



COMMERCIAL CANNABIS PERMIT

SUBMITTAL REQUIREMENTS (PHASE 2 - NON-RETAIL)

Applicants for Phase 2 Non-Retail Cannabis permits must submit eight (8) complete hard copies of the application package plus one (1) PDF version on CD/DVD or portable drive. All submittals must be labeled on the outside with the applicant's name and the name of the Project. No information submitted by facsimile, courier, or electronic mail will be accepted. Submittals must be hand-delivered by the primary applicant to:

**City of Modesto
Community & Economic Development Department, Planning Division
1010 10th Street, Suite 3100
Modesto, CA 95354**

To enable the City to efficiently evaluate the application, it is important that applicants follow the required format described below. *Applications that do not conform to the prescribed format and content requirements may not be accepted.*

Format of Application Packet

- Each copy of the application packet shall be contained within a three-ring binder. Electronic submittal of the complete application will also be required.
- Site plans, floor plans and similar drawings shall be on full-size 24" x 36" sheets, folded to 8½" x 11". All plans must be professionally drawn, legible, scaled and dimensioned.
- Each component of the application (defined below) shall be separated by a tabbed divider.
- Each copy of the application packet shall include a completed project application and financial interest disclosure forms.
- Include the required application fee deposit of \$10,000 or \$20,000 (refer to fee schedule)

Divider 1: Business Plan

The applicant shall submit a summary of the business plan for day-to-day operations. The business plan summary shall include:

A. Experience

- Describe business, including company or applicant history.
- Describe previous experience in operating non-cannabis businesses.
- Demonstrate knowledge or expertise with respect to the cannabis industry.
- Include information concerning any special business or professional qualifications or licenses of the management team.

B. Management Structure

- Include organizational chart showing all positions in the company by job title, the relationship between the various positions, and the responsibilities association with each position.
- Identify the job title (see the organizational chart) that will be held by each person named in both the Phase 1 application and this application. If a person identified in either of these documents is no longer associated with this business, please clearly indicate that.

C. Recordkeeping and Tracking

- Indicate by name and job title the person or persons who will be responsible for recordkeeping and have access to State-mandated secure recordkeeping area. Contact information for each person must also be provided.
- Describe system for tracking purchases and sales, products and services to be offered. Must demonstrate compliance with State law.
- Describe video recording retention policy. Must demonstrate compliance with State law.

D. Financial Disclosures

- Describe the amount and source of the organization's equity and debt commitment to ensure financial stability, including a demonstration of the immediate and long-term financial health and resources for the design, development, and operation of the business.
- Include a single-year pro forma for operations, including a discussion of the business assumptions used to develop the estimates. Example assumption line items include revenue, customer volume, product costs, packaging and labeling costs, compensation of employees (pay and benefits separate), equipment costs, utility costs, testing costs, and other operation and maintenance costs.
- Include certificate of commercial general liability insurance and endorsements and certificates of all other insurance related to the operation of the business.

E. Business Operations

- The application shall describe the extent to which the business will follow heightened pay and benefits standards and practices. Specific practices that are subject to consideration include providing compensation to and opportunities for continuing education and training of employees/staff (applications should provide proof of the cannabis business policy and

regulations to employees). The application shall identify the extent to which the cannabis business will be a locally managed enterprise whose owners reside within Modesto and Stanislaus County.

- Describe best practices for day-to-day operations of the business and/or services being sold, and staffing, including a description of the cannabis-related products, as well as any additional services or related facilities.
- Describe the inventory control system to satisfy the requirements of the Medicinal and Adult-Use Cannabis Regulation and Safety Act (“MAUCRSA”) and any subsequent legislation.
- Include a plan for handling cash.
- Include a plan for transporting products to and from the business.
- Include a training plan including providing educational materials to the staff of the proposed business.
- Describe cannabis waste disposal plan, including the procedure for communicating with local and state authorities regarding the destruction and disposal of cannabis. Include the name, title, and contact information of the liaison and demonstrate compliance with State law.

F. Community Relations Strategy

- Describe how the cannabis business, including its private, semi-private, and surrounding public areas, will be proactively managed to avoid becoming a nuisance or having negative impacts on its neighbors and the surrounding community.
- Identify the community liaison by name, job title and contact information. This person will be responsible for community outreach, including the neighborhood and nearby businesses.
- Describe any neighborhood outreach / enhancement activities proposed to address safety and quality of life issues.

Divider 2: Security Plan

The Security Plan must address ingress and egress access, perimeter security, 24-hour product security, area-specific internal security measures for access control, types of security systems (alarms, cameras, etc.), and security personnel to be employed. Also include a description of how cannabis will be tracked and monitored to prevent diversion. None of the products or activities that occur inside the building shall be visible from the public right of way, from the unsecured areas around the building, or from the unsecured areas inside the building.

The application shall include an integrated operational security plan pursuant to Municipal Code Section 10-3.706, including safety and training procedures for employees and safe intake and storage of cannabis products and currency. The security plan shall be evaluated by prepared by a licensed security professional, whose evaluation shall be included in the security plan. The security plan shall include:

- Describe security measures for the business, reflecting what is illustrated on the site/floor plan. This includes, but is not limited to general security policies, employee-specific policies, training, sample written policies, transactional security, third party contractor security, and delivery security, as well as ingress and egress, perimeter security, internal security measures for access by area, and security personnel to be employed.

- Describe procedures related to handling of cannabis, cannabis products and currency, including transport procedures. These should be consistent with the information described in Business Operations. Security procedures must be consistent with State law.

- Include job title, identity, and contact information of liaison to Modesto Police Department.

Most applicants will need to make improvements to the space being leased or purchased in order to comply with State and local regulations. Tenant improvement plans must be submitted to the Building Division prior to any construction work. If the building includes multiple tenants, a floor plan and elevations of the entire building must be submitted, clearly indicating all license and non-license areas.

The application must include a legible, detailed, and scaled site plan and floor plan. The following must be shown:

- Security camera types, capabilities, and locations.
- Location of secure recordkeeping area and related security equipment.
- All safes, vaults, and locked and secured rooms.
- Alarm system and door lock/access control types and locations.
- Locations of panic buttons.
- License areas and non-license areas.
- Means by which products and activities will be concealed from view.

Divider 3: Safety Plan

The application shall include a detailed safety plan, which will show:

- A detailed diagram of the entire facility's safety features.
- A written description of safety features, including, but not limited to fire prevention, suppression, HVAC, and alarm systems.
- An assessment of the facility's fire safety plan by a qualified licensed fire prevention and suppression consultant. An appropriate plan will consider all possible fire, hazardous material, and inhalation issues/threats and will have both written and physical mechanisms in place to deal with each specific situation.

Divider 4: Environmental Plans, As Needed

Additional information, plans, and calculations may be required to support a commercial cannabis application, as deemed necessary by City staff. Program features must be explained in narrative form and clearly labeled on the appropriate plan, if applicable. If calculations are required, all assumptions shall be included.

- Lighting Plan Identify the locations of exterior and interior lighting on the site plan and floor plan.
- Energy Efficiency Include a letter or memorandum from MID or TID documenting that the applicant has contacted the energy provider requesting help identifying opportunities to reduce energy use.
- Odor Control Demonstrate compliance with all current and future local and state laws

regarding odor and ventilation must be demonstrated. Describe how compliance will be achieved and maintained. Plans shall identify the location and type of equipment used for odor control. Specify odor control system and frequency of maintenance.

- Water Supply and Wastewater When deemed necessary by the City Engineer, demonstrate that sufficient water and / or wastewater capacity exists to serve the business.
- Air Quality Demonstrate that appropriate measures will be utilized during construction and operations to prevent emissions of smoke, dust, noxious gases, or other substances that may affect air quality. Plan may need to indicate type and location of equipment used to control emissions. Calculate stationary and/or mobile source emissions to demonstrate compliance with the general plan and/or with San Joaquin Valley Air Pollution Control District rules.
- Greenhouse Gases Calculate stationary and / or mobile source emissions to demonstrate compliance with the general plan and any other relevant planning documents.
- Stormwater Management Plan and Erosion and Sediment Control Plan If deemed necessary by the City Engineer, demonstrate that runoff containing sediment or other waste or byproducts does not drain to the public storm drain system, waterways, or to adjacent land.
- Hazardous Material Plan Include a hazardous materials management plan that complies with all federal, state, and local requirements.