



# COMMERCIAL CANNABIS BUSINESS PERMIT APPLICATION (Retail Applications)

City of Santee  
10601 Magnolia Ave  
Santee, CA 92071  
Email:  
cannabisinfo@cityofsanteeca.gov

## APPLICANT (ENTITY) INFORMATION

Applicant (Entity) Name: Siesta Life Santee LLC DBA: \_\_\_\_\_

Physical Address: 9855 Prospect Ave Suite C Santee, Ca 92071  
Street City State Zip

Primary Contact: Bertin Porcayo Title: Manager

Mailing Address: \_\_\_\_\_  
Street City State Zip

Phone Number: 510-909-8251 Email: \_\_\_\_\_

HAS ANY INDIVIDUAL IN THIS APPLICATION APPLIED FOR ANY OTHER CANNABIS PERMIT IN THE CITY OF SANTEE? ☐ Yes ☒ No

Indicate whether you intend to operate a Microbusiness with Retail. Yes ☒ No

Business Formation: Describe how the business is organized.

☐ Sole Partnership ☐ Corporation ☐ S-Corporation ☐ Limited Partnership ☒ Limited Liability Company  
 Other (please describe): \_\_\_\_\_

## PROPOSED LOCATION

Property Owner Name: Mark Hunter

Proposed Location Address: 9855 Prospect Ave Suite C Santee, Ca 92071  
Street City State Zip

Property Owner Phone Number: 619-713-1010 Email: mark@hunteronline.com

oning Clearance Letter: ☒ Yes ☐ No

Assessor s Parcel Number (APN): 384-190-73-00

## APPLICATION SUBMITTAL CHECKLIST

Applications must be submitted online via the City of Santee sPermitting and Licensing Portal. Applicants failing to submit any of the following will be deemed incomplete and will not move forward in the application process:

- ✓ A complete and signed Commercial Cannabis Business Permit Application form and Evaluation Criteria. The evaluation criteria response is limited to 125 pages.
- ✓ A signed Financial Responsibility, Indemnity and Consent to Inspection Agreement form.
- ✓ A signed Agreement to Limitations of City Liability and Indemnification to City form.
- ✓ Verification of Live Scan background submittal
- ✓ A signed and notarized Property Owner Consent/Landlord Affidavit.
- ✓ Proof of Insurance or Letter of Insurability from the Insurance Company
- ✓ Proof of Capitalization
- ✓ oning Verification Letter.
- ✓ Application Fee. (Note that this fee should be submitted in person to the City).

## OWNER INFORMATION

For the purpose of this section, "owner" shall have the same meaning as the word "owner" set forth Santee Municipal Code Section 7.04.060, which includes any of the following:

1. A person with an aggregate ownership interest of 10 percent or more in the commercial cannabis business, unless the interest is solely a security, lien, or encumbrance;
2. An individual who manages, directs, or controls the operations of the commercial cannabis business, including but not limited to: A) member of the board of directors of a nonprofit; B) A general partner of a commercial cannabis business that is organized as a partnership; C) A non-member manager or manager of a commercial cannabis business that is organized as a limited liability company; D) The trustee(s) and all persons who have control of the trust and / or the commercial cannabis business that is held in trust; E) An individual with the authority to provide strategic direction and oversight for the overall operations of the commercial cannabis business, such as the chief executive officer, president or their equivalent, or an officer, director, vice president, general manager or their equivalent; F) An individual with the authority to execute contracts on behalf of the commercial cannabis business.

Ownership percentages should total 100%. If any individual(s) own(s) less than 10%, list the number of individuals who own less than 10% and the total percentage to reach 100%. For example, If John Doe owns 5%, Joe Smith owns 8%, and Mary Jones owns 9% state at the bottom of this form that three individuals own 22% so that the total will equal 100% once you individually include all those who own 10% or more.

I declare under the penalty of perjury that the information provided on this disclosure form is true and accurate to the best of my knowledge.				
Ownership %	43%	Background information is included as required?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
Owner Name:	Bertin Porcayo	Title:	Manager	
Address:	<div>Street City State Zip</div>			
Signature:	Bertin Porcayo	Date:	10-19-24	
I declare under the penalty of perjury that the information provided on this disclosure form is true and accurate to the best of my knowledge.				
Ownership %	30%	Background Information is included as required?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
Owner Name:	Movocan / Angel Fernandez	Title:	Director	
Address:	<div>Street City State Zip</div>			
Signature:		Date:		
I declare under the penalty of perjury that the information provided on this disclosure form is true and accurate to the best of my knowledge.				
Ownership %		Background Information is included as required?	<input type="checkbox"/> Yes <input type="checkbox"/> No	
Owner Name:		Title:		
Address:	<div>Street City State Zip</div>			
Signature:		Date:		
I declare under the penalty of perjury that the information provided on this disclosure form is true and accurate to the best of my knowledge.				
Ownership %		Background information is included as required?	<input type="checkbox"/> Yes <input type="checkbox"/> No	
Owner Name:		Title:		
Address:	<div>Street City State Zip</div>			
Signature:		Date:		

Add more pages as necessary to accommodate all Commercial Cannabis Business Owners

7 Individuals own 27% Ownership of Siesta Life Santee LLC

Derek Burnell 5%

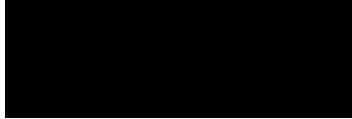


Jack Randall Sims 5%



randall@siestalifeencinitas.com

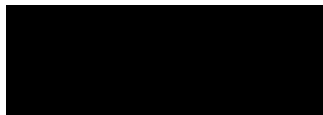
Renwar Benyamen 5%



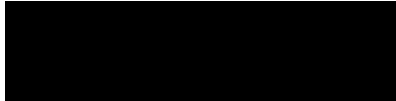
Tara Konja 5%



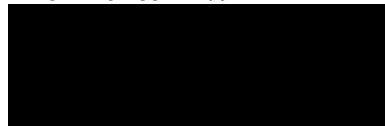
Julian Botero 5%



William P. Bresnahan II. 1%



Don Duncan 1%



## SUPPORTING INFORMATION

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

Siesta Life Santee LLC 9855 Prospect Suite C Ave Santee, Ca 92071

Has the Applicant or any of its owners been the subject of any administrative action, including but not limited to suspension, denial, or revocation of a cannabis business license at any time in the previous five (5) years? If so, please list and explain:

No, N/A

Is the Applicant or any of its owners currently involved in an application process in any other jurisdiction(s)? If so, which jurisdiction(s)?

No, N/A

## APPLICATION CERTIFICATION

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

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

Furthermore, by submitting this application, I understand and agree that any business resulting from an approval shall be maintained and operated in accordance with requirements of the City of Santee Municipal Code and State law.

Under penalty of perjury, I hereby declare that the information contained in within and submitted with the application is true, complete, and accurate. I understand that a misrepresentation of the facts is cause for rejection of this application, denial of a license or revocation of an issued license. I further authorize the City, its agents, and employees to seek verification of the information contained in the application.

Bertin Porcayo

Name

CEO

Title

*Bertin Porcayo*

Signature

10-19-24

Date

For information required as part of the application process, see the Application Procedures and Review Criteria, City of Santee Municipal Code Chapter 7.04. All documents can be found online at <https://www.cityofsanteeca.gov/business/cannabis-business>. For questions, please email: [cannabisinfo@cityofsanteeca.gov](mailto:cannabisinfo@cityofsanteeca.gov).



Siesta Life Business Plan

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## Siesta Life Business Plan

### Executive Summary

Siesta Life's new location in Santee, CA, will be part of a multi-jurisdictional, vertically integrated family of cannabis companies, including retailers, a distributor, and a consumption lounge. These verticals enable the company to capitalize on our experience, maximize efficiencies, and realize multiple revenue streams through symbiotic engagements, driving value for our investors.

Siesta Life is poised to define the cannabis retail experience in Santee and the greater San Diego County with the launch of our innovative adult-use and medical cannabis retail store. We are dedicated to providing our customers with top-quality products, unbeatable value, and exceptional service. Our store will showcase a diverse selection of cannabis offerings and incorporate cutting-edge technology and modern design elements to ensure a safe, efficient, and enjoyable shopping environment for all.

Siesta Life's business concept revolves around three core pillars: quality products, express value for consumers, and outstanding service. We understand the importance of offering premium cannabis products that meet the highest quality and potency standards. Our commitment to sourcing from reputable suppliers ensures that our customers can trust the products they purchase from us.

In addition to quality, we are committed to providing express value for our consumers. We believe that access to high-quality cannabis products should not necessarily come at a premium price. Through strategic partnerships and streamlined operations, we can offer competitive pricing without compromising on quality, making premium cannabis accessible to all community members.

"Express value" refers to the immediate and tangible benefits or advantages customers perceive when purchasing products. It encompasses the notion of getting a good deal or receiving a high level of value for the money spent. Express value can manifest in various forms, including competitive pricing, special promotions, discounts, loyalty programs, convenience, quality assurance, and exceptional customer service.

Moreover, Siesta Life places a strong emphasis on delivering outstanding service to our customers. Our knowledgeable and friendly staff are dedicated to providing personalized recommendations, answering questions, and ensuring that each customer has a positive and fulfilling shopping experience. We believe in fostering a welcoming and inclusive environment where customers feel valued and respected.

Siesta Life's retail store will feature a modern and inviting design that reflects contemporary retail aesthetics. From sleek display cases to comfortable seating areas, every aspect of our store has been carefully curated to create a welcoming and visually appealing atmosphere for our customers.

In addition to aesthetics, Siesta Life will leverage state-of-the-industry technology to enhance safety, protect those on-site, and operate efficiently. Our store will be equipped with advanced security systems, including surveillance cameras and alarm systems, to ensure the safety of our customers and staff. We will also implement point-of-sale systems and inventory management software to streamline operations and optimize inventory control.

## Siesta Life Business Plan

Siesta Life is more than just a cannabis retail store; it is a destination for quality products, express value, and outstanding service. With our innovative approach to retailing, modern store design, and cutting-edge technology, we are poised to set a new standard for the cannabis retail experience in Santee, CA, and beyond. We look forward to serving our community and providing our customers with the exceptional shopping experience they deserve.

### About the Company

Siesta Life Santee, LLC is organized as a California Limited Liability Company (LLC) and will be led by industry veteran, Bertin Porcayo, who will serve as Managing Member /Owner. Mr. Porcayo brings the experience and know-how of the advanced San Francisco Bay Area cannabis business culture to San Diego County providing a strategic opportunity to acquire significant market share within a very short time frame. The proposed location in Santee will be the newest addition to a family of multi-jurisdictional, vertically integrated cannabis companies.

Company Name	Siesta Life Santee, LLC
Date of Formation	February 3, 2024
State of Formation	California
Agent for Service of Process	Bertin Porcayo
Premises Address	9855 Prospect Ave Suite C., Santee, CA 92071

Siesta Life aims to transform the local retail cannabis industry by introducing a level of sophistication and professionalism that is currently lacking in San Diego County. The region's existing cannabis culture, reminiscent of the Bay Area twenty years ago, is marked by psychedelic aesthetics, an overabundance of identical products filling display cases, and poor retail design. This environment, characterized by a lack of ingenuity and efficiency, fails to meet the needs of a modern, discerning customer base. Siesta Life plans to break away from this outdated model by creating a more mature and professional atmosphere that prioritizes quality, diversity, and customer service. This shift will not only enhance the shopping experience but also set a new standard for retail cannabis operations in the area.

By presenting itself as a mature, safe, and comfortable environment, Siesta Life will effectively remove the social biases associated with traditional drug culture. The company will design its retail spaces to be inviting and aesthetically pleasing, moving away from the stereotypical trappings of the past. This approach will appeal to a broader audience, including those who may have been hesitant to engage with cannabis due to negative perceptions. By focusing on a professional presentation, comprehensive product education, and exceptional customer service, Siesta Life will foster a more inclusive and welcoming atmosphere. This transformation will help normalize cannabis use, making it more accessible and accepted within the community, and ultimately position Siesta Life as a leader in the local retail cannabis industry.

## Siesta Life Business Plan

### Mission and Vision

Our mission is to create an authentic and profitable cannabis company in California that provides value to our consumers and our shareholders.

### Authenticity in Product and Service

- Our commitment to authenticity extends beyond mere branding; it permeates every aspect of our operations. We prioritize sourcing and offering genuine, high-quality cannabis products that meet the diverse needs and preferences of our consumers.
- Authenticity also translates into fostering genuine connections with our customers, built on trust, transparency, and respect. We strive to create an inclusive and welcoming environment where customers feel valued and understood.

### Providing Value to Consumers:

- Central to our mission is the unwavering dedication to delivering exceptional value to our consumers. This entails offering competitively priced products without compromising on quality or safety.
- We aim to go beyond just meeting the needs of our consumers; we seek to exceed their expectations by providing an unparalleled shopping experience characterized by convenience, reliability, and personalized service.

### Creating Value for Shareholders:

- While our focus is on serving our consumers, we are also committed to creating value for our shareholders. We recognize that sustained profitability is essential for the long-term success and growth of our company.
- We are dedicated to implementing sound business strategies, prudent financial management, and operational efficiency measures to maximize shareholder value while maintaining ethical business practices and corporate responsibility.

### Navigating California's Regulatory Landscape:

- Operating in California's dynamic cannabis industry requires navigating complex regulatory frameworks and compliance standards. Our mission includes a commitment to upholding the highest standards of regulatory compliance and corporate governance.
- We prioritize staying abreast of evolving regulations, investing in robust compliance protocols, and fostering positive relationships with regulatory authorities to ensure our operations remain legally compliant and socially responsible.

### Promoting Industry Innovation and Advancement:

- As pioneers in California's cannabis landscape, we are driven by a spirit of innovation and a commitment to advancing the industry's standards and practices.

## Siesta Life Business Plan

- Our mission includes actively contributing to industry innovation through research and development initiatives, partnerships with leading cannabis cultivators and manufacturers, and the adoption of cutting-edge technologies and best practices.

Our mission to create an authentic and profitable cannabis company in California encompasses a multifaceted approach that prioritizes authenticity, consumer value, shareholder returns, regulatory compliance, and industry innovation. By adhering to these guiding principles, we aim to establish ourselves as a trusted leader in the cannabis market while driving sustainable growth and delivering tangible benefits to all stakeholders.

### Market Opportunities and Analysis

On November 8, 2016, California voters approved the recreational use of cannabis and its associated commercial activities. Subsequently, the California Legislature passed, and the Governor signed into law, the Medicinal and Adult-Use Cannabis Regulation and Safety Act (MAUCRSA), which establishes the general framework for regulating both commercial medicinal and adult-use cannabis. Under MAUCRSA, California cannabis businesses are licensed and regulated by the Department of Cannabis Control, in conjunction with the California Department of Food and Agriculture and the Department of Public Health. Other agencies involved in regulating aspects of the commercial cannabis marketplace include the Department of Fish and Wildlife and the California Department of Tax and Fee Administration.

California requires cannabis businesses to obtain local authorization before securing a state license. The Santee City Council authorized cannabis retailers in 2022 and published guidance for applicants in 2024. Siesta Life is poised to enter the competitive licensing process as soon as the city begins accepting applications this year. With a comprehensive understanding of both local and state regulations, Siesta Life has meticulously prepared all necessary documentation and strategic plans to meet the rigorous requirements set forth by the city. By leveraging its industry expertise and thorough preparation, Siesta Life aims to secure a license swiftly and establish a reputable presence in the local market. The company's readiness to navigate the complex application process reflects its commitment to compliance and operational excellence, positioning Siesta Life as a strong contender in Santee's burgeoning cannabis industry.

Over 60% of the U.S. population now lives in states that have legalized some form of cannabis use and sales, illustrating the rising acceptance of cannabis nationwide and highlighting the industry's immense potential for future growth.

Forty-six US states, districts, and territories now have legal medical and/or adult-use cannabis laws:

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Alabama	Maine	Oklahoma
Alaska	Maryland	Oregon
Arizona	Massachusetts	Pennsylvania
Arkansas	Michigan	Rhode Island
California	Minnesota	South Carolina
Colorado	Mississippi	South Dakota
Connecticut	Missouri	Utah
Delaware	Montana	Vermont
District of Columbia	Nevada	Virginia
Florida	New Hampshire	Washington
Georgia	New Jersey	West Virginia
Hawaii	New Mexico	Washington, DC
Illinois	New York	Puerto Rico
Iowa	North Carolina	Guam
Kentucky	North Dakota	
Louisiana	Ohio	

While the growth of medical and adult-use cannabis marketplaces in individual states and districts is impressive, federal law currently prohibits interstate commerce in cannabis or cannabis products. This restriction poses significant challenges for businesses operating within the cannabis industry, limiting their market reach, potential for growth, and value. Despite these hurdles, advocates and lobbyists are working tirelessly to change federal law, aiming to permit companies like Siesta Life to participate in a national marketplace. Their efforts are crucial in paving the way for a more integrated and expansive cannabis industry across the United States.

The eventual expansion of the market to include interstate commerce would add tremendous value to our family of companies. By opening up opportunities for broader distribution and access to new customer bases, Siesta Life could significantly enhance its growth and profitability. This change would not only benefit our company but also contribute to the overall development of a more robust and competitive national cannabis market. As we await these legal advancements, Siesta Life remains committed to preparing for future opportunities, positioning itself to capitalize on the expanded market once federal restrictions are lifted.

While there are significant headwinds for cannabis retailers in California right now, the future projections for the marketplace are promising. Current challenges include increased competition in emerging markets, the

## Siesta Life Business Plan

consolidation of existing operators into larger companies, excessive taxation, and a significant regulatory compliance burden.

Increased competition in emerging markets has created a highly competitive environment, with many new entrants vying for market share. This heightened competition can make it challenging for individual retailers to establish and maintain a strong foothold. Moreover, the trend toward consolidation in the industry means that smaller operators are often being absorbed by larger, more established companies. This consolidation can create barriers to entry and reduce the number of independent retailers.

Excessive taxation is another major challenge facing cannabis retailers in California. High taxes can significantly impact profitability, making it difficult for businesses to remain competitive and financially viable. This issue is compounded by the substantial regulatory compliance burden that retailers must navigate. The complex web of local, state, and federal regulations requires significant resources and expertise to manage effectively, adding to operational costs and administrative overhead.

Despite these challenges, the future outlook for the cannabis market in California remains optimistic. As the industry continues to mature, there is potential for regulatory reforms that could alleviate some of the tax and compliance pressures. Additionally, the growing acceptance and legalization of cannabis in other states and countries can lead to expanded markets and new business opportunities.

### National Cannabis Marketplace

Statista, a global data and business intelligence platform, projects that the national cannabis marketplace will generate almost \$43 billion in revenue in 2024. With a projected growth rate of 2.89%, revenue may increase to \$49.6 billion by 2029.<sup>1</sup>

Significant takeaways from Statista research include:

- Consumers in the United States are increasingly seeking out a wide variety of cannabis products, including edibles, concentrates, and topicals, in addition to traditional flower products. This shift in consumer preferences has led to a surge in product innovation and diversification within the market.
- One of the key trends in the United States cannabis market is the legalization of both medical and recreational cannabis in a growing number of states. This has created a more favorable regulatory environment for cannabis businesses, leading to increased investment and market expansion. Additionally, the rise of online retail platforms and delivery services has made cannabis products more accessible to consumers across the country.
- The United States has a complex regulatory landscape when it comes to cannabis, with each state having its own set of laws and regulations governing the production, sale, and consumption of cannabis products. This patchwork of regulations can create challenges for businesses operating in multiple states, but it also allows for experimentation and innovation at the local level.
- The growth of the cannabis market in the United States is also influenced by broader macroeconomic factors, such as changing consumer attitudes towards cannabis, increasing acceptance of its medicinal properties, and the potential for tax revenue generation for states that have legalized cannabis. These

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<sup>1</sup> <https://www.statista.com/outlook/hmo/cannabis/united-states>

## Siesta Life Business Plan

factors, combined with ongoing regulatory developments, are expected to continue shaping the future of the cannabis market in the United States.

The potential national cannabis marketplace represents a transformative opportunity for the cannabis marketplace in the United States. Currently, the cannabis market is fragmented, with each state operating under its own set of regulations and prohibitions, which restricts the flow of cannabis and cannabis products across state lines. If federal law permits interstate commerce, the national cannabis marketplace would revolutionize the retail industry, creating a more cohesive and expansive market.

One of the most significant impacts of a national marketplace would be the ability to standardize products and regulations. Companies could streamline their operations and ensure consistent quality and safety standards across all states, which would enhance consumer trust and satisfaction. Moreover, national distribution networks would allow for a wider variety of products to be available in more locations, meeting diverse consumer preferences and expanding access to medicinal cannabis for patients who need it.

A national cannabis marketplace would stimulate significantly more growth. Businesses would have the opportunity to scale operations, increase production, and reduce costs through economies of scale. This would lead to more competitive pricing and potentially lower costs for consumers. Additionally, the broader market would attract more investment and spur innovation in product development, cultivation techniques, and retail models.

Furthermore, the national market would create numerous jobs and generate substantial tax revenue. From cultivation to distribution to retail, the entire supply chain would see increased demand for skilled labor. States and the federal government could benefit from a new and robust source of tax income, which could be used to fund public services and infrastructure projects.

The national cannabis marketplace would also pave the way for enhanced research and development. With fewer legal restrictions, research institutions and companies could conduct more comprehensive studies on the medical benefits and potential risks of cannabis. This increased scientific understanding could lead to new medical applications and more effective treatments, further legitimizing and integrating cannabis into mainstream healthcare.

Overall, the potential national cannabis marketplace holds promise for substantial economic, social, and medical benefits. By removing interstate commerce restrictions, the industry could achieve greater efficiency, innovation, and growth, ultimately benefiting businesses, consumers, and the broader society.

### State Cannabis Marketplace

The California cannabis marketplace has experienced remarkable growth since voters first legalized medical cannabis in 1996 and subsequently approved recreational use in 2016. As one of the largest and most progressive markets in the United States, California has set a benchmark for the cannabis industry nationwide. The state's comprehensive regulatory framework, robust consumer base, and entrepreneurial spirit have all contributed to this dynamic growth.



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Grand View Research, a global market research and consulting company, projected that the California cannabis marketplace was valued at \$2.2 billion in 2022 and is expected to grow at a compound annual growth rate (CAGR) of 12.2 % from 2023 to 2030.<sup>2</sup> Consulting firm GlobalGo estimated the marketplace generated over \$5 billion in revenue in 2023.<sup>3</sup>

One of the key drivers of growth in the California cannabis market is the state's large and diverse population, which provides a substantial consumer base for both medicinal and adult-use cannabis and cannabis products. Californians have shown a strong and growing demand for cannabis, driven by both the wellness benefits of medical marijuana and the expanding acceptance of adult use. This demand has spurred the development of a wide range of products, from traditional flowers and edibles to innovative concentrates, topicals, and beverages.

The entrepreneurial ecosystem in California has further fueled growth. The state is home to numerous cannabis innovators and startups that are driving advancements in cultivation techniques, product development, and retail experiences. The presence of cutting-edge research institutions and a culture of innovation has led to significant progress in optimizing cannabis strains, improving extraction methods, and creating new delivery systems. This constant innovation ensures that the California cannabis market remains at the forefront of the industry.

Additionally, California's cannabis tourism sector is booming. With its reputation for producing high-quality cannabis, the state attracts visitors from across the country and around the world. Cannabis-friendly accommodations, tours, and events are becoming increasingly popular, contributing to the overall economic impact of the industry.

Looking ahead, the California cannabis market is poised for continued growth. As regulations evolve and the market matures, opportunities for expansion into new products and services will emerge. The state's leadership in cannabis research and innovation, coupled with its commitment to social equity and consumer safety, positions California as a model for the broader cannabis industry. The growth seen in California serves as a promising indicator of the potential for the cannabis market nationwide, highlighting the economic, social, and health benefits that a well-regulated cannabis industry can provide.

The state's mature cannabis marketplace finds itself in an unusual position. Pioneer businesses are grappling to compete against better-funded and more sophisticated newcomers. Many observers characterize California's industry as being in a "rollup" phase, where larger companies are acquiring and consolidating smaller competitors. This trend spells trouble for small and legacy retailers, but it presents a significant opportunity for Siesta Life in terms of expansion and the potential sale of some or all of the family business. Such a move could generate substantial revenue for investors.

### Local Cannabis Marketplace

Santee is an emerging market for cannabis retail. The city has not yet issued permits for retailers, so there are no historical numbers to review. However, the California Department of Tax and Fee Administration reports that the

<sup>2</sup> <https://www.grandviewresearch.com/industry-analysis/california-legal-cannabis-market-report#:~:text=The%20California%20legal%20cannabis%20market,12.2%20%25%20from%202023%20to%202030.>

<sup>3</sup> <https://globalgo.consulting/blog/californias-cannabis-industry-market-update-targeted-growth-opportunities#:~:text=At%20%245.1%20billion%20dollars%20in,as%20a%20small%20nation's%20GDP.>

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County of San Diego generated \$540.9 million in cannabis sales in 2023.<sup>4</sup> With a population of over 60,000 people and a population estimated at 3.3 million in the neighboring City of San Diego, Santee is poised to capture a significant market share of local medical and adult-use consumers.

San Diego County, located in Southern California, boasts a dynamic and evolving retail cannabis market. Since the legalization of recreational cannabis in California, San Diego has embraced this burgeoning industry with a mix of established players and new entrants.

The local retail cannabis scene in San Diego County reflects a diverse array of businesses catering to various consumer preferences and needs. From upscale dispensaries in affluent neighborhoods to cozy storefronts in more eclectic areas, there is a cannabis retail experience for every taste.

One notable aspect of San Diego's cannabis market is its emphasis on quality and compliance. Many dispensaries prioritize offering a wide selection of products, including flowers, edibles, concentrates, and topicals, sourced from reputable and licensed growers and manufacturers. This commitment to quality ensures that consumers have access to safe and tested products.

Moreover, the regulatory landscape in San Diego County plays a crucial role in shaping the market. Strict adherence to local regulations ensures that dispensaries operate responsibly and contribute positively to their communities. This includes compliance with zoning laws, security measures, and age verification protocols, all aimed at promoting public safety and accountability.

In terms of consumer demographics, San Diego County's cannabis market caters to a diverse population, ranging from seasoned cannabis enthusiasts to curious newcomers exploring the benefits of cannabis for the first time. Dispensaries often provide educational resources and personalized recommendations to help customers navigate their product selections based on their preferences and desired effects.

Looking ahead, the future of the local retail cannabis market in San Diego County appears promising yet competitive. As the industry matures and consumer preferences evolve, dispensaries will continue to innovate and differentiate themselves to meet the needs of their clientele. With ongoing regulatory developments and market trends, San Diego remains a focal point for cannabis retail excellence in California.

### Start-Up Summary

Siesta Life aims to secure the necessary funding to establish itself as a premier cannabis retail destination in Santee. With a focus on raising \$2.3 million in initial capital, we plan to invest in a state-of-the-art storefront, advanced digital interfaces, and a diverse inventory of high-quality, lab-tested cannabis products. This funding is crucial not only for creating an appealing and efficient shopping environment but also for ensuring compliance with regulatory standards and maintaining product safety and quality.

Having adequate start-up capital is essential for Siesta Life's success in the competitive regional cannabis market. The initial investment will enable us to execute a comprehensive marketing strategy, driving brand awareness and customer acquisition. By engaging with the local community and offering educational resources, we aim to build a

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<sup>4</sup> <https://www.fresnobee.com/news/local/article287705255.html>

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loyal customer base that trusts and values our products and services. This approach will help Siesta Life stand out in a city and broader region, fostering long-term customer relationships and encouraging repeat business.

Our detailed financial plan outlines the strategic allocation of these funds to ensure sustainable profitability and long-term success. By carefully managing our resources, we will be able to cover operational costs, invest in employee training, and adapt to market changes. This proactive financial management will position Siesta Life as a robust and resilient business, capable of thriving in the dynamic cannabis industry. Through prudent investment and strategic planning, we are committed to achieving our vision of becoming a leading cannabis retailer in Santee.

Licensing Fees	
City Application Fee	\$ 25,711
State Application Fee	\$ 1,000
Initial State Licensing Fee	\$ 46,500
	\$ 73,211
Lease & Buildout	
Lease Deposit (6 months)	\$ 120,000
Buildout & Renovations	\$ 350,000
Fixtures & Displays	\$ 50,000
Security Systems	\$ 100,000
Furniture & Equipment	\$ 25,000
	\$ 645,000
Inventory	
Cannabis Products	\$ 250,000
	\$ 200,000
Marketing & Branding	
Brand Development	\$ 15,000
Initial Marketing & Promotion	\$ 25,000
Website/Social Media Development	\$ 10,000
Signage & In-Store Displays	\$ 10,000
	\$ 60,000
Professional Services	
Legal Fees	\$ 20,000
Consultants	\$ 10,000
Accounting	\$ 7,500
Insurance	\$ 25,000
	\$ 62,500

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Staffing	
Hiring & Recruitment	\$ 10,000
Salaries for Key Staff (3 months)	\$ 100,000
Training	\$ 7,500
	\$ 117,500
Miscellaneous Expenses	
Office Supplies & Miscellaneous	\$ 10,000
Contingency Funds	\$ 40,000
	\$ 50,000
<b>Total Startup Costs</b>	<b>\$ 588,211</b>

### Financial Summary

Siesta Life will fund its startup costs through a combination of personal and private investments. With a total investment of \$2.3 million, Siesta Life is projected to generate nearly \$5.9 million in gross revenues and a net income of approximately \$1.5 million in its first full year of operations. By Year 3, revenues are expected to grow to nearly \$6.8 million, with net income surpassing \$1.7 million. This growth trajectory continues, with projections indicating that by Year 5, revenues will reach \$8.1 million and net income will exceed \$2 million.

The financial outlook for Siesta Life is promising, driven by strategic investments and a focus on operational excellence. After the initial year of operations, the company plans to trim expenses by realizing business efficiencies and expanding its distribution network. These measures are anticipated to enhance profitability and sustain growth, ensuring that Siesta Life remains competitive in the dynamic cannabis market.

By maintaining a prudent approach to financial management and leveraging growth opportunities, Siesta Life is well-positioned to achieve its long-term objectives. The projected financial performance underscores the viability of the business model and the potential for significant returns on investment.

	Year 1	Year 2	Year 3	Year 4	Year 5
INCOME					
Gross Revenue	\$ 5,900,000	\$ 6,350,000	\$ 6,800,000	\$ 7,450,000	\$ 8,100,000
Cost of Goods Sold	\$ 2,065,000	\$ 2,222,500	\$ 2,380,000	\$ 2,607,500	\$ 2,835,000
Gross Profit	\$ 3,835,000	\$ 4,127,500	\$ 4,420,000	\$ 4,842,500	\$ 5,265,000
EXPENSES					
Rent	\$ 200,000	\$ 205,000	\$ 210,000	\$ 215,000	\$ 220,000

### Siesta Life Business Plan

Salary/Wages	\$ 800,000	\$ 825,000	\$ 850,000	\$ 875,000	\$ 900,000
Utilities	\$ 50,000	\$ 52,500	\$ 55,000	\$ 57,500	\$ 60,000
Marketing/Advertising	\$ 100,000	\$ 110,000	\$ 120,000	\$ 135,000	\$ 150,000
State Licensing Fees	\$ -	\$ 57,000	\$ 96,000	\$ 96,000	\$ 96,000
Insurance	\$ 40,000	\$ 42,500	\$ 45,000	\$ 47,500	\$ 50,000
Other Op Expenses	\$ 75,000	\$ 78,750	\$ 82,500	\$ 86,250	\$ 90,000
Direct Fee	\$ 531,000	\$ 571,500	\$ -	\$ -	\$ -
Total Op Expenses	\$ 1,796,000	\$ 1,942,250	\$ 1,458,500	\$ 1,512,250	\$ 1,566,000
Operating Income	\$ 2,039,000	\$ 2,185,250	\$ 2,961,500	\$ 3,330,250	\$ 3,699,000
State Excise Tax	\$ 885,000	\$ 952,500	\$ 1,020,000	\$ 1,117,500	\$ 1,215,000
<b>NET INCOME</b>	<b>\$ 1,154,000</b>	<b>\$ 1,232,750</b>	<b>\$ 1,941,500</b>	<b>\$ 2,212,750</b>	<b>\$ 2,484,000</b>

Summary of Projections			
	Gross Revenue	Direct Fee	Net Income
Year 1	\$ 5,900,000	\$ 531,000.00	\$ 1,154,000.00
Year 2	\$ 6,350,000	\$ 571,500.00	\$ 1,232,750.00
Year 3	\$ 6,800,000	\$ -	\$ 1,941,500.00
Year 4	\$ 7,450,000	\$ -	\$ 2,212,750.00
Year 5	\$ 8,100,000	\$ -	\$ 2,484,000.00

#### Beginning Operations

Estimating the schedule for opening a new business is an important part of the planning process. It informs the owner, regulators, and the community about when to expect a fully operational facility. The company intends to commence operations approximately twenty-three (23) weeks after licensing. This process includes the installation of equipment and fixtures, cosmetic improvements, door upgrades, and implementation of an interior design concept. The timeline is contingent on the California Department of Cannabis Control (DCC) issuing a state Retailer license before opening.

Certain tasks are or will be completed before the company submits its application to the city. These include:

- The owners have developed a comprehensive business plan for Siesta Life.
- The executive team and contractors have thoroughly researched and understand local, state, and federal cannabis laws and regulations.
- The company has secured start-up funding and created a five-year pro forma budget.
- The company has leased a property that meets the city's zoning criteria.

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- The owners and contractors will prepare a licensing package for the DCC in anticipation of submitting the state application upon city approval.
- The company will identify and secure contractors for building upgrades, electrical work, and the installation of security features (e.g., video surveillance system, alarm system, safes, metal doors, and security gates).
- The owners will select a Point of Sale (POS) system.

The process of moving from licensure to opening involves numerous steps, some of which are interdependent and may overlap. The owners are experienced operators with a proven track record of successfully launching businesses. This timeline is based on their professional experience. However, small adjustments may be necessary due to unforeseen circumstances, such as contractors running behind schedule, prolonged waits for inspections, or delays in sourcing equipment or materials.

This outline shows the projected timeline:

1. Licensure (Week 1)
  - a. Confirm receipt of the local license and notify stakeholders.
  - b. Apply for a state Retailer license with the DCC.
  - c. Schedule site visits with building upgrade contractors.
2. Building Inspections (Weeks 2-5)
  - a. Conduct walk-throughs with contractors to determine what work needs to be done and when it can be completed.
  - b. Instruct the contractors to prepare any necessary plans and submit them to city agencies for approval.
  - c. Schedule final inspections for building and electrical permits.
  - d. Schedule a time for the contractors to begin work.
3. Upgrades (Weeks 6-9)
  - a. The contractors complete upgrades.
4. Add Fixtures (Weeks 9-11)
  - a. Order and receive retail fixtures (counters, shelves, display cases).
  - b. Install display fixtures in compliance with regulatory requirements.
  - c. Ensure ADA compliance and customer-friendly layout.
5. Install Secure Storage and Access Control (Week 12)
  - a. Install pre-ordered secure storage units (safes, vaults) in designated areas.
  - b. Implement access control measures for storage areas (keycards, biometric locks).
6. Install Security Equipment (Week 13)
  - a. Install the video surveillance system to meet the specifics of local and state regulations.
  - b. Ensure that all cameras are properly positioned.
  - c. Install the building alarm and emergency notification system.
  - d. Test both systems.

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7. Inventory (Beginning Weeks 13-15)
  - a. Create accounts on the California Cannabis Track and Trace ("Metrc") system.
  - b. Set up internal inventory management protocols.
  - c. Install the pre-ordered POS system.
  - d. Establish relationships with licensed distributors and select cannabis products for sale.
  - e. Add inventory to Metrc after procurement.
8. Marketing and Community Engagement (Weeks 16-18)
  - a. Launch marketing campaigns (social media, local advertising).
  - b. Engage with the community through events and partnerships.
  - c. Prepare for a grand opening event.
9. Hire and Train Train Staff (Weeks 19-21)
  - a. Train staff on security and operational SOPs.
  - b. Designate secure access permissions for Limited-Access Areas, exterior doors, and electronic systems.
10. Soft Opening (Week 22)
  - a. Schedule an invite-only soft opening to test processes and evaluate staff performance.
11. Public Opening (Week 23)
  - a. Implement regular operations and monitor for any issues.
  - b. Maintain compliance with all regulations and continually assess security protocols.

### Proof of Capitalization and Financial Services

The Company has secured adequate capital to launch the business, as evidenced by the documents attached to this Business Plan as Exhibit A. This includes detailed financial statements, proof of funding sources, and a breakdown of capital allocation. The financial documentation showcases the company's strong financial foundation, ensuring it has the necessary resources to cover all start-up costs, including lease agreements, equipment purchases, inventory, marketing efforts, and initial operational expenses. The attached exhibits provide transparency and confidence to investors, stakeholders, and regulatory bodies regarding the company's financial readiness to successfully launch and sustain the business.

Furthermore, the company has obtained financial services for the business from Movocan through the East West Bank. These services include business banking, merchant services, and financial management tools that will support the company's operational needs. Attached as Exhibit B is a letter from the provider confirming their commitment to offering these services. This letter highlights the provider's endorsement of the company's financial health and their readiness to assist in managing the business's financial transactions, ensuring smooth and efficient financial operations from the outset. The partnership with this financial service provider reinforces the company's stability and preparedness for a successful launch.

## Siesta Life Business Plan

### Community Impacts

The company is committed to ensuring safety, being a good neighbor, creating community benefits, and generating tax revenue. Our comprehensive planning process includes detailed strategies to achieve these goals. By prioritizing rigorous safety standards, we aim to provide a secure environment for both customers and employees. Additionally, we are dedicated to fostering positive relationships with our neighbors through community engagement initiatives and transparent communication. Our business model is designed not only to serve our customers but also to contribute to the local economy by generating significant tax revenue. Through these efforts, we aim to create a thriving, sustainable business that benefits everyone involved.

Siesta Life will generate local jobs, offer competitive wages, and contribute sales tax revenue to the city. Additionally, we will pay local taxes once the city adopts an ordinance or voters approve a ballot measure on the topic. These contributions will significantly enhance the lives of our employees and the economic welfare of the city. In addition to applicable taxes, Siesta Life is committed to paying a direct fee to the city amounting to 9% of its gross revenue.

The city can allocate this money to various public services and infrastructure projects, such as improving local schools, maintaining public parks, enhancing public safety, and funding community health initiatives. By doing so, Siesta Life not only supports the economic growth of Santee but also actively contributes to the overall well-being and development of the community.

### The Security Plan

The company's Security Plan is included separately in this application. The purpose of this Security Plan is to ensure the safety of customers, staff members, and the community by implementing comprehensive policies and procedures that establish robust security measures. These measures are designed to deter and prevent unauthorized access to the facility and areas containing cannabis goods. Furthermore, this plan deters and prevents the theft of these goods. This plan delineates the roles and responsibilities of key personnel, including uniformed professional licensed security personnel, the Manager, the designated Security Liaison, and other staff members.

The plan outlines the physical, electronic, and cultural practices designed to ensure the safety of individuals and company property. Physical barriers detailed in the plan include gates, steel doors, commercial-grade locks, and secure safes. These physical measures are complemented by electronic features such as video surveillance, a burglar alarm system that detects unauthorized entry and notifies law enforcement in case of emergencies, and seed-to-sale inventory tracking software to prevent and detect theft or diversion of cannabis products.

Additionally, the plan includes the deployment of uniformed professional security personnel licensed by the State of California Bureau of Security and Investigative Services (BSIS) and pre-approved by the City Manager. These security personnel are responsible for controlling access to the premises, monitoring indoor and outdoor surveillance cameras to identify potential issues, and responding promptly to emergencies. They also coordinate with the company's designated Security Liaison and local law enforcement as needed to maintain a secure environment.



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Through a combination of robust physical barriers, advanced electronic systems, and professional security staff, the plan aims to create a safe and secure atmosphere that protects both people and property, ensuring the integrity of operations and fostering a sense of safety within the community.

### The Community Benefit and Investment Plan

The Community Benefit and Investment Plan (CBIP) provides a comprehensive roadmap for Siesta Life's efforts to contribute positively to the Santee community. This plan encompasses various community engagement tactics, such as hosting open houses, organizing community meetings, and maintaining open lines of communication to address questions or concerns about the company. Additionally, the CBIP outlines the establishment of local partnerships with government agencies, businesses, and nonprofit organizations to assess how we can support their initiatives and understand the impact of our operations on the community.

The CBIP includes strategies to address key issues important to our community, including Diversity, Equity, and Inclusion (DEI) policies, sustainability initiatives, charitable contributions, and the promotion of volunteerism. By implementing DEI policies, we aim to create a welcoming and inclusive environment for all community members. Our commitment to sustainability involves adopting environmentally friendly practices and reducing our ecological footprint. Through charitable contributions and partnerships, we seek to support local causes and organizations that make a difference. Additionally, we will encourage our employees to engage in volunteer activities that benefit the community, fostering a culture of giving back and civic responsibility.

The CBIP also explains our efforts to recruit, hire, and retain a local and diverse workforce to serve our customers. The company will employ approximately twelve (12) people to provide retail services on the premises or via delivery, ensuring a robust workforce capable of meeting the needs of our customers. We are committed to offering competitive wages, starting most employees at \$21 per hour. This rate matches the average income reported in the city by the US Census for 2022, reflecting our dedication to fair compensation and economic parity within the community.

Paying a competitive wage for staff at a retail store is essential. It helps attract and retain high-quality employees who are motivated and committed to delivering excellent customer service. Competitive wages ensure that employees feel valued and fairly compensated for their work, which enhances their job satisfaction and loyalty to the company. This reduces turnover rates and the associated costs of recruiting and training new staff.

### The Neighborhood Compatibility Plan

The Neighborhood Compatibility Plan is crafted to ensure that Siesta Life has a positive and harmonious impact on the surrounding community. This plan encompasses a range of policies and procedures aimed at mitigating any potential disturbances and enhancing the overall neighborhood environment. Key measures include controlling noise levels and managing outdoor lighting to minimize disruptions to nearby residents. By implementing these specific strategies, we aim to maintain a peaceful and pleasant atmosphere around our premises.

A significant focus of the plan is on preventing loitering on the property and prohibiting the public consumption of cannabis or cannabis products on-site. These measures are designed to uphold the integrity of our operations and ensure a respectful and safe environment for all. Additionally, the plan includes proactive efforts to address litter

## Siesta Life Business Plan

and graffiti promptly, contributing to a cleaner and more attractive neighborhood. By maintaining high standards of cleanliness and order, we strive to enhance the quality of life for our neighbors, customers, and employees alike.

Furthermore, the Neighborhood Compatibility Plan outlines clear procedures for receiving and responding to neighborhood complaints. We are committed to maintaining open lines of communication with our community and addressing any concerns promptly and effectively. By actively engaging with our neighbors and being responsive to their feedback, we aim to build strong, positive relationships and ensure that Siesta Life remains a valued and respected member of the Santee community.

### SWOT

Our SWOT analysis helps the owners and other stakeholders develop strategies that capitalize on strengths and opportunities, mitigate weaknesses, and protect against threats, make informed decisions about resource allocation, market positioning, and future growth, and create a clear picture of where the business stands and what it needs to focus on to achieve its goals.

Strengths	<ul style="list-style-type: none"><li>• Years of collective experience in the cannabis marketplace</li><li>• Part of a vertically integrated family of businesses</li><li>• Long-standing relationships with reputable cultivators, manufacturers, and distributors</li><li>• Extensive city and regional customer base</li><li>• Sophisticated and comprehensive planning</li></ul>
Weaknesses	<ul style="list-style-type: none"><li>• The high financial barrier to entry into the marketplace</li><li>• Excessive state taxation</li><li>• Limited professional workforce</li><li>• The risk from IRC 280(e) federal tax deduction disallowances</li></ul>
Opportunities	<ul style="list-style-type: none"><li>• Rapidly growing retail industry</li><li>• Growing demand for alternative and natural products</li><li>• Expanding retail markets in new cities</li><li>• Eventual federal reform</li><li>• A significant drop in wholesale prices</li></ul>
Threats	<ul style="list-style-type: none"><li>• Undesirable changes to local or state laws and regulations</li><li>• Increased local competition</li><li>• Regulatory violations and penalties</li></ul>

## Siesta Life Business Plan

- |  |  |
|--|--|
|  | <ul style="list-style-type: none"><li>• Federal law enforcement activity</li></ul> |
|--|--|

### Marketing Strategy

The marketing strategy for Siesta Life is designed to establish our brand as a premier cannabis retailer, dedicated to providing high-quality products and an exceptional customer experience. We aim to build strong brand recognition and foster customer loyalty within the Santee community and beyond by leveraging a multi-faceted approach that includes digital marketing, community engagement, and strategic partnerships. Our comprehensive plan focuses on targeted advertising, social media outreach, educational initiatives, and in-store promotions to attract and retain a diverse customer base. Through these efforts, Siesta Life will position itself as a trusted and preferred destination for cannabis consumers, driving growth and achieving sustainable market success.

### Marketing Plan

Our Marketing Plan delineates the strategies for promoting our brand and merchandise to local and regional customers. Recognizing the importance of brand visibility, we prioritize maintaining our facility and training employees to deliver exceptional experiences that drive sales and foster loyalty. While our marketing efforts extend beyond our premises to boost sales, the pinnacle of our strategy revolves around the retail experience within our store. Siesta Life maintains a clean, orderly, and meticulously designed retail sales area. Our staff is equipped with robust customer service skills and extensive product knowledge to assist customers in meeting their needs and discovering optimal value.

To maximize sales and profits at a retail sales counter, strategic layout and design are crucial. Start with a clean and inviting display that prominently showcases high-margin or popular items at eye level to encourage impulse purchases. Arrange products logically, taking into account customer flow and grouping complementary items together to promote add-on sales. Utilize clear signage and pricing to facilitate quick decision-making. Ensure there is sufficient space for customer interaction with sales staff to offer personalized assistance and capitalize on upsell opportunities. Implement efficient point-of-sale systems to minimize wait times, thereby enhancing customer satisfaction and fostering loyalty. Finally, regularly rotate merchandise and update displays to sustain interest and encourage repeat visits. This thoughtful approach to layout not only enriches the shopping experience but also drives overall sales and profitability.

Elements of our Market Plan include:

- Billboard advertising
- Email marketing to the existing customer list
- Advertising and articles in local periodicals and magazines
- Weekly specials flier promotion retail drop-off route
- Brand development
- Brochures
- "Brand Ambassadors"
- Social media accounts (where allowed)
- Social media influencers

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- Digital target marketing
- Website development with search engine optimization (including new AI models)
- Keywords
- Fresh content
- Cannabis business directories and platforms

Because cannabis is not yet authorized under federal law, state governments, online advertising platforms, and social media are placing strict rules on how companies can market their products. Google, Facebook, and Twitter all have advertising policies that restrict the promotion of the sale of cannabis products. TikTok does not permit images of cannabis or cannabis products on the platform. When executed properly, Instagram can be a massive indirect driver of attention and awareness.

### Implementation

The effectiveness of our marketing strategies hinges on the diligent implementation of the plan. The Manager or their designated representative will oversee this process, ensuring tasks are delegated appropriately and timelines are established and adhered to. Certain elements of the plan will be executed prior to opening, laying a strong foundation for our marketing efforts. These include pre-launch advertising, social media campaigns, and community outreach to generate buzz and anticipation. Other aspects, such as in-store promotions, customer engagement initiatives, and ongoing marketing activities, will follow post-launch. This structured approach ensures a seamless rollout of our marketing plan, maximizing its impact and driving sustained growth.

Billboard advertising	Start securing contacts between 6 and 9 months before opening
Email marketing to the existing customer list	Send emails to customer lists at other Siesta Life businesses beginning 15 days before opening, and follow up occasionally
Advertising and articles in local periodicals and magazines	Place print ads 60 days before opening
Weekly specials flier promotion retail drop-off route	Print flyers and identify drop-off locations 30 days before opening
Brand development	This is an ongoing process that starts with other marketing plan actions and continues
Social media accounts	Establish social media accounts and start posting 15 days before opening
Social media influencers	Connect with selected social media influencers 15 to 30 days in advance.
Brochures	Design and print brochures 30 days in advance.
Digital target marketing	Place digital ads 5 days before opening.

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Website development and maintenance	Site development starts 60 days before opening. Maintenance is an ongoing process.
Cannabis business directories	Contact local business directories 45 days before opening.

### Daily Operations

The owners of Siesta Life are seasoned cannabis entrepreneurs and retail operators. Drawing on their extensive experience and expert consultations, they have developed and will implement robust policies and procedures to ensure that daily operations are conducted safely and legally. These measures are designed to provide a secure and compliant environment for both customers and staff, minimizing risks and enhancing operational efficiency.

In addition to ensuring legal compliance, the company's operational plans are specifically tailored to prevent the loss and diversion of cannabis products. This includes comprehensive inventory control systems, regular audits, and stringent security protocols. By maintaining rigorous oversight of all products from receipt to sale, Siesta Life aims to uphold the highest standards of accountability and transparency within the industry.

Furthermore, the company places a strong emphasis on continuous improvement and adaptation to evolving regulatory requirements. Through ongoing training and development, the team at Siesta Life stays abreast of best practices and legal updates, ensuring that the business remains at the forefront of the cannabis retail sector. This proactive approach not only safeguards the company's operations but also fosters trust and confidence among its customers and stakeholders.

The daily operations plan for our cannabis retail store is designed to ensure a seamless and secure customer experience while maintaining strict compliance with local and state regulations. Our customer check-in procedures emphasize age verification to uphold legal standards and ensure responsible sales. Upon entering the store, customers are required to present valid identification to verify their age and, if applicable, their medical cannabis recommendation. This initial step is crucial in maintaining the integrity and legality of our operations, as we strive to create a safe and welcoming environment for all customers.

Receiving and managing cannabis products is another critical component of our operations. Deliveries are conducted through a secure entrance monitored by surveillance cameras, ensuring that all incoming products are logged and inspected for quality and accuracy. Our Point-of-Sale (POS) system, Indica Online, is integrated with California's state-mandated Metrc track and trace system. This integration allows for real-time inventory tracking, ensuring that all products are accounted for from receipt to sale. The POS system and Metrc also aid in compliance reporting, providing a transparent and efficient way to manage our inventory and sales data.

Compliance with local and state laws is the foundation of our business operations. We adhere to all regulations as outlined in the SMC Section 7.04.360 for retail establishments in the City of Santee, ensuring our business practices meet the highest standards of legality and safety. Regular compliance audits and inventory checks are conducted to prevent diversion and ensure all products are securely tracked. Additionally, our waste management plan includes secure storage and disposal of cannabis waste, adhering to environmental safety standards and

## Siesta Life Business Plan

preventing unauthorized access. Through these meticulous procedures, we aim to operate a responsible and compliant cannabis retail store that prioritizes customer safety and regulatory adherence.

### Customer Check-In/age Verification Procedures

All medical and adult-use customers will show government-issued photo identification to security personnel or designated staff upon entering the facility.

- Medical cannabis patients with a Medical Cannabis ID Card (MMIC) issued pursuant to HSC 11362.71 who will take advantage of the sales tax exemption provided under that Chapter must present their identification and MMIC to staff for verification before receiving a sales tax exemption.
- Medical cannabis patients without an MMIC between the ages of eighteen (18) and twenty (20) must present a verified recommendation for the use of medical cannabis by an attending physician licensed to practice medicine in California before being admitted and receiving services.

Refer to the Security Plan for additional information about age and medical cannabis status verification.

The purpose of this procedure is to ensure that no cannabis products are dispensed to adult-use consumers under the age of twenty-one (21) or medical-use consumers under the age of 18. State law prohibits anyone underage purchasing, acquiring, accepting, or consuming cannabis or cannabis products or attempting to do so. The company's age verification procedures will be implemented on any website hosted by the company and when delivering cannabis items to a customer's residence.

Age verification is essential to public safety and compliance with the law. It is the company's policy to follow the law carefully. Consequences for violating state law may include fines, criminal charges, and workplace disciplinary action. All personnel who control access to the facility or sell cannabis items to consumers should know and implement this procedure.

Age verification is the responsibility of any employee who controls access to the premises or provides cannabis items to any individual in the facility. The Security Manager or designated staff is responsible for ensuring 100% compliance with the Age Verification SOP among all employees authorized to perform this task. The Manager will also be responsible for ensuring that employees are trained and updated on the laws and procedures as they develop.

### Supplies or Equipment Needed:

- A digital or manual age verification calendar if needed
- ID Guide or its equivalent paper or digital resource
- Security logbook

### Procedure:

1. Check the government-issued photo ID of each person entering the premises to verify that the individual is of legal age to enter the facility and obtain cannabis goods.

## Siesta Life Business Plan

- a. An individual who is a “qualified patient” per HSC Section 11362.5 (the Compassionate Use Act of 1996) must be at least 18 years old to enter the premises. Medical cannabis patients under the age of 18 must designate a parent or court-appointed legal guardian to act as a primary caregiver for the purposes of entering the premises and receiving cannabis goods on behalf of the qualified patient who is less than 18 years old.
  - b. Per the Medicinal and Adult Use Cannabis Regulation and Safety Act (Proposition 64), an adult-use consumer must be at least twenty-one (21) years old to enter the premises and acquire cannabis goods.
2. All government-issued photo IDs presented for entry or purchase of cannabis goods must be valid and unexpired. Acceptable forms of ID include:
  - a. The person’s United States passport; other country’s passport; or proper government-issued documentation for international travel provided it is lawful to use as identification in the United States;
  - b. The person’s motor vehicle driver’s license, whether issued by California or by any other state, territory, or possession of the United States or the District of Columbia, provided the license displays a picture of the person;
  - c. A California identification card issued by the Department of Motor Vehicles; or
  - d. Any other identification card issued by a state, territory, or possession of the United States, the District of Columbia, or the United States that bears a picture of the person, the name of the person, the person’s date of birth, and a physical description of the person.
3. Do not admit any individual to the premises or provide any cannabis goods to an individual who cannot produce government-issued ID, as described herein, proving that the individual is of legal age to enter the facility and acquire cannabis goods.
4. Use the digital or manual age verification calendar if necessary to verify that the individual meets the age limits specified above before allowing the individual to enter the building or acquire cannabis goods.
5. Make a visual comparison of the picture and the individual presenting the ID to determine if the picture is similar in gender, race, and overall appearance. Remember that hairstyles, hair color, facial hair, and body weight can change over time.
6. Do not admit an individual who, based on your inspection, has presented someone else’s ID or a fraudulent ID.
7. If you do not recognize the specific type of ID or suspect it may be counterfeit, use the ID guide or its equivalent paper or digital resource to compare the actual ID to the sample in the guide.
8. Record any attempted use of a fraudulent ID in the security logbook and report the incident to the Manager. Collect whatever identifying information possible to collect (e.g., name, address, ID type, ID number, etc.). Record your name, the date, and the time of the incident.

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### Receiving Cannabis Products

The process of receiving cannabis and cannabis products at a retail location is a critical aspect of maintaining compliance, ensuring product quality, and safeguarding inventory. Due to the highly regulated nature of the cannabis industry, it is essential that all cannabis products are received, inspected, documented, and stored according to strict state and local regulations. This procedure outlines the necessary steps to ensure that all incoming products are handled properly, from the moment they arrive at the retail location to the point of their secure storage. By adhering to these guidelines, the company can minimize the risk of regulatory violations, ensure the integrity of its product inventory, and maintain a high standard of operational efficiency. This SOP is designed to be followed by all employees involved in the receiving process and serves as a foundation for maintaining the trust of customers and regulatory bodies alike.

#### Supplies or Equipment Needed:

- Access to the California Cannabis Track and Trace Program (Metrc)
- Paper or digital copies of the Shipping Manifests for incoming deliveries

#### Policy:

- Cannabis goods are received by the company pursuant to a purchase order generated by the procurement personnel.
- Per 4 CCR 15422(a)-(b), cannabis goods are only received from a licensed distributor between the hours of 6:00 am and 10:00 pm.
- [REDACTED]
- All cannabis goods received by the company will be recorded in the Metrc track-and-trace system when the delivery is accepted.
- The secure cannabis storage area is a limited-access area (LAA) as defined in 4 CCR 15000(II). An LAA is only accessible to authorized personnel and subject to video surveillance at all times.

#### Procedures:

##### Receiving Cannabis Goods

1. The Manager or authorized personnel will order cannabis goods from a licensed distributor. Cannabis goods will only be received if:
  - a. The goods are delivered by a licensed distributor;
  - b. The goods are arriving pursuant to an authorized purchase order;
  - c. The goods are itemized on the Shipping and Transportation Manifest or an equivalent document provided by the distributor; and
  - d. The distributor provides an accurate invoice, which reflects the wholesale cost of the goods, the cannabis excise tax to be collected by the distributor, and any additional fees.
2. Cannabis goods may only be delivered to the facility by a licensed distributor between the hours of 6:00 AM and 10:00 PM Pacific Time.



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3. [REDACTED]
4. Cannabis goods may only be unloaded from a vehicle operated by the distributor in the presence of security personnel and with the approval of the Manager or personnel authorized by the Manager to receive cannabis goods.
5. [REDACTED]  
[REDACTED]  
[REDACTED]
6. All cannabis goods should be discreetly packaged when unloaded. No visible labels should identify the contents of the packages from a distance of greater than six feet.
7. [REDACTED]
8. The exterior and interior areas used for the delivery of cannabis goods will be monitored by the Video Assessment and Surveillance System (VASS), as described in the company's Security Plan.
9. Cannabis goods may not enter the facility through the front door at any time when customers are inside the building or LAPCG is open to the public.
10. After the cannabis goods are secure inside the building, the Manager or his or her designated personnel shall conduct a careful inventory of all cannabis goods, ensuring that:
  - a. The contents of the delivery match the items requested on the purchase order and are reflected on the shipping and transportation manifest. Any discrepancy should be recorded, reported to the Manager, and corrected on the shipping and transportation manifest or other documents before they are signed.
  - b. The cannabis goods are not damaged or show any signs of tampering. Goods that are damaged or have been tampered with should be rejected. Personnel should record the incident, report it to the Manager, and adjust the shipping and transportation manifest before signing it.
  - c. The shipping manifest contains the state license numbers of all distributors, cultivators, manufacturers, or other licensees involved in the transaction.
11. After the initial inspection is complete, personnel may sign the shipping and transportation manifest, taking custody of the cannabis goods.
  - a. A paper or digital copy of the signed shipping and transportation manifest should become a part of the permanent record and be retained in accordance with the Document Retention and Destruction Procedure.
  - b. The required information from the shipping and transportation manifest should be entered into the state track and trace program, as described in this procedure, and into any proprietary software or paper filing system designated by the Manager.
12. Cannabis goods should be transferred to the secure storage area and stored in accordance with this procedure.

### Storing Cannabis Goods

## Siesta Life Business Plan

1. Cannabis goods will be stored inside the secure storage room, an LAA unless the goods are displayed for sale or stored during business hours under the direct supervision of staff on the sales floor.
  - a. The door of the secure storage room remains closed and locked when not in use.
  - b. The Manager controls access to the secure storage room, in compliance with the company's Security Plan.
2. Cannabis goods stored in the secured LAA will be recorded in the Metrc system.
3. Per 4 CCR 15000.7, cannabis goods may not be stored:
  - a. Outdoors,
  - b. In an unlicensed off-site location,
  - c. In an employee break room, changing facility/area, or bathroom.
4. Personnel shall ensure a label is affixed to the outside of any bag, box, or other container in the secure storage area, which indicates:
  - a. The specific contents of the container;
  - b. The quantity of individual cannabis goods packaged for sale in the container;
  - c. The M or A-Type designation of the cannabis goods; and
  - d. The best-by, sell-by, or expiration date of the cannabis goods, if any.
5. No one may remove cannabis goods from the secure storage room without having a bona fide operational reason for doing so and updating the Metrc system.

### Point-of-Sale (POS) System

A POS system is essential because it streamlines transactions, ensures compliance, and enhances inventory management, all of which are critical in the heavily regulated retail cannabis industry. One of the key features of a POS system is its ability to interface directly with the state-mandated track-and-trace system, automatically reporting sales and inventory changes to meet regulatory requirements. This integration helps prevent legal issues and costly fines by ensuring accurate and timely reporting.

Additionally, the POS system provides real-time inventory management, reducing the risk of stockouts or overstocking, and offers valuable insights into customer preferences and sales trends. With capabilities like age verification and loyalty program management, a well-integrated POS system not only ensures compliance but also supports a more efficient and customer-friendly retail experience.

The company has selected ~~Indica Online~~Indica Online as its POS system. Indica Online is a custom-built POS platform for the cannabis marketplace that leverages ease of use and legal compliance to grow sales and enhance the retail experience. Indica Online offers comprehensive user training and support to ensure continuous and accurate data collection and integration. The system seamlessly integrates with the California Cannabis Track-and-Trace system (Metrc) to provide real-time data about inventory and sales to regulators.

There are \_\_3\_\_ POS terminals on the retail sales floor. \_\_3\_\_ are located on each sales counter, as illustrated on the Premises Diagram Floor Plan Page 34

## Siesta Life Business Plan

### Daily/Hourly Service

The expected number of customers served per hour and per day may vary significantly depending on factors such as selection, broader marketplace factors, and local demand. Typically, we anticipate anywhere from 10 to 30 customers per hour during peak times, such as late afternoon and early evening. Over the course of a full business day, which might range from 8 to 12 hours of operation, the total number of customers served could reach anywhere from 80 to 300, depending on the day of the week and other local conditions.

Weekend days, holidays, and special events tend to see higher customer volumes, potentially doubling the number of customers compared to a regular weekday. Understanding these patterns allows the business to staff appropriately, manage inventory effectively, and ensure a smooth and efficient customer experience.

Time of Day	Low Estimate Customers/Hour	High Estimate Customers/Hour	Low Estimate Customers/Day	High Estimate Customers/Day
Morning (8 AM - 12 PM)	5-10	15-20	20-40	60-80
Midday (12 PM - 4 PM)	10-20	20-25	40-80	80-100
Afternoon/Evening (4 PM - 8 PM)	15-30	25-30	60-120	100-120
Total (8-hour day)	10-30	20-30	120-240	240-300
Total (12-hour day)	10-30	30-30	180-360	360-450

### Product Line

Providing a changing and diverse selection of cannabis and cannabis products is essential for meeting the varied needs of both medical and adult-use consumers. Cannabis serves a wide spectrum of purposes, from addressing specific medical conditions to enhancing overall wellness, relaxation, and recreational experiences. For medical consumers, access to a broad range of products with different cannabinoid profiles, potencies, and delivery methods is crucial in tailoring treatments that address their individual health needs, such as pain management, anxiety relief, or sleep support. These products must be carefully curated to ensure they meet high standards of quality, safety, and efficacy.

For adult-use consumers, offering a dynamic and varied selection of cannabis products allows them to explore and experience the plant's many benefits according to their personal intentions. Whether seeking relaxation, stress relief, mindfulness, or social enhancement, these consumers often look for products that align with their lifestyle

## Siesta Life Business Plan

and desired effects. By continuously updating the product offerings and incorporating new strains, edibles, concentrates, and topicals, the retail business can cater to the evolving preferences of its customer base. This approach not only enhances customer satisfaction but also positions the business as a leader in the industry, committed to providing high-quality, purpose-driven cannabis experiences for all types of consumers.

The company will offer cannabis product types authorized under state law for medical and adult-use consumers, including the following. **The estimated percentage for each category is reflected below.**

Flower	38%	Dried cannabis buds, available in a variety of strains with different cannabinoid profiles (THC, CBD, etc.), flavors, and effects. Sold by weight, usually in grams or ounces.
Pre-Rolls	8%	Ready-to-smoke joints or blunts made from ground cannabis flower, often available as singles or in packs.
Edibles	10%	Cannabis-infused food products, such as gummies, chocolates, baked goods, and beverages. These products offer a smokeless consumption method and are available in various dosages.
Concentrates	12%	Highly potent cannabis extracts, including shatter, wax, crumble, and live resin. These are used for dabbing or vaporizing and are prized for their high THC content.
Vape Products	18%	Cannabis oil cartridges and disposable vape pens, designed for use with vaporizer devices. Available in various strains and potencies, offering a discreet and convenient consumption method.
Tinctures	2%	Liquid cannabis extracts typically administered sublingually (under the tongue) or added to food and drinks. Tinctures are often available in various THC and CBD ratios.
Topicals	2%	Cannabis-infused creams, balms,

Inserted Cells

## Siesta Life Business Plan

		salves, and lotions, applied directly to the skin for localized relief of pain, inflammation, or skin conditions. These products do not produce a psychoactive effect.
Capsules and Pills	1%	Pre-dosed cannabis products in pill or capsule form, offering a controlled and consistent way to consume cannabis, often used for medical purposes.
Beverages	3%	Cannabis-infused drinks, including sodas, teas, and sparkling waters. These beverages provide an alternative to traditional edibles with varied onset times and effects.
CBD-Rich Products	5%	Items with high CBD content, including oils, tinctures, edibles, and topicals. These products are popular for those seeking therapeutic benefits without psychoactive effects.
Transdermal Patches	1%	Adhesive patches that deliver cannabinoids through the skin over an extended period, providing a slow-release effect. They are often used for long-lasting relief from pain or anxiety.

Some of the name brands of products selected for the initial inventory are listed below. These brands provide all of the product types listed above. The company may add additional brands as the business grows and it establishes new and expanded relationships with distributors.

- \_\_ KIVA
- \_\_ Care By Design
- \_\_ Mary's Medicinals
- \_\_ Raw Garden
- \_\_ Jetty
- \_\_ Pacific Stone
- \_\_ Kurvana
- \_\_ Stiilzy
- \_\_ Plus
- \_\_ Jeeter

## Siesta Life Business Plan

### Local and State Compliance

Fostering a strong compliance culture within a cannabis business is essential for ensuring safe and legal operations at every level, from executives to management and staff. This culture prioritizes adherence to local and state regulations, embedding compliance into the daily routines and decision-making processes of all employees. Executives play a crucial role by setting the tone at the top and demonstrating a commitment to compliance through transparent policies and resource allocation. Management is responsible for implementing these policies, conducting regular training, and enforcing protocols to ensure that staff members understand and follow regulatory requirements. When compliance becomes a shared responsibility, the entire organization works cohesively to mitigate risks, protect the business's license, and maintain a safe environment for employees and customers alike.

This procedure outlines the steps necessary to ensure compliance with all local and state regulations governing the operation of a cannabis business in Santee, California. Adherence to these guidelines is essential for maintaining the business's license and avoiding legal penalties. This procedure applies to all employees, managers, and executives of the business. It covers all aspects of regulatory compliance, including licensing, record-keeping, product handling, security, and reporting requirements.

#### Responsibilities:

- **Compliance Officer:** The designated Compliance Officer is responsible for ensuring that the business complies with all applicable local and state regulations. This includes monitoring changes in legislation, overseeing internal audits, and reporting non-compliance issues to the management team.
- **Store Manager:** Responsible for implementing compliance procedures at the retail level, ensuring that all staff are trained and following proper protocols.
- **All Employees:** Must adhere to the guidelines set forth in this SOP and report any compliance concerns to their supervisor or the Compliance Officer.

#### Procedure:

##### 1. Licensing Requirements

###### a. State Licensing:

- i. Obtain and maintain a valid license from the California Department of Cannabis Control (DCC).
- ii. Ensure that the license is renewed annually before the expiration date.
- iii. Display the state license prominently within the retail location.

###### b. Local Licensing:

- i. Obtain a cannabis business license from the City of Santee. This license must be renewed annually.

## Siesta Life Business Plan

- ii. Ensure compliance with all zoning requirements as stipulated by Santee's local ordinances.
- iii. Adhere to any additional conditions or operational requirements specified by the city.

### 2. Record-Keeping and Documentation

#### a. Inventory Tracking:

- i. Use a compliant Point of Sale (POS) system that integrates with California's track-and-trace system, METRC (Marijuana Enforcement Tracking Reporting Compliance).
- ii. Record all inventory transactions in real-time, including sales, deliveries, returns, and disposal of cannabis products.
- iii. Conduct regular inventory audits to ensure accuracy and resolve discrepancies immediately.

#### b. Sales and Transaction Records:

- i. Maintain detailed records of all sales, including customer information (where applicable), product details, and transaction amounts.
- ii. Retain records for at least seven years, as required by California law.
- iii. Ensure that daily sales reports are submitted to the DCC and the City of Santee as required.

#### c. Employee Records:

- i. Keep accurate records of all employee information, including proof of age, training certifications, and background checks.
- ii. Ensure that all employees have completed the necessary training on compliance and safety.

### 3. Security and Surveillance

#### a. Security Measures:

- i. Implement a comprehensive security plan that includes alarm systems, access control, and secure storage for cannabis products.
- ii. Ensure that all areas where cannabis is stored or handled are equipped with video surveillance that meets California state regulations (continuous 24/7 recording, 90-day storage).
- iii. Restrict access to secure areas to authorized personnel only.

#### b. Incident Reporting:

- i. Report any security breaches, thefts, or other incidents to the local police department and the DCC within 24 hours.
- ii. Maintain an incident log documenting the details of each event and the actions taken in response.

## Siesta Life Business Plan

### 4. Compliance with Product Handling and Labeling

#### a. Product Testing:

- i. Ensure that all cannabis products are tested by a state-licensed laboratory for potency, pesticides, and contaminants before they are sold.
- ii. Retain Certificates of Analysis (COAs) for all products in inventory.

#### b. Labeling Requirements:

- i. Ensure that all cannabis products are labeled according to California state regulations, including THC/CBD content, health warnings, and usage instructions.
- ii. Verify that all labels are clear, accurate, and affixed to the product packaging before being placed on shelves.

### 5. Reporting and Audits

#### a. State Reporting:

- i. Submit all required reports to the DCC, including sales data, inventory changes, and any incidents of non-compliance.
- ii. Ensure that all financial transactions are reported accurately for state tax purposes.

#### b. Local Reporting:

- i. Provide the City of Santee with any required reports, including sales tax remittances and compliance audits.
- ii. Participate in any local inspections or audits as requested by city officials.

#### c. Internal Audits:

- i. Conduct internal compliance audits quarterly to review all areas of operation, including licensing, record-keeping, and security measures.
- ii. Address any areas of non-compliance immediately and document corrective actions.

### 6. Employee Training

#### a. Compliance Training:

- i. Provide all employees with initial and ongoing training on state and local cannabis regulations, including topics such as inventory management, security protocols, and customer interaction.
- ii. Document all training sessions and maintain records of employee certifications.

#### b. Safety and Emergency Procedures:

- i. Train employees on safety protocols, including emergency evacuation, fire safety, and responding to security incidents.
- ii. Conduct regular drills to ensure preparedness.

### 7. Review and Update of SOP



## Siesta Life Business Plan

### a. Annual Review:

- i. The Compliance Officer will review this SOP annually or whenever there are changes in local or state regulations.
- ii. Update the SOP as necessary to reflect changes in law, best practices, or operational procedures.

### b. Employee Acknowledgment:

- i. All employees must sign an acknowledgment form indicating that they have read, understood, and will comply with this SOP.
- ii. Updated SOPs will be distributed to all employees, and training will be provided on any new procedures.

## Tracking Cannabis Products

In California, the legal sale of cannabis products requires stringent tracking and compliance with state regulations. This procedure outlines a comprehensive system for tracking cannabis products within a retail store, ensuring that every step from inventory receipt to final sale is meticulously documented. Adherence to these protocols not only helps maintain accurate records but also ensures that the retail store complies with the DCC regulations, Metrc track-and-trace requirements, and other state-mandated guidelines. By implementing this tracking procedure, the store aims to enhance operational transparency, reduce the risk of product diversion, and support public health and safety standards.

## California Cannabis Track and Trace (CCTT) System

The CCTT, also known as “Metrc,” is the primary tool used to track cannabis products from receipt through sale. The online system interfaces with the company’s POS system to provide real-time information about inventory to the operators and state regulators. All commercial cannabis activity is recorded in the CCTT System per Article 6 of 4 CCR beginning with Section 15047.1. The company will designate an Account Manager, who will designate Authorized Users to perform the duties described below.

### Policies

- The company will establish and maintain an account with Metrc for the purpose of tracking cannabis products and commercial activity. The company will ensure that data entered into the system is accurate and timely and prevent the entry of false or inaccurate data (4 CCR 1547.2).
- The company will designate an Account Manager for the Metrc system. No less than ten (10) days from licensure, the designated Account Manager will (4 CCR 15048(a)-(b)):
  - a. Complete new user system training provided by the Department.
  - b. Email support@metrc.com from the designated account manager's email address to request access to the track and trace system, and
  - c. Complete the credentialing process to establish a login.

## Siesta Life Business Plan

- The Account Manager and all Authorized Users will use individual and confidential login credentials to access the Metrc System (4 CCR 15048(c)).
- Cannabis products arriving at the facility will have a package tag assigned in the Metrc Shipping Manifest (4 CCR 15049(a)).

Responsibilities of the Account Manager:

Per 4 CCR 15048.1, the Account Manager will:

- Designate track and trace Authorized Users, as needed, and require the Authorized Users to be trained in the proper and lawful use of the track and trace system before they are permitted to access the track and trace system;
- Maintain an accurate and complete list of all of the company's Authorized Users, including full names and usernames, and update the list immediately when changes occur;
- Remove an Authorized User from the company's track and trace system account when that individual is no longer authorized to represent the licensee;
- Correct any data entry errors within three (3) calendar days of discovery of the error;
- Tag and enter all inventory in the track and trace system as required by 4 CCR 15049;
- Monitor all system notifications and resolve all issues identified. The notification shall not be dismissed by the Account Manager before resolution of the issue(s) identified in the notification;
- Notify the Department of any loss of access to the track and trace system that exceeds seventy-two (72) hours; and
- Reconcile the inventory of cannabis and cannabis products on the licensed premises with the track and trace system database at least once every thirty (30) calendar days.

Per 4 CCR 15049(b), the following activities will be recorded in the Metrc System within twenty-four (24) hours:

- Receipt of cannabis or cannabis products,
- Rejection of transferred cannabis or cannabis products,
- Use of cannabis or cannabis products for internal quality control testing or product research and development, and
- Destruction or disposal of cannabis or cannabis products.

For each activity listed above, the following information will be recorded in the Metrc System (4 CCR 15049(c)-(d)):

- The type of cannabis or cannabis products;
- The weight, volume, or count of the cannabis or cannabis products;
- The date of activity;
- The UID assigned to the cannabis or cannabis products;
- The brand name of the cannabis goods;
- If cannabis or cannabis products are being destroyed or disposed of, the licensee shall record the following information in the notes section:
  - The name of the employee performing the destruction or disposal;
  - The reason for destruction or disposal; and
  - The method of disposal.

## Siesta Life Business Plan

- If a package adjustment is used to adjust the quantity of cannabis or cannabis products in the track and trace system, the licensee shall include a description explaining the reason for the adjustment.

### Loss of Access to the Metrc System (4 CCR 15050)

The company may lose its connection to the Metrc System. If this happens, the Account manager will ensure that staff prepare and maintain comprehensive records detailing all commercial cannabis activities that were conducted during the loss of access. The company will not transport, receive, or deliver cannabis goods while access is interrupted.

Upon the restoration of access to the Metrc System, the Account Manager will ensure that staff enters all commercial cannabis activity that occurred during the loss of access. Furthermore, they will document the cause for loss of access and the dates and times for when access to the track and trace system was lost and when it was restored.

### Reconciliation (4 CCR 15051)

The Account manager will reconcile the Metrc data with the on-hand inventory at least once every thirty (30) days. During this reconciliation, the Account manager will ensure that any individual no longer authorized to represent the company on Metrc is removed from the system. The Account Manager will notify the DCC in writing of any significant discrepancy in inventory detected in the reconciliation. Per 4 CCR 15034, a “significant discrepancy” means a five percent difference between the licensee’s physical inventory and the inventory recorded in the track and trace system.

### Other Inventory Tracking Policies and Procedures

The company will maintain accurate records of its inventory at all times and make these records available to local and state regulators upon demand. Per 4 CCR 15423, the record will include:

- A description of each item such that the cannabis goods can easily be identified;
- An accurate measurement of the quantity of the item;
- The date and time the cannabis goods were received by the licensed retailer;
- The sell-by or expiration date provided on the package of cannabis goods, if any;
- The name and license number of the licensed distributor or licensed microbusiness that transported the cannabis goods to the licensed retailer; and
- The price the licensed retailer paid for the cannabis goods, including taxes, delivery costs, and any other costs.

The company will ensure that its inventory records are consistent with the physical inventory on the premises in addition to or in combination with the Metrc System reconciliation discussed above (4 CCR 15424). This includes all cannabis products displayed for sale, secured in limited-access areas, quarantined, subject to an administrative hold, and slated for destruction and disposal. The records generated by any inventory reconciliation will be retained for at least seven (7) years and subject to the provisions of the company’s Document Retention and Destruction procedure. The company will notify the DCC and law enforcement within twenty-four (24) hours if the

## Siesta Life Business Plan

inventory control process and related security measures identify evidence of theft, diversion, loss, or a significant discrepancy in inventory (4 CCR 15036(a)(2) and 15424).

### Waste Management Plan

Proper cannabis waste disposal is critical for a retailer in California due to the state's stringent environmental and regulatory requirements. Cannabis waste, including plant material, packaging, and expired products, must be handled in a manner that prevents diversion to the illicit market and protects public health and the environment. Failure to comply with California's cannabis waste disposal regulations can lead to significant legal penalties, fines, and damage to the retailer's reputation. By following best practices for waste disposal, including secure storage, rendering waste unusable and unrecognizable, and working with licensed disposal services, retailers not only stay compliant but also contribute to broader environmental sustainability efforts. This practice reinforces the retailer's commitment to operating responsibly within the legal framework of the cannabis industry.

The purposes of this procedure are to ensure that the company destroys and disposes of cannabis waste in a manner that prevents loss or diversion and complies with state laws and regulations, all personnel understand the proper way to destroy and dispose of cannabis goods, and that the company retains all digital and paper records related to the destruction and disposal of cannabis goods.

#### Definitions:

- "Cannabis waste" means waste that contains cannabis and that has been made unusable and unrecognizable in the manner prescribed in this procedure. Cannabis waste does not include packaging, labeling, or hazardous waste.
- The "cannabis waste destruction and disposal checklist" is a paper or digital checklist for recording the details of cannabis goods that are destroyed and disposed of on the premises.
- "Unique Identifiers (UID)" are numbers assigned to each type of cannabis product in every package received by a retailer from a distributor which can be used to trace the cannabis goods throughout the supply chain. All UIDs are assigned and entered using the California Cannabis Track and Trace System (CCTT), also known as "Metrc."
- "California Cannabis Track and Trace System (CCTT)" is the online software mandated for inventory control purposes by the California Department of Consumer Affairs. All commercial cannabis activity is recorded in the CCTT.
- "Video Assessment and Surveillance System (VASS)" is a video recording system designed to monitor and record activity on the premises, including the destruction and disposal of cannabis waste.
- "Limited Access Area" is an area where cannabis goods or waste is stored that is only accessible to employees and contractors.

#### Policies:

- It is the company's policy to control all inventory to prevent the loss of diversion of cannabis goods for unauthorized use.
- Cannabis goods will be destroyed and disposed of when they are damaged, contaminated, adulterated, expired, or otherwise unsuitable for sale.
- Cannabis goods will be destroyed and disposed of following instructions to do so by a regulatory agency.

## Siesta Life Business Plan

- The company will record the destruction of cannabis goods using the VASS and retain the recordings for at least ninety (90) days.
- [REDACTED]
- The company does not sell or give away cannabis waste.
- The company will retain all records associated with cannabis waste destruction or disposal for at least seven (7) years, except for the records made by the VASS. The company will maintain VASS recordings for at least ninety (90) days.

### Responsibilities:

- All staff tasked with the destruction or disposal of cannabis goods must know and uphold this procedure. Staff must be diligent in completing the required paperwork and entering data into the CCTT. Failure to follow the proper steps could lead to inaccurate record keep and penalties.
- The Manager and Supervisors are responsible for training Staff and monitoring compliance with this procedure. The Manager is responsible for correcting noncompliance and retaining all documents associated with the procedure.

### Required Supplies:

- Cannabis waste destruction and disposal checklist
- Scale
- Access to the CCTT

### Procedure:

1. Obtain a blank paper or digital copy of the cannabis waste destruction and disposal checklist. Use a separate checklist for each individual product type to be destroyed. You may use one checklist to record data about multiple units of the same product, provided each product recorded on the same checklist is identical in name, dosage, and UID.
2. Remove cannabis goods to be destroyed from their packaging and labeling. Discard the packaging and labeling as ordinary solid waste.
3. Record the quantity and/or weight of the cannabis goods to be destroyed using the cannabis waste destruction and disposal checklist.
4. Ensure that your workspace is visible to the VASS, so that a time and date stamped video recording of the destruction may be recorded.
5. Render the cannabis goods unrecognizable and unusable in the manner prescribed by the Manager or your supervisor.
  - a. Grind or crush the cannabis goods, except cannabis vape cartridges. Do not attempt to remove liquid inside a cannabis vape cartridge.
  - b. Mix the ground or crushed cannabis goods with an inert substance, which may include sand, sawdust, or other authorized substances.

## Siesta Life Business Plan

6. Record the weight of the destroyed cannabis goods, including the inert substance, on the cannabis waste destruction and disposal checklist. Be sure that all the applicable blanks are completed.
7.
8. Reclassify all destroyed cannabis goods as cannabis waste in the CCTT.
9. Record all the following information in the CCTT within twenty-four (24) of destroying cannabis waste:
  - a. The name of the individual who destroyed the cannabis waste;
  - b. The reason for the destruction of the cannabis waste;
  - c. The name of the entity that will dispose of the cannabis waste;
  - d. Name and type of the cannabis goods;
  - e. Unique identifier of the cannabis goods;
  - f. Amount of the cannabis goods, by weight or count, as applicable;
  - g. Date and time of the activity; and
  - h. Any other information required to be recorded in CCTT.
10. Return the cannabis waste destruction and disposal checklist to your Manager or supervisor for approval.
11. File the approved cannabis waste destruction and disposal checklist as prescribed by the Manager.



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California Cannabis Corporation | 760.791.7138

October 15, 2024

Siesta Life Santee LLC  
1913 Via Encantadoras  
San Diego, CA 92173

VIA EMAIL

**Re: Proof of Funding Source and Backing**

Dear Siesta Life Santee LLC,

Movocan is fully committed to providing all the financial backing and funding as a major shareholder in the project located at 9855 Prospect Ave Suite C in Santee, California 92071 (APN 384-190-73-00). This backing includes the build out phase of this project all the way through the first 6 months of operation.

If there is any questions concerning this letter please feel free to reach out to me directly.

Respectfully,

---

Angel Fernandez  
Director of Movocan  
Mobile 760-540-9358  
Office 760-791-7138  
[www.movocan.com](http://www.movocan.com)  
[medigroupangel@gmail.com](mailto:medigroupangel@gmail.com)

**2625 Heil Cir  
El Centro, CA 92243**

Labor and Employment Plan

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# Labor and Employment Plan

## Introduction

A well-structured Labor and Employment Plan (LEP) is essential for the success of a cannabis retail operation in California, ensuring compliance with state labor laws and fostering a positive and equitable workplace culture. The plan emphasizes the company's commitment to upholding employee rights and creating an environment where workers feel valued and respected. As the retail cannabis industry continues to grow, this plan is crucial in establishing a framework that promotes fair treatment, transparency, and adherence to the specific labor regulations that govern California's cannabis sector.

Central to this plan is compliance with California's wage and hour laws, including the timely payment of wages, provision of meal and rest breaks, and adherence to minimum wage requirements. Additionally, the plan addresses employee benefits such as health insurance, paid time off, and retirement plans, ensuring that employees receive a comprehensive benefits package. Safety regulations mandated by the Occupational Safety and Health Administration (OSHA) and the California Division of Occupational Safety and Health (Cal/OSHA) are also prioritized, with measures in place to protect employees from potential hazards in the workplace. The company is committed to providing ongoing safety training and maintaining a safe environment for all employees.

Beyond compliance, this Labor and Employment Plan seeks to cultivate a diverse and inclusive workforce. The retailer is dedicated to nondiscrimination and equal-opportunity hiring practices, focusing on creating opportunities for individuals from communities disproportionately impacted by past cannabis criminalization. This plan provides training and professional development, empowering employees to advance their careers in the cannabis industry. By promoting diversity and offering pathways for growth, the company aims to build a team that reflects the community it serves.

Ultimately, this plan is designed to ensure that the retailer remains a responsible and ethical employer within the cannabis industry. By prioritizing the well-being of employees, maintaining strict adherence to California's labor laws, and fostering a culture of respect and inclusivity, the retailer is positioned to meet its operational goals and contribute to the long-term sustainability and legitimacy of the cannabis industry. Through this plan, the company affirms its commitment to creating a workplace where employees thrive and the business prospers.

Refer to "Local Jobs and Wages" in the Community Benefit and Investment Plan for related information.

## Staff Levels

Determining staffing levels for the company involves several key considerations unique to the industry. Cannabis retail operates in a highly regulated environment, with compliance, security, and customer service playing critical roles in day-to-day operations. Staffing decisions should reflect these demands while balancing labor costs and anticipated sales volumes.

The regulatory framework in California requires that cannabis dispensaries maintain sufficient staff to ensure strict adherence to state laws. This includes having personnel for verifying customer IDs, ensuring compliance with purchase limits, and tracking inventory meticulously. Additionally, security staff must be on-site during business hours.

Staffing levels must be calibrated to handle fluctuating customer traffic. Factors like store location, marketing efforts, and the timing of cannabis releases or promotions will influence demand. During peak periods, such as

## Labor and Employment Plan

weekends, holidays, or major cannabis product launches, more staff will likely be required to manage increased foot traffic, assist customers, and handle transactions efficiently.

The staffing level estimates below include management, administrative, sales, and security personnel on the premises at any one time.

### Staff Levels at Initial Opening~~Initial Staff Levels:~~

Time of Day	Customers/Hour	Staff on Duty
Morning (8 AM - 12 PM)	15-20	4
Midday (12 PM - 4 PM)	20-25	5
Afternoon/Evening (4 PM - 8 PM)	25-30	6

### Staff Levels at Full Capacity:

Time of Day	Customers/Hour	Staff on Duty
Morning (8 AM - 12 PM)	60-80	6
Midday (12 PM - 4 PM)	80-100	8
Afternoon/Evening (4 PM - 8 PM)	100-120	10

## Responsibilities and Wages

Staffing plays a critical role in ensuring operational success and regulatory compliance. Due to the unique nature of the retail cannabis industry, each position at Siesta Life is integral to maintaining the store's functionality, customer satisfaction, and legal standing. This section outlines the various staff roles necessary for a cannabis retailer, detailing the responsibilities for each position. From customer-facing roles such as sales staff and cashiers to compliance officers and security personnel, understanding the significance of each role is essential to creating a cohesive, efficient, and legally compliant operation. By clearly defining staff roles, the company can optimize its workforce to deliver exceptional service while navigating the complexities of the commercial cannabis environment.

The company may not initially employ all of the positions outlined below, as staffing needs will evolve alongside the growth of the business. During the early stages of operation, it may be necessary for some employees to take on multiple roles to ensure the business runs smoothly with a leaner team. For instance, an employee might handle both sales and cashier duties, or an assistant manager could also be responsible for inventory management. This approach allows the company to remain flexible and cost-effective as it establishes itself in the market. As the business expands and demand increases, the company can gradually hire more specialized staff to fill each distinct role, ensuring that operational efficiency and regulatory compliance are maintained.

## Labor and Employment Plan

### 1. Sales Representative

- Responsibilities: Sales Representatives are the primary customer-facing employees who assist customers in selecting cannabis products. They must possess in-depth knowledge of various strains, consumption methods, and products. Sales Representatives also ensure compliance by verifying IDs, educating customers on legal purchase limits, and guiding them through state regulations.
- Average Wage: \$18–\$22 per hour.

### 2. Cashier

- Responsibilities: Cashiers handle transactions, ensuring that all sales are accurately processed. They are responsible for maintaining a positive customer experience at checkout, managing cash drawers, processing digital payments, and adhering to cash handling protocols required by cannabis regulations.
- Average Wage: \$17–\$20 per hour.

### 3. Inventory Specialist

- Responsibilities: Inventory specialists manage product inventory, ensuring that stock levels are maintained and that all products are stored and tracked in compliance with California's cannabis regulations. They are also responsible for conducting regular audits, receiving deliveries, and updating inventory software.
- Average Wage: \$20–\$24 per hour.

### 4. Compliance Officer

- Responsibilities: Compliance officers are tasked with ensuring that the dispensary operates within the legal framework set by local and state cannabis laws. They manage regulatory paperwork, oversee compliance training for staff, and monitor store operations to ensure adherence to state and local regulations.
- Average Wage: \$22–\$28 per hour.

### 5. Security Personnel

- Responsibilities: Security personnel are responsible for maintaining a safe environment for both customers and staff. Their duties include monitoring entrances, ensuring only authorized individuals enter restricted areas, and enforcing security protocols such as surveillance and alarm systems.
- Average Wage: \$18–\$23 per hour.

### 6. Store Manager

- Responsibilities: Store managers oversee the daily operations of the dispensary. Their duties include staff scheduling, performance management, customer service oversight, and handling any escalations. Managers are also responsible for ensuring the store meets sales targets, stays compliant with regulations, and runs efficiently.
- Average Wage: \$25–\$35 per hour.

### 7. Assistant Manager

## Labor and Employment Plan

- Responsibilities: Assistant managers support the store manager in overseeing daily operations, managing staff, and ensuring a smooth workflow. They handle customer service issues, assist with inventory management, and may be tasked with training new employees.
- Average Wage: \$22–\$28 per hour.

### 8. Receptionist/Greeter

- Responsibilities: Receptionists or greeters are responsible for welcoming customers as they enter the store, checking IDs, and managing the flow of customers within the dispensary. They play a critical role in ensuring that only legally eligible customers access the premises.
- Average Wage: \$16–\$19 per hour.

### 9. Marketing Specialist

- Responsibilities: Marketing specialists create and implement marketing strategies to increase foot traffic and brand visibility. They handle promotions, social media, email campaigns, and any community outreach or partnerships that align with local advertising restrictions.
- Average Wage: \$21–\$26 per hour.

### 10. Cannabis Product Specialist (Educator)

- Responsibilities: Cannabis product specialists, or educators, are responsible for providing customers with in-depth information about specific products, their effects, and usage. This role often involves conducting product demonstrations, hosting educational events, and answering detailed customer inquiries.
- Average Wage: \$19–\$23 per hour.

## Benefits

Providing a comprehensive benefits package is crucial for attracting and retaining skilled employees, particularly in a competitive industry like cannabis retail. In addition to fostering a supportive work environment, employee benefits also help ensure compliance with federal and state laws. This section outlines the mandatory benefits the company will offer to its employees, in alignment with federal requirements.

### Medicare and Social Security

The company is committed to complying with federal requirements by contributing to both Medicare and Social Security on behalf of its employees. These contributions are part of the Federal Insurance Contributions Act (FICA), ensuring that employees have access to retirement benefits, disability insurance, and healthcare through Medicare in the future. Employees will also contribute to these programs through payroll deductions, with the company matching their contributions as required by law.

### Unemployment Insurance

Unemployment insurance provides financial support to employees who lose their jobs through no fault of their own. The company will participate in California's unemployment insurance program by paying state

## Labor and Employment Plan

unemployment taxes, which fund the unemployment benefits that employees may access if they are laid off or terminated. This ensures that workers have a financial safety net during periods of job transition.

### Workers' Compensation

In compliance with California law, the company will provide workers' compensation insurance to all employees. This coverage protects employees by providing medical care, wage replacement, and rehabilitation services if they are injured or become ill as a result of their job. Workers' compensation is a critical benefit that underscores the company's commitment to employee safety and well-being.

### Health Insurance

The company will offer health insurance benefits in accordance with the Affordable Care Act (ACA). Full-time employees will have access to employer-sponsored health plans, which include coverage for medical, dental, and vision care. Providing health insurance helps promote the overall well-being of employees and their families, while also contributing to job satisfaction and retention.

### Family and Medical Leave

In compliance with the Family and Medical Leave Act (FMLA), the company will provide eligible employees with up to 12 weeks of unpaid leave for qualifying family and medical reasons. This includes leave for the birth or adoption of a child, serious health conditions affecting the employee or a close family member, and other circumstances covered under FMLA. The company is committed to supporting employees during significant life events while ensuring job protection and continued access to benefits during their leave.

By offering these benefits, the company ensures that its employees are supported both personally and professionally, fostering a positive and secure working environment. Additionally, these benefits help the company remain compliant with legal standards while enhancing employee satisfaction and productivity.

### Non-Discrimination and Equal Opportunity Employment Policy

Siesta Life is committed to fostering a work environment where all employees and applicants are treated with respect and dignity. We are an equal-opportunity employer, and it is our policy to provide equal employment opportunities to all employees and applicants without regard to race, color, religion, sex, gender, gender identity, gender expression, sexual orientation, national origin, ancestry, age, disability (physical or mental), medical condition, genetic information, marital status, military or veteran status, pregnancy, childbirth or related medical conditions, citizenship status, AIDS/HIV status, political activities or affiliations, or any other characteristic protected by law.

We believe that diversity and inclusion make us stronger as a company, and we are dedicated to maintaining a workplace free from discrimination, harassment, and retaliation.

### Scope of the Policy

## Labor and Employment Plan

This policy applies to all aspects of employment at Siesta Life, including:

- Recruitment, hiring, and promotion
- Compensation, benefits, and training
- Work assignments and conditions of employment
- Disciplinary actions and terminations
- Siesta Life strictly prohibits discrimination or harassment based on any of the protected characteristics listed above.

### Harassment Prevention

Siesta Life is committed to providing a workplace free of harassment. Harassment based on any protected characteristic is unlawful and strictly prohibited. This includes, but is not limited to:

- Verbal harassment (e.g., derogatory comments, slurs)
- Physical harassment (e.g., inappropriate touching, assault)
- Visual harassment (e.g., displaying derogatory images or symbols)
- Sexual harassment (e.g., unwelcome sexual advances, requests for sexual favors)

All employees, including supervisors and managers, are responsible for ensuring that the workplace is free from harassment. Any employee who engages in harassment will be subject to disciplinary action, up to and including termination.

### Reasonable Accommodations

Siesta Life will provide reasonable accommodations for employees with disabilities, pregnant employees, and employees with religious observances, provided such accommodations do not create an undue hardship for the company. Employees requiring accommodations should contact their supervisor or the Human Resources department to discuss their needs.

### Complaint Procedure

Siesta Life encourages employees to report any incidents of discrimination, harassment, or retaliation. We have established a complaint procedure to ensure that all reports are handled promptly, fairly, and confidentially. If you believe that you have experienced or witnessed discrimination, harassment, or retaliation, you should immediately report the incident to:

- Your direct supervisor or manager
- Human Resources at [HR contact information]
- The designated Siesta Life EEO officer

## Labor and Employment Plan

We will thoroughly investigate all complaints and take appropriate corrective action when necessary. Employees who raise complaints in good faith or participate in investigations are protected from retaliation.

### Retaliation Prohibition

Siesta Life strictly prohibits retaliation against any employee for reporting discrimination, harassment, or retaliation or for participating in any investigation related to such claims. Any employee who engages in retaliatory conduct will be subject to disciplinary action, up to and including termination.

### Training and Education

Siesta Life is committed to educating our workforce on nondiscrimination and harassment prevention. In compliance with California law, we provide regular harassment prevention training to all employees, including supervisors and managers. This training is designed to help employees recognize and prevent harassment and to reinforce our commitment to a respectful and inclusive workplace.

Siesta Life is committed to upholding these nondiscrimination principles in all aspects of our operations. We are dedicated to creating a workplace that values diversity and promotes respect for all individuals. Any questions regarding this policy should be directed to Human Resources or our EEO officer.

### Workplace Safety Training

As part of Siesta Life's commitment to maintaining a safe and compliant workplace, we require that designated managers and employees complete the Cal/OSHA 30-Hour General Industry Safety course. This training is critical to ensuring that our staff understands the regulatory requirements, safety practices, and risk management strategies necessary to protect themselves and others in the workplace.

### Manager Designation and Training

One manager will be required to complete the Cal/OSHA 30-Hour General Industry Safety course within 90 days of assignment. The manager selected for this training will serve as the primary point of contact for health and safety matters in their department and will be responsible for:

- Implementing safety protocols in alignment with Cal/OSHA standards
- Conducting regular safety inspections and ensuring compliance with company and regulatory policies
- Providing guidance and leadership to employees on safe work practices
- Coordinating with the Human Resources and Safety departments to address safety concerns and conduct investigations into any incidents or near-misses

### Employee Designation and Training

## Labor and Employment Plan

One employee will also be required to complete the Cal/OSHA 30-Hour General Industry Safety course within 90 days of assignment. This employee will be selected based on their role and involvement in daily operations that directly affect workplace safety. Responsibilities include:

- Assisting in the identification and mitigation of workplace hazards
- Serving as a safety advocate and helping to promote a culture of safety within their department
- Collaborating with their manager to address safety issues and ensure adherence to safety policies and procedures

### Course Overview and Objectives

The Cal/OSHA 30-Hour General Industry Safety course provides in-depth training on a wide range of safety topics, including but not limited to:

- Hazard recognition and prevention
- Emergency action plans
- Personal protective equipment (PPE) usage and requirements
- Machine guarding and other industry-specific safety standards
- Rights and responsibilities under the Cal/OSHA Act
- Upon successful completion, participants will receive a Cal/OSHA 30-Hour General Industry Safety card, which will be submitted to the Human Resources department as proof of training.

Certification must be maintained and renewed as required by applicable safety standards and company policies.

### Ongoing Responsibilities

Both the designated manager and employee will be responsible for ongoing safety monitoring and for acting as safety liaisons between their department and the Safety department. They are expected to:

- Regularly review and update safety procedures
- Lead department safety meetings and training
- Report safety concerns or incidents promptly
- Collaborate with Siesta Life's Safety and Compliance teams to ensure continued adherence to all safety regulations

The completion of this training is not only a requirement for maintaining compliance with Cal/OSHA regulations but also a vital component of Siesta Life's overarching commitment to providing a safe, healthy, and productive work environment for all employees.

### Workforce Development

The company is committed to fostering continuous growth and development within our workforce. By investing in our employees, we aim to create a dynamic and skilled team that is well-prepared to meet the evolving challenges



## Labor and Employment Plan

of the industry. Our Workforce Development Plan includes comprehensive training programs, robust social support structures, and the establishment of peer groups to encourage collaboration and mentorship.

Management will select workforce development strategies that align with both the specific needs of the employees and the broader goals of the company. These strategies will be tailored to ensure that employees have the skills and support necessary to succeed in their roles, while also driving the company's overall growth and efficiency. Approaches may include targeted training programs to enhance technical expertise, cross-training opportunities to increase operational flexibility, and mentorship programs to foster personal and professional development. Additionally, management will consider strategies that promote well-being, such as wellness initiatives and access to social support systems, ensuring that employees are both empowered and supported in their careers.

### Training and Skill Development

Siesta Life believes that ongoing training is essential for both personal and professional growth. We offer a variety of training programs designed to enhance the skills and knowledge of our employees at all levels of the organization. These programs include:

- Onboarding and Orientation Training: All new employees will participate in a comprehensive onboarding program that introduces them to Siesta Life's policies, procedures, and workplace culture. This includes mandatory safety training, compliance training, and job-specific instruction.
- Professional Development Training: Employees will have access to ongoing professional development opportunities to enhance their skills and advance their careers. This includes technical training, leadership development, and workshops on emerging industry trends and technologies.
- Cross-Training Programs: To promote flexibility and a deeper understanding of various roles within the company, Siesta Life encourages cross-training. This allows employees to gain experience in different areas of the business, improving collaboration and knowledge-sharing across departments.

### Social Support and Well-Being

The company recognizes that a supportive work environment is key to employee satisfaction and retention. We are dedicated to providing social support structures that contribute to the overall well-being of our employees. Our initiatives include:

- Employee Assistance Program (EAP): Siesta Life provides an EAP to offer confidential counseling and support services for employees facing personal or work-related challenges. This includes resources for mental health, financial counseling, stress management, and more.
- Health and Wellness Programs: Siesta Life promotes a healthy lifestyle by offering wellness programs, such as fitness challenges, health screenings, and access to wellness resources. We also encourage work-life balance through flexible scheduling options where feasible.
- Mentorship Programs: We believe in the power of mentorship to support both personal and professional growth. Siesta Life's mentorship program pairs experienced employees with new or less experienced staff to provide guidance, support, and advice on navigating their careers.

## Labor and Employment Plan

### Peer Groups and Collaborative Networks

Collaboration and peer support are vital to fostering a positive and productive workplace. Siesta Life encourages the formation of peer groups that allow employees to connect, share experiences, and support one another. These groups include:

- **Employee Resource Groups (ERGs):** Siesta Life supports the formation of ERGs, which are voluntary, employee-led groups that foster a diverse and inclusive workplace. ERGs provide a space for employees to connect based on shared characteristics, experiences, or interests, such as women in leadership, LGBTQ+ employees, or sustainability advocates.
- **Skill-Based Peer Groups:** Employees can join peer groups focused on specific skills or areas of interest, such as technology, marketing, or operations. These groups provide opportunities for employees to collaborate, share best practices, and develop new skills in a supportive environment.
- **Leadership Circles:** Siesta Life encourages managers and supervisors to participate in Leadership Circles, where they can exchange ideas, discuss challenges, and develop leadership skills in a collaborative setting. These peer groups provide a network of support for leaders across the organization.

### Measuring and Supporting Workforce Development

The company is committed to regularly evaluating the effectiveness of our workforce development initiatives. We will:

- **Conduct Employee Surveys:** We will periodically survey employees to gather feedback on training programs, social support, and peer groups. This input will help us refine our offerings to better meet employee needs.
- **Monitor Career Progression:** We will track employee development through performance reviews, promotions, and internal mobility to ensure our programs are fostering career growth.
- **Provide Continuous Support:** Siesta Life's Human Resources department will work closely with employees and managers to ensure that workforce development efforts are aligned with individual and company goals. We will continuously improve our programs to meet the changing needs of our workforce.

By prioritizing training, social support, and peer collaboration, Siesta Life aims to build a strong, resilient workforce that is not only equipped to excel in their roles but also supported in their personal and professional development.

### Labor Peace Agreement

As required by California law, the company is committed to maintaining a Labor Peace Agreement (LPA) with a bona fide labor organization when it employs ten (10) or more non-supervisory employees. This agreement is designed to promote a peaceful and collaborative relationship between the company and its workforce by ensuring that the union and the employer will not engage in strikes, work stoppages, or lockouts. Compliance with this requirement is a legal obligation and a reflection of our commitment to fostering a fair and harmonious work environment.

## Labor and Employment Plan

### Purpose of the Labor Peace Agreement

The LPA serves to protect the stability and ongoing operations of our business. By entering into an LPA, the company agrees to allow a labor organization to communicate with employees and represent them in collective bargaining without fear of retaliation. In return, the labor organization agrees to refrain from actions that could disrupt business operations, such as strikes or picketing. This mutual understanding is crucial for maintaining uninterrupted service, safeguarding the livelihoods of our employees, and ensuring compliance with state regulations.

### Legal Requirements

California law mandates that cannabis businesses with 10 or more non-supervisory employees enter into an LPA with a labor organization as a condition of licensure. Siesta Life acknowledges that compliance with this requirement is necessary for the issuance, renewal, and maintenance of our cannabis business license. We are committed to fulfilling this obligation and working collaboratively with labor organizations to uphold the principles outlined in the agreement.

### Implementation of the LPA

Siesta Life will proactively engage with a bona fide labor organization to establish and maintain an LPA. Key elements of this process include:

- **Notification:** The company will notify all employees about the existence of the LPA and the role of the labor organization in representing their interests.
- **Open Communication:** We will facilitate open communication between employees and the labor organization, ensuring that employees are informed of their rights and that any concerns are addressed promptly and fairly.
- **Cooperation:** Siesta Life will cooperate fully with the labor organization to ensure that the LPA is upheld, and we will work together to resolve any disputes in a constructive manner.
- **Monitoring Compliance:** Siesta Life's Human Resources and Compliance teams will monitor adherence to the LPA and report any issues to both management and the labor organization for resolution.

### Benefits of an LPA

By maintaining an LPA, the company ensures a stable work environment that benefits both employees and the company. Employees have the assurance that their rights will be protected, and they can engage in collective bargaining without fear of retaliation. For the company, the agreement helps avoid disruptions to business operations, allowing us to continue providing high-quality products and services to our customers. Additionally, the LPA strengthens our commitment to ethical labor practices and reinforces our reputation as a responsible employer within the cannabis industry.

## Labor and Employment Plan

Siesta Life is dedicated to upholding the Labor Peace Agreement and fostering a work environment built on mutual respect, collaboration, and peace. We recognize that our success depends on the well-being of our employees, and we are committed to ensuring that their rights and interests are protected through this important agreement.

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## Purpose

The Security Plan ensures the safety of customers, staff, and the community through policies and procedures that establish strong security measures to prevent unauthorized access and theft of cannabis goods. It defines the roles of key personnel, including licensed security professionals, the Manager, and the Security Liaison.

Key components include licensed security personnel who provide oversight, vigilance, and rapid response. Perimeter security uses surveillance cameras, secure entry points, and exterior lighting to monitor and deter unauthorized access. Interior security includes strategically placed cameras, alarm systems, and secure storage for cannabis goods and cash. These measures safeguard inventory and financial transactions.

Operational security involves staff training on protocols and access control for Limited-Access Areas (LAAs). Regular audits ensure continuous improvement. This multi-layered approach protects the business, its products, and people, enhancing safety and trust within the community.

## Responsibilities

This plan delegates responsibilities to various staff members and contractors, each playing a crucial role in its implementation. The individuals and their respective roles are listed below. Detailed descriptions of each person's responsibilities are provided in the subsequent sections of the plan. In some instances, a single individual may hold multiple titles and perform several roles as indicated.

Manager	The Manager is responsible for the day-to-day operations of the business, staff supervision/training, and customer service issues. They are also the primary contact person for community relations issues. The Manager is responsible for the day-to-day maintenance of displays, inventory control, record keeping, and reporting to their superiors.
Security Manager	The designated Security Manager is responsible for ensuring that all security personnel are promptly trained. The Security Manager will notify the City Manager of any changes to the security personnel.
Security Personnel	Security personnel are uniformed professionals licensed by the BSIS who perform a variety of functions to keep the people and premises safe.

Designated Security Liaison	The Security Liaison is the primary point of contact between the city and the company. They perform a variety of roles related to internal security.
Custodian of Records	The Custodian of Records is charged with collecting and retaining records per local and state regulations and providing them on demand where required.

### Qualified Security Professional

This security plan was authored by Don Duncan, a seasoned cannabis entrepreneur consultant, and lobbyist boasting over two decades of progressive experience in the cannabis marketplace. Mr. Duncan's career includes the establishment of numerous successful cannabis enterprises in Berkeley, West Hollywood, Los Angeles, and Palm Springs.

His expertise extends beyond entrepreneurial ventures, as he has also spearheaded the development of security strategies for a multitude of cannabis businesses across various states. These plans have earned recognition from both local and state regulators, who have not only accepted them but also affirmed their alignment with the intricacies of local and state laws and regulations.

### Security Personnel (SMC 7.04.320(A)(10))

Professional uniformed security personnel at the facility are crucial for ensuring the safety and security of the premises, employees, and customers. They monitor the surroundings, enforce access control, and respond swiftly to any security breaches or emergencies. Their presence not only deters potential threats but also provides reassurance to staff and patrons alike, contributing to a safe and secure environment conducive to business operations. The company has on-site a sufficient number of licensed security personnel to monitor the activity of individuals inside and outside the facility, including the parking lot (SMC 7.04.320(B)(5)).

Unless other security measures are approved by the City Manager, security personnel will be on-site twenty-four (24) hours per day. The Company contracts with or employs security personnel who are licensed by the State of California Bureau of Security and Investigative Services (BSIS) and approved by the City Manager in advance. All security personnel receive training regarding this security plan, company policies, and procedures. The Custodian of Records maintains records of all security training activities.

When the business is closed, it employs a verified response security patrol to maintain safety and security of the premises and the immediate vicinity. This proactive measure ensures that professional security personnel regularly patrol the area, deterring potential threats such as break-ins or vandalism. Alarm activations or security concerns are promptly investigated and addressed by security personnel, minimizing the risk of property damage or theft. The verified response security patrol also serves to reduce false alarms that can be an unnecessary burden on local law enforcement.

### Selecting Security Personnel

The Manager selects a company or individuals as security personnel, subject to approval of the owners or the Executive Team. Company personnel obtain written confirmation/credentials that all proposed security personnel are licensed by the BSIS.

The Manager submits the selected company or individuals to the City Manager for approval before contracting or hiring. The designated Security Manager is responsible for ensuring that all security personnel are promptly trained. The Security Manager will notify the City Manager of any changes to the security personnel.

### Security Personnel Duties

Security personnel play an essential role in protecting staff, customers, and the neighborhood. Throughout a shift, security personnel may be called upon to perform a variety of duties or respond to unexpected situations. The duties of security personnel include:

- Monitoring the premises through surveillance cameras, looking for any suspicious activities, and promptly responding to any security breaches or incidents;
- Managing access to the facility, ensuring that only authorized individuals are allowed entry. This includes verifying identification, enforcing age restrictions for customers, and monitoring exits and entrances to prevent unauthorized access;
- Implementing and enforcing physical security measures, including as securing doors, patrolling the premises and vicinity, and conducting regular checks of the facility to ensure that all security protocols are followed;
- Assisting customers, answering questions, and addressing concerns while maintaining a professional and respectful demeanor. In the event of conflicts or disputes, security personnel are trained to de-escalate situations and resolve conflicts peacefully;
- Responding quickly and effectively to emergencies such as medical incidents, fires, or security breaches;
- Coordinating with emergency services and implement emergency procedures to ensure the safety of everyone on the premises;
- Safeguarding the store's inventory from theft or loss by implementing inventory control measures, monitoring inventory movement, and conducting regular inventory checks;
- Participating in ongoing training and education programs to stay updated on security protocols, emergency procedures, and relevant laws and regulations.

### Security Log and Incident Reports

Security personnel maintain a Security Log for the purpose of documenting compliance with company policies and investigating any breach or suspected breach of security. The log contains:

- The name of the personnel making an entry,
- The date and time of the entry,
- A brief description of the situation, and



- Any known outcomes or follow up.

Breaches of security may also require a written Incident Report. Incident Reports document situations that raise significant concern or require follow up by security personnel or management. Incidents should contain as much detail as possible and any known follow up, consequences, or corrective action taken. Incident Reports may be triggered by:

- Attempted unauthorized entry,
- Shoplifting,
- Diversion,
- Significant discrepancies in inventory,
- Illegal activity,
- Vandalism,
- Any act of violence, or
- Any other incident that is likely to require review and follow up.

#### Designated Security Liaison (SMC 7.04.320(B))

The company places significant emphasis on maintaining effective communication channels and ensuring seamless coordination between its security protocols and city regulations. To facilitate this, the company designates a Security Liaison who serves as the primary point of contact for all security-related matters. This individual is readily available to meet with the City Manager to discuss any security measures or operational issues that may arise. In instances where the Security Liaison is unable to fulfill their duties, the Manager assumes the role, ensuring uninterrupted communication and oversight.

Beyond facilitating discussions with the City Manager, the Security Liaison assumes responsibility for the maintenance and accessibility of the Security Plan. This involves keeping a comprehensive record, whether in paper or digital format, readily available for inspection by the City Manager on the premises. This document serves as a blueprint for the company's security protocols, outlining measures in place to safeguard the premises, employees, and customers.

The Security Plan:

- Confirms that a designated Manager will be on duty during business hours and will be responsible for monitoring the behavior of employees.
- Identifies all Managers of the cannabis business and their contact phone numbers.
- Confirms that first aid supplies and operational fire extinguishers are located in the service areas and the Manager's office.
- Confirms that burglar, fire, and panic alarms are operational and monitored by a licensed security company twenty-four (24) hours a day, seven (7) days a week, and provides contact information for each licensed security company.

- Identifies a sufficient number of licensed, interior and exterior security personnel who will monitor individuals inside and outside the business, the parking lot, any adjacent property under the business's control.
- Ensures that the parking lot is cleared of employees and their vehicles one-half hour after closing.

## Staff Training

Central to our operational ethos is the recognition that well-trained and informed staff are the cornerstone of a secure environment. As such, the company maintains rigorous training standards for all staff, ensuring that every member of our team is equipped with the knowledge, skills, and resources necessary to uphold the highest standards of safety and security (SMC 7.04.340(N)). Our commitment to effective security training serves as a testament to our unwavering dedication to fostering a culture of preparedness, accountability, and professionalism across all facets of our operations. Through a commitment to ongoing education and training, we strive to empower our staff to confidently navigate the complexities of security management while prioritizing the well-being of our employees, customers, and community at large.

The Manager, Security Manager, and owners collaborate to create the security training standards for staff. The training may include:

- Comprehensive training on relevant state and local regulations governing the sale and distribution of cannabis products, including age restrictions, product handling guidelines, and compliance requirements.
- Detailed instruction on security protocols and procedures specific to the cannabis industry, including access control measures, alarm systems, emergency response protocols, and handling of suspicious activities or incidents.
- Training on proper procedures for verifying customer identification to ensure compliance with age restrictions and legal requirements for purchasing cannabis products.
- Instruction on conflict resolution techniques to effectively manage customer disputes or challenging situations while maintaining professionalism and de-escalating tensions.
- Training on inventory management best practices, including procedures for handling and tracking inventory, preventing theft or loss, and ensuring compliance with regulatory requirements.
- Familiarization with surveillance systems and monitoring procedures, including how to operate surveillance equipment effectively, monitor for suspicious activities, and respond to security incidents captured on camera.
- Education on emergency response procedures, including evacuation protocols, first aid/CPR training, and coordination with emergency services in the event of medical emergencies, fires, or other critical incidents.
- Instruction on proper reporting and documentation procedures for security incidents, including how to accurately record information, maintain confidentiality, and comply with legal requirements.

- Emphasis on the importance of ongoing education and staying updated on evolving security protocols, industry trends, and regulatory changes to ensure continued compliance and effectiveness in security management.
- Any topics specified by the City Manager or state regulators.

The company may tailor training methods to meet the circumstances and individual needs of the trainees. Security training will include:

- In-person training sessions or workshops;
- Online instruction including proprietary content, third-party instruction, and training on the track-and-trace system provided by Metrc;
- On-the-job training under the supervision of experience staff;
- Written policies and procedures; and
- Other methods approved by management.

### Security Training Record Keeping

Maintaining accurate and up-to-date security training records is crucial as it serves as a tangible documentation of the investment made in employee development and demonstrates a commitment to fostering a skilled and knowledgeable workforce. These records provide a comprehensive overview of the training activities undertaken by each employee, including the topics covered, dates of completion, and any certifications obtained. Maintaining training records facilitates strategic workforce planning by identifying areas where additional training or skill development may be needed and tracking progress towards organizational goals.

In the cannabis marketplace, keeping meticulous training records is essential for demonstrating adherence to legal and regulatory requirements at the local and state levels. These records serve as a valuable resource during audits or inspections, providing evidence of compliance with industry regulations and helping to mitigate potential risks or liabilities.

Trainers document participation in workplace training and transmit that data to the Custodian of Records for archiving or in digital or paper format. Per 4 CCR 15037(a)(3), documentation will include:

- The name of the trainer and trainee,
- The time and date of the training,
- The topics covered in the training, and
- The method of training.

### Perimeter Security (SMC 7.04.320(A)(1))

From the structural integrity of our facility to strategic lighting placements, from state-of-the-art video surveillance systems to measures to deter loitering, we leave no stone unturned in ensuring the utmost

security of our perimeter. For the purposes of this plan, the perimeter is defined as the fencing and gate on the property, the parking lot, and the exterior of the building.

### Building

The facility is part of a two-story multi-tenant commercial property with retail and service uses located at 9855 Prospect Way, Santee, CA 92071. The exterior of the structure is stucco and concrete. It has a glass door and windows on the front and a steel door on the south side. Because the property is adjacent to other businesses, there are no exterior side walls. The facility is on the first floor, so there is no external roof.

All windows on the building are fixed, that is they cannot be opened. This means security personnel and staff members will not accidentally leave a window open or unlocked at any time. Per 4 CCR 15046, all exterior locks are equipped with commercial grade non-residential locks. [REDACTED]

Security personnel and staff members access the premises using key cards and keypads installed by exterior doors. The doors are designed to remain locked in the event of a power failure. This keeps the facility secure for the duration of the power outage (SMC 7.04.320(A)(11)).

Multi-tenant buildings offer safety advantages compared to standalone structures. With multiple businesses operating in close proximity, there is increased foot traffic and natural surveillance, deterring criminal activity. Unlike standalone structures, multi-tenant facilities have more activity and people present throughout the day, reducing vulnerability to criminal activity during off-hours.

The sides and back of the property are secured with a chain link fence. These parts of the perimeter do not have gates and are not accessible to vehicles. After hours, the shared parking lot that is accessible from Prospect Ave. is safeguarded by a sturdy rolling metal gate, strategically positioned to obstruct vehicular access. This robust security measure ensures that unauthorized vehicles are unable to enter the parking lot during times of reduced activity, providing an additional layer of protection for the safety and security of the property and its occupants.

The front door and windows are protected after business hours by interior retractable metal gates ("scissor gates"). When used in conjunction with other measures described in this plan, the gates provide significant protection of the premises. They act as physical barriers, making it more difficult for intruders to gain unauthorized access to the interior. They can deter opportunistic criminals and slow down or discourage forced entry attempts.

### Exterior Lights

Exterior lights play a crucial role in protecting the business by enhancing visibility and deterring criminal activity. By illuminating the exterior of the premises, these lights minimize dark areas where intruders could conceal themselves or attempt unauthorized access. Additionally, well-lit surroundings make it easier for security cameras to capture clear footage, aiding in the identification and apprehension of trespassers or perpetrators. The presence of exterior lights also signals to potential intruders that the property is actively monitored and may deter them from attempting a break-in. Furthermore, lights with motion sensor capabilities can alert occupants or security personnel to any suspicious activity, prompting timely intervention and preventing security breaches.

The exterior of the building is illuminated after twilight by five motion-activated external wall-mounted LED lighting fixtures. The color temperature is between 2,700K and 4,100K, with color rendering index of at least 75 and a loss factor of 0.95 or better. Exterior lights have cutoff fixtures to eliminate glare and are shielded to avoid spill-over illumination to adjacent properties.

#### Vandalism and Loitering Deterrence Technology (SMC 7.04.320(A)(18))

The company is committed to safeguarding its premises against vandalism and loitering, prioritizing the maintenance of a safe and secure environment to uphold the quality of life in the surrounding neighborhood. Through proactive measures and collaboration with local authorities, the company endeavors to deter unwanted behavior and maintain the integrity of its property. By fostering a sense of community responsibility and mutual respect, the company aims to create a welcoming and harmonious atmosphere for both employees and residents alike, thereby contributing positively to the overall well-being of the neighborhood.

As part of the company's proactive approach to maintaining a safe and aesthetically pleasing environment, staff diligently inspect the exterior of the premises daily. Their routine checks encompass identifying and addressing various issues such as vandalism, graffiti, litter, and potential hazards. The company adheres to a stringent policy aimed at swiftly resolving any observed concerns, either through in-house corrective measures or by engaging reputable contractors when necessary. By promptly addressing these issues, the company demonstrates its commitment to upholding high standards of cleanliness, safety, and overall appearance, thereby fostering a positive image within the community, and ensuring the continued well-being of its employees and patrons.

#### Crime Prevention Through Environmental Design (SMC 7.04.320(A)(16))

Crime Prevention Through Environmental Design (CPTED) is a set of principles aimed at reducing crime and enhancing safety by shaping the physical environment. It focuses on creating environments that are less conducive to criminal activity by utilizing strategies such as natural surveillance, access control, territorial reinforcement, and maintenance. By incorporating features like proper lighting, clear sightlines, natural barriers, and well-maintained spaces, CPTED aims to deter criminal behavior, increase the perception of safety, and promote community well-being.

The principles of CPTED are evident in the design and layout of the property. The entrance to the gated parking lot clearly delineates the property boundaries, reinforcing territorial distinctions. With an unobstructed line of sight from Prospect Ave. to the building's front door, visibility is enhanced, facilitating scrutiny by the public or law enforcement, especially during off-hours. Minimal landscaping minimizes potential hiding spots for intruders, while exterior illumination after dark enhances visibility and deters criminal activity.

Research indicates that well-maintained properties can deter criminal behavior. Accordingly, company staff conduct routine cleaning and inspections, removing trash or debris, and promptly addressing any signs of vandalism. The company's policy is to promptly rectify any issues that could compromise the property's aesthetics, either through direct correction or by coordinating with the property owner.

#### Loitering and Vandalism (SMC 7.04.320(A)(2) and (18))

The company strictly prohibits loitering on its premises, defining loitering as the act of lingering or remaining without a clear purpose or legitimate reason, often viewed as suspicious or disruptive behavior.

Conspicuous signage reinforces this policy, and security personnel are tasked with requesting that individuals loitering vacate the property. If they refuse, the Security Liaison or another staff member contacts the Sheriff's Department for assistance. Detailed information, such as physical descriptions, clothing details, vehicle make and model, or license plate numbers, is diligently noted by security personnel and staff to aid law enforcement.

To further deter loitering and vandalism, the company utilizes a "Mosquito" security device. This machine emits high-frequency sound waves, compelling individuals to depart from the area before engaging in undesirable activities, including vandalism.

#### [Parking Lot \(SMC 7.04.320\(B\)\)](#)

Security personnel routinely monitor the parking lot for safety and security concerns, employing patrols or electronic surveillance via the Video Assessment and Surveillance System (VASS). Active observation, a cornerstone strategy, involves vigilant surveillance of the area, attentively noting details and changes that may signal a need for further investigation, such as suspicious behavior or unusual activity. Security personnel promptly document any irregularities in the Security Log and report them to the Manager on duty, contacting the Sheriff's Department if necessary.

Staff members are required to vacate the parking lot within thirty (30) minutes after the store closes, a policy rigorously enforced by security personnel. Any violations or refusals to comply are recorded in the Security Log and referred to the Manager for appropriate action. In cases where nefarious intent is suspected, security personnel may escalate the matter to the Sheriff's Department for further investigation.

#### [Interior Security Measures \(SMC 7.04.320\(A\)\(9\)\)](#)

Interior security is just as important as controlling the perimeter of the property and premises. A wide range of fixtures, equipment, and electronic systems help prevent unauthorized entry and protect customers and staff from harm. Consistent and effective use of the equipment and fixtures serves to deter robberies, burglaries, theft, and shoplifting.

#### [Video Assessment and Surveillance System \(SMC 7.04.320\(A\)\(5\) and \(15\), 4 CCR 15044\)](#)

The Video Assessment and Surveillance System (VASS) is a critical part of exterior and interior security efforts. The system enables security personnel and staff members to monitor the premises in real time, record all activity, and retain video footage for at least 120 days for inspection later. Because the VASS operates twenty-four hours per day, it is of paramount importance to investigate after-hours incidents.

As part of the security training outline in this plan, the Security Liasson trains all staff required to use the VASS on its proper use and maintenance, as well as the procedures for dealing with a malfunction. Procedures related the VASS are certified by Underwriters Laboratories, LLC, and reflect best practices in the industry.

Each VASS user must be authorized and trained to the Security Manager's satisfaction before using the system. Specific authorization by the Manager is required for security personnel or staff members to download or copy footage. Under no circumstances may security personnel, staff members, managers, executive team members, or any other agent of the company delete footage from the system or disable it.

Specifications and Installation

VASS Specifications per SMC 7.04.320(A)(5) and 4 CCR 15044:

4 Exterior Cameras	Outdoor cameras have weather-proof enclosures are mounted so as to deter vandalism. Cameras are permanently mounted and in a fixed location. Refer to placement details below.
16 Interior Cameras	Cameras are permanently mounted and in a fixed location. Refer to placement details below.
Time and Date Stamp	Videos include a time and date stamp that conforms to in the standards issued by the United States National Institute of Standards and Technology and does not cover the image.
Video Recording Device	This device stores footage for up to 120 days and is located in a secure area.
Back-Up Power Supply	The back-up power supply keeps the system operational during a power failure.
Failure Detection Device	This feature that provides notification to the designated staff member of any interruption or failure of the VASS or the recording device.
Remote Access Hardware/Software	The system is design to be accessible remotely to the City Manager and Sheriff's Department.
24/7 Operation	The VASS operates 24-hours daily.
Hi-Resolution Video Quality	Video quality is high-resolution with a minimum resolution of 1280 × 720 pixels and of sufficient quality for effective prosecution of any crime on the premises.
Color Video	The VASS records in color.
Low Light Filming Capability	Outdoor cameras can switch to black-and-white in low light situations.

Camera Locations per SMC 7.04.320(A)(5) and 4 CCR 15044:

Areas where cannabis is loaded and unloaded for transportation
Limited Access Areas (LLAs)

Security rooms
The entrance to the secure storage room for the VASS recording device
All entrances and exits from the inside and outside and the area within 20 feet of them
Point of Sale or display areas with the capability of recording the buyer and seller's faces
Publicly accessible places
Spaces where cannabis, cash, or currency is being stored for any period of time on a regular basis
Any space where diversion of cannabis could reasonably occur
The space used to destroy cannabis goods and store cannabis waste

The VASS installation was conducted by RAV Construction (License No. 928742) a reputable contractor with extensive experience in similar projects. Prior to installation, the company took proactive measures to ensure that the contractor was well-versed in local and state regulations pertaining to VASS systems. This included thorough discussions and briefings to ensure compliance with all applicable laws and guidelines governing the installation and operation of the VASS. By collaborating closely with the contractor and prioritizing regulatory adherence, the company sought to guarantee the seamless integration of the VASS while upholding the highest standards of safety and compliance.

#### Remote Access

Remote access is a key component of the VASS. SMC 7.04.320(A)(5) requires that the system be accessible to the City Manager using hardware and software that is compatible with the city. When required to do so, the company can provide remote and real-time live access to the video footage to the Sheriff's Department. Security personnel and staff members cooperate fully with city of law enforcement request for access to footage. The Security Liaison will coordinate with the City Manager's office and the Sheriff's Department about video sharing, including hardware and software specifications and Internet Protocols necessary for access.

It is the company's policy to comply with state and local regulations by providing video footage in whatever format it is requested by the City Manager, Sheriff's Department, the Department of Cannabis Control, or any other party or agency that is lawfully entitled to request it.

#### Securing the VASS Recording Device

The VASS recording device is securely stored in the designated secure location as indicated on the premise diagram in the plan. Additionally, a strategically positioned camera ensures continuous



monitoring of individuals entering this secure area, mitigating the risk of unauthorized access. Strict protocols are in place to prevent any unauthorized personnel from accessing the device, with stringent consequences established for tampering. Any attempt to tamper with the device is considered a grave offense, warranting disciplinary action, including termination, as deemed appropriate. In situations where the Security Liaison or Manager suspects tampering intended to conceal criminal activity, immediate notification is made to the Sheriff's Department.

#### Inspections and Maintenance

The Security Liaison bears the responsibility of ensuring that security personnel or designated staff conduct operational verifications of the system at the start and end of each workday. This entails, at minimum, conducting a visual inspection of footage from each camera to confirm operational status, absence of obstruction, and satisfactory video quality. If any issues with one or more cameras are detected during inspection, the individual conducting the assessment promptly documents the incident in the Security Log. Situations that can be rectified without professional assistance, such as removing obstructing objects, are promptly addressed by the inspector or other staff members.

In cases where professional intervention is necessary to resolve a problem, the Security Liaison or designated staff promptly inform the Manager of the situation for further action. The Manager then coordinates an evaluation and implements corrective measures at the earliest opportunity. It is imperative that the Security Liaison diligently records all corrective actions taken and their outcomes, if known, in the Security Log for comprehensive documentation and review.

#### Burglar and Emergency Alarm (SMC 7.04.320(A)(6), 4 CCR 15047)

The building is equipped with a state-of-the-art alarm system to detect unauthorized entry or an emergency on the premises. The system was installed by a licensed contractor to meet the requirements of local and state regulations. The components of the system work together to detect break-ins, inappropriate access to secure areas, or immediate emergency situations that require intervention by the Sheriff's Department.

Alarm system features per SMC 7.04.320 (various subsections) and 4 CCR 15047:

Entry/Exit Sensors	Sensors detect entry and exit from all secure areas and are monitored in real-time by a CA BSIS licensed security company.
Motion Sensors	Motion sensors monitor entrances, exits, windows, and primary spaces inside the building when the alarm is armed
Panic Buttons	Discreetly located panic buttons alert law enforcement of an immediate emergency on the premises (e.g., armed robbery) without sounding an audible alarm.

Installation, Maintenance, and Response	A licensed alarm company operator or one or more of its registered alarm agents installs, maintains, monitors, and responds to the alarm system
Keypad	The system is armed and disarmed using a keypad located by the door used to enter and leave the premises at the beginning and end of each shift.
Panic Code	Staff members can enter a special panic code to silently notify law enforcement when disarming the system in case they are doing so under duress.

### Arming and Disarming the Alarm System

Security personnel, the Manager, or other staff members arm the alarm system at the close of business each day. The individual arming the system does the following:

1. Ensures that all customers have left the premises (including the bathroom, sales floor, etc.);
2. Ensures that all personnel are outside the building or standing by the exit door;
3. Enters their alarm code on the keypad;
4. Exits the facility and closes the door while the keypad is still beeping; and
5. Locks and secures the door.

Security personnel, the Manager, or other staff members disarm the alarm after entering the building at the beginning of the workday. The individual arming the system does the following:

- Checks the vicinity to ensure that there are no unauthorized people near the door;
- Unlocks the door to enter the premises;
- Closes and locks the door behind them; and
- Enters their alarm code on the keypad before the keypad stops beeping.

In a situation in which the individual disarming the alarm is or believes they are in danger from and unauthorized person or is forced to disarm the system by a robber, they enter a specific distress code in lieu of their alarm code. This disarms the system but also silently alerts the alarm monitoring company and the Sheriff's Department.

### Alarm System and Monitoring (SMC 7.04.320(A)(6))

The alarm system, including entry/exit sensors and other components, undergoes continuous monitoring by the company responsible for its installation and maintenance, ensuring round-the-clock surveillance. With the exception of panic button alarms and distress codes, which prompt immediate law enforcement

action, notifications from the alarm system are directed to the BSIS-licensed alarm company for response. Upon receiving these notifications, the alarm company initiates a coordinated response, which may involve activating the verified response security patrols, reaching out to on-site security personnel, or contacting designated company personnel for further instructions. This multi-tiered approach ensures swift and effective response to alarm triggers, making the overall security procedures more effective.

If security personnel or staff members are notified to investigate an incident, they carefully check the building for signs of unauthorized entry. Company personnel do not enter the facility if there is evidence of a break-in. Instead, they move back to a safe distance and call 911 for assistance. Personnel wait for the Sheriff's Department to clear the building before entering to assess the situation. In no cases do personnel engage or attempt to interfere with a burglar on the premises. However, they should take note of the suspect's physical description, clothing, vehicle make and model, and license plate number.

#### Limited-Access Areas (SMC 7.04.320(A)(3))

The company has designated Limited-Access Areas (LAAs) which are labeled on the premises diagram included in this plan. LAAs are areas in which cannabis or cannabis goods are stored or held (4 CCR 15000). Access to these areas is limited to authorized persons only. Very specific rules apply to the LAAs to prevent theft or diversion.

- The doors, enclosures, safes, or vaults that comprise an LAA must be closed and locked when not in use.
- No food or drinks are allowed in the LAAs.
- Staff members promptly clean any debris or hazards from the LAAs.
- All LAAs are monitored inside and out by the company's VASS.
- Employees of the company are allowed in the LAAs to perform bona fide work responsibilities.
- Other authorized people who may enter an LAA include:
  - A contractor hired by the company to perform maintenance in the LAA who is accompanied at all times by an employee;
  - Employees of licensed distributors for the purpose of delivering, transporting or taking test samples of cannabis and cannabis products who is accompanied at all times by an employee; and
  - Law enforcement, local and state regulators, or emergency responders acting in the course of their official duties. These individuals do not require the identification badge mentioned below.
- Non-employees entering an LAA must wear an indemnification badge issued by security personnel.
- The Security Liaison maintains a record of every non-employee authorized visitor that enters an LAA which includes, at a minimum:
  - The authorized person's name,
  - The date and time of entry and exit,
  - The name of the company or organization they represent,
  - The purpose for entering the LAA, and
  - The name of the employee who accompanied them

- Law enforcement, local and state regulators, or emergency responders do not need to be recorded on the entry log.

#### Secure Storage of Cannabis and Cannabis Products (SMC 7.04.320(A)(4)) and (4 CCR 15000.7)

Ensuring the secure storage of cannabis and cannabis products is paramount in mitigating the risks of theft and diversion. The company stores cannabis goods on-site in strict compliance with local and state regulations governing their handling and storage. Adherence to industry best practices is maintained to safeguard against contamination, damage, or degradation of stored goods. By upholding these rigorous standards, the company not only maintains regulatory compliance but also safeguards the integrity and quality of its inventory.

Cannabis goods that are not displayed for sale are securely stored in a designated room equipped with robust security measures during non-operating hours. This room is constructed to meet the rigorous standards set by Underwriters Laboratories, LLC for burglary resistance and fire resistance. This ensures comprehensive protection for the stored inventory and safeguards the cannabis goods from unauthorized access and potential threats. The secure cannabis storage room is locked at all times when not in use.

Access to the secure cannabis storage room is strictly controlled by the Security Liaison and Manager. Staff and contractors are only allowed in the room for bona fide work-related duties. Because it is an LAA, authorized non-employee visitors must sign in when visiting the room. The entrances, exits, and the interior of the storage room are continuously monitored by the company's VASS.

All cannabis goods are stored indoors on the licensed premises. If the company opts to store cannabis goods off-site, it will contract with a licensed distributor operating per state regulations (4 CCR 15301). Cannabis goods stored on-site will not be stored in bathrooms, changing facilities, or breakrooms.

In addition to thwarting theft and diversion, the secure cannabis storage area and company protocols are crafted to ensure the integrity and quality of cannabis goods by preventing contamination and damage. The climate-controlled cannabis storage room is maintained at temperatures ranging between 60- and 68-degrees Fahrenheit, with humidity levels kept between 55% and 65%. This controlled environment curbs the growth of molds and mildew, while preserving the potency of cannabinoids and terpenes during storage.

To further uphold these standards, the company has implemented specific policies and procedures governing the storage of cannabis goods within the secure room. By adhering to these guidelines, the company maintains the purity and quality of its cannabis inventory:

- Avoiding the stacking of boxes or containers to heights that may result in crushing.
- Utilizing rigid containers for storing cannabis products.
- Abstaining from storing cannabis goods on the floor or in aisles.
- Enforcing a strict prohibition on food and beverages within the storage room.
- Ensuring the prompt removal of debris from the premises.

In some instances, cannabis goods must be destroyed and disposed of. Cannabis goods designated for destruction and cannabis waste are also stored in the secure storage room. Cannabis waste is defined as any material intended for disposal that contains cannabis, except for hazardous waste (4 CCR 15000(I)). Following destruction per state regulations, cannabis waste is removed from the premises by an authorized waste disposal company.

The secure storage room includes a segregated area for and cannabis goods subject to an administrative hold ordered by regulators. This area is clearly demarcated to prevent the inadvertent introduction of

quarantined cannabis goods into the commercial marketplace. In addition to the shelf labels, each batch or package subject to a hold or quarantine is conspicuously labeled as such.

### Premises Diagram

The premises diagram prepared per 4 CCR 15006 is attached to this plan. The purpose of the diagram is to show staff, regulators, and law enforcement the layout of property and premises and the location of key elements related to security. The diagram illustrates:

- The boundaries, entrances, and exits of the property;
- The structures and uses of each structure on the property; and
- The location of the licensed premises on the property.
- All entrances and exits to the premises;
- All walls, rooms, interior partitions, windows, and doorways;
- A description of the principal activity to be conducted in all areas;
- The Limited-Access Areas (LAAs);
- Secure cannabis and cannabis waste storage areas;
- Loading and unloading areas;
- Loading zones for delivery;
- The security room containing the video recording device; and
- The location of all cameras inside and outside the premises.
- Premises Diagram : See Attachment

### Operational Security (SMC 7.04.360)

Operational security policies and procedures include daily supervision, access control, inventory management, cash handling, and more. Combined with premises control and interior security measures, operational security practices serve to create a safe environment and prevent illegal activity. Management trains staff and contractors to adhere to operational security standards in all functions of the company.

### Manager on Duty/Manager List (SMC 7.04.320(B)(1) and (2))

A designated Manager is on-site during all hours of operation. The Manager is responsible for the day-to-day operations of the business, staff supervision/training, and customer service issues. They are also the primary contact person for community relations issues. The Manager is responsible for the day-to-day maintenance of displays, inventory control, record keeping, and reporting to their superiors.

The initial Manager(s) designated for the company include:

Name	Telephone	Email
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Bertin Porcayo	510-909-8251	[REDACTED]
Randall Simms	[REDACTED]	randall@siestalifeencinitas.com
Derek Burnell	[REDACTED]	[REDACTED]
Angel Fernandez	760-540-9358	medigroupangel@gmail.com
Don Duncan	323-326-6347	donduncan@yahoo.com

#### Safety Equipment (SMC 7.04.320(B)(3))

The company keeps on-site safety equipment and supplies necessary to protect the welfare of staff and customers. This helps to ensure that staff members are prepared to respond to an emergency. Safety equipment and supplies include, at a minimum:

- Fire Extinguishers – Fire extinguishers, which are service and charged on an annual basis, are in the Manager’s office and on the retail sales floor. Additional extinguishers may be in other areas as needed. All extinguishers are tagged to show their most recent service date.
- Spill Kit – The company maintains a spill kit with supplies necessary to respond to spills, including chemicals, bodily fluids, or any other substance that may present a hazard. The kit may contain Personal Protective Equipment, absorbent materials, a scoop or brush, and a waste disposal container.
- First Aid Supplies – Basic First Aid supplies are stored on the premise in a conspicuous location. These may include bandages, antiseptic, gauze pads, gloves and much more.

#### Designated Responsible Party/Access Control (SMC 7.04.320(A)(12))

The entrances of the facility are always under the control of a Designated Responsible Party (DRP) and licensed security personnel. The DRP may be either an employee or a licensed security professional, ensuring flexibility and expertise in managing access.

The DRP is responsible for controlling access to the facility, which includes verifying the age of individuals and detecting potential threats such as suspicious behavior. They have the primary responsibility for admitting customers, contractors, and distributors, ensuring that only authorized individuals gain entry.

Additionally, the DRP maintains the Visitor’s Log for authorized visitors, keeping a detailed record of all entries and exits. This comprehensive oversight by the DRP ensures the facility's security and smooth operation.

#### Employee Identification Badges (4 CCR 15043)

All employees will wear a visible identification badge provided by the company at all times when on the premises or making deliveries for the company. The Manager or designated personnel will make identification badges in the office using the color printer, the digital camera on the office computer, the designated software, and table-top laminator. Each badge must include:

- The name of the company,
- The company's state retail license number,
- The employee's first name,
- An employee number exclusively assigned to that employee for identification purposes,
- And a color photograph of the employee that clearly shows the full front of the employee's face and that is at least 1 inch in width and 1.5 inches in height.

The identification number assigned to each employee should be the same number used to identify that employee in payroll records, unless regulators assign or designate other criteria for assigning identification numbers.

The Manager will maintain a list of all identification badges issued to employees. The list will include current, lost, or destroyed badges, the identification number on the badge, the name of the employee to whom the badge is or was issued, and the current status of the badge (in use, lost, destroyed due to damage, or destroyed at the termination of employment). The Manager or designated personnel will destroy a badge issued to a former employee after recording the badge as destroyed on the list. In the event that a currently issued badge is lost or damaged, the Manager will record the disposition of the lost or damaged badge and any new badge issued on the list. Badges should be destroyed by shredding in the office.

Each employee will leave his or her identification badge at the facility at the end of each shift to prevent its loss or misuse.

#### [Age Restrictions and Verification \(SMC 7.04.340\(H\), 360\(B\), 4 CCR 15404\)](#)

No adult-use consumer under the age of twenty-one (21) may be admitted to the premises or provided with cannabis goods. These policies are enforced by the DRP and security personnel who controls access to the entrance to the premises and the sales staff. Proof of age includes valid and unexpired government-issued photo identification:

- Identification (ID) card from a state, district, or territory;
- Driver license from a state, district, or territory;
- Passport or passport card with a picture and date of birth;
- US military card (front and back);
- Military dependent's ID card (front and back);

Medical cannabis patients who are between eighteen (18) and twenty-one (21) years old may be admitted to the facility if they have the proper documentation and verification. In addition to government-issued photo identification, medical cannabis patients in this age range must have a verifiable doctor's recommendation for medical cannabis use per HSC 11362.5 or a medical cannabis card issued per HSC 11362.71.

Medical cannabis patients under the age of eighteen (18) may not be admitted to the facility. Patients under eighteen must designate a Primary Caregiver per HSC 11362.7 to visit the premises and obtain medication on their behalf.

## Workplace Safety Training

At least one supervisor and one employee of the company will complete the Cal-OSHA 30-hour general industry outreach course offered by a training provider that is authorized by an OSHA Training Institute Education Center to provide the course within one year of licensure (4 CCR 15002(c)(28)). The training provides information about workplace safety and responsibilities. The Custodian of Records retains records of the training in accordance with its recording keeping procedures for at least seven (7) years (4 CCR 15037(a)(3)).

Other workplace safety training provided by the company includes detailed instructions on emergency access and evacuation plans that comply with local regulations. Employees are trained on the specific routes and procedures to follow in the event of an emergency, ensuring that everyone can exit the facility quickly and safely. The training also covers emergency response procedures, teaching staff how to react during various emergencies, such as fires, medical incidents, or natural disasters. This includes knowing how to use emergency equipment, contacting emergency services, and assisting colleagues or visitors who may need help. Through these comprehensive training sessions, the company ensures that all employees are prepared to handle emergencies effectively, prioritizing the safety and well-being of everyone in the workplace.

Trainers document participation in workplace trainings and transmit that data to the Custodian of Records for archiving or in digital or paper format. Per 4 CCR 15037(a)(3), documentation will include:

- The name of the trainer and trainee,
- The time and date of the training,
- The topics covered in the training, and
- The method of training.

Refer to the Staff Training section of this plan for related information.

## Inventory Control

Inventory control refers to the management and monitoring of all goods within the company's possession. This entails overseeing the procurement, storage, tracking, and distribution of inventory to optimize efficiency, minimize losses, and meet customer demand. By maintaining accurate records of stock levels, conducting regular audits, and implementing effective replenishment strategies, retail businesses can enhance profitability, streamline operations, and provide superior service to customers.

The Manager bears the crucial responsibility of ensuring that all staff members are adequately trained to implement inventory processes and procedures aimed at mitigating the risk of loss, theft, or diversion of cannabis goods. By imparting comprehensive training, the Manager equips the team with the knowledge and skills necessary to maintain meticulous inventory controls, thereby safeguarding the integrity of the supply chain and upholding regulatory compliance standards in the cannabis industry.

This section concerns record keeping, reconciliation, and surveillance. Refer to Cash handling and Transport and Safe Storage and Transport, below, for additional information.



## Metrc

The California Cannabis Track and Trace System (aka “Metrc”) is the backbone of the company and state inventory control strategy. The system tracks all incoming cannabis goods, rejected shipments, current inventory, destroyed cannabis goods, transports and retail sales. This online system lets management track inventory and sales, while allowing state regulators to monitor the company’s activity and ensure compliance.

It is mandatory per company policy and state regulations that staff members use Metrc to track commercial cannabis activity on the premises. The Security Liaison demonstrates to the City Manager’s satisfaction that the company is in compliance with the Metrc regulations (SMC 7.04.320(A)(14)).

## Metrc and Inventory Reconciliations (4 CCR 15051)

The company conducts a reconciliation of Metrc data every thirty (30) days to ensure that the system data matches to on-hand inventory, remove any individuals who are no longer Authorized users, and report any discrepancies. This audit coincides with a reconciliation of physical inventory required under state regulations (4 CCR 15424). These reconciliations are necessary to detect losses, thefts, and diversions that were not already detected. Detecting criminal activity is paramount to prevent or mitigate harm at the facility and in the community. The company retains the records of the reconciliations for examination by the Department of Cannabis Control (DCC) upon demand.

The Security Liaison reports any evidence of loss, theft, or diversion to the Manager and the DCC within twenty-four (24) hours of its discovery using the prescribed Request Form, Notifications and Requests Regarding Regulatory Compliance, DCC-LIC-028. Refer to Required Notifications, below, for additional information. If the reconciliations detect a significant discrepancy between the company’s records and the on-hand inventory, the Security Liaison will notify the Manager, the DCC and law enforcement within twenty-four (24) hours of its discovery. A significant discrepancy means a five percent (5%) difference between the licensee’s physical inventory and the inventory recorded in Metrc (4 CCR 15034).

It is the company’s policy to cooperate fully with DCC and law enforcement investigations arising from reconciliations. Cooperation entails accurately answering questions; volunteering germane information, as needed; and providing unobstructed access to company files, including paper, digital, and video records. The Security Liaison coordinates the company’s assistance with investigations. However, all staff members must cooperate as needed.

## Surveillance

In-person and video monitoring of activity on the premises are a first line of defense against loss of inventory. Security personnel and staff members must be vigilant about activity that might suggest theft, diversion, or shop lifting. This includes being aware of activity in and around the Limited-Access Areas in which cannabis goods are held or stored and reporting any inappropriate behavior. On the retail sales floor, this involves being observant of the behavior and activity of others to prevent shoplifting.

Some activities or behaviors may indicate a risk of loss, theft, or diversion in the non-public areas of the facility. These may include noticeable changes in behavior, such as increased secrecy, or defensiveness. Other indicators might include unauthorized alteration of documents or records, accessing or attempting to access unauthorized areas, concealing items, or acting furtively around inventory or cash. In these situations, staff members report their observations to the Security Liaison focusing only on the facts of

what was observed. Staff members never make an accusation of wrongdoing. The Security Liaison conducts a confidential investigation and determines the next course of action, if necessary.

Shoplifting is a common issue for retail stores. Cannabis businesses may face additional challenges as their inventory is valuable on its merits or for the purpose of illicit resale. Fortunately, there are time-tested ways to detect the possibility of shoplifting. Signs may include nervousness or anxiety, avoiding eye contact, frequent glances at staff or cameras, spending little time in the store, or acting evasively or refusing assistance at checkout. In some instances, of course, staff members may observe someone take and conceal products.

The retail environment is designed to deter shoplifting. For example, display cases are generally closed and locked when not in use. Fixtures are arranged to provide a clear line of site in the retail sales floor, thus avoiding blind spots. Goods removed from their packaging for display in the retail environment are not readily accessible to customers without assistance of a staff member.

Staff members who suspect shoplifting should notify security personnel discretely as quickly as possible. They should also note the time of the incident and other relevant details for reporting in the Security Log or an incident report. Under no circumstances, should a staff member attempt to block the suspected shoplifter from leaving the premises or physically restrain them. Law enforcement will engage the suspect if located.

In-person surveillance is augmented by video surveillance and recording. The company's VASS monitors and records the entire retail sales floor and all POS stations. Security personnel use the VASS to watch suspicious activity in real time. It also generates a video record that is useful for investigations and the identification of suspects. Furthermore, the VASS cameras provide a deterrence by indicating that all activity on the sales floor is being observed and recorded.

### Retail Sales Floor Security Measures

The company has policies and procedures to ensure security on the retail sales floor.

- Individuals are only admitted to the retail sales floor after age verification and, where applicable, verification of their status as medical cannabis patients over the age of eighteen (18) (4 CCR 15402(a)).
- At least one staff member or security personnel must be present on the retail sales floor whenever any customer is there (4 CCR 15402(b)).
- Except for delivery transactions, all transactions must occur on the retail sales floor in view of the VASS (4 CCR 15402(c)). The company does not provide curbside pickup. If curbside pickup is necessary and authorized, the company will provide the City Manager with detailed safety protocols for the process.
- Cannabis goods for sale are only displayed on the retail sales floor (4 CCR 15405(a)). The company's policy is to secure goods not displayed at the POS system in locking cases.
- If the company opts to remove cannabis goods from their packaging to allow inspection by customers, these goods will be displayed in the retail display counter and not readily accessible to the customer. Staff members make these goods available for inspection in their presence (4 CCR 15405(b)).
- Cannabis goods removed from their packages are not sold. They are destroyed and disposed of as cannabis waste per state regulations (4 CCR 15405(c)).

State regulations establish limits on the amount of cannabis goods an individual may acquire in a single day (4 CCR 15409). These limits serve to deter diversion of cannabis goods for illicit purposes. Staff members do not provide cannabis goods that exceed the limits.

For adult-use consumers:

- 28.5 grams of non-concentrated cannabis;
- 8 grams of cannabis concentrate as defined in BPC 26001, including cannabis concentrate contained in cannabis products; or
- 6 immature cannabis plants.

For medical cannabis patients:

- 8 ounces of medicinal cannabis in the form of dried mature flowers or the plant conversion as provided in HSC 11362.77 or
- 12 immature cannabis plants.

The limits specified above cannot be combined to exceed the daily limits.

Some attending physicians authorize their medical cannabis patients to obtain larger quantities of cannabis goods than indicated in state law and regulations. In these cases, staff members submit the doctor's statement for approval by a supervisor or the Manager before completing the transaction that exceeds the limits.

### Safe Cash Handling and Transport Plan

The company's cash handling and transport policies and procedures serve the crucial purpose of ensuring efficient and secure management and transportation of cash. This safeguards the safety of staff members and company assets while also guaranteeing the accuracy of company financial records.

It is the Manager's responsibility to ensure that all personnel tasked with cash handling undergo proper training in the procedures and receive adequate supervision. This training consists of one-on-one on-the-job instruction conducted by the Manager or their designated senior staff. Staff members authorized to handle cash include cashiers on the sales floor, shift leaders, supervisors, the Manager, or individuals designated to make bank deposits.

Staff members receive only cash at the Point-of-Sale (POS) terminals in the retail sales area monitored and recorded by the VASS. Transactions do not happen at any other location.

1. Personnel accurately enter each transaction into the POS system at the time that the transaction occurs and in the presence of the purchaser.
2. Personnel carefully count all cash received and change dispensed.
3. All cash received is placed in the cash drawer connected to the POS system at the time the transaction occurs.
4. Personnel print a cash register receipt for every transaction.
5. Managers or designated personnel discretely remove excess cash in each register on irregular intervals throughout the day and secure it in a safe.
6. All incoming cash shall be counted by at least two individuals. Any discrepancy in the counts between the two personnel must be resolved or reported to the Manager to be investigated and recorded in the Security Log.

Cash transactions are recorded electronically in the POS system, which automatically syncs with the Metrc system. The POS keeps a running total of all sales and payments collected to facilitate balancing the drawer at the end of each work shift.

1. At the end of the shift or business day, staff ensure that all transactions are completed, and no more sales are being processed.
2. They print or display on a computer screen the daily sales report.
3. Staff count the cash in the drawer, including bills and coins, making sure to separate denominations for easier counting.
4. Staff document the cash count using the form prescribed by the manager.
5. They compare the total cash count with the total cash recorded by the POS system. The system's cash total should match the physical cash count if there are no discrepancies.
6. If there are discrepancies between the cash count and the system total, the Manager or designated a staff member investigates the reasons (e.g., missed transactions, voids, or errors in entering cash amounts).
7. Once the cause of the discrepancy is identified, staff or the Manager take appropriate action to resolve it. This may involve adjusting the cash total in the POS system or investigating further if there are potential issues with theft or errors.
8. Once the drawer is balanced and any discrepancies are resolved, staff close the register or shift on the POS system to finalize the accounting for the shift.

Cash collected from the retail sales drawers is bundled for storage or deposit after each drawer is reconciled and closed. Cash stored for petty cash, making change, or pending deposit is locked in a commercial grade safe in the secure storage area. The safe is monitored and recorded by the VASS.

The company uses the ABA Standard for bundling cash to make it easier to tell how much cash is on hand.

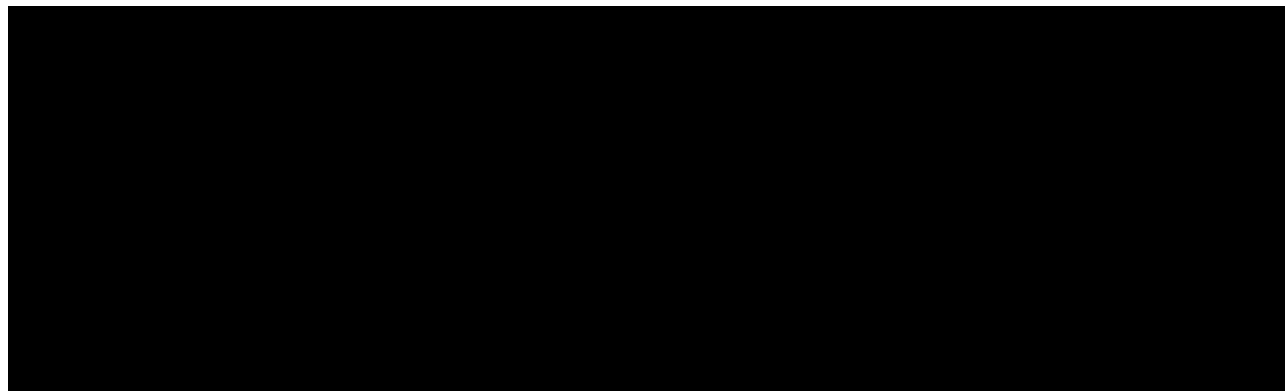
Strap Color	Denomination	No. of Bills	Amount
Blue	\$ 1	100	\$ 100
Green	\$ 2	100	\$ 200
Red	\$ 5	100	\$ 500
Yellow	\$ 10	100	\$ 1,000
Violet	\$ 20	100	\$ 2,000
Brown	\$ 50	100	\$ 5,000
Mustard	\$ 100	100	\$ 10,000

To bundle cash, staff members:

1. Sort all of the bills and coins by denomination, facing bills as they do so.
2. Count the bills and coins and record the number on a cash counting form provided by the Manager.
3. Double check the count.
4. Use the ABA Standard wraps to secure the bills in bundles of 100.
5. Use a rubber band to secure stacks of less than \$100.

At the Manager's instruction specifically authorized staff members prepare cash for a bank deposit. Preparing cash for a bank deposit involves a careful process to ensure accuracy and security. Staff must

verify the deposit total against the sum of the bundled cash to minimize errors. Once verified, the cash is securely stored in a designated deposit bag or container, along with any relevant deposit slips or documentation. Finally, the deposit bag is sealed and prepared for transportation to the bank. This entire process is conducted with utmost attention to detail and adherence to internal controls to safeguard against errors and ensure the integrity of the deposit.



All records generated regarding sales, cash counting, reconciliation, and transport are retained by the company in paper or digital form for at least seven (7) year (4 CCR 15037).

#### Safe Storage and Transportation Plan (SMC 7.04.320(C))

The company is committed to the safe storage and transport of cannabis goods and any hazardous waste. Additional policies and procedures related to the safe storage of cannabis goods not displayed for retail sale are included in the Interior Security Measures section of this plan. Policies regarding safe storage include:

- All cannabis goods not displayed for retail sale are locked in the secure storage room that meets the UL specifications.
- The entrances, exits, and interior areas of the room are monitored 24/7 by the VASS.
- The storage room is a Limited-Access Area accessible only to employees of the company authorized by the Manager to enter the room to perform job duties.
- Authorized visitors who must enter the room for bona fide work-related responsibilities are accompanied at all times by an employee.

The company does not transport cannabis goods, except for a possible retailer-to-retailer transfer per 4 CCR 15427 or by hiring an authorized contractor to transport cannabis waste for disposal. In the event of a retailer-to-retailer transfer, the cannabis goods may be moved from the licensed premises to another licensed retail premises of Microbusiness authorized for retail sales that is owned by the same business or individual. The company will use a licensed Distributor to transfer the goods and promptly record the transfer in the Metrc system.

Cannabis waste is removed from the premises by an authorized contractor per state regulations (4 CCR 17223). [REDACTED]

[REDACTED] A staff member schedules a pickup with the authorized waste disposal contractor as needed. [REDACTED]

[REDACTED] A staff member collects the necessary paperwork from the contractor at

pickup and enters the transfer into the Metrc system or transmits that data to the staff member designated for Metrc data entry.

Generally, the company does not produce, store, or transport hazardous waste from the retail premises. Hazardous waste is a waste with properties that make it potentially dangerous or harmful to human health or the environment - ignitability, corrosivity, reactivity, and toxicity. There are some items the company disposes of that may constitute hazardous waste. These include used batteries, solvent-based paints, certain cleaning agents, fluorescent light bulbs, and electronic equipment.

Staff members are instructed on the company's hazardous waste procedures, including storage and disposal.

- Any liquid that may be regarded as hazardous is stored in its original container with its label intact.
- Solid hazardous waste is stored separately from ordinary solid waste in a dry location pending disposal.
- Staff do not discard hazardous waste with ordinary solid waste.

Under the oversight of the Manager, staff dispose of hazardous waste in the most appropriate manner.

Cleaning Agents	Dispose of small quantities down the drain with plenty of water, as per local regulations. For larger quantities, contact a hazardous waste disposal company.
Paints and Solvents	Allow to dry completely in a well-ventilated area before disposal in regular trash or take to a hazardous waste collection site.
Batteries	Collect in designated containers and transport to a battery recycling facility.
Electronic Waste	Collect e-waste in designated bins and arrange for pickup by an electronic waste recycling company.
Fluorescent Light Bulbs	Store used bulbs in marked containers and arrange for disposal through a hazardous waste disposal company.

## Required Notifications

Local and state regulations require notifications under certain circumstances, often related to security. The Manager and Security Liaison are responsible for ensuring all required notifications are completed within the specified timeframe, documenting the notification, and following up with regulators or law enforcement as needed.

The Manager and Security Liaison will maintain detailed records of all notifications, including the date, time, nature of the notification, the agencies or individuals notified, and any follow-up actions taken. This documentation will be reviewed periodically to ensure compliance with all regulatory requirements and to improve security and safety protocols.

### Local (SMC 7.04.320(D)-(E))

The company will provide upon demand to the City Manager and the Sheriff's Department all information required to illustrate compliance with local and state laws and regulations or investigate any breaches of security. The Manager or Security Liaison will notify the City Manager's office within twenty-four (24) hours of any of the following:

- Significant discrepancies, as defined by the City Manager, identified during inventory reconciliation;
- Diversion, theft, loss, or any criminal activity involving the business or any agent or employee of the company;
- The loss or unauthorized alteration of records related to cannabis, customers or employees or agents of the cannabis business; or
- Any other breach of security.

### State (4 CCR 15035)

The Manager will notify the DCC within twenty-four (24) hours of any of the following using the Licensee Notification and Request Form, Notifications and Requests Regarding Regulatory Compliance, DCC-LIC-028:

- A staff member discovers a significant discrepancy in inventory, which is defined as a five percent (5%) difference between the physical inventory and the inventory recorded in the Metrc system;
- A staff member discovers diversion, theft, loss, or any other criminal activity pertaining to the operations of the licensee;
- A staff member discovers diversion, theft, loss, or any other criminal activity by an agent or employee of the licensee pertaining to the operations of the licensee;
- A staff member discovers loss or unauthorized alteration of records related to cannabis or cannabis products, customers, or the licensee's employees or agents; or
- Any other breach of security.

The Manager will notify the DCC within forty-eight (48) hours of any of the following using the Licensee Notification and Request Form, Notifications and Requests to Modify a License, DCC-LIC-027:

- A criminal conviction of any owner,
- A civil penalty or judgment rendered against the company or any owner in their individual capacity,
- An administrative order or civil judgment for violations of labor standards against the company or any owner in their individual capacity, or
- The revocation of a local license, permit, or other authorization.

#### Accounting and Point of Sale Software (SMC 7.04.320(A)(13) and 7.04.310)

Record keeping is a cornerstone of regulatory compliance. In addition to using the state mandated Metrc system, the company employs state-of-the-industry accounting and POS software. The POS software automatically interfaces with the Metrc system to provide real-time data on sales and returns. Financial software and POS systems generate electronic audit trails for cannabis goods and cash. This functionality is crucial for regulatory compliance, tax filing, and proper management analysis.

POS Provider	Indica Online
Financial Software	Quickbooks

Financial software and a POS system are crucial in preventing loss, theft, or diversion. These tools provide a robust framework for tracking and monitoring all financial transactions and inventory movements in real-time. By automatically recording sales, returns, and inventory levels, the POS system creates a detailed and accurate audit trail, making it easier to detect discrepancies or unusual patterns that could indicate theft or diversion. The integration of the POS system with financial software ensures that all data is consistently updated and synchronized, reducing the risk of errors and omissions that can occur with manual entry.

Furthermore, financial software offers advanced reporting and analytics capabilities, allowing the Manager to conduct regular audits and identify any anomalies quickly. These systems can generate reports that highlight discrepancies between physical inventory counts and recorded inventory levels, which can be a red flag for potential theft or diversion. Additionally, access controls within the POS system can limit the ability of employees to manipulate transaction records or access sensitive data, thereby reducing internal theft risks.

By maintaining comprehensive and real-time records of all transactions and inventory movements, financial software and POS systems provide a transparent and accountable environment. This transparency not only deters potential theft but also ensures that any incidents of loss or diversion are promptly detected and addressed. Overall, the integration of these technologies enhances the security and integrity of operations in a retail cannabis business, safeguarding both the inventory and financial assets.

#### Track and Trace ("Metrc") (SMC 7.04.320(A)(14), 4 CCR 15047.1-15051)



The company uses the state mandated track and trace system known as Metrc to track and record all commercial cannabis activity. Note that the company's Point of Sale (POS) System automatically interfaces with Metrc to update sales data and adjust the current inventory levels.

An owner of the company acts as the Metrc Account Manager. After their new user training provided by Metrc they can access data for the company using their unique and confidential credentials to help ensure data quality control and regulatory compliance. The Account Manager designates one of more Authorized Users who are responsible for day-to-day data entry. Authorized Users also use unique and confidential login credentials to access the system and enter data. Authorized users must also complete the new user training provided by Metrc

The Account Manager and Authorized Users do not share their login credentials and are accountable for all actions taken using their credentials. This accountability is critical for preventing loss, theft, or diversion because it clearly identifies the individual responsible for transactions. This affords an investigation of an inventory discrepancy. If an Authorized user believes their credentials are compromised, they should report the situation the Account Manager immediately and file a report with the Security Liaison.

Company policies and procedures related to Metrc are described in the outlined below (4 CCR 1507.1-15051):

1. Track and Trace – the company uses the state mandated track and trace software, known as Metrc, in addition to any proprietary software specified by the Manager. All personnel using the Metrc software must complete a state-approved training course, as described below. Until the Metrc system is operational, personnel are responsible for collecting all of the data related to inventory control activity that will be required by that system.
2. Shipping and Transportation Manifest – The DCC has prepared a digital shipping and transportation manifest to assist in tracking cannabis. This Metrc form may is used by staff for gathering data required by Metrc.
3. Account and Personnel – Authorized personnel who have completed the required training for Metrc will establish accounts to use the system following these procedures:
  - a. The company will create and maintain an active and functional account with Metrc prior to engaging in any commercial cannabis activity, including the purchase, sale, test, packaging, transfer, transport, return, destruction, or disposal, of any cannabis goods.
  - b. The company will designate one individual as the Account Manager. The Account Manager may authorize additional personnel as Authorized Users and shall ensure that each user is trained on the Metrc system prior to its access or use.
    - i. The Account Manager will attend and successfully complete all required track and trace system training, including any orientation and continuing education.
    - ii. If the Account Manager did not complete the required Metrc system training prior to receiving their annual license, the Account Manager will sign up for and complete state mandated training, as prescribed by the DCC, within five business days of license issuance.
  - c. The Account Manager and each user will be assigned unique login credentials, consisting of a username and password. The account manager or each user accessing the track and trace system may only do so under their assigned credentials and shall not use or access any other individual's credentials. No Account Manager or user will share or transfer their credentials to be used by any other individual for any reason.

- d. The Account Manager maintains a complete, accurate, and up-to-date list of all Metrc users, consisting of their full names and usernames. This list shall be kept with the business records in a secure location and regarded as confidential.
  - e. The Account Manager or other authorized person monitors all compliance notifications from Metrc or the DCC, and resolves the issues detailed in the compliance notification in a timely manner.
    - i. The Account Manager or other authorized person shall keep a record, independent of the Metrc system, of all compliance notifications received and how and when compliance was achieved.
    - ii. If The Account Manager or other authorized person are unable to resolve a compliance notification within three (3) business days of receiving the notification, the Manager will notify the BCC immediately.
  - f. The Account Manager is accountable for all actions staff members take while logged into or using the Metrc system, or otherwise while conducting track and trace activities.
  - g. Willful, repeated, or negligent errors in Metrc reporting may be grounds for disciplinary action, including termination.
4. Reporting – All personnel authorized and trained for Metrc reporting are required to record the data listed in this section for each type of transaction.
- a. Metrc users record in the system, all commercial cannabis activity, including without limitation:
    - i. Sale of cannabis goods.
    - ii. Transportation of cannabis goods.
    - iii. Receipt of cannabis goods.
    - iv. Return of cannabis goods.
    - v. Destruction and disposal of cannabis goods.
    - vi. Any other activity as required to be recorded by a state licensing authority.
  - b. The following information will be recorded for each activity entered in the track and trace system:
    - i. Name and type of the cannabis goods.
    - ii. Unique identifier of the cannabis goods.
    - iii. Amount of the cannabis goods, by weight or count.
    - iv. Date and time of the activity or transaction.
    - v. Name and license number of other licensees involved in the activity or transaction.
    - vi. If the cannabis goods are being transported – The company will transport pursuant to a shipping manifest generated through the Metrc system, that includes:
      - 1. The name, license number, and premises address of the originating licensee.
      - 2. The name, license number, and premises address of the licensee transporting the cannabis goods.
      - 3. The name, licensee number, and premises address of the destination licensee receiving the cannabis goods into inventory or storage.
      - 4. The date and time of departure from the licensed premises and approximate date and time of departure from each subsequent licensed premise, if any.
      - 5. Arrival date and estimated time of arrival at each licensed premise.

6. Driver's license number of the personnel transporting the cannabis goods, and the make, model, and license plate number of the vehicle used for transport.
- vii. Upon pick-up or receipt of cannabis goods for transport, storage, or inventory, staff members ensure that the cannabis goods received are as described in the shipping manifest and shall record acceptance and acknowledgment of the cannabis goods in the Metrc system.
- viii. If there are any discrepancies between the type or quantity specified in the shipping manifest and the type or quantity received by the licensee, staff members record and document the discrepancy in the track and trace system and in any relevant business record.
- c. If cannabis goods are being destroyed or disposed of, personnel shall record in the Metrc system the following additional information:
  - i. The name of the employee performing the destruction or disposal.
  - ii. The reason for destruction or disposal.
  - iii. The name of the entity being used to collect and process cannabis waste.
- d. Description for any adjustments made in the track and trace system, including, but not limited to:
  - i. Spoilage or fouling of the cannabis goods.
  - ii. Any event resulting in exposure or compromise of the cannabis goods.
- e. Any other information as required to be recorded by the DCC.
- f. Unless otherwise specified, all transactions will be entered into the Metrc system by 11:59 p.m. Pacific Time, on the day the transaction occurred.
- g. Staff members only enter and record complete and accurate information into the Metrc system and correct any known errors entered into the system immediately upon discovery. Willful, repeated, or negligent errors in track and trace reporting may be grounds for disciplinary action, including termination.
5. Loss of Access – If at any point the Account Manager or Authorized User loses access to the Metrc system for any reason, the Account Manager or Authorized User prepares and maintains comprehensive records detailing all commercial cannabis activities that were conducted during the loss of access.
  - a. Staff members both document and notify the DCC immediately:
    - i. When access to the system is lost;
    - ii. When it is restored; and
    - iii. The cause for the loss of access.
  - b. Once access is restored, all commercial cannabis activity that occurred during the loss of access will be entered into the Metrc system within three (3) business days of access being restored.
  - c. Personnel do not transport, transfer or deliver any cannabis goods until such time as access is restored and all information recorded in the track and trace system.

#### Emergency Access and Evacuation Plans (SMC 7.04.320(A)(17))

The purpose of this emergency access and evacuation plan is to establish procedures for responding to emergencies, ensuring the safety of employees and customers, and facilitating the efficient entry of emergency responders to the premises. This plan addresses various types of emergencies, including fires, medical emergencies, natural disasters, and security threats.

## Emergency Access

Emergency access after-hours relies on a secure key box (i.e., Knox Box) adjacent to doors that are not blocked by an interior security gate. Emergency personnel can use the keys inside the box to quickly open the door. The Knox Box contains keys that grant emergency personnel the ability to open the main door and any other critical doors inside the building. These boxes are designed to be tamper-resistant and are only accessible by authorized emergency personnel who have the necessary keys or codes. This setup significantly reduces the time it takes for first responders to enter the premises during an emergency, such as a fire or medical incident, when every second counts.

The keys stored within the Knox Box are labeled and organized to correspond with various doors and security areas within the premises, ensuring that responders can navigate quickly and efficiently once inside. This system not only aids in rapid entry but also helps in minimizing potential damage that might occur if emergency responders were forced to break down doors or windows to gain access.

To maintain the integrity and functionality of the Knox Box system, regular checks and maintenance are performed. This includes ensuring that the keys are current and operational and that the box itself is in good working condition. Additionally, periodic coordination with local emergency services is conducted to update them on any changes to building access points or security configurations.

Clear and visible signage directing emergency personnel to the location of the Knox Box further streamlines the process. Exterior lighting or reflective markings ensure that the box can be easily found during nighttime or power outages.

## Evacuation

An evacuation plan is a critical component of the company's overall safety strategy, designed to ensure the swift and orderly exit of all occupants in the event of an emergency. The primary goal of this plan is to protect the lives and welfare of employees, customers, and visitors by providing clear, concise procedures that can be followed during various emergency scenarios, such as fires, natural disasters, or security threats. By having a well-developed and regularly practiced evacuation plan, the company can significantly reduce the risk of injury or loss of life, while also minimizing confusion and panic during an actual emergency.

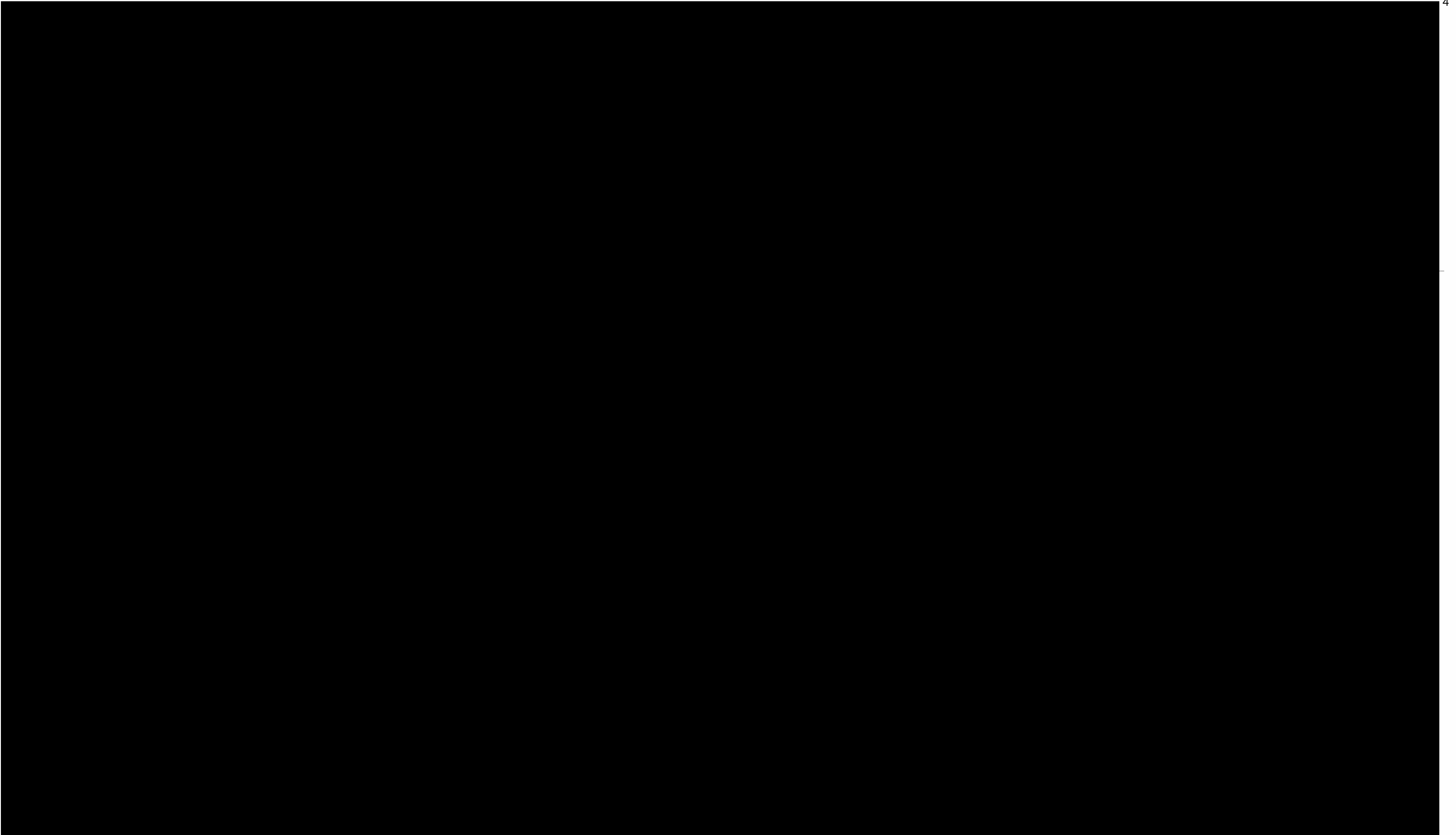
The plan is based on a comprehensive assessment of the building's layout, identifying all possible exit routes, assembly points, and safety equipment locations. The attached premises diagram shows the exits most easily accessible from each area of the building. The exit doors are clearly labeled with illuminated signs that use battery backups in case of a power outage. Signs showing the evacuation routes are posted in the retail sales area, employee-only area, and the secure cannabis storage room.

Effective communication is a cornerstone of the evacuation plan. The Manager, Security Liaison, or specifically designated staff members are trained to initiate an evacuation in the case of a fire, flooding, or other hazardous situation. As part of their routine training, all staff members are briefed on the location of the exits and the process for ensuring that co-workers, customers, and authorized visitor are safely evacuated from the premises. The Manager or Security Liaison host occasional drills to ensure that all staff members know how to respond.

In the event of an evacuation, staff members will:

- Cease all commercial cannabis activity (e.g., sales, inventory, loading and unloading, paperwork, etc.).
- Refrain from panicking, shouting, or running, as this may induce panic in others.
- Calmly inform any customers on the retail sales floor of the need to leave the premises quickly and calmly.
- Point out the evacuation routes if necessary. If a route is blocked by a hazard, indicate an alternative route.
- Help any person who needs assistance to exit the facility.
- Check every room to ensure that everyone has evacuated if it is safe to do so.
- Call 911 from outside the premises.
- Notify the Manager if they are not present.
- Assemble on the curb on Prospect Way, being careful not to block the entrance to the parking lot.
- Do a head count to be sure all staff members are accounted for.
- Follow the instructions of the emergency responders when they arrive.
- Do not reenter the premises until emergency responders indicate it is safe to do so.
- Complete an incident report when it is safe and possible to do so. Forward the report to the Security Liaison.

By implementing and maintaining a robust evacuation plan, the company demonstrates its commitment to safety and preparedness, fostering a secure environment for everyone who enters its premises. This proactive approach not only enhances the immediate response to emergencies but also contributes to the overall resilience and continuity of the business.



## Siesta Life Owner Qualifications

### Don Duncan, Licensing and Compliance Specialist

1. Don Duncan is a pioneer in the cannabis marketplace with more than twenty years of experience in cannabis retail management and operations, state and local licensing, legislative advocacy, compliance, government and community relations, and business consulting. He founded and co-founded cannabis and medical cannabis retail stores in jurisdictions including Sacramento, Berkeley, Oakland, West Hollywood, Palm Springs, and others. ~~These businesses include Berkeley Patients Group, Cannabis Buyers Cooperative of Berkeley, Patients Care Collective, Los Angeles Patients and Caregivers Group, California Patients Group, Desert Organic Solutions Collective, and more.~~

2. ~~Mr. Duncan was an early champion of local regulations and licensing for cannabis businesses and later worked with a coalition of advocates to promote and adopt the first state licensing bill in 2015. His legislative work included building coalitions with labor, law enforcement, local government, and cannabis stakeholders to break a deadlock on state legislation that persisted for more than a decade. Mr. Duncan continues to work with lawmakers and leadership at state licensing agencies on legislation and administrative regulation for the industry.~~

Mr. Duncan is an expert in local and state cannabis licensing and compliance, having secured more than thirty licenses for cultivation, manufacturing, distribution, retail, and microbusinesses. He has worked with prominent industry players and celebrities at CannBe (formerly Harborside Management), a boutique cannabis consulting firm in Los Angeles, and as a private contractor.

~~Mr. Duncan has consistently applied industry best practices and adhered to state regulations in the businesses he has established and consulted for. He established and operated three cannabis businesses in Berkeley, West Hollywood, and Los Angeles between 2000 and 2006. These businesses achieved and continued to maintain local and state licensing due to strict adherence to local and state laws and regulations. Mr. Duncan's businesses have never been denied a license, had a license revoked, or been sanctioned or cited for regulatory violations.~~

3. Mr. Duncan will participate in an advisory role. He has no day-to-day operational responsibilities.

~~3. Mr. Duncan is a founder and member of the Board of Directors of Americans for Safe Access Foundation (ASA), the nation's leading medical cannabis patient advocacy organization. He is also a member of the Peer- Review and the Risk Management Committees in ASA's Patient Focused Certification (PFC) program, a campaign that seeks to calibrate the national cannabis marketplace for excellence. Mr. Duncan is an expert in local and state cannabis regulations. He works with lawmakers, regulators, and other stakeholders to adopt, implement, and improve cannabis laws and policies for patients.~~

### Randall Sims, General Manager/Managing Partner

Randall Sims is a two-term Encinitas City Commissioner with over a decade of experience in the California cannabis industry, particularly in San Diego County.

Randall's journey in cannabis began as an undergraduate at the University of Pennsylvania, an Ivy League institution in Philadelphia, PA, where he studied the plant's potential as part of his degree in the Biological Basis of Behavior. After graduating, Randall relocated to California in 2013, drawn by the state's progressive patient rights laws, which ensured safe access to medicinal cannabis. He continued

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his research into the plant's medicinal properties, examining its effects across a broad spectrum of consumers.

1. From 2015 to 2018, Randall owned and operated Pharamlux, a medical cannabis delivery service in San Diego County. Pharamlux stood out as one of the few retail providers in Southern California offering Charlotte's Web CBD, a clinically proven strain known for its potent therapeutic effects. This cannabinoid-rich strain helped many San Diego residents, including those in Santee, manage chronic pain and recover from dependency on prescription painkillers. Following the regulatory changes in California's cannabis laws in 2018, Randall shifted his focus to legal cannabis distribution, where he became an owner and operator. He played a key role in providing warehousing and transportation services for some of the largest cannabis brands in the state.

1. As of 2024, Randall remains active in the retail cannabis sector, recently contributing to the opening of Siesta Life Encinitas, located on the iconic Highway 101 near Swamis Beach. Siesta Life distinguishes itself from other dispensaries in the area by prioritizing tinctures and wellness products over traditional smoked cannabis. The store focuses on natural health solutions that aid in recovery and overall well-being.

2. Randall's long-term vision in the cannabis industry and practices of State Regulations extends beyond operating successful businesses. He is dedicated to spreading knowledge about cannabis science, particularly how the diverse cannabinoids found in the plant interact with the human nervous system. As a cannabis business owner and entrepreneur, he has learned and incorporated industry best practices for retail, delivery, and distribution activities as the owner-operator of Pharamlux and Siesta Life. Randall has a flawless industry compliance record and will leverage that expertise in Santee.

3. His goal is to help people better understand how cannabis can alleviate both physical and mental pain, fostering improved recovery and well-being. Randall will participate in a management capacity on a day-to-day basis at Siesta Life Santee.

### Angel Fernandez, VP of Finance

1. With a deep passion for cannabis, business development, and community building, Angel has successfully transformed medical cannabis retailer Movocan, DBA Aroma, from a fledgling local start-up into a thriving business generating over \$7 million in annual revenue. As the founder of Movocan in 2018, Angel's extensive expertise in the legal cannabis sector—spanning sales, marketing, compliance, and operational strategy—has been instrumental in the company's success and growth.

Angel's journey into the cannabis industry is deeply rooted in both his entrepreneurial spirit and a genuine belief in the plant's potential to positively impact people's lives. From the outset, he demonstrated an unwavering commitment to building Movocan into a leading retail cannabis brand. One of Angel's key strengths has been his ability to identify and cultivate strategic partnerships. He secured essential funding and aligned the company with influential stakeholders, allowing Movocan to flourish in an increasingly competitive marketplace. Under his leadership, the company achieved remarkable financial milestones, consistently generating over \$7 million in annual revenue since its first year of cannabis sales in 2019. This rapid growth is a testament to Angel's vision, leadership, and ability to navigate the complexities of California's cannabis regulations.



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2. In his current role as Director, Angel oversees the management of three licenses granted by the California Department of Cannabis Control. Two of these licenses are focused on the retail sector, where Movocan has earned a reputation for delivering high-quality cannabis products and exceptional customer experiences. The third license allows Movocan to operate in the wholesale market, distributing cannabis to other retailers and ensuring a steady supply of top-tier products. Angel's business acumen extends beyond Movocan itself; the company also holds a partnership with Siesta Life, a retail cannabis shop located on Highway 101 in Encinitas, California, which operates under a fourth state cannabis license. This partnership has helped expand Movocan's footprint and solidify its presence in Southern California's cannabis market.

Angel's passion for cannabis science is just as pronounced as his business expertise. He is a strong advocate for educating both consumers and industry professionals on the medicinal benefits of cannabis and the role various cannabinoids can play in promoting health and well-being. His understanding of the plant's therapeutic potential drives his commitment to developing products that meet the diverse needs of consumers, from wellness-focused offerings to more traditional cannabis products. This dual focus on education and product innovation allows Movocan to stand out in an increasingly crowded market.

Angel manages three cannabis licenses already. He consistently incorporates his expertise in business operations to ensure that best industry practices characterize the businesses he operates. This applies to both cannabis and non-cannabis practices. He has a deep understanding of cannabis business operations and compliance. None of the companies with which Angel is associated have been sanctioned or cited for violations of cannabis or non-cannabis laws and regulations.

3. As the legal cannabis industry continues to evolve, Angel's strategic vision positions him for long-term success. He is dedicated to fostering a company culture that prioritizes community, sustainability, and ethical business practices, believing that true success comes not just from financial gains but from the positive impact his business can have on the people it serves. Angel's leadership, combined with his forward-thinking approach to both business and cannabis science, ensures that Siesta Life will be and remain a key player in the cannabis industry for years to come.

Angel will work with the company on a close ongoing basis to oversee and manage operations. Angel will work with the company on a close ongoing basis to oversee and manage operations.

### Derek Burnell, Director of Business Development

As a native of East County San Diego, Derek Burnell spent the majority of the first half of his life in the El Cajon and Santee areas. The son of a local Attorney and CPA, Derek was naturally exposed to the rich and broad cultural landscape of the region. Over the past 16 years, Mr. Burnell has built a hospitality group consisting of six properties in Pittsburgh, PA, ranging from fine dining to fast casual. That leadership role, overseeing 150+ co-workers, has provided Derek with a wealth of understanding in how to help others achieve their goals regardless of background and life's challenges. He believes that success is not measured by one's personal gains, but rather by how one lifts those around them to reach their full potential.

1. In 2019, Derek was elected to the Board of Directors of Movocan, a vertically integrated medical and retail cannabis company with multiple dispensaries in Imperial County, California.

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2. In 2022 Mr. Burnell relocated back to San Diego to join the Board of Siesta Life Encinitas. Siesta Life Encinitas is a retail cannabis shop located in Encinitas, CA on Highway 101. Here he brings his experience in the Cannabis industry practices of State regulations. **Mr. Burnell consistently applied his understanding of industry best practices and adhered to state regulations in his role at Movocan. His track record in the licensed cannabis retail industry illustrates that he will be a consistent asset in Santee.**

3. As Director of Business Development at Siesta Life, Derek brings the same passion, creativity, and ingenuity that have fueled his 100% success rate in the hospitality industry. He will play a critical role in the creative development, marketing strategies, programs of Siesta Life Santee, and the overall expansion of the Company. **Mr. Burnell will work full-time in a management capacity at Siesta Life.**

### Bertin Porcayo, Chief Executive Officer

1. With over ten years of experience in California's Retail cannabis industry, Bert brings a wealth of knowledge and leadership to his role as Senior Leader at Movocan. Managing three Retail Cannabis Licenses. Including Siesta Life Encinitas. His focused, high-energy approach has been a driving force behind the company's success, fostering a collaborative and motivated team that helped Movocan achieve an outstanding first year in business. Bert's passion for the cannabis industry, combined with his leadership skills, has made him an invaluable asset to the company.

2. **Bert has years of experience in incorporating industry best practices and compliance into his work.** Prior to joining Movocan, Bert served as the Director of Sales at Berkeley Patients Care Collective (BPCC), the oldest operating cannabis dispensary in the United States, located in Berkeley, California. During his tenure at BPCC, Bert was responsible not only for leading sales and industry practices following State Regulations efforts but also for overseeing all merchandising decisions for both the retail and wholesale distribution arms of the company. Under his leadership, BPCC maintained strong retail partnerships with some of the most renowned cannabis dispensaries in the state, including MedMen, Harborside, and Sparc. MedMen operates over 29 retail locations nationwide, while Harborside, founded by the prominent cannabis advocates Steve and Andrew DeAngelo, is one of the most recognized dispensaries in the U.S. The DeAngelo brothers have been featured on major platforms like NBC, Netflix, and other media outlets, further solidifying Harborside's reputation in the industry.

In managing BPCC's wholesale operations, Bert played a key role in building and maintaining relationships with these prominent dispensaries, helping to expand the reach and influence of BPCC's product offerings across Northern and Southern California. His ability to navigate the complexities of the cannabis market and foster partnerships with industry leaders positioned him as an expert in retail and wholesale distribution.

**Before entering the cannabis industry, Bert spent a decade as a successful sales professional in the finance and banking sectors. He worked for several public companies, including Chase Finance, where his responsibilities included real estate loss mitigation and the daily management of client accounts. His experience in finance equipped him with strong analytical skills and a deep understanding of business operations, which he later applied to his roles in the cannabis industry.**

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**3.** Bert's diverse background in both finance and cannabis has given him a unique perspective on business strategy and growth. At Siesta Life Santee, he'll continue to leverage this expertise, driving innovation and expansion while maintaining a strong commitment to providing quality products and services. His leadership and industry experience make him a key player in shaping the future of the broader cannabis market and our business. **Bert will serve as the company's CEO and play an active daily role in its operations.**

## Neighborhood Compatibility Plan

### Introduction

1. As a responsible cannabis retail store, it is essential to foster positive relationships with the surrounding community by ensuring that operations do not become a nuisance or negatively impact neighbors. This report outlines proactive measures and responsive strategies the business will implement to address concerns related to noise, light, odor, public consumption, loitering, littering, and vehicle and pedestrian traffic. Additionally, it describes how the business will utilize social media to monitor and respond to complaints.

A Community Compatibility Plan is crucial for the company as we aim to establish and maintain a positive presence in the neighborhood. This plan is not just a regulatory requirement but a strategic framework that underscores our commitment to being a responsible and considerate member of the community. The importance of a Community Compatibility Plan can be highlighted through several key aspects:

- Building Trust and Goodwill

Trust is the foundation of any successful relationship. While the business is not located adjacent to residential uses, there are approximately 108,000 households within a five-mile radius. Our residential, commercial, and industrial neighbors should never face adverse impacts resulting from our operation. A well-constructed Community Compatibility Plan helps build trust with residents, businesses, and regulatory bodies by demonstrating that the company is proactive in addressing potential concerns. By engaging with the community, listening to their worries, and showing transparency in operations, the company fosters goodwill, which is essential for long-term success.

- Mitigating Negative Impacts

Siesta Life, like any other business, can have unintended negative impacts on their surroundings if not managed properly. Concerns such as noise, odor, light pollution, increased traffic, and public safety are common. A Community Compatibility Plan outlines specific measures to mitigate these issues, ensuring that the business does not become a nuisance. For instance, implementing soundproofing, odor control systems, and adequate lighting can significantly reduce the impact on neighbors. By addressing these concerns proactively, the company can prevent conflicts and maintain a peaceful coexistence with the community.

- Enhancing Community Safety

Public safety is a primary concern for communities, especially when new businesses open. A comprehensive Community Compatibility Plan includes strategies to enhance safety around the retail location. This involves hiring licensed security personnel, installing surveillance cameras, and coordinating with local regulators and law enforcement. By taking these steps, the company protects its property and customers and contributes to the overall safety of the neighborhood. This proactive stance on safety reassures residents and business owners that the cannabis retailer is committed to maintaining a secure environment.

- Ensuring Regulatory Compliance

Cannabis retailers operate in a highly regulated industry. Compliance with local and state regulations is mandatory, and a Community Compatibility Plan is a crucial part of this compliance framework. It ensures that the company

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adheres to all relevant laws and guidelines, thereby avoiding legal issues and potential penalties. Regulatory compliance also reinforces the legitimacy of the business, which is vital for gaining and retaining the trust of the community and stakeholders.

- Promoting Sustainable Business Practices

Sustainability is an increasingly important aspect of modern business operations. This Community Compatibility Plan includes initiatives that promote environmental responsibility, such as waste reduction, energy-efficient practices, and sustainable sourcing of products. These efforts demonstrate the company's commitment to the well-being of the community and the environment. By adopting sustainable practices, the business reduces its ecological footprint and aligns with the values of environmentally conscious consumers and community members.

- Facilitating Positive Community Engagement

Active engagement with the community is essential for any business, and the Community Compatibility Plan provides a structured approach to this engagement. It includes regular communication with residents, participation in community events, and opportunities for feedback. This ongoing dialogue helps the retailer stay attuned to community needs and concerns, allowing for continuous improvement in operations. Positive engagement also strengthens the retailer's reputation as a community-oriented business, which can lead to increased customer loyalty and support.

- Addressing Social Equity and Inclusion

A Community Compatibility Plan can also address broader social issues, such as equity and inclusion. By implementing policies that promote diversity in hiring, offering educational programs about responsible cannabis use, and supporting local initiatives, the company can contribute to social equity in the community. These efforts can help mitigate any negative perceptions of the cannabis industry and highlight the company's role as a positive force within the community.

A Community Compatibility Plan is indispensable for the company. It ensures that the business operates harmoniously within its neighborhood, mitigates potential negative impacts, enhances safety, ensures regulatory compliance, promotes sustainability, facilitates positive engagement, and addresses social equity. By prioritizing community compatibility, the company not only secures its position within the community but also sets a standard for responsible and ethical business practices.

### Community Compatibility Strategies

A cannabis retail store in a community brings both opportunities and challenges. While the economic benefits and accessibility of legal cannabis are significant, it is equally important to address and mitigate potential negative impacts that such a business might have on its surroundings. These impacts can range from increased noise and light pollution to concerns about odor, public safety, and traffic congestion. To navigate these challenges effectively, the company has developed and will implement specific strategies and policies aimed at minimizing any adverse effects on the local community. These proactive measures not only help in maintaining a harmonious relationship with neighbors but also ensure the retailer operates as a responsible and valued member of the community. By focusing on mitigation strategies, cannabis retailers can demonstrate their commitment to

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community well-being and regulatory compliance, paving the way for sustainable business operations and positive community engagement.

### Noise Control

We do not anticipate noise complaints at the retail establishment. However, addressing noise complaints promptly and effectively is essential for maintaining a positive relationship with the community. When a noise complaint is received, the store will immediately assess the source of the noise to understand its origin and impact. This swift assessment allows for the identification of specific issues, whether they stem from customer interactions, operational activities, or external factors related to the store's operations. Once the source is pinpointed, corrective measures will be implemented promptly to mitigate the noise. These measures may include adjusting operational procedures, enhancing soundproofing, or altering the layout of noisy activities to minimize their impact on surrounding areas.

In addition to immediate responses, the store will hold regular community meetings to foster open communication and transparency with neighbors. These meetings will provide a platform for residents to voice their concerns and for the store to update the community on ongoing efforts to minimize noise. By engaging directly with the community, the store can gather valuable feedback and make informed adjustments to its noise management strategies. This proactive approach not only helps in resolving existing issues but also builds trust and goodwill among neighbors, reinforcing the store's commitment to being a responsible and considerate member of the community. Through consistent and open dialogue, the store aims to ensure that noise concerns are addressed effectively and that the well-being of the community is always a top priority.

### Light Management

Addressing light complaints is crucial for ensuring the store maintains a harmonious relationship with its neighbors. Upon receiving a complaint related to lighting, the store will promptly evaluate its current lighting setup to identify any issues contributing to light pollution or disturbance. This evaluation involves a thorough inspection of both exterior and interior lighting systems to determine whether lights are too bright, improperly angled, or inadequately shielded. By pinpointing the exact sources of the problem, the store can implement necessary adjustments to lighting angles or intensities, ensuring that lights are directed away from sensitive locations. This helps reduce immediate light disturbances and aligns the store's lighting practices with community standards and expectations.

The store will engage in continuous monitoring and regular maintenance of its lighting systems to ensure they remain effective and unobtrusive. By scheduling periodic reviews and updates of the lighting setup, the store can swiftly respond to any new issues or community feedback. This proactive approach not only addresses existing complaints but also prevents potential future concerns, demonstrating the store's commitment to being a responsible and considerate neighbor. Through these comprehensive measures, the company aims to create a balanced lighting environment that supports its operations while respecting the comfort and needs of the surrounding community.

### Odor Mitigation

It is unlikely that there will be odor complaints at the facility due to cannabis-related activity. The company does not engage in the activities that are most likely to generate odors on the premises - e.g., cultivation, processing, or

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packaging of cannabis. Cannabis goods delivered by a licensed distributor arrive at the facility already packaged for sale. Most are displayed in that fashion. Staff members may occasionally remove cannabis flowers from their packaging for examination by customers. However, this would only include a small amount of flowers at any one point. The other potential odor-generating activity would include the destruction of cannabis goods and the disposal of cannabis waste. This activity does not produce significant odors that are likely to escape the store.

Addressing odor complaints is essential for maintaining a positive relationship with the surrounding community, as unwelcome odors can significantly impact the quality of life for nearby residents and businesses. When an odor complaint is received, the store will promptly conduct a thorough technical review of its HVAC and odor control systems. This review involves examining all aspects of the ventilation and filtration systems to identify any malfunctioning components or inefficiencies that may be contributing to the escape of odors. By scrutinizing the effectiveness of carbon filters, air scrubbers, and other odor-neutralizing technologies, the store can pinpoint and rectify specific issues, ensuring that the systems operate at peak performance. This detailed assessment is critical in mitigating immediate odor problems and restoring a pleasant atmosphere for both the store and its neighbors.

In addition to addressing immediate concerns, the store will implement a robust schedule of regular maintenance checks for all HVAC and odor control systems. These maintenance routines will include inspecting and replacing filters, cleaning ducts, and recalibrating equipment to maintain optimal functionality. Regular maintenance is vital for preventing odor issues before they arise, as it ensures that all systems continue to operate efficiently and effectively over time. By adhering to a proactive maintenance schedule, the store can consistently mitigate odor emissions, thereby reducing the likelihood of future complaints.

Furthermore, the store will stay abreast of the latest advancements in odor control technology, incorporating new solutions as they become available to enhance the overall effectiveness of its systems. This commitment to innovation reflects the store's dedication to continuously improving its environmental impact and maintaining high standards of operation.

Additionally, the store will maintain open lines of communication with the community, encouraging residents and local businesses to provide feedback on odor control measures. Regular updates and transparency about the steps being taken to address odor issues will help build trust and demonstrate the store's commitment to being a responsible and considerate neighbor. By combining thorough technical reviews, proactive maintenance, and continuous engagement with the community, the store aims to effectively manage odor emissions and ensure a pleasant environment for everyone in the vicinity.

## 2. Preventing Underage Consumption

Siesta Life is committed to preventing the diversion of cannabis and cannabis products to individuals under the age of twenty-one (21). As part of this commitment, we require all individuals entering the facility to present a valid government-issued photo ID before receiving any services. Our Security Plan outlines detailed procedures for verifying IDs and reporting instances of fraudulent attempts to enter the facility. Anyone found attempting to enter in violation of this policy and applicable laws will be barred from returning or receiving services. All staff members and security personnel are thoroughly trained on the provisions of the Security Plan, and supervisors regularly monitor compliance, providing corrective action when necessary.

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For medical cannabis patients, as defined in HSC 11362.5, who are between the ages of eighteen (18) and twenty-one (21), we require the presentation of a valid medical cannabis identification card issued under HSC 11362.7 before entering the facility. Alternatively, these patients may present a letter from their attending physician along with a government-issued photo ID for staff verification. The company will not provide services to patients in this age group until their letter of recommendation has been verified through direct contact with the attending physician or their agents. Medical cannabis patients under the age of eighteen (18) are not permitted to enter the facility and must designate a primary caregiver, who must be a parent or court-appointed legal guardian, to obtain cannabis or cannabis products on their behalf.

Additionally, all staff and security personnel are trained to recognize and respond to signs of unlawful cannabis diversion. The company will not provide services to any individual exhibiting suspicious behavior, such as attempting to purchase more than the legal limits outlined in 4 CCR 15409. Adult-use consumers may purchase only one (1) ounce of cannabis flowers or eight (8) grams of cannabis concentrate per day. Medical cannabis patients may purchase up to eight (8) ounces of cannabis flowers or the equivalent amount in other forms each day. Other signs of potential unlawful distribution include purchasing multiple small quantities of cannabis or cannabis products (e.g., twenty-eight (28) grams instead of one (1) ounce) or making statements that suggest an intent to divert the products (e.g., "I don't know what they want," etc.).

Security personnel also patrol the surrounding neighborhood to ensure safety and detect potential diversion, including underage individuals. If diversion is observed in the parking lot or nearby areas, security will file an incident report with the Manager and notify the Police Department. Any individual confirmed to have engaged in the unlawful diversion of cannabis or cannabis products will be permanently banned from the facility.

### Preventing Public Consumption

Preventing public consumption of cannabis is a critical aspect of maintaining a positive community relationship and ensuring compliance with local laws. To achieve this, the store will implement a comprehensive strategy that starts with the clear and prominent posting of signage. These signs will be strategically placed both inside and outside the premises, clearly informing customers that public consumption of cannabis is illegal and strictly prohibited. The signage will use straightforward language and universally recognized symbols to ensure that the message is understood by all patrons, regardless of their language proficiency or familiarity with local regulations. This initial step sets clear expectations for behavior and reinforces the store's commitment to lawful and respectful conduct.

In addition to visible signage, the store will emphasize the importance of staff vigilance in preventing public consumption. All employees will receive training on how to recognize and address instances of public consumption effectively. This training will cover a range of scenarios, from identifying subtle signs of consumption to handling more overt cases. Security personnel will be equipped with the knowledge and tools to approach customers courteously but firmly, reminding them of the legal restrictions and the store's policies. In situations where customers do not comply, staff will be instructed to escalate the matter appropriately, which may include notifying local authorities to ensure that the situation is handled lawfully and safely.

The training program will also include protocols for monitoring the areas immediately surrounding the store. Security personnel will conduct regular patrols of the vicinity, especially during peak hours, to deter and identify any instances of public consumption. This proactive approach helps prevent illegal activity and reassures neighbors that the store is committed to maintaining a safe and respectful environment. By actively monitoring the



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surroundings, the company can address issues before they escalate, thereby minimizing any potential negative impact on the community.

Furthermore, the store will engage in continuous education efforts, both internally and externally. Internally, staff will receive regular updates on local laws and best practices for handling public consumption, ensuring they remain knowledgeable and prepared. Externally, the store will participate in community outreach programs to educate the public about the legalities and health implications of cannabis consumption. These efforts will include distributing informational pamphlets, hosting informational sessions, and collaborating with local organizations to spread awareness.

By combining clear signage, staff vigilance, proactive monitoring, and ongoing education, the store aims to create a safe and compliant environment that discourages public consumption of cannabis. These measures not only help in adhering to legal requirements but also demonstrate the store's dedication to being a responsible and considerate member of the community. Through these comprehensive strategies, the store seeks to foster a positive relationship with its neighbors while promoting responsible cannabis use.

### Addressing Loitering, Littering, and Graffiti

Addressing loitering and littering complaints is essential for maintaining a clean, safe, and welcoming environment around the cannabis retail store. To tackle these issues effectively, the store will enhance its security measures by increasing the number of patrols and the visible presence of security personnel. In addition to traditional security methods, the store will leverage innovative technologies, including Mosquito anti-loitering technology. This technology emits a high-frequency sound that is only audible to individuals under the age of 25, deterring loitering without causing discomfort to nearby residents or customers. By incorporating Mosquito technology into its security strategy, the store can effectively discourage loitering behavior while minimizing disruptions to the surrounding community.

Moreover, the store will collaborate closely with local law enforcement and community organizations to address persistent issues of loitering and littering. This collaboration involves regular communication and coordination with police officers to ensure they are aware of and can respond promptly to any incidents around the facility. The company will also participate in community meetings and initiatives focused on improving neighborhood safety and cleanliness. By working together with local authorities and community groups, the company can develop comprehensive strategies to address the root causes of loitering and littering, such as lack of public awareness or insufficient public amenities.

Furthermore, the store will implement a graffiti abatement program as part of its broader effort to maintain a clean and inviting environment. This program will involve regular inspections of the store's exterior and surrounding areas to promptly identify and remove any graffiti. Rapid response to graffiti not only helps maintain the aesthetic appeal of the store but also discourages further vandalism.

The company will implement regular clean-up initiatives to maintain the cleanliness of the surrounding area. These initiatives will include scheduled litter pick-ups and the placement of ample trash receptacles around the store's vicinity to encourage proper disposal of waste. By keeping the area clean and well-maintained, the company enhances its own appearance and contributes to the overall well-being of the community. These efforts will be complemented by public awareness campaigns to educate customers and the broader community about the importance of keeping the area free of litter and the consequences of loitering and graffiti.

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Through enhanced security measures, community collaboration, innovative technology, graffiti abatement, and regular clean-up initiatives, the store aims to effectively address and mitigate loitering and littering complaints. These comprehensive strategies reflect the store's commitment to being a responsible and proactive member of the community, dedicated to maintaining a safe, clean, and welcoming environment for all. By fostering a sense of shared responsibility and pride in the neighborhood, the store hopes to build stronger community ties and ensure a positive presence in the area.

### Traffic Management

Located in the Venture Business Park in central Santee, the commercial structure is part of an established business area with limited residential use in the immediate vicinity. This prime location ensures a professional environment with minimal residential disruption. The surrounding area is characterized by a diverse mix of retail, commercial, industrial, and airport-related uses, creating a vibrant and dynamic business community. The premises benefit from excellent transportation links, being conveniently served by nearby Highways 52, 125, and 67. These highways provide easy access for employees, customers, and distributors, enhancing the property's connectivity.

The operation of the retail business is unlikely to have an undue impact on traffic congestion in the area. We estimate that the business will attract approximately 180 to 450 customer visits daily, with five (5) to six (6) employees on-site at any given time to manage operations and assist customers. Additionally, we anticipate receiving eight (8) deliveries from distributors weekly to maintain adequate inventory levels. The traffic generated by the business will be in line with that of other similar establishments in the neighborhood, ensuring that it does not stand out as a significant source of congestion.

The 1,404-square-foot suite requires a minimum of seven parking spaces. The property features sixteen on-site, off-street parking spaces that are easily accessible via Prospect Ave. The ample on-site parking significantly reduces or even eliminates the need for parking on public streets, ensuring convenience for residents and visitors while alleviating congestion in the surrounding neighborhood.

Santee is serviced by the San Diego Metropolitan Transportation District (MTS), which offers affordable local transportation through several of its light-rail lines. When customers utilize public transit provided by MTS, it helps to reduce traffic congestion. Each individual who chooses public transportation over driving a personal vehicle contributes to fewer cars on the road, which directly decreases traffic volume. Also, public transit systems are designed to efficiently move large numbers of people, making them a more space-efficient option compared to individual cars. This results in smoother traffic flow and less gridlock during peak hours. Finally, reduced traffic congestion leads to shorter commute times, lower emissions, and a decreased need for extensive road maintenance. By opting for public transit, our customers can play a crucial role in promoting a more sustainable and efficient transportation network in Santee.

Local options include:

Gillespie Field	0.5 miles
Santee Town Center	1 mile
Arnele Avenue	2.4 miles

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El Cajon Transit Center	3.3 miles
Amaya Drive	5.8 miles

### Addressing Complaints

It is important for a cannabis retailer to respond to community complaints for several reasons:

- Addressing complaints promptly helps build trust and fosters a positive relationship with the community. A retailer that is seen as responsive and responsible is more likely to be supported by local residents.
- Cannabis businesses are subject to strict regulations and oversight. Responding to complaints can demonstrate compliance with local laws and regulations, which is essential for maintaining licenses and avoiding fines or other legal issues.
- Community complaints can highlight potential safety or security issues that management might not be aware of. By responding to these concerns, the retailer can take proactive measures to address and resolve issues, ensuring a safer environment for both customers and the community.
- Feedback from the community can provide valuable insights into how the business can improve its operations. Whether it's about parking, noise, or loitering, addressing these complaints can lead to better business practices and enhanced customer experience.
- Ignoring community complaints can lead to frustration and escalate tensions. Proactively addressing concerns can prevent small issues from becoming larger conflicts, which can be more challenging and costly to resolve.
- Being a good neighbor and contributing positively to the community can enhance the company's image and encourage other local businesses and residents to view the cannabis industry in a more favorable light. This can lead to broader community acceptance and support for the retailer's presence and operations.

### Posting of Contact Information

The company will prominently post the contact information for the Security Liaison on the front of the building. The Security Liaison is the individual designated by the company to act as the primary communication conduit between the business, city, and community. This information will include a daytime telephone number for immediate assistance during business hours and an email address for around-the-clock contact. The signage will be designed to be easily visible and accessible to ensure that both customers and community members can quickly reach out if they have any concerns or inquiries. By providing these contact details, the company demonstrates its commitment to maintaining a safe and secure environment and its dedication to being responsive and approachable to the needs of the local community.

### Complaint Response Plan

The company has adopted a comprehensive Complaint Response Plan (CRP) designed to establish a structured and effective process for receiving, addressing, and resolving community complaints promptly

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and professionally. This plan ensures that all concerns are handled with the utmost importance, fostering a positive and cooperative relationship with the surrounding community. By implementing the CRP, the company demonstrates its commitment to being a responsible and responsive member of the community, actively listening to and addressing any issues that arise. Additionally, the CRP is crafted to ensure full compliance with all relevant regulatory requirements, thereby safeguarding the company's operational integrity and legal standing. Through this systematic approach, the company not only enhances its reputation but also builds trust and goodwill among local residents, which is crucial for the long-term success and sustainability of the business.

### 1. Channels for Receiving Complaints:

- In-Person - A designated staff member will be available to receive complaints during business hours.
- Telephone - A dedicated complaint hotline will be established with posted hours of availability.
- Email - A 24-hour email address for complaints will be monitored regularly.
- Online Form: An online complaint form will be available on the retailer's website for convenient submission.

### Contact Information Posting:

- Clear and visible signage on the front of the building, detailing the complaint submission methods, including the Security Liaison's daytime telephone number and 24-hour email address.

### 2. Initial Response

#### Acknowledgment:

- Complaints received during business hours will be acknowledged within two hours.
- Complaints received outside business hours will be acknowledged by 10 AM the following business day.

#### Documentation:

- Every complaint will be logged into a complaint management system, noting the date, time, complainant's contact information, and nature of the complaint.

### 3. Assessment and Investigation

- Determine the severity and urgency of the complaint.
- Categorize the complaint (e.g., noise, security, parking, loitering, product quality).
- Investigation.
- Assign a responsible team member to investigate the complaint.
- Collect relevant information and evidence (e.g., video recording footage, staff statements, incident reports).
- If necessary, conduct interviews with staff or witnesses.

### 4. Resolution

#### Action Plan:

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- Develop a resolution plan tailored to the nature of the complaint.
- Communicate the plan to the complainant, including the steps that will be taken and the expected timeline for resolution.
- Implementation.
- Implement the resolution plan promptly.
- Monitor the situation to ensure the complaint has been effectively addressed.

### Follow-Up:

- Contact the complainant to confirm the resolution and ensure their satisfaction.
- Document the follow-up in the complaint management system.

## 5. Reporting and Analysis

- Provide regular reports to management on the number and types of complaints received, response times, and resolution outcomes.
- Identify trends and recurring issues.
- Continuous Improvement.
- Use complaint data to identify areas for operational improvement.
- Implement changes to policies, procedures, or training as necessary to prevent future complaints.
- Retain all records related to complaints in accordance with policies and regulations.

## Social Media Monitoring

Using social media to detect complaints and concerns from our neighbors about our business is an essential strategy in today's digital age. Platforms like Facebook, Twitter, Instagram, and local community forums offer real-time insights into the sentiments and experiences of local residents. By actively monitoring these channels, we can quickly identify and respond to complaints or concerns, demonstrating a proactive approach to community relations.

First, we will set up social media listening tools and alerts to track mentions of our business, relevant hashtags, and keywords associated with our store or the cannabis industry. These tools enable us to capture both direct feedback and indirect conversations that may not be tagged or directed at our official profiles.

Engaging with the community on social media is also crucial. By responding promptly to posts and comments, we can address concerns before they escalate. Publicly resolving issues not only satisfies the complainant but also shows other community members that we are attentive and responsible. This transparency can enhance our reputation and build trust within the community.

Additionally, we will maintain a robust social media presence, regularly sharing updates about our operations, safety measures, and community initiatives. By sharing engaging content such as behind-the-scenes looks, staff introductions, and educational posts about cannabis, we can humanize our business and foster a sense of connection with local residents.

## Neighborhood Compatibility Plan

Moreover, social media provides a platform for gathering feedback through polls, surveys, and direct messages. This proactive approach not only helps us understand community concerns but also involves residents in the decision-making process, making them feel valued and heard.

Finally, tracking trends and recurring themes in social media feedback can highlight broader issues that need addressing. Whether it's concerns about parking, noise, or product quality, identifying these patterns allows us to make informed changes to operations and improve overall community satisfaction.

Leveraging social media to detect and address community complaints and concerns about our operation, along with maintaining a robust social media presence, is a powerful way to maintain a positive relationship with our neighbors. Through active monitoring, prompt responses, educational outreach, and feedback collection, we can demonstrate our commitment to being a responsible and engaged member of the community.

Community Benefit and Investment Plan

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Introduction

At Siesta Life, we believe that our presence in the community should extend beyond providing high-quality cannabis products. Our commitment is to act as a responsible and positive force within the neighborhood, contributing to the social, economic, and environmental well-being of our area. This Community Benefit and Investment Plan outlines our strategic initiatives to foster community engagement, promote economic growth, ensure public safety, and support sustainable practices.

We recognize our unique position as a cannabis retailer and the importance of addressing the needs and concerns of our community. Through regular community meetings, partnerships with local organizations, and a focus on social equity, we aim to build strong, mutually beneficial relationships. Our goal is to create job opportunities, support local businesses, and contribute to a vibrant, inclusive local economy.

Education and outreach are central to our mission. We are dedicated to providing the community with accurate information about cannabis use, health, and safety. Additionally, our commitment to public safety and strict compliance with regulations ensures a secure and lawful operation, protecting both our customers and the broader community.

Environmental sustainability is another pillar of our plan. We pledge to adopt eco-friendly practices, reduce waste, and support green initiatives. Furthermore, we are committed to giving back through charitable contributions, employee volunteering, and support for health and wellness programs.

## Community Benefit and Investment Plan

Through this Community Benefit and Investment Plan, Siesta Life aims to be more than just a business. We strive to be a valuable community partner dedicated to making a positive impact. We look forward to working collaboratively with residents, local leaders, and organizations to enhance the quality of life in our community.

### Community Benefits

The company has identified specific areas where it can have a positive impact on the community and is committed to evaluating, implementing, and reviewing these opportunities to find the best ways to be a positive influence in Santee. By focusing on key aspects such as community engagement, local partnerships, and sustainability, we aim to enhance the social, economic, and environmental well-being of the area. Our approach involves ongoing assessment and adaptation to ensure that our initiatives effectively address the needs and concerns of the community. Through this dedicated effort, we strive to make a meaningful and lasting contribution to the quality of life in Santee.

### Safety In and Around the Facility

Safe operations at our business play a crucial role in contributing to the overall welfare of the community. We employ uniformed licensed security personnel who provide a visible deterrent to potential criminal activity and ensure the safety of our customers and staff. Their presence reassures the community that our establishment is committed to maintaining a secure environment.

In addition to our security personnel, we have implemented comprehensive video surveillance systems inside and outside our facility. The footage provides valuable evidence in the event of any incidents and supports law enforcement when necessary. Complementing our surveillance systems, a state-of-the-art alarm system is in place to protect against unauthorized access and promptly alert authorities to any security breaches.

Our staff members are well-trained in safety protocols and customer service, ensuring they can effectively handle any situation that arises. This training includes recognizing potential threats, responding to emergencies, and maintaining a calm and secure atmosphere for our patrons. Their preparedness not only enhances the safety of our operations but also builds trust within the community.

Beyond security measures, we take pride in contributing to the community's aesthetic and environmental health. Regular litter removal around our facility ensures that our premises and the surrounding area remain clean and welcoming. We also engage in graffiti abatement efforts, promptly addressing any vandalism to maintain the neighborhood's appearance and deter further acts of defacement.

Maintaining our facility in good repair is another aspect of our commitment to safe operations and community welfare. A well-maintained building not only reflects our professionalism but also reduces the risk of accidents and injuries. Regular maintenance checks and prompt repairs ensure that our establishment remains a safe and attractive place for both customers and employees.



## Community Benefit and Investment Plan

### Community Engagement

Our community engagement plan is designed to establish a proactive and transparent relationship with the local community, fostering trust and a positive presence. We will hold monthly community meetings, providing regular updates, gathering feedback, and discussing any concerns that residents may have. Additionally, we will host open house events during which cannabis is not for sale, allowing community members to tour our facility, meet our staff, and learn about our operations firsthand. These events will serve as an opportunity for us to showcase our commitment to safety, quality, and community integration.

To ensure open communication, we will establish dedicated phone and email channels for community inquiries and concerns, enabling residents to reach out to us easily. Our telephone number and email address will be posted on the outside of the building to facilitate communication. We will also maintain an active presence on social media platforms, sharing timely updates, highlighting our community involvement, and responding to public questions and comments. This multifaceted communication approach will help us stay connected with the community and address any issues promptly.

Furthermore, we will form a Community Advisory Board composed of local residents, business owners, and community leaders. This board will meet quarterly to provide valuable insights and recommendations, acting as a bridge between our operations and the community's needs and expectations. The advisory board will play a crucial role in guiding our community initiatives and ensuring that our efforts align with local priorities.

We will implement robust feedback mechanisms to continuously gather input from community members. This will include regular surveys to assess community sentiment and suggestion boxes at our retail location and online platforms for ongoing community input. These tools will help us identify areas for improvement and ensure that we are responsive to the community's needs.

Through these initiatives, we aim to build a strong, positive relationship with the local community, ensuring our presence contributes meaningfully to the area's social, economic, and environmental well-being. By maintaining open lines of communication, actively seeking feedback, and involving community stakeholders in our decision-making processes, we are committed to being a responsible and valued member of the community.

### Local Partnerships

Building local partnerships with government agencies, businesses, and nonprofit organizations is integral to our commitment to being a responsible and beneficial member of the community. By collaborating with these stakeholders, we aim to leverage collective expertise, resources, and networks to address shared challenges and opportunities.

One key aspect of our partnership strategy involves collaborating with local government agencies. By working closely with municipal authorities, we can ensure alignment with local regulations, zoning ordinances, and community development plans. Additionally, partnerships with government agencies enable us to contribute to public health and safety initiatives, such as substance abuse prevention programs and public education campaigns. Through ongoing dialogue and collaboration, we seek to be proactive in addressing any regulatory concerns and demonstrate our commitment to operating responsibly within the community.

## Community Benefit and Investment Plan

In addition to government partnerships, we recognize the importance of collaborating with local businesses. These partnerships can take various forms, including joint marketing efforts, cross-promotions, and shared resources. By supporting and collaborating with other businesses in the area, we contribute to the local economy and foster a sense of interconnectedness within the business community. Partnerships with local businesses enable us to offer unique products and services to our customers, enhancing their overall experience and satisfaction.

Partnering with nonprofit organizations allows us to extend our impact beyond the realm of business and contribute to social and environmental causes that are important to the community. We are committed to supporting nonprofits that address issues such as social equity, environmental sustainability, and public health. Through financial contributions, volunteer efforts, and collaborative initiatives, we aim to make a positive difference in the lives of those in need and contribute to the overall well-being of the community.

Building local partnerships with government agencies, businesses, and nonprofit organizations is essential for our success as a community-focused cannabis retailer. By working together with these stakeholders, we can maximize our impact, address community needs more effectively, and create a thriving and inclusive community for all residents. We are committed to cultivating strong, mutually beneficial partnerships that contribute to the social, economic, and environmental vitality of the communities we serve.

### Local Procurement

Our local procurement initiative is rooted in our commitment to supporting the economic growth and sustainability of the communities we serve and ensuring the highest quality products for our customers. Through this initiative, we prioritize sourcing cannabis and other necessary business products from local suppliers and vendors, fostering a network of strong local partnerships that benefit everyone involved.

For cannabis products, we seek to establish partnerships with local distributors, particularly those who carry products from regional cultivators and manufacturers. We prioritize suppliers who share our commitment to quality, safety, and sustainability. By sourcing cannabis products locally, we support local growers and producers, boosting the regional economy while also reducing the environmental impact associated with long-distance transportation. Working closely with local cultivators allows us to maintain transparency and traceability throughout the supply chain, ensuring our products meet the highest standards of quality and compliance.

In addition to cannabis, we aim to procure other essential business products and services from local suppliers whenever possible. This includes items such as packaging materials, security systems, marketing services, and operational supplies. By prioritizing local procurement, we contribute to the growth of local businesses and stimulate economic activity within the community. This approach not only strengthens our supply chain but also helps us build strong relationships with local vendors who understand our needs and can provide tailored solutions.

Our local procurement initiative extends beyond merely sourcing products. We actively seek out partnerships with local service providers, such as accounting firms, legal counsel, and marketing agencies, to support our business operations. By working with local professionals, we benefit from their expertise and specialized services while contributing to the development of a robust and interconnected business ecosystem within the community. These collaborations enable us to access high-quality services that are culturally and regionally relevant, enhancing our overall business performance.

## Community Benefit and Investment Plan

Our local procurement initiative reflects our commitment to being a responsible and engaged member of the community. By prioritizing local sourcing for cannabis and other business products, we support economic growth, promote sustainability, and foster collaboration within the local business community. We believe that investing in and supporting local businesses helps create a stronger, more resilient community for everyone. Through our efforts, we aim to set an example of how businesses can contribute positively to their local economies while maintaining high standards of product quality and service.

### DEI Initiatives

Our commitment to diversity, equity, and inclusion (DEI) is at the core of our values. We recognize the importance of fostering a workplace culture that celebrates diversity, promotes equity, and ensures inclusivity for all employees and customers. To achieve this, we have implemented a comprehensive set of DEI initiatives aimed at creating a welcoming and supportive environment for everyone.

First and foremost, we prioritize diversity in our hiring practices, actively seeking to recruit and retain employees from diverse backgrounds, including those from underrepresented communities. We believe that a diverse workforce enriches our company culture and brings different perspectives and experiences to the table, thus driving innovation and growth. Additionally, we are committed to providing equal opportunities for advancement and professional development, ensuring that all employees have the support and resources they need to succeed in their careers.

Equity is another key focus of our DEI initiatives. We strive to create a workplace where all employees are treated fairly and have access to the same opportunities and benefits, regardless of their background or identity. This includes implementing policies and practices that promote pay equity, provide benefits packages, and offer flexible work arrangements to accommodate diverse needs and lifestyles.

Inclusion is a fundamental aspect of our company culture, and we are dedicated to fostering an inclusive environment where everyone feels valued, respected, and empowered to contribute their unique talents and perspectives. We provide ongoing diversity and inclusion training for all employees, encouraging open dialogue and collaboration across teams. Additionally, we actively seek feedback from employees to ensure that our policies and practices are inclusive and responsive to their needs.

The company will adapt to the evolving employment and community landscape through DEI initiatives designed to meet the changing needs of our staff and the broader community. These initiatives will ensure that our workplace remains inclusive and equitable, fostering an environment where all employees feel valued and supported. By staying attuned to the dynamic nature of the workforce and the community, we will continuously refine and expand our DEI efforts to address emerging challenges and opportunities, ultimately contributing to a more diverse and inclusive society.

Opportunities for DEI initiatives include:

- The company will implement recruitment strategies that focus on attracting a diverse pool of candidates. This includes:
  - Partnering with diverse professional organizations and job boards.

## Community Benefit and Investment Plan

- Ensuring job postings are inclusive and accessible.
  - Conducting bias training for hiring managers.
- We will develop onboarding processes that introduce new hires to the company's DEI values and practices, including:
  - Providing DEI training during orientation.
  - Assigning mentors or buddies from diverse backgrounds.
- Management will support the formation of Employee Resource Groups (ERGs) for different employee communities, such as women, LGBTQ+ employees, people of color, veterans, and people with disabilities. These groups provide support, networking opportunities, and a platform for advocacy within the company.
- We will offer regular DEI training sessions for all employees to foster awareness and understanding of diversity issues. This can include workshops on unconscious bias, cultural competency, and inclusive leadership.
- Management will review and update company policies to ensure they are inclusive. This includes:
  - Implementing flexible work arrangements to accommodate different needs.
  - Providing equal access to benefits, such as healthcare for all family structures.
  - Ensuring pay equity audits to address wage disparities.
- The company will ensure the workplace has mechanisms for employees to report discrimination or harassment without fear of retaliation. This includes:
  - Confidential reporting systems.
  - Providing access to counseling and support services.
- We will promote the use of inclusive language and communication within the workplace. This can involve:
  - Developing guidelines for inclusive language in all company communications.
  - Encouraging the use of pronouns in email signatures and business cards.
- Management and staff members will be trained to recognize and celebrate the diverse backgrounds and cultures of employees through:
  - Hosting cultural events, heritage months, and diversity celebrations.
  - Highlighting stories of diverse employees in internal newsletters or on the company intranet.
- The company will ensure that the physical and digital work environment is accessible to all employees. This includes:
  - Providing accommodations for employees with disabilities.
  - Ensuring that digital tools and resources are usable by people with varying abilities.

Beyond our internal initiatives, we are committed to promoting diversity, equity, and inclusion in the broader cannabis marketplace and the communities we serve. This includes supporting social equity programs, advocating for equitable cannabis legislation, and partnering with organizations that share our commitment to advancing DEI initiatives.

### Public Education

Our public education efforts as a cannabis retailer are driven by our commitment to providing accurate information, promoting responsible consumption, and addressing any misconceptions surrounding cannabis use. Through various initiatives, we aim to empower our community with the knowledge they need to make informed decisions about cannabis and its potential benefits and risks.

## Community Benefit and Investment Plan

One of the cornerstones of our public education efforts is the development and dissemination of educational materials and resources. These may include brochures, pamphlets, online articles, and video content that cover a wide range of topics, including cannabis laws and regulations, health and safety considerations, consumption methods, and potential therapeutic applications. Our goal is to provide accessible, evidence-based information that helps individuals understand the facts about cannabis and make responsible choices.

In addition to informational materials, we host educational workshops and seminars for community members interested in learning more about cannabis. These events cover a variety of topics, such as the science of cannabis, the endocannabinoid system, the differences between THC and CBD, and best practices for safe and responsible consumption. Knowledgeable experts lead our workshops in the field and provide attendees with the opportunity to ask questions, engage in discussions, and learn from others' experiences.

Furthermore, we prioritize education and training for our own staff to ensure that they are equipped with the knowledge and skills to provide accurate information and guidance to customers. Our employees undergo comprehensive training on cannabis products, consumption methods, dosage guidelines, and potential interactions with medications. By investing in ongoing education and professional development for our staff, we ensure that they can serve as trusted resources for customers seeking information and guidance.

Beyond our own initiatives, we participate in community events, health fairs, and outreach programs to further our public education efforts. We collaborate with local organizations and healthcare providers to share information about cannabis in a supportive and non-judgmental manner. Through these partnerships, we aim to reach a broader audience and address any stigma or misinformation surrounding cannabis use.

Overall, our public education efforts as a cannabis retailer are guided by our commitment to promoting responsible consumption, supporting informed decision-making, and fostering a culture of openness and dialogue around cannabis. By providing accurate information, educational resources, and opportunities for discussion, we empower individuals to make choices that are right for them and contribute to a more informed and educated community.

### Sustainability

Sustainability is a core value at Siesta Life, where we are dedicated to minimizing our environmental footprint and promoting eco-friendly practices throughout our operations. Our commitment to sustainability encompasses various aspects of our business, including energy efficiency, waste reduction, water conservation, and community stewardship.

We have implemented energy-efficient lighting, heating, and cooling systems in our facilities to reduce our energy consumption and carbon emissions. We also prioritize using renewable energy sources, such as solar power, whenever possible. By investing in sustainable energy solutions, we reduce our environmental impact, lower operating costs, and contribute to the transition to a clean energy future.

Waste reduction is another key focus of our sustainability efforts. We strive to minimize waste at every stage of our operations, from retail supplies to day-to-day operational activity. We prioritize the use of recyclable and

## Community Benefit and Investment Plan

biodegradable materials for our product packaging and employ composting and recycling programs to divert waste from landfills. Additionally, we work with suppliers and partners who share our commitment to sustainability and prioritize environmentally friendly practices.

Water conservation is of utmost importance in California, where water scarcity is a pressing issue. We have implemented water-saving measures in our operations to minimize water usage and reduce our environmental impact. Furthermore, we actively support local water conservation initiatives and engage with our community to raise awareness about the importance of water stewardship.

Community stewardship is integral to our sustainability efforts, as we believe in giving back to the communities in which we operate. We support local environmental organizations, community gardens, and conservation projects through financial contributions, volunteer efforts, and partnerships. By working together with our community, we aim to protect and preserve the natural resources that sustain us and ensure a healthy and thriving environment for future generations.

Sustainability is a guiding principle for the company. We are committed to minimizing our environmental impact, conserving resources, and promoting community well-being. Through our efforts to reduce energy consumption, minimize waste, conserve water, and support local initiatives, we strive to be responsible stewards of the environment and contribute to a more sustainable and resilient future.

### Charitable Contributions and Volunteering

We recognize the importance of giving back to the communities we serve and supporting causes that are meaningful to our customers and neighbors. Through our charitable contributions, donation collection initiatives, and volunteering efforts, we strive to make a positive impact and strengthen the social fabric of our community.

Our charitable contributions program is designed to support local nonprofits, community organizations, and charitable initiatives that align with our values and priorities. We allocate a portion of our profits to fund these contributions, which may include financial donations or in-kind support. By partnering with organizations working on issues such as social justice, environmental conservation, public health, and education, we aim to address pressing needs and contribute to positive change in our community.

In addition to our own contributions, we also engage our customers and the public in supporting charitable causes through donation collection initiatives. We may organize fundraising events, donation drives, or online campaigns to raise awareness and funds for specific organizations or causes. By harnessing the collective power of our community, we amplify our impact and demonstrate our commitment to making a difference.

We encourage and facilitate volunteering among our employees and customers, providing opportunities to give back through hands-on service and engagement. Whether it is participating in community clean-up efforts, volunteering at local shelters, or organizing educational workshops, we believe in the power of collective action to create positive change. Through our volunteering initiatives, we contribute to the well-being of our community and foster a culture of empathy, compassion, and social responsibility among our stakeholders.

## Community Benefit and Investment Plan

### Local Jobs and Wages

#### Local Employment

The company is committed to hiring at least fifty percent (50%) of its employees from the local community because doing so benefits the business and is crucial for community and local economic development. Local employees possess an intimate understanding of the community's culture, values, and needs, enabling them to serve customers effectively and contribute to customer satisfaction. This localized knowledge fosters stronger customer relationships, heightened loyalty, and positive word-of-mouth referrals, all of which are essential for business growth and sustainability.

If 50% of a retail business's employees are local, likely, the percentage of hours local employees perform annually would be roughly the same. This assumes that the distribution of work hours is proportional to the number of employees. Therefore, local employees would perform approximately 50% of the total hours worked annually by all employees. This assumes there are no significant differences in the number of hours worked between local and non-local employees (e.g., part-time versus full-time or shifts). If such differences exist, the percentage could vary slightly.

Hiring locally results in lower turnover rates, reduced hiring costs, and greater operational continuity, thus supporting the stability and growth of the company. By providing job opportunities and income for residents, hiring from the community bolsters the local economy, stimulating increased spending power, higher property values, and overall economic prosperity. The sight of local businesses employing community members fosters a sense of pride and ownership, strengthening the community's bond with the company and enhancing social cohesion.

The company will use various strategies to recruit local employees, adapting its approach based on changing needs and circumstances. Recognizing that a dynamic hiring landscape requires flexibility and responsiveness, we will continuously evaluate and adjust our recruitment methods to ensure we effectively tap into the local talent pool and meet our workforce requirements.

One primary strategy is participating in local job fairs and recruitment events. We will host or take part in these events regularly, allowing us to engage directly with job seekers in the community. However, we understand that the effectiveness of these events can vary based on economic conditions and seasonal employment trends. During times of high unemployment, we may increase our presence at these events, offering immediate hiring opportunities and on-the-spot interviews. Conversely, in periods of low unemployment, we might shift our focus to more targeted recruitment efforts, such as specialized career fairs or industry-specific events, to attract candidates with the necessary skills and experience.

Local advertising will be another cornerstone of our recruitment strategy. We can reach a broad audience by leveraging community bulletin boards, local newspapers, radio stations, and TV channels. However, we will remain agile in our approach, increasing our advertising efforts in media that demonstrate the highest return on investment. For instance, if we find that local radio ads generate more applications than newspaper ads, we will allocate more resources to radio campaigns. Additionally, we will monitor changes in media consumption habits within the community and adjust our advertising platforms accordingly.

## Community Benefit and Investment Plan

Online platforms and social media will also play a crucial role in our recruitment efforts. We will utilize local job boards and community-specific sites to post job openings and run targeted social media campaigns. The digital landscape is ever-evolving, and we will stay updated on the latest trends and technologies to ensure our online presence remains effective. For example, if a new social media platform becomes popular in the community, we will quickly establish a presence there to reach potential candidates. We will also use data analytics to track the performance of our online recruitment efforts, allowing us to refine our strategies in real-time.

Building partnerships with educational institutions such as community colleges and universities will help us create a pipeline of local talent. We will develop internship programs and job training opportunities in collaboration with these institutions. However, we will remain adaptable, expanding our efforts to include vocational schools or specialized training centers if we identify a need for specific skill sets within our workforce. We will also adjust the focus of our programs based on feedback from educational institutions and changes in industry demands.

Our employee referral program will incentivize current employees to recommend local candidates, fostering a sense of community and ownership within our workforce. We will continuously evaluate the success of this program, adjusting referral bonuses and recognition schemes to maintain high levels of participation and effectiveness.

Engaging with local organizations, such as nonprofits, community groups, and veteran organizations, will further enhance our recruitment efforts. We will tailor our partnerships to align with the specific needs of the community and our business. For example, if there is a significant influx of veterans in the area, we will strengthen our collaboration with veteran organizations to attract and support these candidates.

To attract and retain local talent, we will emphasize competitive benefits and a positive work environment. We will regularly review our benefits packages and workplace culture initiatives to ensure they remain appealing and relevant to local employees. This includes offering flexible schedules, opportunities for advancement, and initiatives that promote diversity, equity, and inclusion.

Maintaining visibility in the community through active participation in events, sponsorships, and volunteer activities will help us build a strong local presence. We will continuously assess the impact of these efforts and adjust our community engagement strategies to maximize their effectiveness.

Finally, we will establish feedback mechanisms to gather insights from job applicants and community members about our hiring process. By actively seeking and responding to this feedback, we can make informed adjustments to our recruitment strategies, ensuring they remain effective and aligned with the community's needs.

### Wages

The company will employ approximately twelve (12) people to provide retail services on the premises or via delivery, ensuring a robust workforce capable of meeting the needs of our customers. We are committed to offering competitive wages, starting most employees at \$21 per hour. This rate matches the average income reported in the city by the US Census for 2022, reflecting our dedication to fair compensation and economic parity within the community.

Paying a competitive wage for staff at a retail store is essential. It helps attract and retain high-quality employees who are motivated and committed to delivering excellent customer service. Competitive wages ensure that



## Community Benefit and Investment Plan

employees feel valued and fairly compensated for their work, which enhances their job satisfaction and loyalty to the company. This reduces turnover rates and the associated costs of recruiting and training new staff.

Well-paid employees are more likely to be engaged and productive, contributing to a positive and efficient work environment. Offering competitive wages also helps to build a positive reputation for the store within the community, attracting customers who appreciate businesses that treat their workers well. Additionally, it supports the community's economic well-being by providing workers with the financial stability to support themselves and their families. Paying a competitive wage is a strategic investment that benefits the community, employees, and the business, leading to a more stable, productive, and positive retail operation.

### Direct Fee

Until voters approve a local tax on commercial cannabis businesses or the City Council makes other arrangements, the company will pay a direct fee of nine percent (9%) of gross revenue to the city. This fee is an essential component of the businesses' commitment to supporting the city's financial health and ensuring that the community benefits directly from the business' presence. The revenue generated from this fee can be allocated towards various public services and infrastructure projects, such as improving local schools, maintaining public parks, enhancing public safety, and funding community health initiatives. By contributing 9% of its revenue directly to the city, the retailer complies with local expectations and demonstrates a strong commitment to corporate social responsibility. This financial support helps foster a positive relationship between the business and the community, promoting a sense of partnership and shared growth. Furthermore, the transparency and accountability associated with this direct fee ensure that the benefits of the cannabis industry are felt throughout the municipality, ultimately enhancing the quality of life for its residents.

PROPOSED SITE PLAN

1.

- a) 9855 Prospect Ave Suite C Santee, Ca 92071
- b) See attachment: A001 Building Info, A002 Keynotes



- c) Photograph above
- d) (R) RETAIL & (M) MERCANTILE
- e) Tile and Flooring Retail and Insurance Company offices

2.

- a) See attachment: A002
- b) See attachment: A001 "Project Description"
- c) See attachment: A006, A007, A008, A009, T000

3. All modifications and Improvements of the Proposed Project will not in any form impact the health, safety, welfare, environmental quality of life in the surrounding area. All improvements will be made up to building code with City Building Department approval.

Section G Additions: Existing Site and Improvement Narratives

Section G(1)(B) (E) Narrative description of the existing site, including building(s), parking spaces, driveways, pedestrian sidewalks/rights-of-way

***Project Description for 9855 Prospect Avenue, Santee, CA***

***The property at 9855 Prospect Avenue is a 6,495-square-foot, freestanding, two-story commercial building. The ground floor comprises two suites:***

- ***Front Suite: Currently occupied by East County Tile & Marble, a tile retail store. (Not in project scope)***
- ***Rear Suite: Utilized as a storage area. (Not in project scope)***

***The second floor houses a single, large suite, currently leased by BCIS Insurance Services, a division of World Insurance Associates.***

***The site offers 16 parking spaces, including one ADA-compliant space, ensuring accessibility for all patrons.***

***Proposed Cannabis Retail Facility***

***The proposed cannabis retail facility will occupy a 1,404-square-foot suite strategically positioned between the existing tile retail store and the storage area at the rear. The facility's design includes:***

- ***A modern retail area tailored to provide a welcoming customer experience.***
- ***A secure storage room adhering to all regulatory standards.***
- ***A compliant restroom facility.***

Section G(2)(B) A narrative description of proposed site improvements, including façade rehabilitation, building expansion, parking, landscaping, fencing, or other exterior site improvements

***Planned Property Enhancements***

***To elevate the property's aesthetic appeal and functionality, the following exterior upgrades are planned:***

- ***Fresh Paint: Applying a contemporary color scheme to enhance visual appeal.***
- ***Updated Signage: Installing new signage that aligns with community standards and effectively communicates the nature of the business.***
- ***Enhanced Lighting: Upgrading exterior lighting to improve safety and visibility, while ensuring compliance with local zoning requirements.***

***Operational Compliance and Community Integration***

***The facility's operations will strictly adhere to all applicable state and local cannabis regulations, incorporating:***

- ***Robust Security Measures: Implementing advanced security systems to ensure the safety of customers and neighboring businesses.***
- ***Odor Control Systems: Utilizing state-of-the-art technology to prevent any impact on adjacent properties.***
- ***Community Engagement Policies: Establish protocols to maintain open communication with local stakeholders and address any concerns promptly.***

***With its strategic location and thoughtful design, the proposed facility aims to be a professional and compliant addition to the Santee community, contributing positively through job creation and tax revenue.***



9855 PROSPECT AVE SUITE C  
SANTEE, CA 92071

HELEO ARCHITECTURE AND DESIGN





BUILDING INFO:

**PROPOSED OCCUPANCY:**  
(M) MERCANTILE,  
(B) BUSINESS

**CONSTRUCTION TYPE:**  
TYPE VA

**SPRINKLER SYSTEM:**  
NONE

**STORIES**  
1 (EXISTING)

PROPOSED RENTABLE BUILDING AREAS:

ROOM NAME	AREA (SQUARE FEET)
DISPENSARY	848 SF
EMPLOYEE ACCESS AREA	78 SF
PRODUCT STORAGE	367 SF
RESTROOM	50 SF
Grand total: 4	1343 SF

PARKING CALCULATIONS:

USE	UNIT COUNT	SF	PARKING FACTOR	SPACES REQ.
RETAIL	1,404	SF	1 PER 200	7
TOTAL PARKING PROVIDED: 16				
ADA SPACES: 1 ( STANDARD ) 1 (VAN ACCESSIBLE)				

PROJECT DESCRIPTION:

**PROJECT DESCRIPTION:**  
SEEKING A BUSINESS LICENSE FOR A RETAIL DISPENSARY AT 9855 PROSPECT AVE., SANTEE, CA 92071.  
PROJECT PROPOSAL INCLUDES CONVERSION OF AN EXISTING 1,404 SF COMMERCIAL SUITE TO CANNABIS RETAIL.  
FACADE REMODEL ; GUT AND REMODEL OF INTERIOR.

LAND USE REQUIREMENTS:

**PROJECT ADDRESS:**  
9855 PROSPECT AVE., SANTEE, CA 92071

**A.P.N.:**  
384-190-73-00

**ZONING:**  
PCD/C-3A "PLANNED COMMUNITY DEVELOPMENT/REGIONAL OR COMMERCIAL SHOPPING CENTER"

**EXISTING USE:**  
RETAIL / DISPENSARY

**EXISTING BUILDING AREA**  
+/- 1,404 SF

**PROPOSED USE:**  
RETAIL / DISPENSARY

**LOT SIZE:**  
+/- 13,819 SF

**HEIGHT LIMIT:**  
NOT APPLICABLE

**EASEMENT:**  
NOT APPLICABLE

PROJECT TEAM:

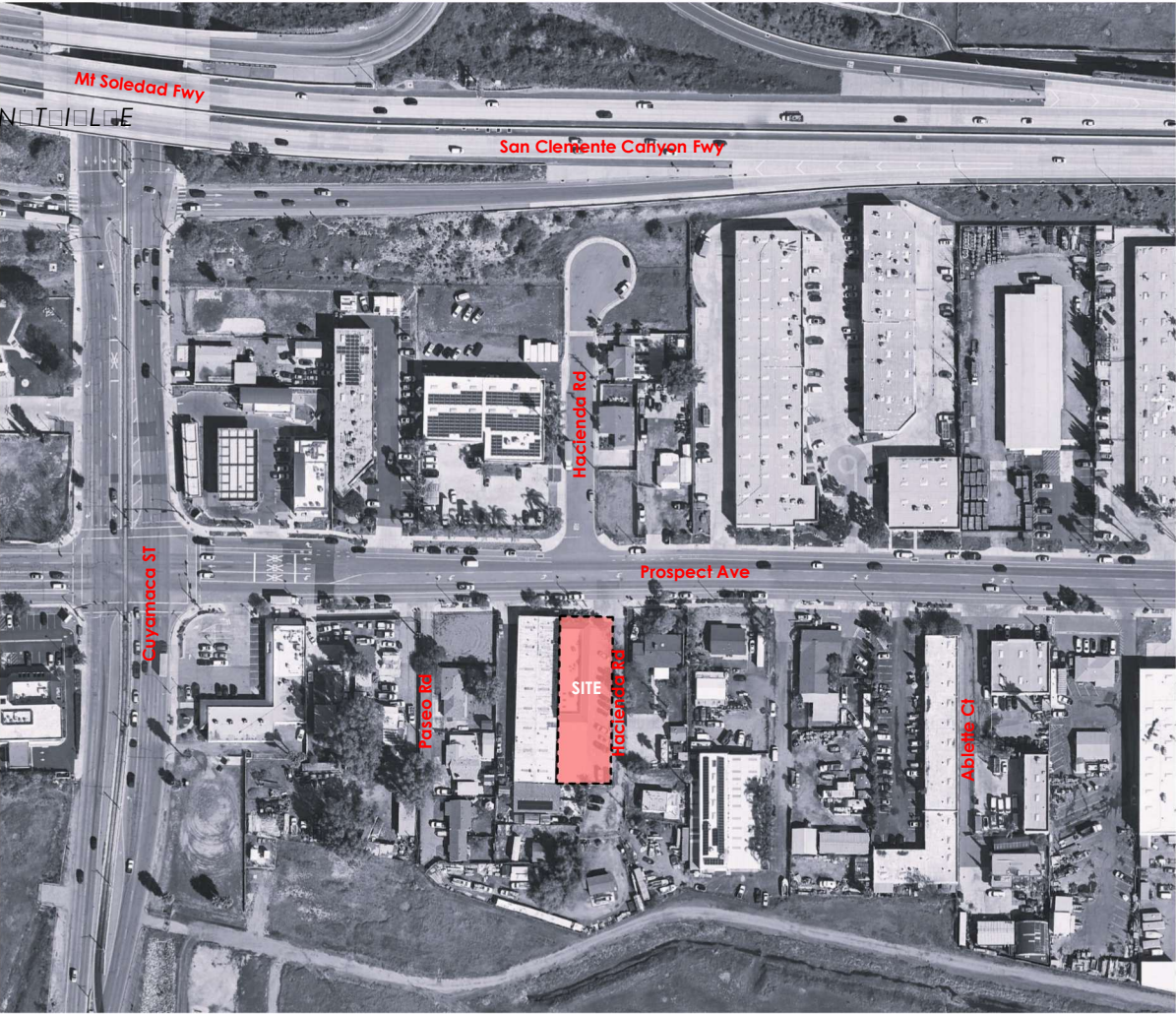
**APPLICANT:**  
SIESTA LIFE SANTEE LLC  
ATTN. BERTIN PORCAYO  
1913 VIA ENCANTADORAS  
SAN DIEGO CA 92173

**ARCHITECT:**  
HELEO ARCHITECTURE AND DESIGN  
1420 KETTNER BLVD. SUITE 100  
SAN DIEGO CA 92101  
(619) 393-6635  
CONTACT: CARLOS E. HERNANDEZ

INDEX:

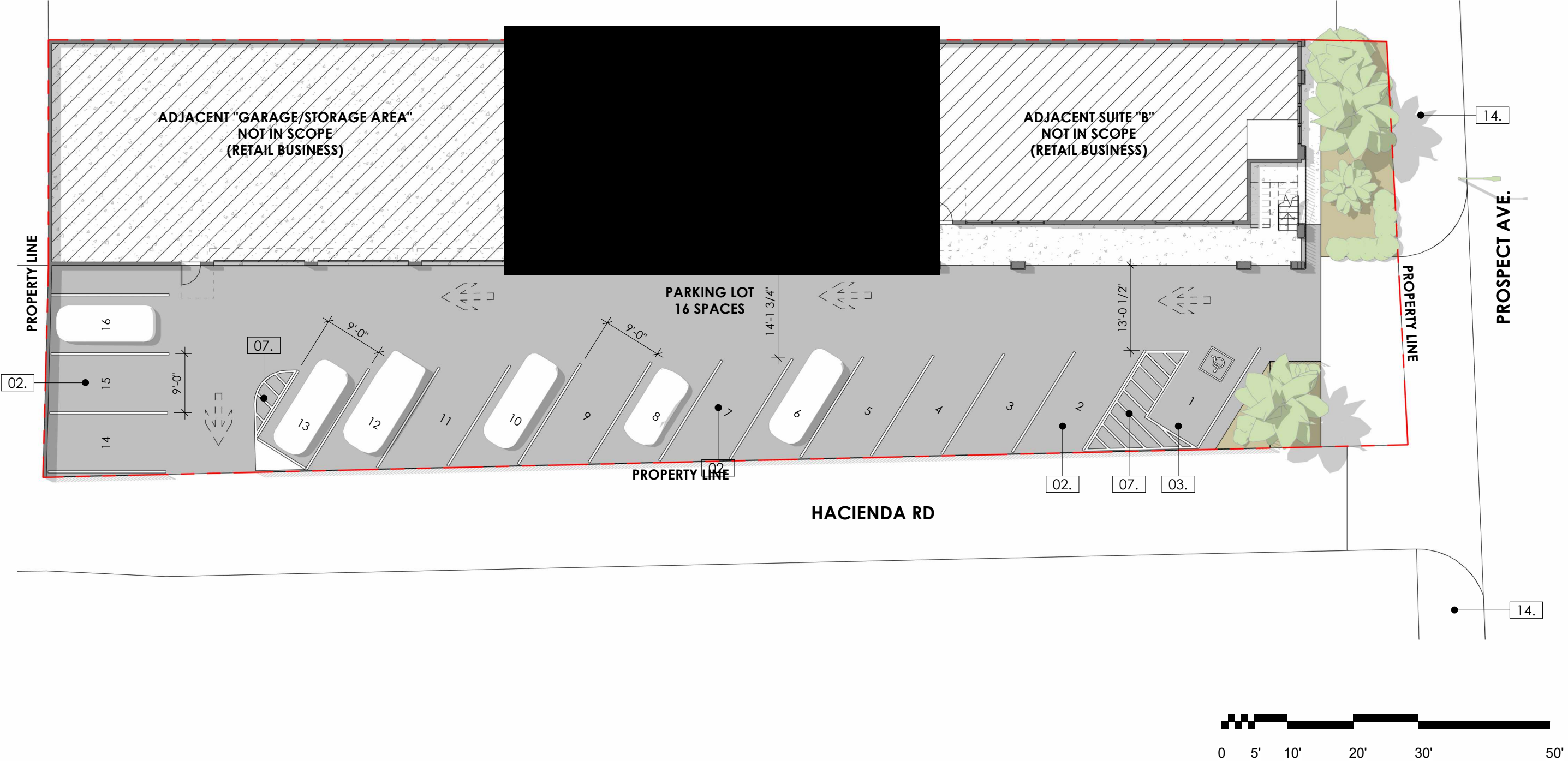
T000	TITLE SHEET
A001	PROJECT INFO
A002	SITE PLAN
A003	PROPOSED FLOOR PLAN
A004	SECURITY FLOOR PLAN
A005	FIRE FLOOR PLAN
A006	STREET VIEW 1
A007	STREET VIEW 2
A008	BIRD EYE VIEW
A009	STOREFRONT EXTERIOR 1
A010	RETAIL - INTERIOR 1
A011	RETAIL - INTERIOR 2

VICINITY MAP:

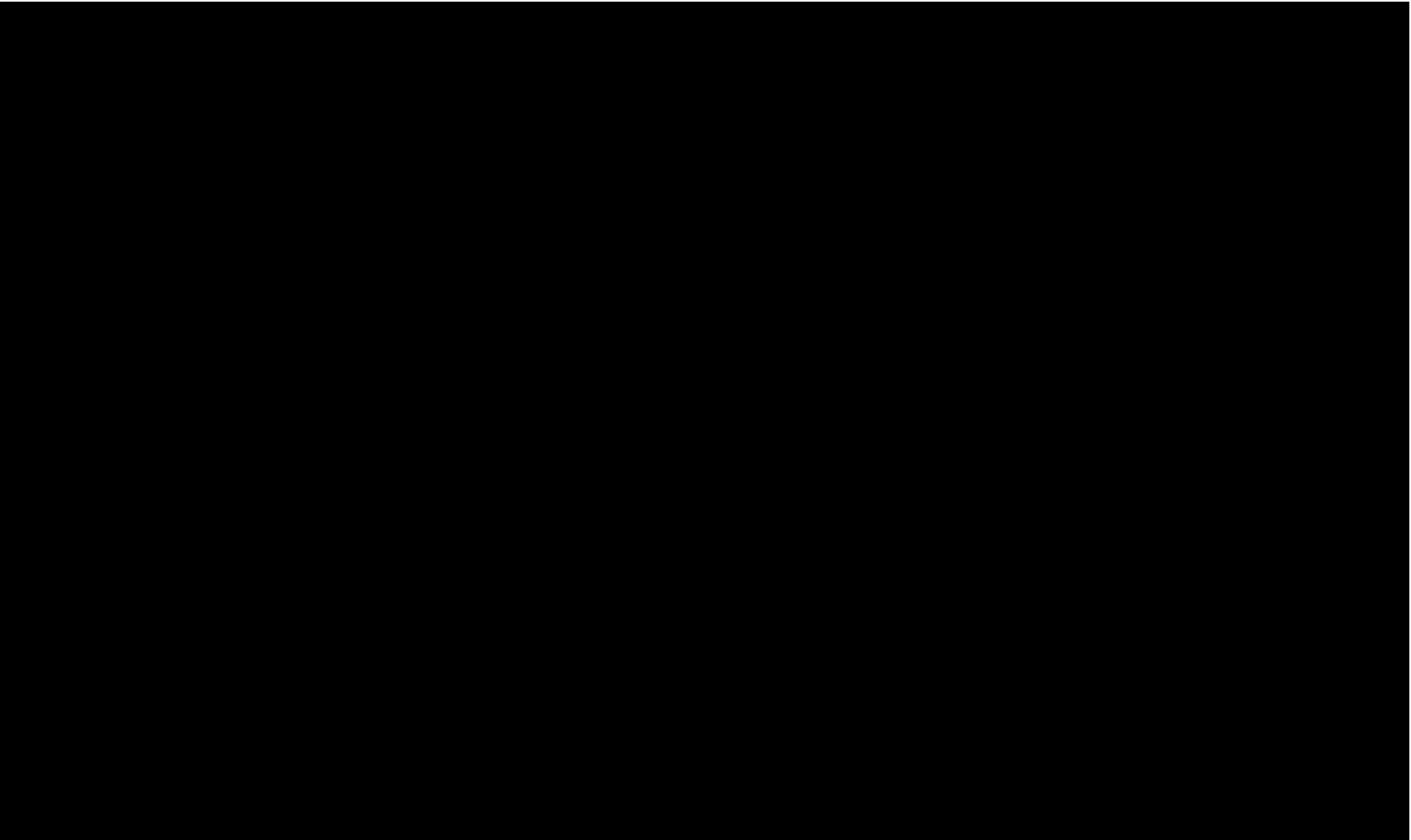


KEYNOTES





02.	(P) PARKING STALLS (TYP.)
03.	(P) ACCESSIBLE PARKING
07.	(P) ACCESSIBLE PATH OF TRAVEL (TYP.)
14.	(P) SIDEWALK, CURB, & GUTTER (TYP.)
29.	DELIVERY ACCESS
36.	(P) CUSTOMER ENTRANCE

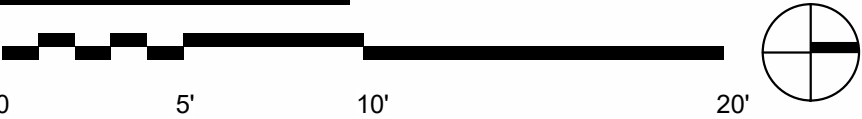






KEYNOTES	
29.	DELIVERY ACCESS
36.	(P) CUSTOMER ENTRANCE
41.	FLOATING DISPLAY
44.	POINT OF SALE
47.	(ADA) RESTROOM
51.	BACK PRODUCT DISPLAY
92.	(P) ELECTRICAL PANEL

LEGEND	
	WALLS TO BE DEMOLISHED
	EXISTING WALLS
	NEW WALLS
	STOREFRONT GLAZING







HELEO ARCHITECTURE+DESIGN







**CITY OF SANTEE**  
**COMMERCIAL CANNABIS BUSINESS PERMIT APPLICATION**  
**(RETAIL APPLICATIONS)**  
**FINANCIAL RESPONSIBILITY, INDEMNITY AND**  
**CONSENT TO INSPECTION TERMS**  
**(Must be completed by all owners)**

**Dated:** OCTOBER 15, 2024

I hereby agree to the following terms:

1. I herewith pay the sum of \$25,711 for the application fee for the review and processing of an application for commercial cannabis business permit.
2. The entire fee amount paid to the City of Santee ("City") is non-refundable. There is no guarantee - expressed or implied - that by submitting the application or paying the application fee that I will obtain a permit to operate a commercial cannabis business.
3. All costs incurred by the City in processing said application, including staff time, attorney's fees, Consultant's fees and overhead, shall be funded from the fees paid. This is a personal obligation and shall not be affected by sale or transfer of the property subject to the application, changes in business organization, or any other reason.
4. I acknowledge and agree to the defense, waiver, and indemnification obligations stated in the attached "Agreement on Limitations of City's Liability, and Certifications, Assurances Warranties and Indemnification to City", incorporated herein by reference.
5. The City will promptly notify the Applicant(s) and Owner(s) of any claim, action, or proceeding that is or may be subject to this Agreement on Limitations of City's Liability, and Certifications, Assurances Warranties, and Indemnification to City. The City may, within its unlimited and sole discretion, participate in the defense of any such claim, action, or proceeding.
6. I will fund a deposit account ("Fund") to reimburse the City's cost, including attorney's fees, to defend any claim, action, or proceeding that is or may be subject to the Agreement on Limitations of City's Liability, and Certifications, Assurances Warranties, and Indemnification to City. In the event that any such claim, action, or proceeding is filed against the City, I shall within 30 days of the filing, deposit an initial sum of \$20,000 to the Fund to reimburse the appropriate portion of the City defense costs, as determined by the City in its sole discretion. The Fund shall contain an amount necessary to cover three months' worth of budgeted expenditures by the City relating to the City's defense of the claim, action, or proceeding, including all time to appeal, or as long as expenditures made by the City relating to its defense remain unreimbursed, whichever is later. Once all remaining

Agreement of Limitations of City's Liability, and Certifications, Assurances, Warranties, and Indemnification to City



and outstanding reimbursements have been paid to the City by me, City shall return any remaining unused portion of the deposit.

7. The City shall have the sole and absolute right to approve any and all counsel employed to defend the City. To the extent the City uses any of its resources to respond to such claim, action or proceeding, or to assist the defense, I will reimburse the City for those costs. Such resources include, but are not limited to, staff time, court costs, City Attorney's time, or any other direct or indirect cost associated with responding to, or assisting in defense of, the claim, action, or proceedings.
8. I consent and expressly allow, authorize, and permit the City, all its departments, agents, and employees, to enter upon and inspect the subject property identified in the application, with or without prior notice, for the purposes of processing this application or inspection or photographing for compliance with all laws, regulations, and conditions placed on land use approvals or the cannabis business permit. No additional permission or consent to enter upon the property is necessary or shall be required. By signing this agreement, I further certify and warrant I am authorized to, and hereby do, consent, and allow such inspections on behalf of each and all Owners of the property and Applicants.
9. I understand that all materials submitted in connection with the application are public records that the City may in accordance with applicable law determine are subject to inspection and copying by members of the public. By filing an application, I agree that the public may, if the City determines the law requires it, inspect and copy these materials and the information contained therein, and that some or all of the materials may be posted on the City's website. For any materials that may be subject to copyright protection, or which may be subject to Sections 5500.1 and 5536.4 of the California Business and Professions Code, by submitting such materials to the City I represent that I have the authority to grant, and hereby grant, the City permission to make the materials available to the public for inspection and copying, whether in hardcopy or electronic format.
10. This Agreement shall constitute a separate agreement from any cannabis business permit approval, and that if the cannabis business permit, in part or in whole, is revoked, invalidated, rendered null or set aside by a court of competent jurisdiction, I agree to be bound by the terms of this Agreement, which shall survive such invalidation, nullification or setting aside.
11. This Agreement shall be construed and enforced in accordance with the laws of the State of California and in any legal action or other proceeding brought by either party to enforce or interpret this Agreement; the appropriate venue is the San Diego County Superior Court.

After review and consideration of all of the foregoing terms and conditions, I agree to be bound by and to fully and timely comply with all of the foregoing terms and conditions, and the attached "Agreement on Limitations of City's Liability, and Certifications, Assurances Warranties and Indemnification to City".

Agreement of Limitations of City's Liability, and Certifications, Assurances, Warranties, and Indemnification to City

**Applicant(s)/Owner(s):**

Bertin Porcayo

Printed Name

*Bertin Porcayo*

Signature

Movocan / Angel Fernandez

Printed Name

Signature

Printed Name

Signature

Printed Name

Signature

Printed Name

Signature

# **Agreement on Limitations of City's Liability, and Certifications, Assurances, Warranties, and Indemnification to City**

**(Must be completed by all owners)**

## **A. WAIVER, RELEASE AND HOLD HARMLESS**

I hereby waive, release, and hold harmless the City of Santee ("City") and its City Council, boards and commissions, officers, officials, employees, and agents from any and all actual and alleged claims, losses, damages, injuries, liabilities, costs (including attorney's fees), suits or other expenses which arise out of, or which are in any way relate to the application for a cannabis business permit, the issuance of the cannabis business permit, the process used by the City in making its decision, the enforcement of the conditions of the cannabis business permit, or the cannabis business' operations.

I hereby waive, release and hold harmless the City and its City Council, boards and commissions, officers, officials, employees, and agents from any and all actual and alleged claims, losses, damages, injuries, liabilities, costs (including attorney's fees), suits or other expenses which arise out of, or which are in any way relate to: (1) any repeal or amendment of any provision of the Santee Municipal Code or Zoning Ordinance relating to commercial cannabis activity; or (2) any investigation, arrest or prosecution of me, or the cannabis business' owners, operators, employees, clients or customers, for a violation of state or federal laws, rules or regulations relating to cannabis activities.

## **B. AGREEMENT TO INDEMNIFY**

I shall defend, indemnify, and hold harmless the City and its City Council, boards and commissions, officers, officials, employees, and agents from and against any and all actual and alleged liabilities, demands, claims, losses, damages, injuries, actions or proceedings and costs and expenses incidental thereto (including costs of defense, settlement and attorney's fees), which arise out of, or which are in any way related to i) the requested cannabis business permit and any land use entitlement related thereto, ii) the proceedings undertaken in connection with the approval, denial, or appeal of the requested cannabis business permit and any land use entitlement related thereto, iii) any subsequent approvals or licensing/permits relating to the requested cannabis business permit and any land use entitlement related thereto, iv) the processing of the requested cannabis business permit and any land use entitlement related thereto, v) any amendments to the approvals for the requested cannabis business permit and any land use entitlement related thereto, vi) the City's approval, consideration, analysis, review, issuance, denial or appeal of the cannabis business permit; vii) the City's approval, consideration, analysis, review, issuance, denial or appeal of any land use entitlement related thereto, viii) the City's drafting, adoption and passage of an ordinance, and related resolutions, policies, rules and regulations, allowing for cannabis businesses, ix) the City's drafting, adoption and passage of an ordinance, and related resolutions if necessary in the future regarding any zoning law amendment(s) related to the cannabis business, x) the operation of the cannabis business or activity, xi) the process used by the City in making its decision to approve, consider, analyze, review, issue, or deny, the cannabis business permit or any related land use entitlement, or the appeal of either, xii) City's compliance or failure to comply with applicable laws and regulations or xiii) the alleged violation of any federal, state or

Agreement of Limitations of City's Liability, and Certifications, Assurances, Warranties, and Indemnification to City

local laws by the cannabis business or any of its officers, employees or agents, except where such liability is caused by the sole negligence or willful misconduct of the City.

City may (but is not obligated to) defend such challenge as City, in its sole discretion, determines appropriate, all at applicant's sole cost and expense. I shall bear any and all losses, damages, injuries, liabilities, costs, and expenses (including, without limitation, staff time and in-house attorney's fees on a fully-loaded basis, attorney's fees for outside legal counsel, expert witness fees, court costs, and other litigation expenses) arising out of or related to any challenge ("Costs"), whether incurred by me, City, or awarded to any third party, and shall pay to the City upon demand any Costs incurred by the City.

**C. OBLIGATIONS INDEPENDENT OF AWARD OF PERMIT, LICENSE, OR ENTITLEMENTS**

The obligations under this Agreement shall apply regardless of whether a cannabis business permit or any related permits or entitlements are issued.

**D. OBLIGATIONS SURVIVE EXPIRATION OF PERMIT, LICENSE, OR ENTITLEMENTS**

The obligations under this Agreement shall survive the expiration of any cannabis business permit or related permit or entitlement issued by the City. No modification of the permit, other approval, change in applicable laws and regulations, or change in processing methods shall alter the applicant's indemnity obligation.

**E. PROSECUTION UNDER FEDERAL LAW**

I understand that I, other applicants, owners, operators, employees, and members of the cannabis business may be subject to prosecution under Federal Laws.

## F. AUTHORIZED TO SIGN

The person(s) whose signature appears below is/(are) authorized to sign this Agreement on behalf of the business, applicant/permittee, and operators, and each of them, if more than one, has submitted this information and all attachments as required by the application process to obtain a cannabis permit from the City of Santee.

I declare under penalty of perjury that the information provided on this form is true and correct and do hereby apply for a permit pursuant to City of Santee Municipal Code, Chapter 7.04, and all other applicable sections of the Municipal Code.

*Bertin Porcayo*

Bertin Porcayo CEO

Applicant Signature

Printed Name and Title

Siesta Life Santee LLC

9855 Prospect Ave Suite C Santee, Ca 92017

Name of Business Entity

Address of Permitted Location

10-15-24

Date

Applicant Signature

Printed Name and Title

Name of Business Entity

Address of Permitted Location

Date

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of ~~California~~ Pennsylvania  
County of Schuylkill

Subscribed and sworn to (or affirmed) before me on this 18th day of October, 2024, by Bertin Porcayo, proved to me on the basis of satisfactory evidence to be the person(s) who appeared before me.

Signature Jimmy J Castillo 1358435 06/02/2027  
Notary Public

(Seal)

Commonwealth of Pennsylvania - Notary Seal  
Jimmy J Castillo, Notary Public  
Schuylkill County  
My commission expires June 2, 2027  
Commission Number 1358435

Agreement of Limitations of City's Liability, and Certifications, Assurances, Warranties, and Indemnification to City



## City of Santee

10601 Magnolia Ave  
Santee, CA 92071  
Email: cannabisinfo@cityofsanteeca.gov

### PROPERTY OWNER CONSENT/LANDLORD AFFIDAVIT

**Property Owner Consent/Landlord Affidavit is required for all Applications. If the business owner is the same person/entity as the property owner, the business owner must complete, sign and notarize the Property Owner Consent/Landlord Affidavit form. If the property is owned by an entity, the entity owner must complete, sign, and notarize the Property Owner Consent/Landlord Affidavit.**

☒ I certify that I am/we are the record owner(s) of the property at:

9855 Prospect Ave Suite C Santee, Ca 92071

Street 384-190-73-00 City State Zip

Accessor Parcel Number (APN)

and that the information filed is true and correct to the best of my (our) knowledge. I/We, as the owner(s) of the subject property, consent to the filing of this application and use of the property for the purposes described herein. I/We further consent and hereby authorize City representative(s) to enter upon my property for the purpose of examining and inspecting the property in preparation of any reports and/or required environmental review for the processing of the application(s) being filed.

### BY MY SIGNATURE BELOW, I CERTIFY TO EACH OF THE FOLLOWING:

☒ I am the property owner or am authorized to act on the property owner's behalf, and the information I have provided above is correct. I acknowledge that I have read and understand the information contained herein.

Siesta Life Santee LLC

☒ I acknowledge that the proposed commercial cannabis business \_\_\_\_\_  
Tenant (Corporation/LLC/Partnership/Sole Owner)  
has the legal right to occupy the property, and consent to the business conducting the following commercial cannabis activity at the Property:

- ☒ Retail (Storefront)  
☐ Retail (Storefront with Deliver)  
☐ Microbusiness (with Retail)

☒ I agree to comply with all applicable City Ordinances and State Laws.

SIGNATURE OF PROPERTY OWNER(S):

Mark Hunter

PRINTED NAME OF PROPERTY OWNER(S)

SIGNATURE OF PROPERTY OWNER(S)

PRINTED NAME OF PROPERTY OWNER(S)

SIGNATURE OF PROPERTY OWNER(S)

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document, to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

Subscribed and sworn to before me this \_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, proved to me on the basis of satisfactory evidence to be the person(s) who appeared before me \_\_\_\_\_.

**\*NOTARIZATION REQUIRED.** This authorization form will not be valid without notarization. The authorization contained in this form automatically expires upon sale or transfer of title to the Property. If sale or transfer of the Property occurs prior to obtaining a business license, the applicant must resubmit this notarized form with approval of the new legal owner(s) of the Property as well as pay any applicable fees. Property Owner authorization must be signed by all Property Owners of the property identified in the Application. Attach additional pages if necessary.



**CALIFORNIA ACKNOWLEDGMENT**

**CIVIL CODE § 1189**

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California

County of San Diego }

On October 1st 2024 before me, Elena Healy, Notary Public  
Date Here Insert Name and Title of the Officer

personally appeared Mark Hunter  
Name(s) of Signer(s)

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.



I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature [Signature]  
Signature of Notary Public

Place Notary Seal and/or Stamp Above

**OPTIONAL**

Completing this information can deter alteration of the document or fraudulent reattachment of this form to an unintended document.

**Description of Attached Document**

Title or Type of Document: \_\_\_\_\_

Document Date: \_\_\_\_\_ Number of Pages: \_\_\_\_\_

Signer(s) Other Than Named Above: \_\_\_\_\_

**Capacity(ies) Claimed by Signer(s)**

Signer's Name: \_\_\_\_\_

☐ Corporate Officer – Title(s): \_\_\_\_\_

☐ Partner – ☐ Limited ☐ General

☐ Individual ☐ Attorney in Fact

☐ Trustee ☐ Guardian or Conservator

☐ Other: \_\_\_\_\_

Signer is Representing: \_\_\_\_\_

Signer's Name: \_\_\_\_\_

☐ Corporate Officer – Title(s): \_\_\_\_\_

☐ Partner – ☐ Limited ☐ General

☐ Individual ☐ Attorney in Fact

☐ Trustee ☐ Guardian or Conservator

☐ Other: \_\_\_\_\_

Signer is Representing: \_\_\_\_\_



16162 Beach Blvd #100,  
Huntington Beach,  
CA 92647

To Whom It May Concern,

I am writing to confirm that **Siesta Life Santee LLC** is qualified to purchase commercial insurance options for the cannabis industry through American Tri-Star Insurance Services.

We have reviewed our qualifications and believe there will be no issues in applying for insurance with our agency to insure the leasing unit.

If you have any questions or need further information, please do not hesitate to reach out.

Thank you for your attention to this matter.

Sincerely,

*John Anthony Gallo*

(619) 919-0325  
Email: [anthony@amtsi.com](mailto:anthony@amtsi.com)  
Contact:  
John Anthony Gallo



# ZONING VERIFICATION LETTER REQUEST FORM (CANNABIS BUSINESS PERMIT)

Date: \_\_\_\_\_

Business Name: \_\_\_\_\_

Name of Applicant: \_\_\_\_\_

Proposed Location:

MAP

Address: \_\_\_\_\_

Accessor Parcel Number (APN): \_\_\_\_\_

Evidence of Legal Parcel : \_\_\_\_\_  
(Attach As Separate Document)

Proposed Land Use: ☐ Retail

☐ Microbusiness with Retail

Zoning Verification Request: \_\_\_\_\_

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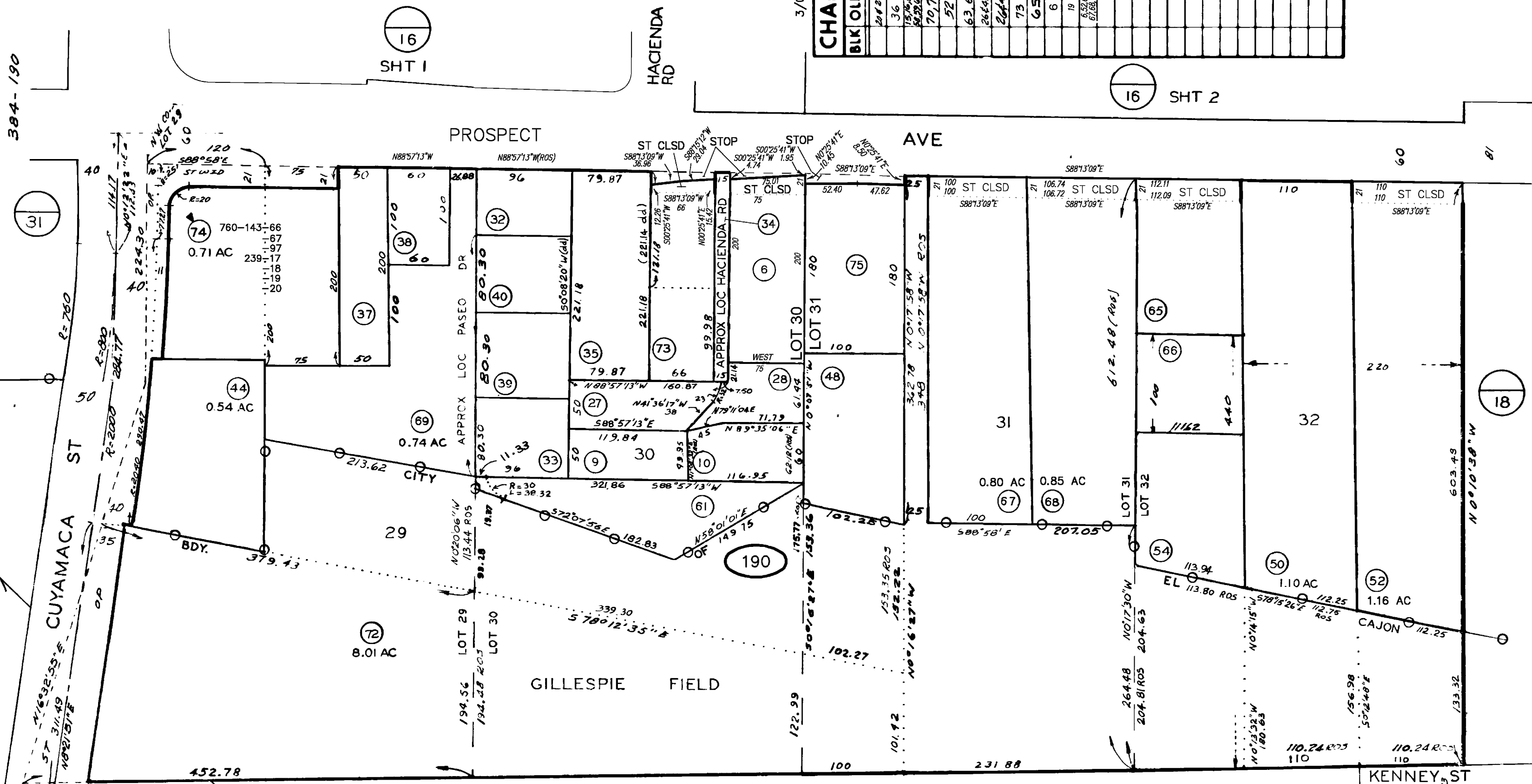
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*Note: The issuance of a ZVL does not constitute written evidence of permission given by the City or any of its officials to operate a cannabis business, nor does it establish a "permit" within the meaning of the Permit Streamlining Act, nor does it create an entitlement under the Zoning or Building Code. Commercial Cannabis Retail Businesses (CCBs) are required to comply with all applicable development standards outlined in Santee Municipal Code. A regulatory permit for a CCB does not constitute a permit that runs with the land once a cannabis business is established.*

[illegible]

THIS MAP WAS PREPARED FOR ASSESSMENT PURPOSES ONLY. NO LIABILITY IS ASSUMED FOR THE ACCURACY OF THE DATA SHOWN. ASSESSOR'S PARCELS MAY NOT COMPLY WITH LOCAL SUBDIVISION OR BUILDING ORDINANCES.

MAP 1231 – STEVENS & HARTLEY'S FREE WATER TRACT  
ROS 4607, 5851, 6403, 9636, 12816, 16309



[◀ Back](#)**Invoice Number: INV-00006723****Invoice Total:** \$267.00**Status:** Paid In Full**Invoice Date:** 10/07/2024**Due Date:** 11/06/2024**Description:** NONE[Primary Fees](#)   [Misc Fees](#)   [Payments](#)   [Attachments](#)   [Contacts](#)**Primary Fees****Sort** Fee Name

Fee Name	Fee Total	Amount Due	Case Number	Case Type	Notes
Cannabis Zoning Verification Letter	\$267.00	\$0.00	ZVL-2024-0018	Plan	

**Results per page** 10 **1 - 1 of 1**   <<   <   1   >   >>