

**Conditions Of Approval**

1. This Commercial Cannabis Use Permit (CCUP19-0008) is based upon and limited to compliance with the project description, Conditions of Approval set forth below, and the hearing exhibits marked:

Exhibit H1-2.....Site Plan/Floor Plan  
Exhibit J .....Security Plan

Any deviations from the project description, exhibits, or conditions must be reviewed and approved by the County for conformity with this approval. Deviations may require approved changes to the permit and/or further environmental review. Deviations without the above described approval would constitute a violation of permit approval.

The project description is as follows:

The project includes a Commercial Cannabis Use Permit (CCUP) for the operation of a commercial cannabis retail storefront for the sales, including delivery, of adult-use recreational and medical use cannabis goods located at 2140 Us Highway 50, South Lake Tahoe, CA. Operation of a commercial cannabis retail storefront is an allowed use in the Industrial Light zone district with the issuance of a CCUP. No expansion of the building is part of this project. Existing signage was approved by building permits and will be replaced once the use is initiated.

The Owner of the project approved in this CCUP is Chris Hester.

The development, use, and maintenance of the property, the size, shape and the protection and preservation of resources shall conform to the project description above and the hearing exhibits and conditions of approval below. The property and any portions thereof shall be sold, leased or financed in compliance with this project description and the approved hearing exhibits and conditions of approval hereto. All plans must be submitted for review and approval and shall be implemented as approved by the County.

**Planning Services Division**

2. **Permit Implementation:** In Compliance with County Code Section 130.54.060 (Time Limits, Extensions, and Permit Expiration), implementation of the project must occur within 24 months of approval of this CUP or the permit becomes null and void. It is the responsibility of the applicant to monitor the time limit and make diligent progress toward implementation of the project and compliance with conditions of approval.

3. **Notice of Exemption (NOE) Recording Fee:** The applicant shall submit to the Planning Services Division a \$50.00 recording fee for the County Recorder to file the Notice of Exemption. Checks shall be payable to El Dorado County. No permits shall be issued or parcel map filed until said fees are paid.
4. **Indemnity:** In the event of any legal action instituted by a third party challenging the validity of any provision of this approval, the developer and landowner agree to be responsible for the costs of defending such suit and shall hold County harmless from any legal fees or costs County may incur as a result of such action.

The developer and land owner shall defend, indemnify, and hold harmless El Dorado County and its agents, officers, and employees from any claim, action, or proceeding against El Dorado County or its agents, officers, or employees to attack, set aside, void, or annul an approval of El Dorado County concerning this approval and all other approvals for this Project, including but not limited to all future Commercial Cannabis Annual Operating Permits.

The permittee and all Owners shall defend, indemnify, and hold harmless the County of El Dorado and its agents, officers, elected officials, and employees for any claims, damages, or injuries brought by affected property owners or other third parties due to the issuance of a permit or the commercial cannabis activities and for any claims brought by any person for problems, injuries, damages, or liabilities of any kind that may arise out of the issuance of a permit or the commercial cannabis activities.

The County will notify the applicant of any claim, action, or proceeding, and the County may cooperate fully in the defense.

5. **Change in Ownership:** In the event of any change of ownership of the subject parcels, change in the operator, or any change in business ownership, it is the responsibility of the future owners or operators to ensure all changes are consistent with this Commercial Cannabis Use Permit, Commercial Cannabis Annual Operating Permit, the El Dorado County General Plan, Zoning Ordinance, and all applicable standards in place at such time. Pursuant to Section 130.41.100.5.E, “A Commercial Cannabis Annual Operating Permit is not transferrable and automatically expires upon any change of ownership to the applicant that results in a new owner or owners or new funding source. Before or upon the transfer of the business or addition of a new owner, an application for a new Commercial Cannabis Annual Operating Permit must be submitted. While the Commercial Cannabis Use Permit may be transferred, upon issuance of the new Commercial Cannabis Annual Operating Permit, conditions to the Commercial Cannabis Use Permit and Commercial Cannabis Annual Operating Permit may be added or removed. The Director of Planning and Building may require a decision by the Planning Commission to impose any new conditions or remove any existing conditions of a Commercial Cannabis Use Permit or Commercial Cannabis Annual Operating Permit under this subsection consistent with Article 5, Section 130.54.070 (Revisions to an Approved Permit or Authorization).”

6. **Hours of Operation:** Hours of operation for retail sale are limited to commencing at 8:00 a.m. and ending at 8:00 p.m.
7. **Designated Local Contact:** The Designated Local Contact is Jason Music. No Commercial Cannabis Use Permit or Commercial Cannabis Annual Operating Permit may be issued unless a current name and contact information for a Designated Local Contact is included. The Designated Local Contact must be available by telephone on a 24-hour basis, seven days per week and be able to respond to the County within two hours and corrective action, if required, must be completed within the time requested by the County. Any change to the Designated Local Contact shall be approved in advance and is subject to a background check consistent with Section 130.41.100.4.G. Each Commercial Cannabis Annual Operating Permit shall include the name of the Designated Local Contact and any change to the Designated Local Contact shall require a revised Commercial Cannabis Annual Operating Permit.

No less than one week before commercial cannabis operations commence, the permittee must notify the property owners and residents of property located within 1,000 feet of the perimeter of the parcel(s) upon which the commercial cannabis operations will occur and provide the name and contact information for the Designated Local Contact. Complaints made to the Designated Local Contact by any member of the public must be responded to within 24 hours of the initial complaint and corrective action, if required under any State or local law or regulation, must commence within a reasonable time based on the nature of the corrective action required. Complaints by any member of the public shall be logged in writing and the complaint log, including any corrective action taken, shall be provided to the Building and Planning Department annually with the application to renew the Commercial Cannabis Annual Operating Permit.

The permittee must immediately notify the County and owners and residents of property located within 1,000 feet of the perimeter of the parcel(s) upon which the commercial cannabis operations occur of any change to the Designated Local Contact or change to the telephone number for the Designated Local Contact.

8. **Track and Trace:** All state licensees associated with this CCUP shall provide read only access to the California Cannabis Track and Trace (CCTT) system to track the movement of cannabis and cannabis products through the supply chain. Access shall be provided when requested by the County.
9. **Screening:** Cannabis products shall be screened from public view so that no part of any display can be seen from an adjacent street or adjacent parcel. All allowed commercial cannabis activity shall be conducted inside the building located on the Property. No commercial cannabis activity shall be visible from the exterior of the building or from the public right of way abutting the Property.
10. **Inspections:** The permit holder and subject property owner shall 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. The property owner and operator shall Consent for onsite inspection by County officials during the permittee's regular business hours and outside of the permittee's regular business hours if the County has reason to believe that violations are occurring outside of regular business hours.

11. **Violation Notification:** The Permit Holder shall notify the Sheriff's Office within three (3) days of any notices of violations or other corrective action ordered by a State or other local licensing authority, and provide copies of the relevant documents. Permit Holder is required to comply with applicable state law and state regulations at all times. Failure to do so shall constitute grounds for suspending or revoking this permit, and denying any renewals and/or modifications to the permit.
12. **County and State Compliance:** The premises shall be in full compliance with all other applicable requirements of State law and the County Code, including but not limited to the building, safety, sanitation, labor, and technical codes and requirements relevant to obtaining necessary building, plumbing, electrical, mechanical, grading, or other permits, inspection of structures requiring permits, and, as appropriate, the issuance of certificates of occupancy. All structures on the premises shall be permitted as required by Title 15 of the County Code. "Structures", for purposes of this paragraph, shall have the same meaning as it does in California Health & Safety Code § 18908.
13. **Cannabis Taxes:** Timely payment shall be made of the Commercial Cannabis Activities Tax and all other applicable County taxes and assessments, including providing information related to such taxes and assessments to the County Treasurer-Tax Collector and Assessor upon request. Upon request, permit holder shall also provide County Treasurer-Tax Collector and Assessor all records identifying the Distributors from which cannabis products were purchased and the quantities and price for each purchase.
14. **Security Plan Compliance:** At all times, the operating permit holder and the property owner shall comply with the security plan reviewed and approved by the El Dorado County Sheriff's Office and shall operate and maintain real-time access of the surveillance video for the Sheriff's Office. Video footage must be given to El Dorado County Sheriff's Office upon demand.

The existing security system shall be upgraded, if necessary, to meet current requirements and be inspected by the El Dorado County Sheriff's Office within 30 days of this approval.

15. **Cannabis Odor:** The business operator shall ensure that air filtration and ventilation equipment is 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.

Any cannabis odor shall not be equal or greater than a seven dilution threshold ("DT") when measured by the County with a field olfactometer at the property line on which the

commercial cannabis activity occurs for a minimum of two olfactometer observations not less than 15 minutes apart within a one hour period ("seven DT one hour"). If the odor from a commercial cannabis activity violates this subsection, the permittee must reduce the odor below the seven DT one hour at property line threshold within 30 days of the verification of a violation.

16. **Revocation After Three Violations (Section 130.41.100.7).** In addition to revocation of a Commercial Cannabis Use Permit or Commercial Cannabis Annual Operating Permit under Article 5, Section 130.54.090 (Revocation or County Mandated Modification of a Permit), upon receipt of any combination of three administrative citations, verified violations, or hearing officer determinations of violation of any of the permit requirements or standards issued to one or more of the owners or operators at any property or combination of properties of one or more of the same owners or operators within a two-year period, the Commercial Cannabis Annual Operating Permit shall be nullified, voided, or revoked, subject to prior notice and appeal under Section 130.54.090 (Revocation or County Mandated Modification of a Permit) and the Commercial Cannabis Use Permit may be revoked, subject to prior notice and appeal under Section 130.54.090. Upon revocation, an application for a Commercial Cannabis Annual Operating Permit to reestablish a cannabis operation by one or more of the same owners or operators or at the subject property shall not be accepted for a minimum period of two years. If only the Commercial Cannabis Annual Operating Permit is revoked under this Section, reissuance shall be subject to the procedures to issue a Commercial Cannabis Use Permit, including hearing before and decision of the Planning Commission and any new or amended conditions may be added to the Commercial Cannabis Use Permit.
17. **Monitoring Program (Section 130.41.100.8).** All Commercial Cannabis Annual Operating Permits shall require the applicant's participation in a County-run monitoring program. The monitoring program shall be funded by applicants and will be used to conduct site visits and inspections of all commercial cannabis activities and verify compliance, including but not limited to all requirements of County Code and any site specific permit conditions and State regulations, including the State track-and-trace requirements.
18. **Disposal of Waste Material.** Cannabis waste material shall be disposed of in accordance with existing state and local laws and regulations at the time of disposal.
19. **Exterior Lighting:** All lighting provided in conjunction with facility security or other lighting to be installed, shall be directed downward and away from nearby property lines, and shielded to confine all direct rays of light within the boundaries of such facilities.