

CONDITIONS OF APPROVAL

**Commercial Cannabis Use Permit CCUP21-0005/Norcanna Distribution and Delivery
Planning Commission/April 23, 2023**

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

Exhibit H1-H2.....Site Plan/Floor Plan
Exhibit K.....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 CCUP for the operation of a commercial cannabis retail distribution non-storefront retail (delivery only) operation for the distribution and delivery of adult-use recreational and medical use cannabis located at 5070 Robert J Mathews Parkway, Suite 100, El Dorado Hills, CA. Distribution means the procurement, sale, and transport of cannabis and cannabis products between licensed cannabis businesses, but not the direct sale or transport to the general public. Delivery means the commercial transfer of cannabis or cannabis products to a customer and includes the use by a retailer of any technology platform. Retail sale, sell, and to sell means any transaction whereby, for any consideration, title to cannabis or cannabis products is transferred from one person to another, and includes the delivery of cannabis or cannabis products pursuant to an order placed for the purchase of the same and soliciting or receiving an order for the same, but does not include the return of cannabis or cannabis products by a cannabis permittee to the cannabis permittee from whom the cannabis or cannabis product was purchased. Operation of a commercial cannabis distribution and delivery operation is an allowed use in the Research and Development (R&D) zone district with the issuance of a CCUP. No expansion of the building is part of this project. No new signs are proposed.

The owners of the project approved in this CCUP are Daniel Rossi and Bryon Thornton.

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 CCUP 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 the 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 NOE. 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 (CCAOP).

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 CCUP, CCAOP, 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. **Initiation of Use:** No cannabis or cannabis products shall enter the project site and no uses allowed by this CCUP shall be initiated until such time that all Conditions of Approval have been met, the site has been inspected and approved by County staff, and copies of approved State licensing has been submitted to the County.
7. **Local Contact:** The Designated Local Contact is Daniel Rossi. No CCUP or CCAOP 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 (7) days per week and be able to respond to the County within two (2) hours, and corrective action, if required, must be completed within the time requested by the County.

No less than one (1) 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 CCAOP. The permittee must immediately notify the County and owners and residents covered property 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 and cannabis products shall be screened from public view so that no part 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 El Dorado County Sheriff's Office (EDSO) 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.
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 EDSO and shall operate and maintain a real-time access of the surveillance video for EDSO. Video footage must be given to EDSO upon demand.
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 (7) 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 (2) olfactometer observations not less than 15 minutes apart within a one (1) 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 CCUP or CCAOP under Article 5, Section 130.54.090 (Revocation or County Mandated Modification of a Permit), upon receipt of any combination of three (3) administrative citations, verified violations, or hearing officer determinations of violation of any of the permit requirements or standards issued to one (1) or more of the owners or operators at any property or combination of properties of one (1) or more of the same owners or operators within a two (2) year period, the CCAOP 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 CCUP may be revoked, subject to prior notice and appeal under Section 130.54.090. Upon revocation, an application for a CCAOP to reestablish a cannabis operation by one (1) or more of the same owners or operators or at the subject property shall not be accepted for a minimum period of two (2) years. If only the CCAOP is revoked under this Section, reissuance shall be subject to the procedures to issue a CCUP, including hearing before and decision of the Planning Commission and any new or amended conditions may be added to the CCUP.
17. **Monitoring Program (Section 130.41.100.8).** All CCAOPs 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. Burning of cannabis waste material is prohibited.
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.