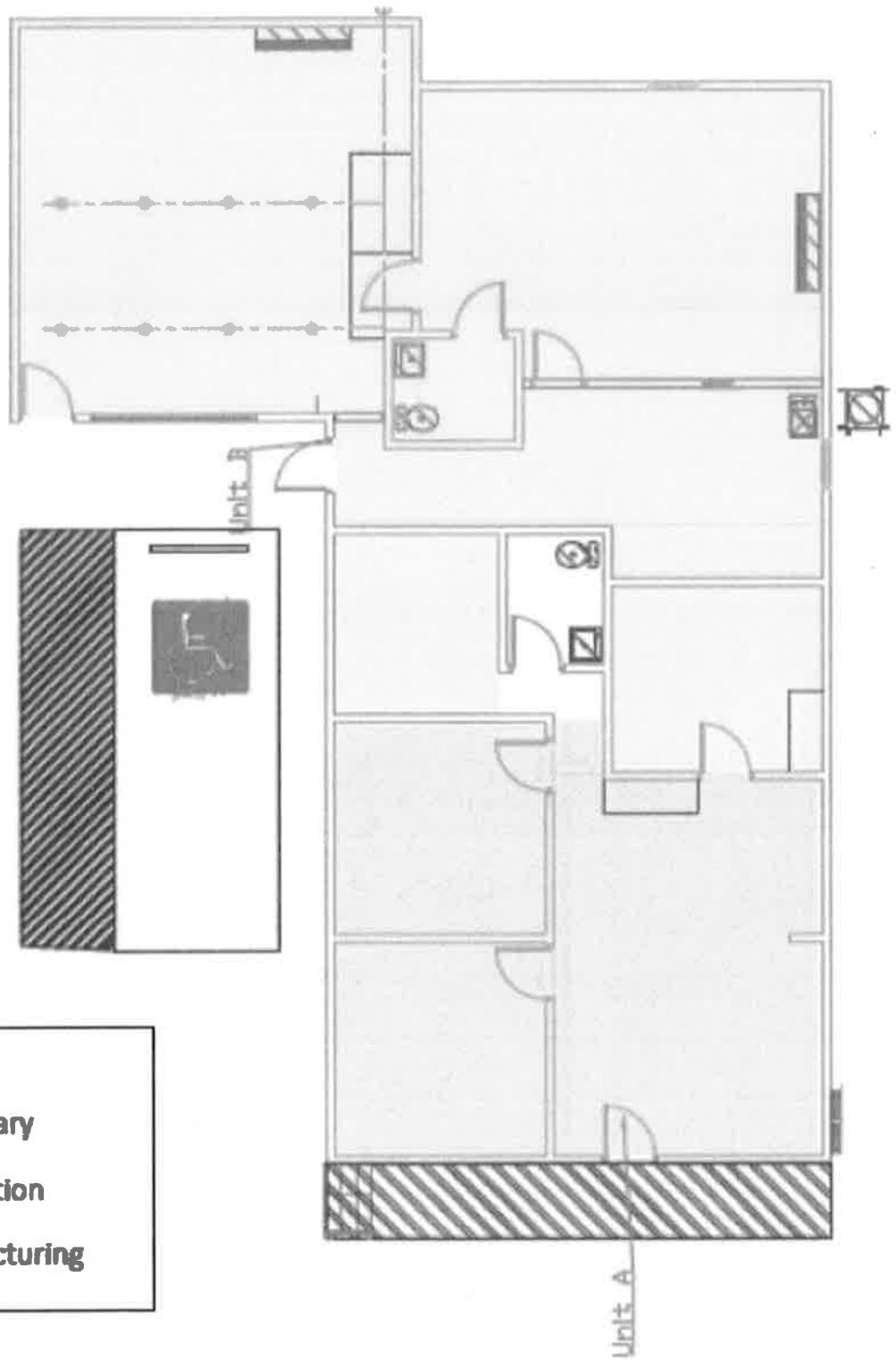
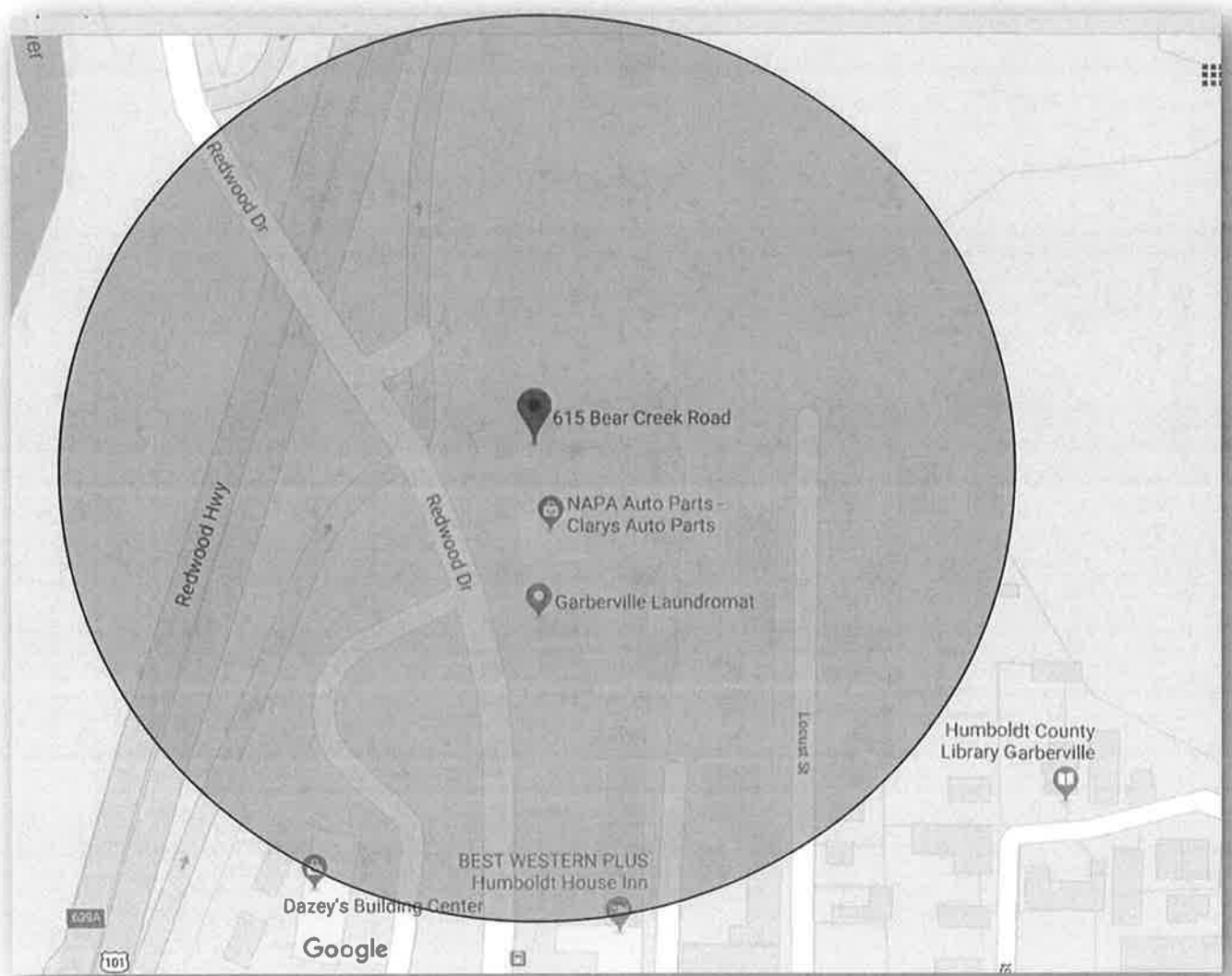


Image 1

Unit A Dispensary
 Distribution
Unit B Manufacturing

Image 2- Map showing Site with 600-foot radius.



General Site Operations

As described in the *Project Location Description*, three uses (dispensary, manufacturing and distribution) are proposed at 615 Bear Creek Road, Garberville (Site). The following sections will address operations that apply to all uses unless otherwise indicated.

Hours of Operation

Dispensary hours will be 10AM- 6PM seven days a week during peak tourism season (April-October). Hours and days of operation may be reduced November- March depending on the flow of customers.

Manufacturing hours will be 6AM- 10AM and 6PM-10PM seven days a week. Operation hours are based on highly mechanized extraction machinery cycles.

Distribution hours will be 7-9AM and 7-9PM up to two times a week. Because Unit A is shared between the dispensary and distribution, the distributor will operate during non-retail hours.

Parking

The available parking at the Site is limited to one ADA parking space and a loading zone. In order to address parking needs, the Applicant has prepared a Parking Exception Request (see Appendix A).

Signage

The Site will not display advertisements for cannabis or any brand name on the exterior of the building and will only identify the building by our name and address. External signage will not be illuminated and will comply with local and state requirements. Neon signage or graphics related to cannabis or paraphernalia on the building exterior will not be used. Cannabis and associated products will not be displayed or clearly visible to any person from the exterior of the building.

Security

To secure the Site against theft and damage the following security measures will be installed: fencing, lighting, video surveillance, alarm system, secured doors and windows, commercial grade locks, and entry protocols for vendors as described below.

Fencing

Secure industrial fencing will be installed with a secured, locked gate. Fencing will be inspected by insurance company representatives who will make recommendations and approve fencing. The Applicant or its designee will inspect the fencing and gate regularly for integrity and perform any necessary repair and maintenance.

Lighting

Motion-detection lighting will be installed to illuminate the fence, gate, and all areas of the property perimeter with special emphasis on entry doors and windows to help improve video surveillance. Lighting will be inspected by insurance company representatives who will make recommendations and approve lighting. The Applicant or its designee will inspect the lighting system regularly and perform any necessary repair and maintenance.

Video Surveillance

A security camera system will be installed with high enough quality for facial recognition (proposed to be 1280 x 1024 pixels at 20 frames per second) covering all entrances to the building, interior doors, safes, and any other areas where product is stored or handled. The security camera system will be inspected by

an insurance company representative who will make recommendations and approve the system that is installed. The Applicant or its designee will inspect the camera system regularly and perform or contract for performance of all manufactured-recommended maintenance of the system. Any problems with the system will be addressed and repaired immediately.

Cameras will be immobile and in permanent locations. Cameras will be placed in a location that that allows the camera to clearly record activity occurring within 20 feet of all points of entry and exit. Cameras will be placed in a location that allows for the clear and certain identification of any person and activities in all areas including where point-of-sale occur, where goods are displayed for sale, goods are stored, quarantined or moved, areas where cannabis is destroyed, limited-access areas, security rooms, areas storing a surveillance system storage device with at least one camera recording the access points to the secured surveillance recording area and entrances to the premises, which will be recorded from both indoor and outdoor vantage points.

Footage from the security cameras will be archived for a duration specified by state and local laws and stored in secure, state-of-the-art internet cloud storage; onsite in the fireproof safe; and/or in a secure offsite location as required by state and local regulations. These archives will be made available for inspection by law enforcement and other authorized County representatives upon request.

Alarm System

An alarm system will be installed that will alert employees, local law enforcement, and fire officials upon any unauthorized entry or breakage of doors or windows, or any smoke or fire. The system will be inspected by an insurance company representative who will make recommendations and approve the alarm system that is installed. On a regular basis, the Applicant or its designee will test the alarm system and perform any necessary repair and maintenance as recommended by the manufacturer.

Doors and Windows

The Site will be equipped with secure metal doors and safety glass windows that are wired to the alarm system. The windows and doors will be inspected by an insurance company representative who will make recommendations and approve the equipment. On a regular basis, the Applicant or its designee will inspect the doors and windows and perform any necessary repair and maintenance as recommended by the manufacturer.

Locks

Limited-access areas will be equipped with commercial-grade, nonresidential door locks. Commercial-grade, nonresidential locks will also be used on all points of entry to the premises. And only authorized employees and contractors will be allowed to enter the premises outside of business hours.

Employee Badges

All employees will display a laminated identification badge including our license number, the employee's first name, and a color photograph of the employee that shows the full front of the employee's face and that is at least 1" x 1.5" in size.

Entry Protocol for Service Professionals

All scheduled and non-scheduled non-retail customers will be greeted at the gate or door and escorted to the area where they will be working. The Applicant or its designee will monitor any visitor's work, observe them directly or via security cameras to make sure they stay at their station, ensure that all cannabis

products remain secure and inaccessible to visitors, and will escort any visitor to the restroom and back, and to the exit upon completion of their work.

Diversion Prevention

Storage of cannabis and cannabis products will be conducted in a manner that prevents diversion from the Site. Storage policies will be compliant with all applicable laws and regulations set forth by state and local jurisdictions.

To prevent diversion, each permitted area of the Site will track inventory in real time and reconcile inventory with tracking system at least every 14 days or as required by local or state laws and regulations. Significant variances in inventory will be investigated and reported to law enforcement and state and local agencies within 24 hours pursuant to our established procedures detailed in the next section.

To prevent diversion by employees, employees will not be allowed to bring bags, backpacks or purses inside the work areas. Instead, employees will be issued lockers to store personal belongings. The on-duty manager will be permitted to inspect employee possessions, including what the employee is taking away from the Site in order to prevent theft and diversion.

In the event of theft or diversion, reason for losses will be thoroughly detailed in the Sites tracking system (Trellis) and will be investigated with the use of records, inventory logs and security cameras/logs. We will work with regulators and conduct an assessment to determine whether additional safeguards are necessary to prevent further diversion, theft or loss.

Law Enforcement and Local Authorities Notification

The Applicant or its designee shall immediately notify appropriate law enforcement authorities within 24 hours after discovering the following:

- Discrepancies identified during inventory;
- Diversion, theft, loss and any criminal action involving any owner or employee;
- Any suspicious act involving the sale, distribution, processing, or production of cannabis or cannabis products by any person;
- Unauthorized destruction of cannabis or cannabis products;
- Any loss or unauthorized alteration of records related to cannabis or cannabis products, patients, personal caregivers, or employees;
- An alarm activation or other event that requires response by public safety personnel;
- The failure of any security alarm system due to a loss of electrical power or mechanical malfunction that is expected to last longer than eight hours; and
- Any other breach of security.

The Applicant or its designee shall, within 10 calendar days, provide written notice to the County of any incident described above, by submitting an incident report in the form and manner determined by the County which details the circumstances of the event, any corrective actions taken, and confirmation that the appropriate law enforcement authorities were notified.

The Applicant will maintain all documentation related to an incident that is reportable for at least 5 years, and the Applicant shall make such documentation available to the County and to law enforcement authorities acting within their lawful jurisdiction upon request.

In the event of any such incident, the Applicant will conduct an assessment to determine whether additional safeguards are necessary to prevent further diversion, theft or loss.

Product Tracking

All three uses at the Site will use Trellis Enterprise Cannabis Inventory Management Software (Trellis), a comprehensive cannabis seed-to-sale system that interfaces as a third party through an open API directly with the state track and trace system (METRC) and ensures accountability and traceability of all product in all areas of the supply chain. Trellis task management and compliance software will enable immediate retrieval of current and past transactions, product movement to and from the Site, inventory, lab test data, waste, medical cannabis patient information, security data, and to demonstrate compliance with tracking product.

Trellis will be our tool to prevent any product grown outside the legal framework and to prevent product purchased at our dispensary from being diverted to the black market. The system will also ensure that if public safety concerns arise, the source can be quickly identified, and rapid recall of any subject products could be implemented immediately.

Unique identifiers containing radio frequency identification (RFID) technology will be sourced through the California Department of Food and Agriculture or its designee and applied to cannabis and cannabis product as specified by state laws and regulations.

We will designate a single Trellis administrator within each permitted use at the Site, and the administrator may authorize additional representatives to obtain Trellis accounts.

Each employee who obtains access to Trellis will obtain his or her own unique system log-on and password. Designated employees will only log into Trellis and submit information using the log-on that has been assigned to that individual. A complete and accurate list of all Trellis users will be maintained at each permitted Site use.

Complete and up-to-date records of all transactions involving the physical movement or destruction of cannabis and cannabis products will be maintained in Trellis. All transactions will be entered into Trellis no later than the end of the day that the transaction occurred. We will only enter accurate information into Trellis and correct any known errors in the information immediately upon discovery.

All cannabis and cannabis products received at the Site will enter required information into Trellis, including the amount received, by weight or count, the sell-by or expiration date, if provided, the date of receipt, unique identifiers and any other information that may be required by laws or regulations. We will also include the distributor's name and license number and the name of licensee who transported the goods and license number, if applicable.

All cannabis and cannabis products that require destruction will be recorded in Trellis including the name of the employee who performed the destruction, the date and time of the destruction, a list of all goods destroyed including a description of the quantity destroyed, unique identifiers associated with the goods destroyed and any other information that may be required by law.

For the dispensary, information about sales will be entered into Trellis, including the name of the employee who processed the sale, the date and time of the transaction, a list of all the products purchased

including a description of the quantity, unique identifiers and any other information that may be required by law.

All information about the sale of cannabis to cannabis patient or primary caregiver will be recorded in Trellis, including the name of the employee who processed the sale, the name or patient identification number of the patient or caregiver who made the purchase, the date and time of the transaction, a list of all the products purchased including a description of the quantity, unique identifiers and any other information that may be required by law.

If products are returned by customers, we will record information about the return into Trellis including the name of the employee who processed the return, the name or patient identification number of the medical cannabis patient or caregiver who made the purchase, if applicable, the date and time of the transaction, a list of products returned including a description of the quantity purchased, unique identifiers associated with the products and any other information required by law.

If access to Trellis is lost for any reason, authorized employees will create and maintain written records and as soon as access is restored, all records will be entered into Trellis in the timeframe specified by state laws and regulations.

Record Keeping

As described in detail below, the Applicant will keep diligent and detailed records regarding licensing and permitting requirements, personnel, product, business records and audits. All records will be maintained separately for each permitted use at the Site and be kept in electronic or paper format.

If in paper format, the records will remain in a locked cabinet with access to such records by employees who have a need to access or create such records in accordance with their job function. If in electronic format, access to such records will be protected by a password that will be available only to employees who have a need to access or create such records in accordance with their job function. All electronic records will be backed up on a server that is maintained off site. **All records will be maintained by the Applicant for 7 years.**

The Applicant will make its records available for inspection by the County upon request. In the event of the closure of the Business, all records shall be maintained for at least 7 years in a form and location approved by the County.

Permitting and Licensing Requirements

All documentation demonstrating compliance with conditions of County permitting and requirements of each applicable state licensing authority will be maintained by the Applicant and made available to the County upon request.

Personnel Records

The Applicant will maintain the following personnel records:

- Full name, address and telephone number of each employee;
- All materials submitted to the County in connection with the Applicant's application for registration of the employee;
- Documentation of verification of references;
- The job description or employment (or independent contractor) contract that includes duties, authority, responsibilities, qualifications and supervision;

- Documentation of all required training, including the signed statement of training by the individual indicating the date, time and place he or she received said training and the topics discussed, including the name and title of presenters;
- Documentation of periodic performance evaluations;
- Record of any disciplinary action taken; and
- All FBI and criminal background reports obtained in connection with the registration of each employee.

Product Records

Inventory, product transfers, point of sales, testing records, and disposal of cannabis waste will be maintained in Trellis and accessible to the County upon request as outlined in the Product Tracking section of this manual. The Applicant will perform an inventory on the first business day of each month and record the total quantity of each form of cannabis on the premises.

Business Records

The Applicant will maintain the following business records:

- The name, address, and telephone number(s) of the owner, landlord and/or lessee of the location;
- Up-to-date information for all savings accounts, checking accounts, investment accounts and trusts associated with the operation of the cannabis facility;
- Assets and liabilities;
- Monetary transactions;
- Books of accounts, which include journals, ledgers, and supporting documents, agreements, checks, invoices, and vouchers;
- Salary and wages paid to each employee, stipend paid to each board member, and any executive compensation, bonus, benefit, or item of value paid to any individual affiliated with the Applicant;
- Governing documents of the Applicant, as amended, including Articles of Organization, bylaws, and minutes of meetings of the Applicant;
- Complete and up-to-date records regarding the amount of cannabis and cannabis products manufactured, stored or packaged at the Site;
- All receipts of the Site, including but not limited to all contributions and all expenditures incurred by the Site for manufacturing, dispensing, transportation, and delivery;
- A copy of the annual audit reports required by the County;
- Proof of completed registration with the County manager in conformance with County requirements; and
- Records demonstrating compliance with state and federal rules and regulations regarding reporting and taxation of income received.

Emergency Plan Procedures

The Applicant's emergency plan is designed to manage the consequences of natural disasters and other emergencies that threaten or disrupt the Applicant's ability to ensure the safety and wellbeing of staff and others at the facility, as well as the Applicant's ability to ensure the security of cannabis products.

The Applicant will run four emergency preparedness drills per year for each permitted area so that all staff are thoroughly trained and prepared to handle emergencies that may potentially occur. It will be the responsibility of the Applicant or its designee to evaluate the emergency, determine whether evacuation is necessary and determine whether outside support is needed.

Medical Emergency

If a medical emergency occurs on the premises, staff members must immediately notify on-duty manager. A 9-1-1 telephone call must be made, and a medical ambulance response must be requested. Staff members will be trained in the application of first aid and they will administer any appropriate first aid as required to protect the life of the person with the medical emergency.

If necessary, the on-duty manager will lock down/or close the Site to the public during the emergency and escort the EMT when they arrive. The on-duty manager shall be responsible for ensuring the data required of the EMT personnel to access the Site. However, the protection of life shall be critical and paramount, and an assessment shall be made upon arrival of the EMT personnel.

If a medical emergency pertains to a staff member, their "personal record of emergency data" shall be given to the EMT personnel. A supervisor will accompany the sick person to the hospital and remain there until the situation is stable. An incident report shall be written as soon as possible and provided to management for their evaluation, assessment, and consideration.

Fire Training

The Applicant will require that all staff members are thoroughly trained in the procedures to follow when there is a fire or when smoke has been detected. A fire incident checklist will be provided to all staff members. The fire alarm checklist will also be posted at key locations throughout the Site.

The Applicant will conduct quarterly fire drills so that all staff members are thoroughly knowledgeable on the location of the facility fire alarms, local Fire Department contact information, the Site's proximity to the nearest fire stations, the response time by fire officials, the use of fire extinguishers, the fire escape routes and emergency lighting from various sections of the facility and the protocols to follow to protect life and Applicant resources. The protection of life shall be paramount.

Key supervisory staff will be designated as "fire wardens" with the responsibility of ensuring that all staff members are accounted for upon execution of the fire plan and evacuation from the facility to a predetermined location. On-duty manager will ensure the Site is secure and will escort fire response personnel as permitted by the on-site Fire Department incident commander.

The security system will use an array of sensors and detectors to monitor the Site. Photoelectric smoke sensors will be attached to the security alarm system throughout the Site which detect smoke and fire. The onsite physical alarm system, will monitor each zone with up to eight sensors to monitor environmental variables including smoke and fire. These sensors will create a system notification (alarm) when fire and or smoke is detected.

Fire Procedures

- Designated "fire wardens" will immediately inform visitors and staff of the fire;
- Direct all visitors and Authorized Agents to evacuate the building using the nearest safe exit;
- If possible, turn off electrical equipment and close doors against the fire;
- Exit the building using the nearest safe exit; and
- Notify the Fire Department by dialing 9-1-1.

Safety Lighting

There will be adequate safety lighting in all areas. LED lighting will be placed at all interior doorways and hallways.

Earthquake Procedures

All staff will receive training to get under desks, tables, etc. while an earthquake is happening and to remain under desks, tables, etc. until the earthquake ends, or there is an announcement from management to evacuate the building.

Bomb Threat Procedures

A bomb threat checklist will be located adjacent to all incoming telephone lines and staff will be trained on their use. Staff will learn how to identify a suspicious package and to look for those with no return addresses, excessive postage, stains, strange odors, strange sounds, unexpected deliveries, etc. If a bomb threat is received by mail, staff will be trained to handle the package as minimally as possible and notify authorities immediately. Staff will be trained to NOT use their two-way radios or cellular telephones in bomb threat emergencies, as radio signals have the potential to detonate a bomb; and implement its *Evacuation Procedures*. Staff will be trained to keep calm and listen carefully if a threat is made by phone. An employee receiving a bomb threat will notify his/her supervisor immediately, and the supervisor will notify the Police Department by dialing 9-1-1. Staff will instruct a colleague to notify law enforcement and will note the incoming telephone number, what is said by the caller (in exact words if possible), note details about the bomb and note details about the call. If directed by a professional, staff will try to determine the location and type of bomb.

Evacuation Procedures:

- Move visitors and others who are closest to the danger to a safe area near or at an emergency exit;
- Direct all visitors and staff to evacuate the building through the nearest safe emergency exit;
- All available staff will be on hand to assist in the evacuation to ensure no one is left in the building;
- Staff assigned a safety function should be the last to exit the building whenever possible;
- One staff will be assigned to take the Applicant's First Aid Kit to the assembly area; and
- After safely exiting the building, all evacuees should proceed directly to the assembly area to participate in "roll call."

Life Threatening Events (Armed Robbery, Invasion, Burglary, Other Criminal Incidents):

The Applicant will require all staff members are thoroughly trained in the security and safety procedures to follow if there is an armed robbery, invasion, burglary or another criminal incident. The safety of human lives shall be the primary objective over the protection of facilities. Staff shall be thoroughly trained on admittance procedures to mitigate risk with robbery, invasion or other criminal incidents.

Height tape will be placed on the inside of all egress points so staff can easily determine the height of the robber or other criminal when needed. Staff will be trained to determine as much as they can about a perpetrator, including but not limited to their: skin color, sex, nationality, age, height, weight, hair color, build, complexion, nose and ear size, glasses present, facial hair, mask or other disguise used, scars, marks, tattoos or other deformities, or any other distinguishing characteristics.

Staff will also be trained to note a perpetrator's clothing (hat, coat, shirt, shoes, pants, neck tie, scarf, headband, jewelry or other distinguishing characteristics). Staff will also be trained to note if a weapon was used, if a speech accent or impediment was noted, any names used by the robber, and unusual mannerisms and if the robber was right or left handed.

Burglary training shall ensure that all staff clearly understand their safety and security roles, responsibilities and chain of command. Staff will be trained to immediately secure the crime scene and notify law enforcement and management when a burglary has been detected. Staff will also be trained to note any bystanders that could be suspects or witnesses, to note any vehicles and their license plates; to note the time, date, lighting and weather conditions, and secure witnesses as needed. Staff will be trained to coordinate with law enforcement, provide access and an escort as needed, secure video surveillance tapes for evidence conduct a full inventory and accounting of all assets to assist law enforcement in determining what was taken. Staff must also complete a full company incident report as soon as practical. Any inventory discrepancies shall be immediately reported to management, law enforcement and regulatory officials.

Personnel Policy

To ensure that employees consistently meet the Applicant's standards, personnel policies to dictate various aspects of employment protocol have been established as follows.

Job Descriptions

A job description will be maintained for each position outlining the essential duties and responsibilities of the position. When the duties and/or responsibilities of a position change, job descriptions will immediately be revised to reflect those changes to ensure accuracy of job descriptions. Each new employee will review their job description with their immediate supervisor within one month of starting work.

Criminal Background Check

All potential employees will be subject to a Live Scan criminal background check. If hired, Live Scan results are kept as part of the employee records.

Training

Employees will be required to undergo a comprehensive training program to ensure they perform their job functions at the highest level, including detailed on- the-job training. Training will be tailored to the roles and responsibilities of the job function of each employee. Training will include, at a minimum, laws regarding cannabis, privacy, confidentiality, prohibitions on sexual harassment, safety and security and effective interaction with law enforcement personnel.

All trainings will be documented including obtaining a signed statement from each employee indicating the date, time and place he or she received training, the source of training and the topics discussed.

Upon hire employee will receive his or her own copy of our Employee Handbook and a copy of the policies and procedures applicable to their function.

Performance Evaluations and Disciplinary Action

All employees are hired as at-will employees. The Applicant reserves the right to terminate a person's employment at any time, with or without cause. However, our goal is to retain employees, especially those that demonstrate skill and loyalty with respect to their positions.

However, a violation of any safety standard and/or any other rule, policy or procedure may lead to disciplinary action, up to and including termination. All disciplinary action(s) taken will be documented and retained in the employees personnel file. Any employee who has diverted cannabis products will be

immediately terminated, and we will report any such incident to law enforcement officials and the County. We will immediately dismiss any employee that engaged in unsafe practices with regard to dispensary operation, and we will also report any such incident to the County.

To keep abreast of employee performance, we will perform periodic performance evaluations for each of our employees; and we will advise our employees of any such performance reviews. Performance reviews will be documented and kept in the employee's personnel file.

Personnel Records

Employees may request a review of their personnel file. The review must take place during business hours and in the presence of management. Employees will be allowed to make copies of any document he or she has signed, but the rest of the file may not be copied. Notes can be added to the file, but nothing can be removed.

Employee's Property

An employee's personal property, including but not limited to lockers, packages, purses and backpacks, may be inspected at any time upon reasonable suspicion of unauthorized possession of weapons, unauthorized items, or property of the business.

Punctuality and Attendance

Employees will be expected to be punctual and regular in attendance and will be expected to report to work as scheduled, on time and prepared to start work. Employees must remain at work for the entire time scheduled, except for meal times or when authorized to leave.

Nondisclosure Agreement or Use of Trade Secrets

During the term of employment, employees may have access to and become familiar with information of a confidential nature. Employees will be required to sign a confidentiality agreement at the beginning of employment.

Financial Audit

The Applicant will regularly disclose details of our financial operations to the applicable state and local agencies in the required format, and we will comply with the most up-to-date state regulations in terms of disclosing financial records. If necessary, we will complete a periodic audit certified by an independent certified public accountant in accordance with generally accepted auditing and accounting principles.

Voluntary Closure

In the event that the Applicant elects to cease operation of all permitted activities and to surrender its permit(s), we will notify the appropriate state and local agencies in writing at least 120 days prior to the anticipated date of closure. We will take no action to close any of the permitted uses prior to approval of the plan for closure.

The written notice will include a proposed plan for closure, subject to the appropriate state and local agencies' approval. The notice will include timetables and a description of the procedures and actions we will take to properly destroy, transfer or otherwise dispose of all the supply of cannabis products; to make all records required to be maintained for seven years available to the appropriate

state and local agencies; and to maintain compliance with local and state regulations and other conditions required until the approved closure date.

In the event that our application for renewal of registration is denied, we will submit a proposed plan for closure as outline above.

DISPENSARY SPECIFIC OPERATIONS

Dispensary Layout

There are three distinct areas of the dispensary:

Registration Counter/ Retail Area

As customers enter the Tea House Collective, they will be required to check-in with our staff at the registration desk and provide valid identification and or verifying that they qualify to enter the retail area containing cannabis products.

Storage Area and Employee Break Room

Tea House Collective has a generous storage room capable of holding all needed inventory. We also have an employee break room equipped with lockers for staff belongings, and standard kitchen equipment.

Measures Taken to Minimize Carbon Footprint

The Tea House Collective plans to install solar panels and will only promote organic, sustainable products. Part of our commitment to be green also includes educating the consumer about why choosing outdoor sustainable Humboldt products is better for the environment. We will also encourage people to park along Redwood Drive to emphasize the walkability of Garberville.

Customer Check-in Procedures

Tea House Collective will welcome customers according to the most up- to-date state and local dispensary regulations and following the standards below. Every person wanting to enter the retail area of the facility must present valid identification at the registration counter to verify age requirements.

Medical Cannabis Patient and Caregiver Screening and Registration

Tea House Collective Dispensary will welcome qualified patients and caregivers with proper documentation and valid ID. All of our patient and caregiver customers will be registered in Trellis pursuant to the *Product Tracking* procedures outlined in the General Operations section.

If the patient or caregiver is a returning customer, we will use their valid ID to verify their status in Trellis. If an updated recommendation or updated documentation is required, the patient or caregiver must present a current medical cannabis recommendation and/or current required documentation to procure products at Tea House Collective. Their information will be updated in Trellis, as required. Patient information will be retained for 7 years, or as directed by state and local laws and regulations.

New medical cannabis patient customers must be at least 18 years of age with valid California ID and a current and verifiable medical cannabis recommendation. Caregivers are required to present a verifiable and valid written document containing the signature and name of the verifiable medical cannabis patient that is designating the caregiver for the medical cannabis patient. Medical cannabis patient customers under the age of 18 will be granted access if they are accompanied by a parent or certifiable caregiver and they present a valid medical cannabis recommendation.

Access to the dispensary is granted only after identification and any other required documentation are deemed valid.

Staff will be trained to understand doctor recommendations and help the patient or caregiver find the right product that meets the suggested dosage. If staff or patients are unclear on the dosage recommendation based on the paperwork presented to verify medical status, staff will contact the issuing doctor's office to discuss the intended medicine for the medical need.

Product Display

All cannabis products in the dispensary will be kept under lock and key at all times, except when a customer receives products as part of a purchase. The retail display will be visible to our customers but secure and accessible only by designated employees. Products will be put out for display only during operating hours, and the number of products on display will not exceed the amount of products expected to be sold during an average one-day period. Everything on display will be returned to the safe at the end of the day, just like a jewelry store.

Products in containers allowing for customer inspection will be available. Such containers will not be readily accessible without the assistance of dispensary personnel. When a customer is inspecting product in a container, dispensary personnel will be with that person the whole time they are handling the container and product. Any product used for display will not be sold, will not be consumed and will be destroyed pursuant to waste handling procedures addressed in this document.

Products will not be displayed outside of the designated retail area, and cannabis and associated products will not be displayed or clearly visible to any person from the exterior of the dispensary.

Daily Sales Limits

Tea House Collective will abide by the most up-to-date applicable laws and regulations for daily sales limits and be able to track product purchases through Trellis.

Onsite Chemicals

The only chemicals expected to be used at the distribution facility are common cleaning agents for disinfecting work surfaces. Cleaning chemicals will be stored in the break room area and will be disposed of following labeling requirements.

Marketing Materials

Advertising will be limited to a Tea House Collective catalogue or printed list with the prices and strains. Any advertising materials or materials produced by our dispensary and disseminated as patient educational materials will meet applicable state laws and regulations and will not include the following:

- Any statement design, representation, picture or illustration that encourages or represents the use of cannabis for any purpose other than to treat a debilitating medical condition or related symptoms;
- Any statement, design, representation, picture or illustration that encourages or represents the recreational use of cannabis;
- Any statement, design, representation, picture or illustration related to the safety or efficacy of cannabis unless supported by substantial evidence or substantial clinical data with appropriate scientific rigor; or
- Any statement, design, representation, picture or illustration portraying anyone under the age of 18.

General Product Management Policies

Tea House Collective will be sourcing products from licensed distributors only. All aspects of our product management are documented in Trellis. Records cataloguing the transfer, acquisition or sale of cannabis between entities will be kept for a total of 7 years.

Inventory Documentation and Reconciliation

Tea House Collective inventory will be kept on-hand in a locked safe in a locked and secure storage area, and any inventory on display will not be readily accessible and will be returned to the safe at the end of the business day. The status of all inventory on-hand will be documented and readily accessible in Trellis.

We will maintain an accurate record of inventory at all times in Trellis, including a description of each item, an accurate measurement of the quantity of the item, the date and time the product was received and sold, the sell-by or expiration date of the item, if provided, the name and license number of the licensed supplier that provided the products and the price of the products including taxes or delivery costs.

Receiving Products

Tea House Collective will receive products via licensed distributors. Products will be received using the front door and during non-retail hours, so hours of receiving and hours of operation are segregated. Therefore, products will not enter the premises through any entrance available for use by the public to enter or exit the premises. Upon receipt, products will be immediately placed in our secure storage area and inventoried in a manner as to prevent diversion, theft and loss.

Storage and Handling of Cannabis Products

Tea House Collective recognizes the importance of properly storing cannabis products to ensure the safety of the facility, the cannabis, the consumer and the community. All products will be kept in a secured locked area at all times and will only be accessible to specifically designated employees. We will take precautions to ensure proper storage procedures at all times.

Proper storage procedures include providing adequate lighting, ventilation, temperature, humidity and space for cannabis products. Storage areas will be maintained in a clean and orderly condition and will be free from infestation by insects, rodents, birds and pests of any kind. Storage areas will also be designed to prevent entry of environmental contaminants such as smoke and dust and. Products will be stored indoors and will not be exposed to direct sunlight. Employee break rooms, changing facilities and bathrooms will be completely separate from storages area.

Inventory not on display is kept in a darkened area at no more than 60% humidity and refrigerated at 35 to 42 degrees Fahrenheit, when necessary. Flower is stored in airtight containers and in amber or UV resistant packaging.

Each employee will have a valid California Food Handler Card and will follow safe food handling requirements when handling inventory; gloves and sterile implements will be used at all times.

Customer Safety

Staff will verify that all products we will receive from licensed distributors, including dried flower, have passed state mandated laboratory testing protocols for contaminants and cannabinoids prior to our receipt to ensure the protection of human health.

Packaging and Labeling

Tea House Collective recognizes that it is important that cannabis products are properly packaged and labeled in a way that clarifies all details regarding the product inside the package. We will only offer products that are packaged in a way that complies with the most up-to-date and applicable state and local regulations.

Products will be packaged in plain, opaque, tamper-proof and childproof containers. Packaging will not portray depictions of the product, cartoons or images, nor will be it packaged in a way that is appealing to children. Any products intended for more than a single use will have packages that reseal.

Labels will be legible and firmly affixed to each package and will contain all information required by state and local jurisdictions, including the quantity of usable cannabis contained within the package and a clear statement that the product is cannabis. We will only offer products that are contaminant and pesticide free and are labeled as such. Products will also be labeled with the cannabinoid profile of the products contained within, including THC and CBD content.

Labels will also contain the following statement, including capitalization "This product has not been analyzed or approved by the FDA There is limited information on the side effects of using this product, and there may be associated health risks. Do not drive or operate machinery when under the influence of this product. " KEEP THIS PRODUCT AWAY FROM CHILDREN."

Cannabis products shall not leave the dispensary unless they are placed in a secure, opaque exit package. Exit packaging will be such that the products cannot be seen from outside the packaging.

Cannabis Waste Handling

Products that we intend to render into cannabis waste will be handled according to state laws and regulations. Cannabis waste will be disposed of at a manned and fully permitted solid waste landfill, at a manned compostable materials handling operation, or a manned and fully permitted compostable materials handling facility or at a manned in-vessel digestion operation or fully permitted facility. Trellis will be used to track waste batch information and weight, including date and time that products were rendered into waste and date and time of disposal. We will keep evidence of acceptance of the cannabis waste at the designated disposal facility.

MANUFACTURING SPECIFIC OPERATIONS

Manufacturing Facility Layout

The Applicant has worked with a contracted architectural firm to design a manufacturing facility that complies with all state and local laws and regulations. The facility has been designed to ensure efficiency and safety for employees and operations and consists of three distinct areas; an office, extraction room and processing room.

Extraction

CO2 Extraction

After careful consideration, the Applicant has chosen to use non-volatile extraction technology with carbon dioxide (CO₂) as the primary solvent. The Applicant will use very sophisticated CO₂ based extraction machines that will accomplish the above in a safe and reliable manner. Employees will be trained thoroughly in working with compressed gasses prior to conducting any processes related to CO₂ extraction.

The Applicant's manufacturing facility will be used to extract raw cannabis oil from cannabis flowers. All equipment for processing and extraction will be purchased in compliance with state and local regulations. Further, all staff that the Applicant intends to employ will possess expert knowledge and training in the processes of extraction. The Applicant intends to implement quality control measures to ensure that extraction and processing is conducted in a manner that remains in compliance with state and local ordinances. In addition, safety and preventative measures will be implemented at the facility to ensure the health of the community, the Applicant employees, contractors, and any potential visitors (inspectors, additional vendors, etc.).

Proposed Product Formats

The Applicant has researched the cannabis market to determine the most frequently requested cannabis oil products. The Applicant intends on manufacturing bulk cannabis oil in phase one. Additional product lines such production of infused pre-rolls, packaging of flower, and non-volatile concentrates (rosin, live resin, ice water hash, etc) may be added based on market demands and trends.

Internal Testing Procedures and Quality Assurance

Internal Cannabis Testing

The Applicant has established protocols for internal testing of all cannabis and cannabis products in addition to the state mandated testing requirements. This additional layer of testing ensures that all cannabis products processed at the manufacturing facility are safe and appropriately potent. The cannabis testing protocol established by the Applicant complies with all state and local laws.

Lab testing will be conducted for each lot of cannabis received for processing, manufacturing and packaging. Testing will be done by an independent, County licensed, third party lab. This lab will provide: cannabinoid potency profiling, pesticide residue analysis, plant growth regulator screening, microbial contamination assays and heavy metal concentrations. Testing is pursuant with guidelines set forth by state and local laws.

Every lot will be lab tested prior to manufacturing and after manufacturing is complete. Sample size will be representative of the batch size. All cannabis products distributed for lab testing will be packaged in accordance with all laws. The facility will keep and maintain records documenting submission to the approved laboratories as well as the results from the testing for a period of 7 years.

For purposes of testing cannabis products, the Applicant contracts with independent laboratories that are accredited to International Organization for Standardization (ISO) 17025 by a third party accrediting body (e.g., A2LA or ACLASS) or certified, registered or accredited by an organization approved by the County.

The Applicant arranges for the independent laboratory to test cannabis products for the cannabinoid profile (including THC, CBD and CBN) in accordance with the frequency required by the State. The Applicant arranges for the independent laboratory to test cannabis products for contaminants as specified by the State, including but not limited to, mold, mildew, heavy metals, plant-growth regulators and the presence of non-organic pesticides in accordance with the frequency required by the State.

The Applicant places test results and the date of testing on the label of the product and maintains the results of all testing for a period of 2 years.

Batches will be tested based on their specific concentration of Tetrahydrocannabinol (THC) and total Cannabidiol (CBD) and shall have a consistent cannabinoid profile. Testing must include information regarding the following cannabinoids:

- Tetrahydrocannabinol (THC)
- Tetrahydrocannabinolic acid (THCA)
- Tetrahydrocannabivarin (THCV)
- Cannabidiol (CBD)
- Cannabidiolic acid (CBDA)
- Cannabidivarin (CBDV)
- Cannabinol (CBN)
- Cannabigerol (CBG)
- Cannbichromene (CBC)
- Any other cannabinoid component at >0.1%

Any final cannabis product shall not contain less than ninety-five percent (95%) or more than one hundred-five percent (105%) of the concentration of total THC or CBD indicated on the label for this brand.

During the period the samples are being tested, the facility will properly store the packaged cannabis products until testing results have been provided. The product will be stored in a restricted access, secure area with video surveillance. This area is segregated from any other product storage areas to minimize cross contamination. The locked, secured room also has full climate control that maintains a cool temperature (68-70) and low relative humidity.

Other than the samples provided to the testing facility, under no circumstances will any other samples or product be sold from batches with pending test results. Once the testing is complete, the testing facility will compliantly destroy the sample or any other samples provided that were not used for testing.

Testing for contaminants in the final cannabis product shall include, but shall not be limited to the following analyses:

Abamectin	Dimethoate	Permethrin	Thiacloprid
Acephate	Ethoprophos	Phosmet	Thiamethoxam
Acetamiprid	Etofenprox	Piperonyl butoxide	Trifloxystrobin
Azoxystrobin	Etoxazole	Prallethrin	Acequinocyl
Bifenazate	Fenoxycarb	Propiconazole	Aflatoxin B1
Bifenthrin	Fenpyroximate	Propmnu	Aflatoxin B2
Boscalid	Hexythiazox	Pyrethrins	Aflatoxin G1
Carbaryl	Imazalil	(pyrethrin)	Aflatoxin G2
Carbofuran	Imidacloprid	Pyridaben	Cyfluthrin
Chlorantraniliprole	Kresoxim-methyl	Spinosyn A	Fonicamid
Chlorpyrifos	Malathion	Spinosyn D	Flucloxonil
Clofentezine	Metalaxyl	Spiromesifen	Cypermethrin
Daminozide	Methiocarb	Spirotetramat	
Dichlorvos	Myclobutanil	Spiroxamine	
Diazinon	Paclobutrazol	Tebuconazole	

And any pesticide/herbicide/fungicide used during production of the product, growth regulator used during production of the product, or any other analysis required by the commissioner

If the sample provided fails the testing requirements, the entire batch will be destroyed. Any batch or lot of products not meeting the minimum standards or specifications for safety or brand consistency shall be rejected and destroyed by the facility in accordance with its operating plan. Any failed tests will be kept on file by the laboratory and an electronic copy must be sent to the facility, for the facility to keep on their files.

The independent, approved laboratory shall certify the cannabis product lot as passing all contaminant testing and verify that the content is consistent with the brand prior to the cannabis product being released from the manufacturer to any dispensing facility. If the sample provided passes the testing requirements, it may be used immediately for manufacturing or, if finished raw product, transported to a licensed distributor for state mandated testing.

For each homogenous batch transferred, the inventory will be identified by the cultivar specific batch identification code, the incremental weight and the quantity of packages for that weight on the order form. With the transfer form will be a product acceptance, rejection and recall form that itemizes each transferred homogenous batch and details other relevant information associated with the batch. This form will provide areas to identify the quantity rejected, contaminants present and/or the reasons for rejection.

Upon arrival, this form will be used by the personnel associated with accepting or denying inventory transfers. This individual will inspect the transferred inventory to verify its fitness for processing. Inventory deemed unsafe for processing will be rejected and returned. Once returned, product unsafe for processing will be disposed of properly according to the Applicant Waste Disposal Policies and Procedures and recorded in files tracking the disposal of contaminated inventory and waste.

To ensure all order fulfillments are completed, the inventory tracking system will be reconciled to reflect the transferred inventory packages, rejected inventory and disposed inventory. By regular inspection of the product through every event in the product chain, the cleanest medicine with the lowest level of possible contaminants will be achieved.

Any cannabis product failing a test will be reported to the County within 24 hours.

Quality Assurance

The Applicant recognizes the importance of inspecting all cannabis products manufactured at the facility. While state mandated testing will be conducted on all cannabis products prior to retail sale, internal quality assurance is another key aspect of product safety. Cannabis products manufactured at the manufacturing area will be inspected thoroughly to ensure products free of pathogens and contaminants. Products will be manufactured with the highest quality components, natural flavors and expert extraction methods. All products will be tested as required by the state government and will meet all local and state sanitation requirements. All Applicant machines will be inspected and cleaned monthly. Inspection and quality checks will be performed to ensure levels of visible contaminants are below acceptable thresholds. When intaking raw product, the Applicant will request informal laboratory testing results from a reputable lab prior to accepting product.

Extraction Product Packaging

The Applicant intends to produce and package bulk cannabis oil for sale to other permitted businesses for further processing. Bulk oil will be packaged into an appropriate container based on the order size

received. All packaging will be done in the processing area to avoid any contamination post-processing. Air will be ventilated and filtered several times per minute to ensure a clean air environment.

The Applicant will utilize scales approved by California Department of Food and Agriculture Division of Measurement Standards. The Applicant will utilize scales with the appropriate accuracy class for the quantity of cannabis and cannabis product to be measured.

Extraction Room

The Applicant will improve the extraction room to comply with all state and local laws. This room will only contain equipment relevant to the extraction process. Openings into the room will be limited to points of ingress/egress and systems serving the extraction room, such as mechanical, electrical and plumbing systems. All openings will be sealed to prevent potential leaks. Smoking and open flames will be prohibited from the extraction room. An approved eyewash station will be installed in the extraction room. Emergency lighting will be installed to illuminate the path of egress in case of a power outage. Each exit will be marked by illuminated exit signs, and the path to the exits will be marked to lead occupants out in case of an emergency. All rooms will be kept clean to prevent work accidents, such as slips/falls, cuts, fires, electrical shocks and more.

Electrical Requirements

All electrical components will be properly installed in accordance with hazardous area safety requirements. Extension cords, power strips and other temporary equipment will not be used in a permanent manner.

Lighting and power receptacles will be interlocked with the exhaust system. This ensures that the room power and lighting will never operate without the exhaust system. The gas detection system will not be interlocked, ensuring that it is continuously running.

Gas Detection System

The gas detection system will continuously run during the extraction process and whenever gas is present in the extraction room. The system will be installed in accordance with the manufacturer's instructions. A certificate of calibration from the manufacturer will be attained to ensure that the system is properly calibrated.

The system will be equipped with an alarm that will sound any time gas concentrations exceed safety limits (5000 ppm or per State of California regulations).

Fire System

Automatic fire sprinklers and fire alarms will be placed in the extraction room. Accessible fire extinguishers will be provided within 30 feet of the extraction area, in the processing area and in the office.

Signage

The NFPA 704 Hazard Rating diamond sign will be posted on the exterior of the extraction room and on the exterior of the building. Safety data sheets (SDS) and no smoking signs will be posted inside each room. Hazard warning signs with instructions for emergency equipment will be posted throughout the facility.

Hazardous Materials

The following hazardous materials will be kept on site:
5 gallons of ethanol (cleaning)

1 gallon of isopropanol (cleaning)

2 quarts of acetone (testing)

Storage and Handling of Gases

Gas containers will be stored, used and handled in accordance, with safety data sheets available to employees. Gas containers will be properly labeled and stored upright. Public access to the storage and handling room will be restricted.

Containers of gas, whether full or partially filled, will be maintained in a temperature-controlled environment and will never be exposed to artificially high or low temperatures. Areas used for storage, use and handling of gas containers will be secured against unauthorized access, hazardous conditions and physical damages.

A lockable ventilated metal enclosure within the extraction room will be used for interior storage of four 50-pound non-volatile CO₂ gas tanks.

All tanks will be secured to walls with chains while in use.

Transfer of Gases

Transfer of gases between containers will be performed in regulated areas by qualified personnel using equipment and operating procedures in accordance with law. Personnel will be trained and recertified every three years. All documentation will be kept and made available to the Applicant if requested.

CO₂ tanks are owned by the Applicant. The Applicant will contract with a licensed third-party service to pick up empty tanks and deliver filled tanks to the site.

Class 1 Division 1 electrical equipment will be within 5 feet of operations, while Class 1 Division 2 electrical equipment will be within 15 feet. If heating blankets are used, they will be listed for use in explosive environments. An electrical permit will be acquired for any circuits being extended to the filing location.

When scales are used for weighing, they will be of Class 1 Division 1 equipment or will be mechanical.

Operator Training Requirements

All operators will be trained and familiar with all site specific standard operating procedures and, will be required to obtain certificates in gas transfer, equipment operations and compressed gases operations.

Operator Training Requirements

All operators will be trained and familiar with all site and post-extraction process specific standard operating procedures. All operators will be required to obtain a certificate of training for post-extraction processing.

Manufactured Cannabis Waste Handling

The Applicant has established a waste disposal system to ensure that waste produced by the facility is disposed of in a way that effectively destroys the waste and complies with all state and local laws. By properly removing and disposing of litter and waste, the Applicant minimizes the development of odor and the potential for attracting and harboring pests.

Non-cannabis containing waste will be collected and disposed of as conventional solid waste. A trash enclosure with covered containers for recycling and solid waste will be utilized. Waste collection service will be provided by Eel River Resource Recovery or another licensed waste collection company.

Liquid waste containing cannabis (byproducts of cannabis extraction and equipment cleaning) will be collected and stored within the facility and disposed of once a month. Small (less than 10 gallons) amounts of residue and waste ethanol used in the cleaning process are the only waste products generated. Quantities generated will fall within Humboldt Waste Management Authority's (HWMA) Household Hazardous Waste program which is open to businesses who generate less than 27 gallons or 220 pounds of waste per month. The Applicant will coordinate disposal of liquid waste with HWMA.

Fats, oils and greases as a byproduct of refining cannabis oil will be stored in a grease tank and disposed of by a licensed waste collection company.

Cannabis solid waste will be disposed of in a manner that prevents unauthorized use of disposed materials. All such disposal will be documented and in compliance with state laws and regulations. Cannabis that is outdated, damaged, deteriorated, misbranded, adulterated or whose containers or packaging have been opened or breached will be separated for storage in a quarantined area until the cannabis is destroyed. Cannabis waste will be stored, secured, locked and managed in accordance with County regulations. Cannabis waste will be rendered unusable by shredding/grinding then mixing with other solid waste generated by the facility and will be disposed of as solid waste.

The Applicant will create and maintain detailed records of all destroyed products. Disposal documentation will include product description, quantity, date, time, location, reason for disposal, and will be signed by two (2) employees, one of which must be upper management.

All waste and unusable product will be weighed, recorded and entered into Applicant's inventory system prior to mixing and disposal. Verification shall be performed by a supervisor and conducted in an area with video surveillance. **All disposed waste containing cannabis material or byproducts will be rendered useless and unrecognizable.**

Manufactured Product Packaging and Labeling

The Applicant recognizes that it is important that cannabis and cannabis products are properly packaged and labeled in a way that clarifies all details regarding the product inside the package. All packaging and labeling procedures comply with state and local laws.

Packaging

Cannabis will be packaged in plain, opaque, tamper-proof and childproof containers. Packaging will not portray depictions of the product, cartoons or images other than the Applicant's name and/or logo nor will it be packaged in a way that is appealing to children. cannabis packaging will be tamper evident and child-resistant through the use of hinged lid containers, pop-top bottles, reversible cap vials, etc. Child resistant packaging will conform to federal consumer product safety regulations and ASTM standards.

Labeling

The Applicant will place a legible, firmly affixed label on each package of cannabis that it prepares for sale to a dispensary. Each label will contain the following information in wording that is no less than 1/16 inch in size:

- The name and registration number of the licensee, along with the facility name, telephone number and mailing address;
- Dosing and administration instructions;
- The quantity of usable cannabis contained within the package;
- Any recommendation or limitation by the practitioner as to the use of medical cannabis;
- The date that the Applicant packaged the contents;
- The batch number, sequential serial number and barcode to identify the batch associated with manufacturing and processing;
- The cannabinoid profile of the cannabis contained within the package, including THC and CBD levels;
- A statement that the product has been tested for contaminants and that there were no adverse findings. This should include the date of testing;
- A clear and unambiguous statement that the product is cannabis; and
- The following statement (including capitalization): "This product has not been analyzed or approved by the FDA. There is limited information on the side effects of using this product, and there may be associated health risks. Do not drive or operate machinery when under the influence of this product. KEEP THIS PRODUCT AWAY FROM CHILDREN."

Storage of Cannabis

The Applicant recognizes the importance of procedures regarding the storage of cannabis and cannabis products to ensure the safety of the facility, the cannabis and the surrounding community. The Applicant will take extreme precautions to ensure proper storage procedures.

The Applicant will monitor each area that stores cannabis or cannabis products and the entrance and exit to the storage area by video surveillance. Inside the facility, all cannabis or cannabis products will be kept behind locked doors and will be inaccessible to any persons other than specifically designated Authorized Agents. The Applicant will provide adequate lighting, ventilation, temperature, humidity and space for cannabis and cannabis products in accordance with the local and state laws. The Applicant's storage areas will be maintained in a clean and orderly condition and will be free from infestation by insects, rodents, birds and pests of any kind.

All cannabis and cannabis products in the process of production, preparation, transport or analysis will be stored in a secure manner. Storage and transportation of finished products will be under conditions that will protect them against physical, chemical and microbial contamination as well as against deterioration of them or their container. All chemicals will be kept in a designated storage area that is well-ventilated and secured. This area will be clearly marked with warning signs. Storage containers will be thoroughly cleaned before disposal as to pose no threat to people, animals or the environment.

DISTRIBUTION SPECIFIC OPERATIONS

Product Procurement and Handling

The Applicant will only procure cannabis products from licensed cultivators in a safe and secure manner, following all state and local regulations regarding tracking and quarantining untested product by following these detailed procedures:

Verifying Vendors

The Applicant or its designee will verify all vendor cannabis cultivation licenses with state and local agencies and keep scanned copies of licenses and state-issued identification cards on file in a secure, cloud-based database. Expiration dates of licenses will be entered and checked before making purchases. Each vendor will be assigned a vendor number by which their product will be tracked.

The Applicant or its designee will set appointments with verified vendors and receive them at the facility at the appointed time by verifying their identify through a camera placed at the gate, and again at the door. Before opening the door, a check will be made of the perimeter of the fenced lot to ensure that others are not present.

Labeling

The Applicant or its designee will receive, grade, weigh and inspect all cannabis received in a designated, secure and sanitary area under video camera surveillance. If the product is accepted for storage or testing, it will be labeled in clear, readable type with the words “UNTESTED PRODUCT – FOR QUARANTINE” along with the vendor number, the date and time, the weight in grams, and the unique identifiers from each plant as provided by the vendor and required by state and local regulations, and a batch number under the definition of “batch” in state and local regulations. All this information will be input into Trellis as required by state and local regulations.

Contracting for Payment

All vendors will receive a receipt for the products procured and will sign the receipt and an agreement for payment pending test results.

Sampling and Testing

The Applicant or its designee will ensure that untested product is quarantined until laboratory test results are received and approved to send for testing and receive tests according to state and local regulations and best practices

Sampling Product

A state licensed testing laboratory will perform sample collection per state protocol and take collected samples to test for potency, microbial and pesticide residues, as required by state and local regulations. On a regular basis, samples will be sent to a second laboratory for comparison with the chosen laboratory.

Quarantining untested product

After product samples are sent for testing, the untested product will be placed in the safe in a designated, clearly marked area with the label stating that it is untested product clearly visible.

Acceptance and Payment

Receive, Evaluate and Process Test Results

Once testing results are available, designated employees will evaluate them for completeness and accuracy according to state and local regulations. As applicable, batch information will be entered in Trellis as required by state and local regulations.

Re-label Tested Product

A new label for the tested product with the words “TESTED PRODUCT” along with the batch and vendor number, the weight, the date the test results were received, and the name of the testing lab will be applied to the tested product. The batch and vendor number will be matched to the product in the quarantined area of the safe, and the new label affixed on top of the existing label.

Returning Unacceptable Product or Paying for Accepted Product

If the laboratory results are not acceptable, a designated employee will contact the vendor and make arrangements to return their product to them.

If the results are acceptable, the vendor will be contacted and arrangements for payment made, either by check or in cash. The vendor will sign a receipt for the payment made, and the amount will be entered into the track-and-trace database and the accounting program.

In either case, the vendor will be escorted to the door and observed until they have exited the gate.

Packaging for Transport

Packaging and Labeling of Product

A database of available product on hand at all times will be maintained to fulfill orders and assign transporters to deliver products to licensed commercial cannabis businesses, following all state and local regulations regarding transport vehicles and drivers.

Product ready for transport will be packaged and labeled according to local and state regulations, and manifests meeting state laws and regulations will be generated through before releasing the product to the assigned transport driver.

Storage and Handling

Storage Areas

The Applicant or designee will:

- Design and source a secure vault and security system, including cameras, alarm system, locks and access doors, using a large, digital 'Stack-On Elite' safe that is physically secured to the foundation. All products and cash will be secured in the safe overnight, behind a locked, solid core door, and any window to the room with the vault or safe will be boarded and secured shut permanently. The room will also be secured with its own personal panic button for business hours and a motion sensor for non-business hours.
- Write and implement a security protocol for storage and train all staff on security procedures for storage
- Manage day-to-day operations of the storage security plan
- Routinely inspect all locks and security systems to ensure they are in good working order and are being used properly

Storage of Cannabis During Business hours

The Applicant or designee will:

- Properly store all cannabis products received in the storage vault
- Oversee employee access to the product storage vault, allowing only authorized persons to enter for authorized withdrawals
- Monitor security cameras throughout the day to make sure no unauthorized persons are near the storage vault and no unauthorized product withdrawals are made from the vault

Storage of Cannabis Products after Business Hours

The Applicant or designee will:

- Remove all cannabis products from all areas of the office and place them into the vault upon closure.

- Lock and secure the vault at the end of business each day

Product Handling Procedures

The Applicant or designee will be required to use gloves, hairnets, beard nets, and face guards whenever products are inspected or packaged. Use of gentle handling techniques will be implored to avoid crushing flowers or damage to trichomes on cannabis when weighed, dispensed, manufactured or packaged. Care will be taken to minimize damage caused by light and heat to cannabis products.

Vehicle Selection and Maintenance

Selecting Vehicles and Insurance

The Applicant will purchase vehicle(s) for transporting cannabis products and payments in a secure manner. All vehicles will meet state and local regulatory requirements and be approved and inspected by the insurance company. Special attention will be paid to needs such as lockable compartments for carrying cash and product. Ford Connect Transit minivans or similar vehicles will be considered.

Licensing, Inspecting and Maintaining Vehicles

The Applicant will be responsible for licensing all vehicles and keeping licensing and inspections up to date and for maintaining vehicle(s) according to manufacturer's suggested maintenance schedule, state and local regulations, DOT and CHP requirements.

At regular intervals, and before any vehicle leaves the Site, they will be inspected to ensure that brakes, lights and locks are functioning properly, that fluid levels are full, and that windows and mirrors are clean and set for maximum visibility. Any repairs that are required will be performed or contracted for qualified personnel.

Hiring, Training and Supervision of Drivers

Hiring, Testing and Scheduling Drivers

The Applicant will hire drivers, ensuring that they have a current commercial California driver's license, a good driving and employment record. Drivers will be required to pass a Live Scan check and submit to pre-employment and random drug screening to meet DOT requirements. Their on-the-job hours will be limited per DOT regulations. All drivers will be required to maintain a neat and professional appearance.

In addition, each driver will submit to a pre-employment impairment test to establish baseline performance levels, and before starting any driving shift will take the test to be sure that they are not impaired for any reason. If a driver fails any test they will be suspended pending resolution of their failed test. Drivers will sign an agreement accepting these terms before being hired.

Training Drivers

The Applicant will establish procedures for drivers regarding, but not limited to: accepting, checking and storing product to be transported; driving with cannabis products or payments in the vehicle; delivering product and securely storing product payment; and returning to the Site to deliver product payment. Drivers will be trained to have shipping manifests available for inspection at all times during the drive, to secure signatures from customers on the manifests, and to enter in the date and time of the delivery on the manifest.

Procedures for reporting when a delivery is made; checking in at regular intervals; stopping for refueling, maintenance and meal breaks; and handling emergencies will be developed by the Applicant and practiced by the drivers at regular intervals. A training manual for drivers will be made available to them, and they will be quizzed on it before being given an assignment. The manual will be updated as needed

by the COO, who will stay abreast of any changes in local and state cannabis regulations, as well as CHP and DOT regulations.

Driving with Cannabis Products and Payments

To ensure safe transporting of cannabis products and payments the driver(s) will:

- Follow a pre-determined route to customers' locations, obeying all traffic laws and completing each trip with a minimum number of stops;
- Check in with the Applicant after a delivery is made and at regular, pre-determined intervals;
- Follow safety procedures when stopping for refueling, maintenance or meal/ bathroom breaks, at no time leaving the vehicle unlocked or unsecured;
- Follow company policy for any emergency that should happen at all times be alert to the security of the shipment.

Safe Delivery of Cannabis Products

When delivering product to licensees the driver will:

- Follow the established procedure for the safe delivery of the product;
- Secure the customer's signature on the shipping manifest, after the customer has counted and/or weighed all incoming products;
- Record the date and time of delivery on the shipping manifest;
- Receive and secure payment for the products in a locked area of the vehicle or hidden strongbox;
- At all times, be alert to the security of the shipment.

Returning to the Site with Payment

When returning to the Site with payment the driver will:

- Return to the Site with any payments by the pre-determined route;
- Follow safe driving practices and making a minimum number of stops;
- Deliver the payment and the shipment manifest to Applicant, who will record the date and time of receipt on the manifest.



APPX A PARKING EXCEPTION REQUEST

First MC Processing/First MC Marketing
Applications 12081 and 12084

APN: 032-012-001

Revised Feb 2018 by:



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9416 Buffalo Ave, 95662
(916) 606-0771

PARKING REQUIREMENT SUMMARY

This parking exception request, in compliance with HCC §314 109.3.1, is being submitted on behalf of First MC Processing and First MC Marketing, LLC for the proposed projects detailed in applications 12081 and 12084.

- Application 12081 consists of two proposed projects:
 - ❖ Special Permit for **Manufacturing**, and
 - ❖ Conditional Use Permit for a Medical Cannabis **Dispensary**
- Application 12084 is for a Special Permit for a **Distribution** Facility

All three facilities are proposed to be located within the same existing structure (615 Bear Creek Road, Garberville- herein referred to as the Proposed Site). The information contained in this report details the need for a parking exception for these projects and the plan to ensure adequate parking is available for employees and customers.

Parking requirements per Humboldt County Code (HCC) have been summarized in Table 1 below.

APP#	Proposed Purpose	Number of Employees	Code Requirements	Square Footage	Parking Spaces Needed
12081	Manufacturing	2	1/1,500 sf or 1/employee, min 2	921	2
	Medical Cannabis Dispensary		1/300 sf with a min. 4+1/employee	610	6
	Loading Zone	NA	1/20,000 sf or portion	NA	1 Loading Zone
	ADA Parking	NA	1 space	NA	
12084	Wholesale Distribution Office	2*	1/300 sf and 1/two employees	292	3
*Only 2 total employees will be shared between all three site uses.					11 Parking Space
Total					1 Loading Zone

Table 1: HCC Parking Requirement Summary

11 PARKING SPACES FOR EMPLOYEES AND CUSTOMERS

As summarized in Table 1, HCC parking requirements indicate the need for a total of eleven (11) employee and customer parking spaces to accommodate the uses at the Proposed Site. As detailed in the site plan, the legal off-street parking is limited to the driveway (16X63 ft) noted on the north side of the building and one parallel parking space directly in front of the Proposed Site.

However, the property is situated at the north end of town well within a reasonable walking distance to public parking. The nearest public parking measures approximately 220 ft from the Proposed Site (located in front of 665 Redwood Drive, previously occupied by Tiger Lily Bookstore, currently vacant). Proposed Site location in relation to nearby parking is illustrated in Image 1 and Image 2 below.



Image 1: Satellite image of proximity of proposed site to public parking

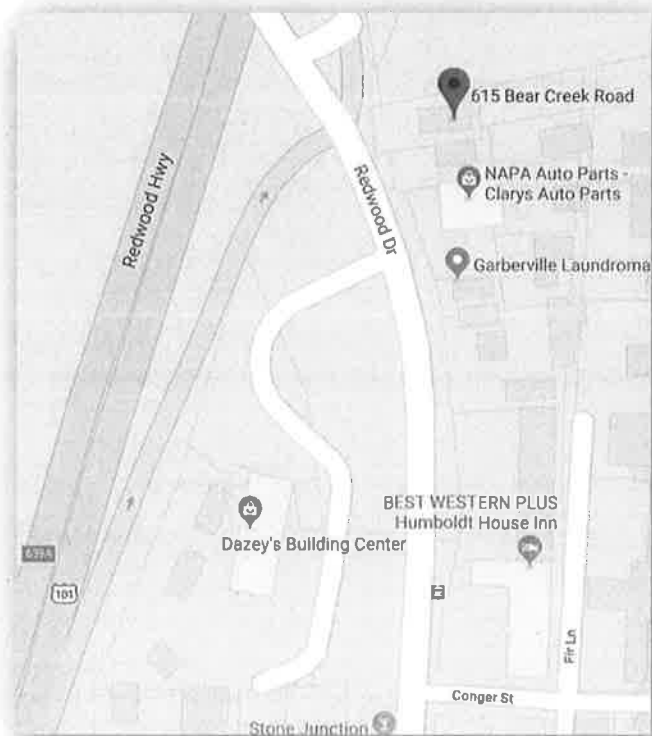


Image 2: Map of proposed site and nearby businesses

Image 1 labels the Proposed Site on the left and indicates four areas of nearby public parking marked as A, B, C and D on the image. On the east side of Redwood Drive there are approximately a total of 20 public parking spaces in the areas marked as "A" and "B." Parking in the area labeled "A" measures approximately 115 ft in length which allows for roughly six, 18-ft long, parallel parking spaces as required per HCC requirements. Parking in the area labeled "B" contains 14 diagonally marked parking spaces.

On the west side of Redwood Drive there are approximately 24 public parking spaces in areas labeled as "C" and "D." Parking in the area labeled as "C" measures approximately 150 ft in length which allows for roughly eight, 18-ft long, parallel parking spaces as required per HCC requirements. Parking in the area labeled as "D" measures approximately 300 ft in length which allows for roughly sixteen, 18-foot long, parallel parking spaces required per HCC requirements.

Per parking exception requirements outlined in HCC, all or part of the substitute parking must be within 400 ft of the Proposed Site. Areas marked as “A” and “C” on Image 1 contain 14 public parking spaces and are located within 400 ft of the Proposed Site. Areas marked as “B” and “D” on Image 1 contain an additional 30 public parking space approximately 400-700 ft from the Proposed site.

Image 2 labels the nearby businesses that may compete for parking with the Proposed Site including Napa Auto Parts (Clay’s Auto Parts), Garberville Laundromat, and Best Western Plus Humboldt House Inn. A survey of each of these nearby businesses concluded that each business has dedicated off-street parking for their customers. The on-street public parking available on the east and west sides of Redwood Drive between Thomas Street and Conger Street may be used by customers of these businesses when their dedicated off-street parking is full.

In order to address the potential competition for parking spaces from existing businesses on Redwood Drive, the applicant initiated a parking survey on January 27, 2018.

The survey, pursuant to HCC requirements, was conducted during morning and evening peak hours (9-11AM and 4-6PM) each day, for a one-week period. The area surveyed for available parking each day included the east and west sides of Redwood Drive from Thomas Street to the north → Conger Street at the south. Results of the survey demonstrate that there is ample available nearby public parking for the Proposed Site. Specific results of the survey are summarized in Table 2 below.

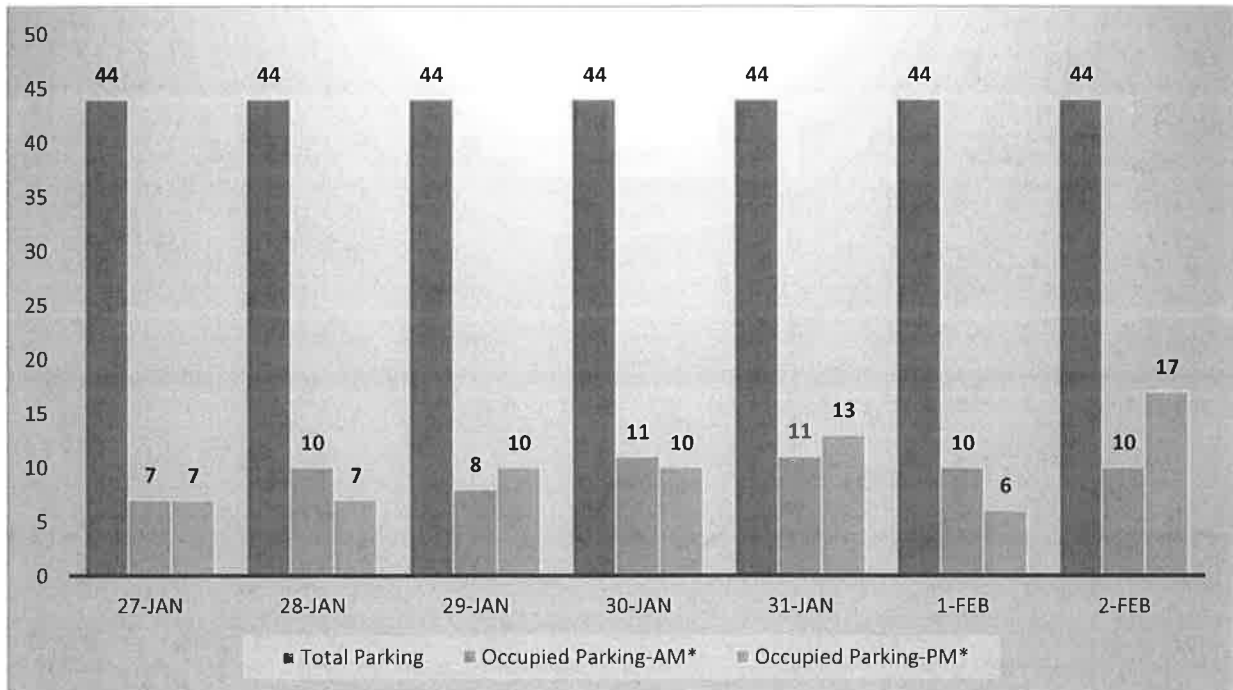


Table 2: Parking Survey

* Three abandoned vehicles were included in the AM and PM parked vehicles county everyday (2 on the east, 1 on the west of Redwood Drive)

Images 3 and 4 below capture photo images of parking survey results.

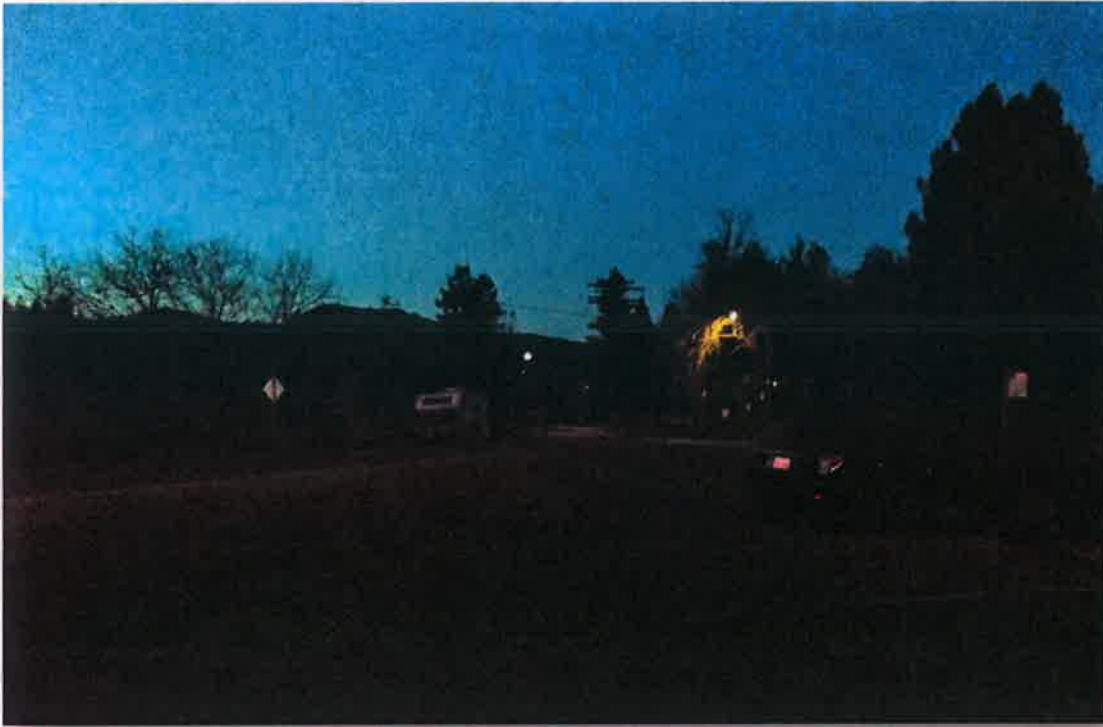


Image 3: Redwood Drive, facing north at 6:02PM, February 1, 2018



Image 4: Redwood Drive, facing north at 9:20AM, January 30, 2018

It is also important to note that the Applicant expects the majority of customers to be tourists. Tourists staying at the nearby Best Western will have the convenience of walking from hotel to the dispensary.

ADDITIONAL PARKING NEEDS

AMERICANS WITH DISABILITIES ACT (ADA) PARKING

To ensure the Proposed Site meets ADA parking standards and is accessible to disabled customers and employees, qualifying parking is proposed in the existing driveway at the north side of the property as specified in the site plan. The applicant will ensure accessibility from the ADA parking space to the entrances of 615 Bear Creek, Units A and B.

LOADING ZONE

As a result of the need to ensure safe transport and delivery of cannabis products, the parallel parking space in front the of the Proposed Site will be designated as a loading zone.

Cannabis Deliveries.

- *Proposed Location.* In an effort to ensure the safety of the community, customers, and employees, this request proposes the area in front of the Proposed Site serves as a loading zone for deliveries of cannabis and cannabis products during **non-retail hours only** to ensure the most direct transfer of cannabis product possible. By limiting delivery of cannabis products to non-retail hours, the risk of potential crime associated with deliveries is significantly mitigated.
- *Estimated Frequency*
 - ❖ **Manufacturing** (hours of operation 6-10AM and 6-10PM)
The majority of deliveries of raw product for manufacturing are expected to be seasonal and occur 1-2 times a week between September- November. The product received during this timeframe each year will support the bulk of the annual production for manufacturing.
 - ❖ **Dispensary** (hours of operation 10AM-6PM)
The proposed dispensary is very small and deliveries to restock product will be limited to bulk deliveries during **non-retail hours** and are not expected to exceed two times per month.
 - ❖ **Distribution** (hours of operation 7-9AM and 7-9PM)
Distribution activities will include receiving and transporting cannabis products. Receipt and transport of product is expected to occur several times a week. Distribution hours have been limited to **non-retail hours**.
- *Delivery vehicle.* All deliveries of product for manufacturing, dispensing and distribution will be delivered in discreet, non-commercial type vehicles capable of parking in a standard parking space (eight feet wide, eighteen feet long, with seven feet of vertical clearance).

- Delivery vehicle owned by the Applicant will be stored when not in use, offsite at a nearby residence.

Non-Cannabis Deliveries.

- *Proposed Location.* Deliveries of non-medical cannabis (e.g. carbon dioxide, office supplies) may be made using the loading zone in front of the Proposed Site. Deliveries will be scheduled during non-retail hours.
- *Est. Frequency.* Non-medical cannabis deliveries are not expected to occur more than once per week.

EMPLOYEES

It is anticipated that the three uses at the Proposed Site will have up to four employees working daily. However, with scattered hours of operation there will likely be two staff on duty at any given time though minor overlap may occur with closing and opening duties.

- Manufacturing activities are highly automated and based on automated machinery cycles that only require one person per four-hour shift (hours of operation 6-10AM and 6-10PM).
- The dispensary is very small and is not expected to have a high volume of customers compared with larger dispensaries in more visible and populated areas. Current plans include 2 employees per 8-hour shift (10AM-6PM).
- The distribution facility is also very small. Current plans include 1 employee per two-hour shift (7-9AM and 7-9PM).

Additionally, the applicant is committed to enhancing the community and will seek to first employ residents of Garberville. Current employees are able to walk to from their residence to the Proposed Site. These factors combined may reduce the cumulative employee parking needs although this parking exception is written to address the need for four employee parking spaces.

COMMUNITY BENEFITS

Although the parking solutions for the projects at the Proposed Site cannot meet the existing HCC parking requirements through on-site parking, this parking exception request provides viable options to ensure ADA accessibility, safe customer parking, safe loading, and safety for the community. It is expected that the approval of this parking exception will help achieve desired local economic growth by employing locally and encouraging tourism. The applicant will encourage visitors to park along Redwood Drive through signage posted at the Proposed Site and will encourage customers to explore the town of Garberville and see what else the town has to offer.

ATTACHMENT 6
COMMUNICATION WITH APPLICANT

Dorris, Joshua

From: Dorris, Joshua
Sent: Wednesday, August 09, 2017 2:16 PM
To: 'dani@emeraldheritagefarms.com'
Subject: Apps No. 12081 - floor plan

Greetings Dani,

Per our conversation today, please provide a floor plan of the above-referenced application. The schematic needs to identify areas of uses, including office, extraction room, lab and ADA restroom. Please show dimensions and square footages of the areas.

Please contact me should you have any questions regarding the floor plan.

Thanks,
Joshua

Joshua Dorris, Planner
Current Planning Division, Cannabis Services
Planning and Building Department
County of Humboldt, California
Main: 707.445.7541

Dorris, Joshua

From: Dani Burkhart <dani@emeraldheritagefarms.com>
Sent: Thursday, August 17, 2017 4:07 PM
To: Dorris, Joshua
Subject: Re: Apps Nos. 12084 and 12081
Attachments: AdditionalEntryDiagram.pdf; Memo for FMCP Paradigm Teahouse.pdf; Parking Exemptions.pdf

Hi Joshua!

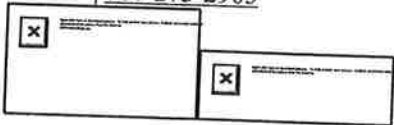
Please see the attached diagram showing where the planned entry/exit door will be added for Paradigm to access their offices. Please also find a memo in response to your questions/comments, in addition to a statement from the applicant regarding parking.

Please contact me if anything additional is required.

Warmest Regards and Deepest Gratitude,
Dani

Dani Burkhart

Founder/Principal Consultant | Emerald Heritage Farms
Founding Board Member | Humboldt County Cannabis Chamber of Commerce
dani@emeraldheritagefarms.com
Mobile | 707-273-2905



On Thu, Aug 17, 2017 at 10:52 AM, Dorris, Joshua <JDorris@co.humboldt.ca.us> wrote:

Greetings Dani,

I am following up on our phone conversation of 8/10/2017 regarding additional information I requested from you for the above applications located at 615 Bear Creek Rd., Garberville.

Please provide the following:

1. Detail how one accesses the Paradigm Cannabis Group (Apps No. 12084) offices;
2. Are the offices and dispensary (Apps No. 102081) combined/same people/business?; and
3. Are manufacturing/dispensary same people/company? If not, provide a statement that the offices will only be utilized for business management with no product onsite.

Vendor LACO 3

From: Karyn Wagner <kew@paradigmcannabis.com>
Sent: Wednesday, January 03, 2018 9:58 AM
To: Vendor LACO 3
Cc: Vendor LACO
Subject: Re: New year Update Application # 12081/12084
Attachments: Parking Exemptions.pdf

Meghan!

Thanks so much!

hey— you do know we applied for a parking exemption many many months ago...

I have attached.

I can find the email chain as well

perhaps I can help— the manufacturing license is the most urgent. We do not plan to open the dispensary until late spring when the tourist season happens

Perhaps that can make things move more swiftly in the light of the parking exemption.

Is that possible?

Here is the many months ago parking exemption request

Again - thanks for your efforts!

Kew

On Jan 3, 2018, at 9:44 AM, Vendor LACO 3 <vendorlaco3@co.humboldt.ca.us> wrote:

My name is Meghan. I understand it's a difficult position and the process is moving slowly. The Distribution and Manufacturing portions of your project require a Special Permit from the County. To permit all the uses, we will most likely need a parking exception included with the permit as the number of parking spots available is less than what is required by the Code. The exception will include the loading space as well. I am buried today, but am committed to working with Issac tomorrow to make sure we have all the information we need for your project.

I will discuss with management today what options we have for moving this forward to a hearing on January 25th, but that would be the absolute earliest. February 1st is more reasonable. We'll get back to you tomorrow with additional information.

Thanks!

From: Karyn Wagner [<mailto:kew@paradigmcannabis.com>]
Sent: Wednesday, January 03, 2018 9:28 AM
To: Vendor LACO 3 <vendorlaco3@co.humboldt.ca.us>
Cc: Vendor LACO <vendorlaco@co.humboldt.ca.us>
Subject: Re: New year Update Application # 12081/12084

Thanks for update Vendor Laco 3 (haha- what's your name)
This is Very Very disappointing..... Southern Humboldt can't move their product legally to the Bay Area.
I am on a CGA policy call right now and this is part of the discussion.
Director Ford had indicated that the Distributor Transport License was a simple filing for Business License
I did file for the business license and paid the fee and of course the license paperwork has been in place for many many months.
Thoughts?
Of course I need to move the manufacturing license forward as well...
So many details....
We are trying to allow Humboldt County to compete in this legalized world.
But if we can't get product processed and moved....our growers are out of luck in the state marketplace.
It's a very tough place to be.

Thank you for your efforts to move this forward.
I appreciate it— just so frustrated!!

Kew

On Jan 3, 2018, at 9:11 AM, Vendor LACO 3 <vendorlaco3@co.humboldt.ca.us> wrote:

Good morning, Karyn –

Issac is out of the office until tomorrow. I will work with him to get an update on your project and any outstanding items. No need to visit the referral agencies at this time. Please be aware, due to noticing deadlines, we are most likely looking to February for the hearing.

Thanks!

From: Karyn Wagner [<mailto:kew@paradigmcannabis.com>]
Sent: Wednesday, January 03, 2018 9:07 AM
To: Vendor LACO <vendorlaco@co.humboldt.ca.us>; Vendor LACO 3 <vendorlaco3@co.humboldt.ca.us>
Subject: New year Update Application # 12081/12084

Good Morning Issac
Happy New Year!!

We had the building department do a referral inspection yesterday.

Yeah!

When I last met with Director Ford in December he indicated we would move to have these long neglected applications on the calendar for Jan.

I noticed on the Ontrack that although the referrals have gone out only Cal Fire has officially responded.

Would it be helpful for me to visit some of the agencies personally?

Garberville Water?

Sheriff's office?

What's the protocol on this?

Looking forward to some good news for the New Year and the January calendar!!

Thanks

Kew

Karyn Wagner
Chief Culture Evangelist
Paradigm Cannabis Group
First MC Processing
Super Critical THC

Vendor LACO 3

From: Karyn Wagner <kew@paradigmcannabis.com>
Sent: Friday, December 15, 2017 4:19 PM
To: Vendor LACO
Cc: Vendor LACO 3
Subject: Re: Application # 12081/12084
Attachments: 615 Bear Creek Sq Ft Floor Plan.pdf; Parking locations.pdf

OK

Isaac- our elves have been hard at work to get you everything you need.

Attached is the Floor Plan with square footage... and some arrows as to where parking is currently

Also attached is an arial view showing the nearby public parking 200 ft away.

Please let us know what else you may need

ALSO

We sent under separate cover the Design review items!

Hope you enjoyed the cookies!

Thanks

Kew

On Dec 14, 2017, at 6:52 PM, Vendor LACO <vendorlaco@co.humboldt.ca.us> wrote:

I've been in contact with the planning team tonight, and my understanding is that we need an update to the floor plan that shows the specific internal square footages of each area in order to determine if there is adequate parking on-site or if a parking exception is required. Currently the site plan shows dimensions of the external footprint of the building, but does not delineate the square footage of each type of operation. I see on one set of maps, the different cannabis activities have been highlighted, so the next step would be for you to provide, on an updated floor plan, the area measurements of those highlighted areas (i.e. how much area goes to manufacturing, how much is for the office, etc).

Thanks for your continued help and responsiveness!

From: Vendor LACO
Sent: Thursday, December 14, 2017 5:45 PM
To: 'kew@paradigmcannabis.com' <kew@paradigmcannabis.com>
Subject: RE: Application # 12081/12084

Karyn, thanks for providing information about employees and the completed DEH form. My understanding is that both applications have now gone into the referrals stage.

Meanwhile, more items have been identified as required during a review by a senior planner and Director Ford:

1. Two \$30 checks (one for each application) made out to the Bear River Band THPO (Tribal Historic Preservation Office)
2. The parcel is zoned Community Commercial with a Design Review Combining Zone (C-2-D). Because of the 'D' combining zone, a Neighborhood Design Review surveyed is required. Please see attached form. Complete a minimum of 5 and a maximum of 10 reviews of the surrounding structures and include photographic evidence of each.

My understanding is that the parking issue is still outstanding. We will have more information on what will be required to address that in the coming days.

I am very low on the totem pole here and my key task is moving applications into the referral stage. As such, I can't make any timing estimates for when this will reach the planning commission.

Thanks!

-Isaac

From: Karyn Wagner [<mailto:kew@paradigmcannabis.com>]

Sent: Thursday, December 14, 2017 12:53 PM

To: Vendor LACO <vendorlaco@co.humboldt.ca.us>

Subject: Re: Application # 12081/12084

Isaac

Just checking in. Do you have everything you need now?

LMK

(and the really big question) Do you have a sense of timing on this? When we would go before planning board?

Thanks so much!

Kew

On Dec 12, 2017, at 5:13 PM, Vendor LACO <vendorlaco@co.humboldt.ca.us> wrote:

Hey Karyn, thanks for your responsiveness today as we get these moving into the referral stage. I need a couple more easy things that will help us down the line.

Two additional items are required:

1. Completed DEH Worksheet for Application 12084 (Wholesale Distribution). The fillable form is attached. Please return this to me asap as a response to this email.
2. Please confirm the number of temporary, full time, and part time employees present at peak operations. This information will help us make a rapid determination at the staff report phase for how to proceed with regards to parking.

Thanks!

-Isaac

From: Karyn Wagner [<mailto:kew@paradigmcannabis.com>]

Sent: Tuesday, December 12, 2017 3:04 PM

To: Vendor LACO <vendorlaco@co.humboldt.ca.us>

Subject: Application # 12081

Issac

Thank you for your call today.

I hope I jotted down the correct email.

I am gathering all the correspondence over the many months this has been in progress.
There is a lot of back and forth before there was SILENCE....
So here goes
Hoping some of this solves some issues.
Thanks
Kew

Parking letter submitted in August.

Karyn Wagner
Chief Culture Evangelist
Paradigm Cannabis Group
First MC Processing
Super Critical THC

<DEH Attachment for CMM Clearances Fillable.pdf>

FIRST MC PROCESSING

615 Bear Creek Rd
Garberville, CA 95542

Dear Joshua Dorris,

Thank you for your concerns regarding the application of 102081 for First MC Processing (FMCP)

FMCP is applying for both a manufacturing and dispensary license at 615 Bear Creek Rd Garberville

Loading Space Exception

We are a relatively small manufacturing company and as such do not have a need for large truck deliveries.

Our only large truck delivery is for our CO2 gas. This is the same size truck and gas that delivers to neighborhood bars and restaurants.

If on street parking is not readily accessible, the trucks park nearby and use a hand truck to deliver our tanks.

Therefore, we request an exception to the 10X 60 loading space requirement.

Parking for Manufacturing Employees

As stated our manufacturing company is rather small and only two (2) employees work at our facility at a time.

Several of our employees actually live within walking distance of Garberville and do not require parking.

Other employees are able to utilize the ample public parking in the area and/or carpool.

Parking and Retails Operations

We envision our Retail Dispensary to be a cannabis tourist destination and, like many other cities and towns, we will encourage walking the scenic streets.

In our Operations Manual, we have suggested creating a walking "tour"/map in order to further enhance visits to our destination as well as other local businesses.

Parking is limited onsite, but there is ample public parking a very short distance away.

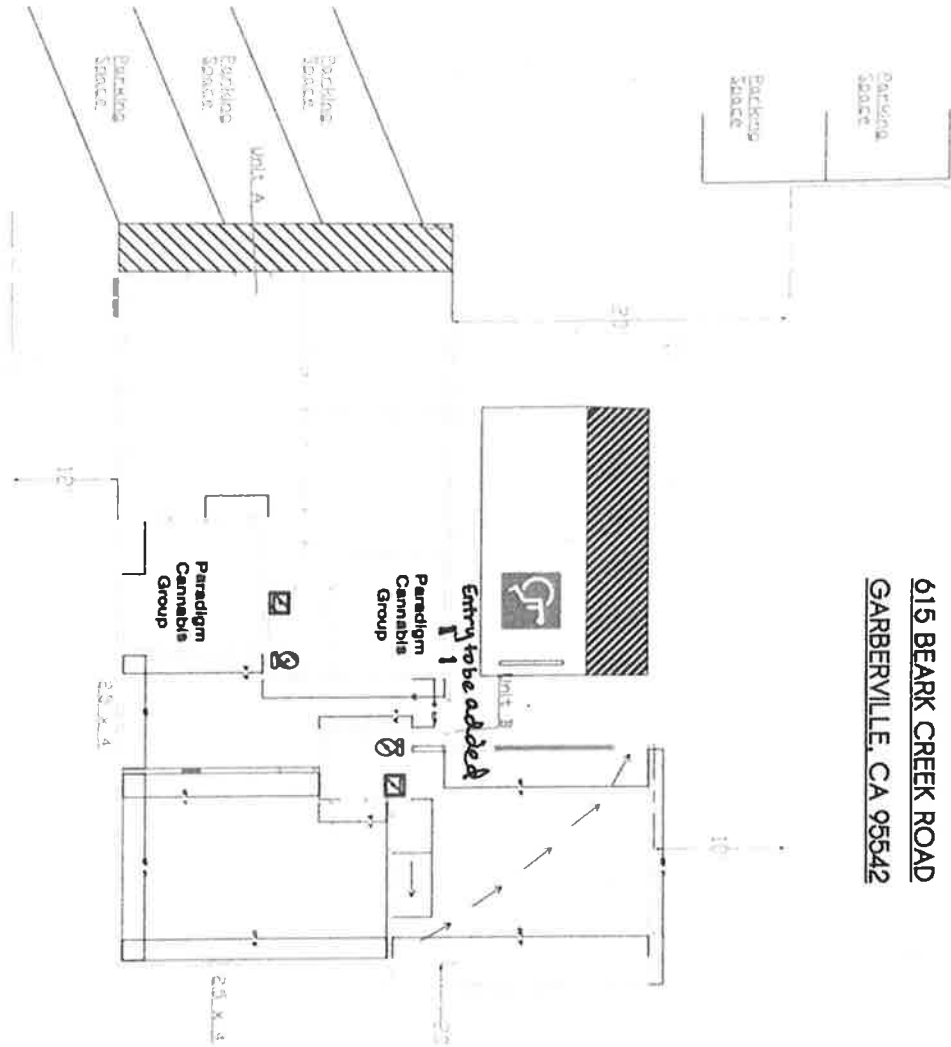
Therefore, we are requesting an exemption to the required number of parking spaces.

I hope I have been able to address your concerns.
Please let me know if i can be of further assistance

Karyn Wagner
CEO
First MC Processing



BEAR CREEK ROAD



PARADIGM CANNABIS GROUP
SITE PLAN
DISPENSARY PERMIT APPLICATION
APN: 023-012-001-000
615 BEARK CREEK ROAD
GARBERVILLE, CA 95542

GENERAL NOTES:
 DRAWING SCALE AS NOTED.
 DRAWINGS PROVIDED BY OWNER

PROJECT NOTES:
 THERE ARE NO NEARBY SCHOOLS,
 SCHOOL BUS STOPS, PLACES OF
 WORSHIP, PUBLIC PARKS OR TRIBAL
 RESOURCES WITHIN 600 FEET OF THE
 CULTIVATION SITE

THERE ARE NO RESIDENCES WITHIN
 300 FEET OF THE PROPOSED
 CULTIVATION AREAS

SHEET INDEX:
 CP - COVER PAGE
 SP - SITE PLAN

PARADIGM CANNABIS GROUP / APN: 032-012-001-000

615 BEARK CREEK ROAD, GARBERVILLE, CA 95542

CUP 16-331 First MC Processing 12081
 SP 16-393 MC Marketing Group 12084

Emerald Heritage Farms
 March 15, 2018
 Humboldt County, CA

EW 2015

#	REVISION	DATE



COUNTY OF HUMBOLDT
PLANNING AND BUILDING DEPARTMENT
CANNABIS SERVICES DIVISION

3015 H Street Eureka CA 95501
Fax: (707) 268-3792 Phone: (707) 445-7541

January 17, 2018

First MC Processing
Attn: Karyn Wagner
PO Box 5916
Eureka, CA 95502

RE: Permit Application Nos. 12081 and 12084, APN: 032-012-001

Dear Karyn,

Thank you for submitting additional information related to Application Numbers 12081 and 12084. Application 12081 consists of two proposed projects, which include the following: A Conditional Use Permit for a medical cannabis dispensary and a Special Permit for manufacturing. Application 12084 is for a Special Permit for a Distribution Facility. All three facilities would be located within the same approximately existing structure (615 Bear Creek Road, Garberville). According to our records, these projects were referred on December 13, 2017, and to date, we have received comments from CAL FIRE and the Building Inspection Division for both applications, as well as comments from the Garberville Sanitary District for 12084 dated January 8, 2018.

In order to ensure public safety, adequate off-street parking must be proposed per Humboldt County Code (HCC) Section 314-109.1. The site plans provided for the proposed projects do not adequately address the parking requirements per the HCC as the proposed parking is shown may be on-street as opposed to off-street. Additionally, the number of the parking spaces proposed is less than what is required. To determine if the parking shown would be considered on- or off-street parking, please provide an updated site plan prepared by a qualified professional, such as a licensed land surveyor, showing the property corners and any easements for the subject parcel. Also, please submit a preliminary title report that is consistent with the revised site plan. A consolidated site plan showing all proposed uses is also recommended. The dimensions of the proposed ADA-parking space shown on the site plan in order to determine if the driveway space would qualify.

Although the document you provided via email on December 12, 2017, contained an exemption request to the amount of parking required by the HCC, a detailed evaluation assessing the current parking conditions and availability for on-street parking near to the proposed project location was not included. To process the parking and loading zone exception requested, please prepare a parking study pursuant to HCC §109.1.2.12.

The parking study should evaluate:

1. Current uses of surrounding properties and proposed uses for Application Numbers 12081 & 12084, including calculations of square footage, number of employees, and anticipated number of deliveries;
2. Calculation of the required number of spaces (for both uses associated with 12081 & 12084, and surrounding businesses that could conceivably utilize your parking area) based on parking space requirements (HCC §109.1.3);

Page 1 of 3

3. Determine what is lacking by comparing the results of Step 1 and Step 2 (required number of spaces and loading zone requirements);
4. Provide a description of where medical cannabis deliverables would occur without a loading zone; and
5. **Determine what nearby on-street parking is available by surveying parking areas at peak times (a "snapshot" at a time between 9-11am and 3-6pm respectively, with a count of open spots, for example).**

By capturing nearby, available, on-street parking, an exception could be granted based on the justification that employees could utilize available on-street parking to accommodate the parking demand for the proposed projects, so long as there is sufficient on-street parking found.

The following table summarizes the parking demand for the proposed projects. The proposed purposes, proposed number of employees, and square footage comes from your submitted application materials. The "Code Requirements" column comes from HCC §109.1.3.3. The "Parking Spaces Needed" column is a determination made by comparing the code requirements with the application proposal. Based on the parking calculation table below, eleven (11) parking spots are required. The available nearby on-street parking must be able to accommodate the additional parking required, with respect to your applications and the existing surrounding businesses.

APPS#	Proposed Purpose	# of Employees	Code Requirements	Square Footage	Parking Spaces Needed
12084	Wholesale Distribution Office	2	1/300 sf and 1/two employees	292	3
12081	Manufacturing	2	1/1,500 sf or 1/employee, min 2	921	2
	Medical Cannabis Dispensary		1/300 sf with a min. 4+1/employee	610	6
	Loading Zone		1/20,000 sf or portion thereof	1823	
				Total:	11 + 1 Loading Zone
				Number shown on site plan:	0



COUNTY OF HUMBOLDT
PLANNING AND BUILDING DEPARTMENT
CANNABIS SERVICES DIVISION

3015 H Street Eureka CA 95501
Fax: (707) 268-3792 Phone: (707)445-7541

Please note that while you have previously indicated that employees may not require parking due to use of alternative transportation, the HCC still requires adequate off-street parking or a parking exception to make the required findings for the permits.

Once the required information is submitted we will be able to begin analyzing the proposed projects. Due to the proximity of facilities maintained by the California Department of Transportation (CAL TRANS) and the County of Humboldt, referral responses from both agencies Improvements that will be necessary to ensure compliance with transportation standards. As always, please note that **the filing of this application does not authorize the applicant to engage in any new commercial medical marijuana cultivation, processing, manufacturing, or distribution activity.** No such activity shall commence until the application has been processed to decision and all requisite clearances, permits and/or licenses have been secured.

Sincerely,

Cannabis Services Division

IMH

Vendor LACO 3

From: Vendor LACO 3
Sent: Wednesday, February 07, 2018 10:00 AM
To: 'Amber Morris'
Cc: Karyn Wagner; Freed, Ken
Subject: RE: Apps 12081 and 12084

Good morning, Amber –

Based on Karyn's direction, please have the surveyor prepare the site plan as discussed below. The staff report and presentation to the Planning Commission will describe this Applicant's preference for this approach as opposed to having the property properly surveyed and the parcels lines set.

I look forward to receiving the additional information to support your project. Please let me know if you have any questions or need any additional information.

Best,
Meghan

From: Amber Morris [mailto:amorrisandassociates@gmail.com]
Sent: Tuesday, February 06, 2018 9:06 AM
To: Vendor LACO 3 <vendorlaco3@co.humboldt.ca.us>
Cc: Karyn Wagner <kew@paradigmcannabis.com>; Freed, Ken <KFreed@co.humboldt.ca.us>
Subject: Apps 12081 and 12084

Good morning Meghan,

After working with a couple land surveyors and getting bids, Karyn has elected to pursue her permits based on a using the driveway for ADA during business hours and deliveries after hours. Karyn and I have discussed that the Commission has been focusing on parking and that this option has risks associated with getting approval, but this is the course she would like to pursue as she believes there is a strong enough argument to have it presented to the Commission.

We are working with a land surveyor to update the site map to include the following:

- the northern border of the property (showing that the ADA parking/loading is within the property boundaries)
- dimensions and slope of the ADA parking
- indicate the ADA area will also be used as a loading zone outside of business hours
- remove the five parking spots shown in the front of the property
- all elements on the plot plan not addressed on the existing site map

I will be compiling the detailed information regarding parking, deliveries and results of the parking survey in an updated parking exception request.

Please let me know if you have any questions or if you see red flags with this approach.

Best,

Amber

Vendor LACO 3

From: Vendor LACO 3
Sent: Tuesday, February 13, 2018 3:51 PM
To: 'Amber Morris'; Karyn Wagner
Subject: RE: West Side of Redwood Drive

Hi Amber –

Thanks for checking in. One of the findings for the parking exception is that all or part of the parking is within 400 feet of the proposed project. A quick measurement shows the first spot is approximately 247 feet away from the project location. You may include the entire 513 feet, however, the further away from the proposed location you get, the more difficult it is to know with certainty that people will park there and walk to the project location.

I hope this helps!

Thanks,
Meghan

From: Amber Morris [mailto:amorrisandassociates@gmail.com]
Sent: Monday, February 12, 2018 11:54 AM
To: Vendor LACO 3 <vendorlaco3@co.humboldt.ca.us>; Karyn Wagner <kew@paradigmcannabis.com>
Subject: West Side of Redwood Drive

Meghan,

The west side of Redwood Drive does not have parking space lines. We measured the distance of available parking and it is 513 feet. In HCC 109.1.3.2.1, each space must be 18 ft long. I calculate that allows for 28 parking spaces on the west side of Redwood Dr to include in our parking survey count. Would you mind verifying that figure is correct?

Much appreciated,

Amber

Vendor LACO 3

From: Vendor LACO 3
Sent: Wednesday, February 28, 2018 10:59 AM
To: 'Amber Morris'
Subject: APPS #12081, 12084 - Revisions to Supporting Materials
Attachments: 12081 Dispensary Operations Plan.pdf; 12081 Manufacturing Operations Plan.pdf; 12084 Distribution Operations Plan.pdf; 032-012-001 First MC Processing cup16-531.pdf; 032-012-001 First MC Processing sp16-393.pdf

Hi Amber –

Thanks for speaking with me this morning regarding APPS #12081 and 12084. As we discussed, consolidating and revising the operation to ensure the plan conveys the operational aspects of each business and how they interact will be very helpful. For examples, dispensaries can be very busy and, with only two employees for all uses (as proposed now), I think it would be helpful to discuss how the other businesses will be secure when no employees are present and how will large volumes of retail traffic be handled with only two staff. Hours of operation for each should be provided.

Ensure the operations plan for the dispensary includes a discussion on all required items in the Medical Cannabis Dispensaries ordinance. Link to Dispensary Ordinance:

<https://humboldt.gov/DocumentCenter/View/56169>

Please consider the number of employees for the distribution office should include delivery drivers as well. Where will delivery vehicles be parked when not in use should also be considered. Providing additional information regarding the anticipate number of deliveries and out-going product for both manufacturing and distribution uses will help describe daily activity for the proposed project and evaluate the traffic associated with the proposed uses. Providing the additional detail in the operations plan, may cause revisions to the Parking Exception Request. The Department of Public Works comments for both projects are attached. I think they are the same for both. Please revise the Parking Exception Request to reflect the inland code sections. The parking calculation should add to 11 spaces. One ADA-compliant space is required and can be included in the total count.

Please let me know if you have any questions or need any additional information.

I appreciate your assistance!

Thanks,
Meghan