



SAN FRANCISCO PLANNING DEPARTMENT

Executive Summary Conditional Use Authorization

HEARING DATE: MAY 2, 2019

Record No: [2018-015127CUA](#)
Project Address: [4526 Third Street](#)
Zoning: [Neighborhood Commercial, Moderate Scale \(NC-3\) Zoning District](#)
[40-X Height and Bulk District](#)
[Third Street Special Use District](#)
[Third Street Alcohol Restricted Use District](#)
Block/Lot: [5296/020](#)
Project Sponsor: Rodney Hampton Jr.
4526 Third Street
San Francisco, CA 94124
Property Owner: O'Brian Replacement LLC
4153 24th Street
San Francisco, CA 94114
Staff Contact: Michael Christensen – (415) 575-8742
michael.christensen@sfgov.org
Recommendation: **Approval with Conditions**

1650 Mission St.
Suite 400
San Francisco,
CA 94103-2479

Reception:
415.558.6378

Fax:
415.558.6409

Planning
Information:
415.558.6377

PROJECT DESCRIPTION

The Project would establish a Cannabis Retail Use measuring 1,616 square feet at the ground level of an existing two-story mixed-use building. The proposal will involve interior tenant improvements with no expansion of the existing tenant space or building envelope.

REQUIRED COMMISSION ACTION

For the Project to proceed, the Commission must grant a Conditional Use Authorization, pursuant to Planning Code Sections 202.2, 303, and 712, to allow the establishment of a Cannabis Retail use in the NC-3 Zoning District.

ISSUES AND OTHER CONSIDERATIONS

- **Public Comment & Outreach.** The Planning Department has received 111 form letters in support of the application and 39 petition signatures in support of the application. No correspondence in opposition has been received. Additionally, the Bayview Hunters Point Citizens Advisory Committee (CAC) endorsed the project at their February 7th meeting.
- **Planning Section 202.2(a)(5)(B) Compliance.** The subject parcel is not located within a 600-foot radius of a parcel containing an existing private or public school or within a 600-foot radius of a parcel for which a valid permit from the City's Office of Cannabis for a Cannabis Retailer or a

Medicinal Cannabis Retailer has been issued. However, the following sites are identified as potentially sensitive uses:

- 100% College Prep: 1201 Mendell Street, 481.46' from site
- College Track: 4301 Third Street, 569' from site
- Leola M. Havard Early Education School: 1520 Oakdale Avenue, 630.75' from site
- Five Keys Charter School: 1800 Oakdale Avenue, 1001.61' from site
- **On-Site Consumption.** Cannabis may be consumed or smoked on site pursuant to authorization by the Department of Public Health. The project sponsor has proposed a consumption lounge on-site as part of this requested authorization.
- **Equity Program.** The Project Sponsor has been verified by the City's Office of Cannabis as an Equity Applicant. The Planning Department does not receive detail of how a specific equity applicant meets the requirements of the program. However, to qualify as an equity applicant, an individual must:
 - apply as a person, not a company
 - have net assets below established limits for each household (currently 193,500 for a one-person household).
 - be one of the following:
 - the business owner,
 - own at least 40% of the business and be the CEO,
 - own at least 51% of the business,
 - a board member of a non-profit cannabis business where most of the board also qualify as Equity Applicants, or
 - an individual with a membership interest in a cannabis business formed as a cooperative.
 - meet at least three of the following six conditions:
 - have a household income below 80% of the average median income (AMI) in San Francisco for 2018,
 - have been arrested for or convicted of the sale, possession, use, manufacture, or cultivation of cannabis (including as a juvenile) from 1971 to 2016,
 - have a parent, sibling or child who was arrested for or convicted of the sale, possession, use, manufacture, or cultivation of cannabis (including as a juvenile) from 1971 to 2016,
 - lost housing in San Francisco after 1995 through eviction, foreclosure or subsidy cancellation,
 - attended school in the San Francisco Unified School District for a total of 5 years from 1971 to 2016, or

- have lived in San Francisco census tracts for a total of 5 years from 1971 to 2016 where at least 17% of the households had incomes at or below the federal poverty level.

ENVIRONMENTAL REVIEW

The Project is exempt from the California Environmental Quality Act ("CEQA") under Class 1 and Class 3 categorical exemptions.

BASIS FOR RECOMMENDATION

The Department finds that the Project is, on balance, consistent with the Bayview Hunters Point Area Plan and the Objectives and Policies of the General Plan. The project activates an existing vacant retail space and supports the City's equity program, administered by the Office of Cannabis. The Department also finds the project to be necessary, desirable, and compatible with the surrounding neighborhood, and not to be detrimental to persons or adjacent properties in the vicinity.

ATTACHMENTS:

Draft Motion – Conditional Use Authorization with Conditions of Approval (Exhibit A)
Exhibit B – Environmental Determination
Exhibit C – Land Use Data
Exhibit D – Maps and Context Photos
Exhibit E - Public Correspondence
Exhibit F – Business Plan
Exhibit G – Plans and Renderings



SAN FRANCISCO PLANNING DEPARTMENT

Planning Commission Draft Motion

HEARING DATE: MAY 2, 2019

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ADOPTING FINDINGS RELATING TO THE APPROVAL OF CONDITIONAL USE AUTHORIZATION PURSUANT TO SECTIONS 202.2, 303 AND 712 OF THE PLANNING CODE TO ALLOW A CANNABIS RETAIL USE MEASURING 1,616 SQUARE FEET IN AN EXISTING TWO-STORY MIXED-USE BUILDING AT 4526 THIRD STREET (ASSESSOR'S BLOCK 5296 LOT 020) WITHIN THE NEIGHBORHOOD COMMERCIAL MODERATE SCALE ZONING DISTRICT AND A 40-X HEIGHT AND BULK DISTRICT, AND ADOPTING FINDINGS UNDER THE CALIFORNIA ENVIRONMENTAL QUALITY ACT.

PREAMBLE

On November 5, 2018, Rodney Hampton (hereinafter "Project Sponsor") filed Application No. 2018-015127CUA (hereinafter "Application") with the Planning Department (hereinafter "Department") for a Conditional Use Authorization to establish a Cannabis Retail use (hereinafter "Project") at 4526 Third Street, Block 5296, Lot 020 (hereinafter "Project Site").

The Project is exempt from the California Environmental Quality Act ("CEQA") under Class 1 and Class 3 categorical exemptions.

On May 2, 2019, the Commission conducted a duly noticed public hearing at a regularly scheduled meeting on Conditional Use Authorization Application No. 2018-015127CUA.

The Planning Department Commission Secretary is the custodian of records; the File for Record No. 2018-015127CUA is located at 1650 Mission Street, Suite 400, San Francisco, California.

The Commission has heard and considered the testimony presented to it at the public hearing and has further considered written materials and oral testimony presented on behalf of the applicant, Department staff, and other interested parties.

MOVED, that the Commission hereby authorizes the Conditional Use Authorization as requested in Application No. 2018-015127CUA, subject to the conditions contained in "EXHIBIT A" of this motion, based on the following findings:

FINDINGS

Having reviewed the materials identified in the preamble above, and having heard all testimony and arguments, this Commission finds, concludes, and determines as follows:

1. The above recitals are accurate and constitute findings of this Commission.
2. **Project Description.** The project includes the establishment a Cannabis Retail Use measuring 1,616 square feet at the ground level of a two-story mixed-use building. The proposal will involve interior tenant improvements with no expansion of the existing tenant space or building envelope.
3. **Site Description and Present Use.** The Project is located on a 1,986 square foot parcel on the northwest side of Third Street between La Salle and Mendell Streets. The site is developed with a two-story building with two dwelling units on the second floor and an existing commercial space at the ground floor, which is currently vacant. During this entitlement application period, the project sponsor has utilized the space for temporary installations, including an art gallery.
4. **Surrounding Properties and Neighborhood.** The Project Site is located within the NC-3 Zoning Districts in the Bayview Hunters Point Area Plan. The immediate context is mixed in character with residential, industrial, and institutional uses. The immediate neighborhood includes two-to-three-story residential development west and east and commercial and institutional uses along the Third Street corridor.
5. **Public Outreach and Comments.** The Planning Department has received 111 form letters in support of the application and 39 petition signatures in support of the application. No correspondence in opposition has been received. Additionally, the Bayview Hunters Point Citizens Advisory Committee (CAC) endorsed the project at their February 7th meeting.
6. **Planning Code Compliance.** The Commission finds that the Project is consistent with the relevant provisions of the Planning Code in the following manner:
 - A. **Use.** Cannabis Retail requires a Conditional Use Authorization to establish in the NC-3 Zoning District.

The Project Sponsor is requesting Conditional Use Authorization to establish a Cannabis Retail use in the NC-3 Zoning District.

- B. **600-Foot Buffer Rule:** Planning Code Section 202.2(a)(5)(B) states that the parcel containing the Cannabis Retail Use shall not be located within a 600-foot radius of a parcel containing an existing public or private School or within a 600-foot radius of a parcel for which a valid permit from the City's Office of Cannabis for a Cannabis Retailer or a Medicinal Cannabis Retailer has been issued. There shall be no minimum radius from a Cannabis Retail Use to an existing day care center or youth center unless a State licensing authority specifies a minimum radius.

The subject parcel is not located within a 600-foot radius of a parcel containing an existing private or public school or within a 600-foot radius of a parcel for which a valid permit from the City's Office of Cannabis for a Cannabis Retailer or a Medicinal Cannabis Retailer has been issued.

- C. **On-Site Consumption.** Planning Code Section 202.2 allows for on-site consumption of cannabis as an accessory use, if approved by the Department of Public Health.

The Project Sponsor has proposed an on-site consumption area as part of this request.

- D. **Street Frontage in Neighborhood Commercial Districts.** Section 145.1 of the Planning Code requires that within NC Districts space for active uses shall be provided within the first 25 feet of building depth on the ground floor and 15 feet on floors above from any facade facing a street at least 30 feet in width. In addition, the floors of street-fronting interior spaces housing non-residential active uses and lobbies shall be as close as possible to the level of the adjacent sidewalk at the principal entrance to these spaces. Frontages with active uses that must be fenestrated with transparent windows and doorways for no less than 60 percent of the street frontage at the ground level and allow visibility to the inside of the building. The use of dark or mirrored glass shall not count towards the required transparent area. Any decorative railings or grillwork, other than wire mesh, which is placed in front of or behind ground floor windows, shall be at least 75 percent open to perpendicular view. Rolling or sliding security gates shall consist of open grillwork rather than solid material, so as to provide visual interest to pedestrians when the gates are closed, and to permit light to pass through mostly unobstructed. Gates, when both open and folded or rolled as well as the gate mechanism, shall be recessed within, or laid flush with, the building facade.

The subject commercial space is in compliance with this requirement and shall be maintained in compliance with this Section.

7. **Conditional Use Findings.** Planning Code Section 303 establishes criteria for the Planning Commission to consider when reviewing applications for Conditional Use authorization. On balance, the project complies with said criteria in that:

- A. The proposed new uses and building, at the size and intensity contemplated and at the proposed location, will provide a development that is necessary or desirable, and compatible with, the neighborhood or the community.

The size of the proposed use is in keeping with other storefronts on the block face. The proposed Cannabis Retail establishment will not impact traffic or parking in the District as it will occupy an existing retail space. This will complement the mix of goods and services currently available in the district and contribute to the economic vitality of the neighborhood by removing a vacant storefront.

The impact of increased access and visibility of cannabis to youth is a paramount concern for the City. While there are no sensitive uses (as defined in Planning Code Section 202.2) within 600 feet of the proposed site, there are multiple outlets providing services to youth, including college preparatory services. However, the retail storefront has been specifically designed to have a security check in at the main entryway to prevent the entrance of minors. Additionally, display cases and sales areas are setback from the front façade to limit the visibility of products. A reception and waiting area is proposed at the front façade to continue to activate the space, and the proposed consumption lounge is at the rear of the site and not visible from the street. With this configuration, the visibility of products and potential impact to youth passing by is minimal.

- B. The proposed project will not be detrimental to the health, safety, convenience or general welfare of persons residing or working in the vicinity. There are no features of the project that could be detrimental to the health, safety or convenience of those residing or working the area, in that:

- (1) Nature of proposed site, including its size and shape, and the proposed size, shape and arrangement of structures;

The height and bulk of the existing building will remain the same and will not alter the existing appearance or character of the project vicinity.

- (2) The accessibility and traffic patterns for persons and vehicles, the type and volume of such traffic, and the adequacy of proposed off-street parking and loading;

The Planning Code does not require parking or loading for any use. The proposed use is designed to meet the needs of the immediate neighborhood and should not generate significant amounts of vehicular trips from the immediate neighborhood or citywide. The applicant intends to diligently prevent double-parking by customers who visit the store.

- (3) The safeguards afforded to prevent noxious or offensive emissions such as noise, glare, dust and odor;

While on-site consumption of cannabis is proposed, the San Francisco Health Code requires installation of HVAC systems to prevent odors and emissions from the space from impacting persons or property in the vicinity. The Department of Public Health will not issue a permit for on-site consumption if such odors and emissions are not controlled. As such, the project has safeguards to prevent noxious or offensive emissions such as noise, glare, dust and odor.

- (4) Treatment given, as appropriate, to such aspects as landscaping, screening, open spaces, parking and loading areas, service areas, lighting and signs;

The Project site has no parking, open spaces or loading area and there will be no addition of parking spaces, loading facilities, open space or service areas. All Project signage and projections will be consistent with the controls of the Planning Code.

- C. That the use as proposed will comply with the applicable provisions of the Planning Code and will not adversely affect the General Plan.

The Project complies with all relevant requirements and standards of the Planning Code and is consistent with objectives and policies of the General Plan as detailed below.

- D. That the use as proposed would provide development that is in conformity with the purpose of the applicable Neighborhood Commercial District.

The proposed project is consistent with the stated purposes of the NC-3 District in that the intended retail use will provide diversity to the retail corridor and a compatible retail service to the public in the immediately surrounding neighborhoods and to a larger market area during daytime hours.

8. **Additional Conditional Use Findings for Cannabis Retail.** Planning Code Section 303(w) outlines additional findings for the Commission when reviewing proposals for new Cannabis Retail establishments. The Commission shall consider “the geographic distribution of Cannabis Retail Uses throughout the City, the concentration of Cannabis Retail and Medical Cannabis Dispensary Uses within the general proximity of the proposed Cannabis Retail Use, the balance of other goods and services available within the general proximity of the proposed Cannabis Retail Use, any increase in youth access and exposure to cannabis at nearby facilities that primarily serve youth, and any proposed measures to counterbalance any such increase.”

Cannabis Retail is a newly created land use definition, and as such the distribution of sites that are permitted as Cannabis Retail is limited. However, it is expected that most or all existing Medical Cannabis Dispensaries will convert to Cannabis Retail uses once authorized by the Office of Cannabis to do so, likely in 2020. Currently, most sites are operating as Medical Cannabis Dispensaries with temporary authorization from the Department of Public Health to sell cannabis products to adult-use consumers.

Currently, such dispensaries and retailers (collectively outlets) are extremely concentrated in the eastern neighborhoods of the City, particularly in the South of Market and Mission neighborhoods. There are no currently operating outlets in the Sunset District, with one site approved but not yet in operation. The Richmond District currently only has one outlet in operation. Southwestern neighborhoods such as Ingleside and the Excelsior contain four outlets. The remaining thirty-three outlets are largely concentrated in eastern neighborhoods. The distribution of such outlets can be reviewed using the City's [Cannabis Retail Map](#).

The proposed project would add a Cannabis Retail use to the Bayview District, there are currently no outlets within the District. The nearest outlets are in the Portola District, Visitacion Valley, and Dogpatch. As such, while the project increases the overbalance of such outlets in the eastern half of the City, it does not overconcentrate such uses within the specific neighborhood.

In terms of the diversity and balance of goods and services within the general vicinity, there exists an overconcentration of alcohol sales establishments, prompting the establishment of the [Third Street Alcoholic Beverage Restrictive Use District](#) in 2001. The immediate area is characterized by neighborhood serving uses such as small markets and discount grocery stores, with a high percentage of retail vacancies. The proposed use would activate an existing vacant storefront with a use that will provide goods that are desirable for the neighborhood and may serve as an anchor to other adjacent businesses by increasing customer traffic. As such, the use is supportive of creating a thriving business community on the corridor.

The impact of increased access and visibility of cannabis to youth is a paramount concern for the City. While there are no sensitive uses (as defined in Planning Code Section 202.2) within 600 feet of the proposed site, there are multiple outlets providing services to youth, including college preparatory services. However, the retail storefront has been specifically designed to have a security check in at the main entryway to prevent the entrance of minors. Additionally, display cases and sales areas are setback from the front façade to limit the visibility of products. A reception and waiting area is proposed at the front façade to continue to activate the space, and the proposed consumption lounge is at the rear of the site and not visible from the street. With this configuration, the visibility of products and potential impact to youth passing by is minimal.

9. **General Plan Compliance.** The Project is, on balance, consistent with the following Objectives and Policies of the General Plan:

COMMERCE AND INDUSTRY ELEMENT

Objectives and Policies

OBJECTIVE 2:

MAINTAIN AND ENHANCE A SOUND AND DIVERSE ECONOMIC BASE AND FISCAL STRUCTURE FOR THE CITY.

OBJECTIVE 3:

PROVIDE EXPANDED EMPLOYMENT OPPORTUNITIES FOR CITY RESIDENTS, PARTICULARLY THE UNEMPLOYED AND ECONOMICALLY DISADVANTAGED.

Policy 3.1:

Promote the attraction, retention and expansion of commercial and industrial firms which provide employment improvement opportunities for unskilled and semi-skilled workers.

Policy 3.2:

Promote measures designed to increase the number of San Francisco jobs held by San Francisco residents.

OBJECTIVE 4:

IMPROVE THE VIABILITY OF EXISTING INDUSTRY IN THE CITY AND THE ATTRACTIVENESS OF THE CITY AS A LOCATION FOR NEW INDUSTRY.

Policy 4.8:

Provide for the adequate security of employees and property.

OBJECTIVE 6:

MAINTAIN AND STRENGTHEN VIABLE NEIGHBORHOOD COMMERCIAL AREAS EASILY ACCESSIBLE TO CITY RESIDENTS.

Policy 6.2:

Promote economically vital neighborhood commercial districts which foster small business enterprises and entrepreneurship, and which are responsive to economic and technological innovation in the market place and society.

BAYVIEW HUNTERS POINT AREA PLAN

LAND USE

Objectives and Policies

OBJECTIVE 2

IMPROVE USE OF LAND ON THIRD STREET BY CREATING COMPACT COMMERCIAL AREAS, ESTABLISHING NODES FOR COMPLEMENTARY USES, AND RESTRICTING UNHEALTHY USES

POLICY 2.1

Improve the physical and social character of Third Street to make it a more livable environment.

Cannabis is one of the fastest growing job categories in the country and one of the few retail uses that is burgeoning even in the face of e-commerce. The proposed business is entirely owned by local residents and will hire directly from the community. The business has commitments in its Operating Agreement, as well as obligations under City policy, to source products and services from local businesses, particularly those

owned by and employing residents who meet the Cannabis Equity Criteria. As such, the business aims to increase employment and resident ownership both in its own Cannabis Retail business and in the cannabis cultivation, manufacturing, and distribution businesses that are provided hundreds of skilled, unskilled, and semi-skilled jobs to San Francisco residents.

Cannabis retailers are proven to improve security for the entire neighborhood they serve. A UCLA study funded by the National Institutes of Health demonstrated that neighborhoods with cannabis stores have no more crime than other neighborhoods and that “measures dispensaries take to reduce crime (i.e., doormen, video cameras), may increase guardianship” of the area. The project will have professional security and multiple cameras, as required by law, and will partner with SFPD, local merchants, and the community to increase safety on the corridor.

Regulated cannabis is a burgeoning industry specifically because it is at the innovative edge, not just of technology but of government regulation and laws. This is a field that can create small business ownership and employment opportunities for San Francisco residents, renewed vitality on commercial corridors, and destination locations for tourists. Additionally, the Project is not a Formula Retail use.

10. **Planning Code Section 101.1(b)** establishes eight priority-planning policies and requires review of permits for consistency with said policies. On balance, the project complies with said policies in that:

- A. That existing neighborhood-serving retail uses be preserved and enhanced and future opportunities for resident employment in and ownership of such businesses be enhanced.

Existing neighborhood-serving retail uses are not impacted by the establishment of the proposed Cannabis Retail use. The Third Street corridor has numerous vacancies and activating a vacant retail space is desirable for the neighborhood. The addition of this business will enhance foot traffic to the benefit neighboring businesses. Cannabis is one of the the fastest growing job categories in the country and one of the few retail uses that is burgeoning even in the face of e-commerce.

- B. That existing housing and neighborhood character be conserved and protected in order to preserve the cultural and economic diversity of our neighborhoods.

Existing residential units on upper floor and in the surrounding neighborhood would not be adversely affected by the Project. The proposal does not affect housing or change the character of the building.

- C. That the City's supply of affordable housing be preserved and enhanced,

The Project has no effect on housing and does not convert housing to a non-residential use.

- D. That commuter traffic not impede MUNI transit service or overburden our streets or neighborhood parking.

The Third Street site is well served by transit. It is presumable that the employees would commute by transit thereby mitigating possible effects on street parking. The T-Third Street Light Rail line is directly in front of the proposed establishment.

- E. That a diverse economic base be maintained by protecting our industrial and service sectors from displacement due to commercial office development, and that future opportunities for resident employment and ownership in these sectors be enhanced.

There is no commercial office development associated with the proposed project and there would be no displacement of any existing industrial or service businesses in the area.

- F. That the City achieve the greatest possible preparedness to protect against injury and loss of life in an earthquake.

The Project will be designed and will be constructed to conform to the structural and seismic safety requirements of the Building Code. This proposal will not impact the property's ability to withstand an earthquake.

- G. That landmarks and historic buildings be preserved.

The site is not an identified historic resource and was not surveyed as part of this project given that the proposed scope of work is minor and not impactful to any potential historic features.

- H. That our parks and open space and their access to sunlight and vistas be protected from development.

The Project will have no negative impact on existing parks and open spaces. The Project does not have an impact on open spaces.

11. The Project is consistent with and would promote the general and specific purposes of the Code provided under Section 101.1(b) in that, as designed, the Project would contribute to the character and stability of the neighborhood and would constitute a beneficial development.
12. The Commission hereby finds that approval of the Conditional Use Authorization would promote the health, safety and welfare of the City.

DECISION

That based upon the Record, the submissions by the Applicant, the staff of the Department and other interested parties, the oral testimony presented to this Commission at the public hearings, and all other written materials submitted by all parties, the Commission hereby **APPROVES Conditional Use Authorization Application No. 2018-015127CUA** subject to the following conditions attached hereto as "EXHIBIT A" in general conformance with plans on file, dated January 25, 2019, and stamped "EXHIBIT B", which is incorporated herein by reference as though fully set forth.

APPEAL AND EFFECTIVE DATE OF MOTION: Any aggrieved person may appeal this Conditional Use Authorization to the Board of Supervisors within thirty (30) days after the date of this Motion. The effective date of this Motion shall be the date of this Motion if not appealed (after the 30-day period has expired) OR the date of the decision of the Board of Supervisors if appealed to the Board of Supervisors. For further information, please contact the Board of Supervisors at (415) 554-5184, City Hall, Room 244, 1 Dr. Carlton B. Goodlett Place, San Francisco, CA 94102.

Protest of Fee or Exaction: You may protest any fee or exaction subject to Government Code Section 66000 that is imposed as a condition of approval by following the procedures set forth in Government Code Section 66020. The protest must satisfy the requirements of Government Code Section 66020(a) and must be filed within 90 days of the date of the first approval or conditional approval of the development referencing the challenged fee or exaction. For purposes of Government Code Section 66020, the date of imposition of the fee shall be the date of the earliest discretionary approval by the City of the subject development.

If the City has not previously given Notice of an earlier discretionary approval of the project, the Planning Commission's adoption of this Motion, Resolution, Discretionary Review Action or the Zoning Administrator's Variance Decision Letter constitutes the approval or conditional approval of the development and the City hereby gives **NOTICE** that the 90-day protest period under Government Code Section 66020 has begun. If the City has already given Notice that the 90-day approval period has begun for the subject development, then this document does not re-commence the 90-day approval period.

I hereby certify that the Planning Commission ADOPTED the foregoing Motion on May 2, 2019.

Jonas P. Ionin
Commission Secretary

AYES:

NAYS:

ABSENT:

ADOPTED: May 2, 2019

EXHIBIT A

AUTHORIZATION

This authorization is for a conditional use to allow Cannabis Retail use measuring xx square feet located at 4526 Third Street pursuant to Planning Code Sections 202.2, 303, and 712 within the NC-3 Zoning District and a 40-X Height and Bulk District; in general conformance with plans, dated January 25, 2019, and stamped "EXHIBIT B" included in the docket for Record No. 2018-015127CUA and subject to conditions of approval reviewed and approved by the Commission on May 2, 2019 under Motion No XXXXXX. This authorization and the conditions contained herein run with the property and not with a particular Project Sponsor, business, or operator.

RECORDATION OF CONDITIONS OF APPROVAL

Prior to the issuance of the building permit or commencement of use for the Project the Zoning Administrator shall approve and order the recordation of a Notice in the Official Records of the Recorder of the City and County of San Francisco for the subject property. This Notice shall state that the project is subject to the conditions of approval contained herein and reviewed and approved by the Planning Commission on May 2, 2019 under Motion No XXXXXX.

PRINTING OF CONDITIONS OF APPROVAL ON PLANS

The conditions of approval under the 'Exhibit A' of this Planning Commission Motion No. XXXXXX shall be reproduced on the Index Sheet of construction plans submitted with the site or building permit application for the Project. The Index Sheet of the construction plans shall reference to the Conditional Use authorization and any subsequent amendments or modifications.

SEVERABILITY

The Project shall comply with all applicable City codes and requirements. If any clause, sentence, section or any part of these conditions of approval is for any reason held to be invalid, such invalidity shall not affect or impair other remaining clauses, sentences, or sections of these conditions. This decision conveys no right to construct, or to receive a building permit. "Project Sponsor" shall include any subsequent responsible party.

CHANGES AND MODIFICATIONS

Changes to the approved plans may be approved administratively by the Zoning Administrator. Significant changes and modifications of conditions shall require Planning Commission approval of a new Conditional Use authorization.

Conditions of Approval, Compliance, Monitoring, and Reporting PERFORMANCE

1. **Validity.** The authorization and right vested by virtue of this action is valid for three (3) years from the effective date of the Motion. The Department of Building Inspection shall have issued a Building Permit or Site Permit to construct the project and/or commence the approved use within this three-year period.

For information about compliance, contact Code Enforcement, Planning Department at 415-575-6863, www.sf-planning.org

2. **Expiration and Renewal.** Should a Building or Site Permit be sought after the three (3) year period has lapsed, the project sponsor must seek a renewal of this Authorization by filing an application for an amendment to the original Authorization or a new application for Authorization. Should the project sponsor decline to so file, and decline to withdraw the permit application, the Commission shall conduct a public hearing in order to consider the revocation of the Authorization. Should the Commission not revoke the Authorization following the closure of the public hearing, the Commission shall determine the extension of time for the continued validity of the Authorization.

For information about compliance, contact Code Enforcement, Planning Department at 415-575-6863, www.sf-planning.org

3. **Diligent Pursuit.** Once a site or Building Permit has been issued, construction must commence within the timeframe required by the Department of Building Inspection and be continued diligently to completion. Failure to do so shall be grounds for the Commission to consider revoking the approval if more than three (3) years have passed since this Authorization was approved.

For information about compliance, contact Code Enforcement, Planning Department at 415-575-6863, www.sf-planning.org

4. **Extension.** All time limits in the preceding three paragraphs may be extended at the discretion of the Zoning Administrator where implementation of the project is delayed by a public agency, an appeal or a legal challenge and only by the length of time for which such public agency, appeal or challenge has caused delay.

For information about compliance, contact Code Enforcement, Planning Department at 415-575-6863, www.sf-planning.org

5. **Conformity with Current Law.** No application for Building Permit, Site Permit, or other entitlement shall be approved unless it complies with all applicable provisions of City Codes in effect at the time of such approval.

For information about compliance, contact Code Enforcement, Planning Department at 415-575-6863, www.sf-planning.org

6. **Additional Project Authorization.** The Project Sponsor shall obtain operating licenses from the City's Office of Cannabis and the State of California prior to commencing any cannabis sales or other activities per Planning Code Section 202.2(a)(5).

For information about compliance, contact Code Enforcement, Planning Department at 415-575-6863, www.sf-planning.org

7. **Transparency and Fenestration.** Pursuant to Planning Code Section 145.1, the site shall be maintained with transparent windows and doorways for no less than 60 percent of the street frontage at the ground level and allow visibility to the inside of the building. The use of dark or mirrored glass shall not count towards the required transparent area. Any decorative railings or grillwork, other than wire mesh, which is placed in front of or behind ground floor windows, shall be at least 75 percent open to perpendicular view. Rolling or sliding security gates shall consist of open grillwork rather than solid material, so as to provide visual interest to pedestrians when the gates are closed, and to permit light to pass through mostly unobstructed. Gates, when both open and folded or rolled as well as the gate mechanism, shall be recessed within, or laid flush with, the building facade.

For information about compliance, contact Code Enforcement, Planning Department at 415-575-6863, www.sf-planning.org

MONITORING - AFTER ENTITLEMENT

8. **Enforcement.** Violation of any of the Planning Department conditions of approval contained in this Motion or of any other provisions of Planning Code applicable to this Project shall be subject to the enforcement procedures and administrative penalties set forth under Planning Code Section 176 or Section 176.1. The Planning Department may also refer the violation complaints to other city departments and agencies for appropriate enforcement action under their jurisdiction.

For information about compliance, contact Code Enforcement, Planning Department at 415-575-6863, www.sf-planning.org

9. **Revocation due to Violation of Conditions.** Should implementation of this Project result in complaints from interested property owners, residents, or commercial lessees which are not resolved by the Project Sponsor and found to be in violation of the Planning Code and/or the specific conditions of approval for the Project as set forth in Exhibit A of this Motion, the Zoning Administrator shall refer such complaints to the Commission, after which it may hold a public hearing on the matter to consider revocation of this authorization.

For information about compliance, contact Code Enforcement, Planning Department at 415-575-6863, www.sf-planning.org

OPERATION

10. **Community Liaison.** Prior to issuance of a building permit to construct the project and implement the approved use, the Project Sponsor shall appoint a community liaison officer to deal with the issues of concern to owners and occupants of nearby properties. The Project Sponsor shall provide

the Zoning Administrator and all registered neighborhood groups for the area with written notice of the name, business address, and telephone number of the community liaison. Should the contact information change, the Zoning Administrator and registered neighborhood groups shall be made aware of such change. The community liaison shall report to the Zoning Administrator what issues, if any, are of concern to the community and what issues have not been resolved by the Project Sponsor.

For information about compliance, contact Code Enforcement, Planning Department at 415-575-6863, www.sf-planning.org



SAN FRANCISCO PLANNING DEPARTMENT

CEQA Categorical Exemption Determination

PROPERTY INFORMATION/PROJECT DESCRIPTION

| | | |
|--|---|--|
| Project Address | | Block/Lot(s) |
| 4526 03RD ST | | 5296020 |
| Case No. | | Permit No. |
| 2018-015127PRJ | | |
| <input checked="" type="checkbox"/> Addition/ Alteration | <input type="checkbox"/> Demolition (requires HRE for Category B Building) | <input type="checkbox"/> New Construction |
| Project description for Planning Department approval. The Project would establish a Cannabis Retail Use measuring 1,616 square feet at the ground level of an existing two-story mixed-use building. The proposal will involve interior tenant improvements with no expansion of the existing tenant space or building envelope. | | |

STEP 1: EXEMPTION CLASS

| | |
|--|--|
| *Note: If neither class applies, an <i>Environmental Evaluation Application</i> is required.* | |
| <input checked="" type="checkbox"/> | Class 1 - Existing Facilities. Interior and exterior alterations; additions under 10,000 sq. ft. |
| <input checked="" type="checkbox"/> | Class 3 - New Construction. Up to three new single-family residences or six dwelling units in one building; commercial/office structures; utility extensions; change of use under 10,000 sq. ft. if principally permitted or with a CU. |
| <input type="checkbox"/> | Class 32 - In-Fill Development. New Construction of seven or more units or additions greater than 10,000 sq. ft. and meets the conditions described below: (a) The project is consistent with the applicable general plan designation and all applicable general plan policies as well as with applicable zoning designation and regulations. (b) The proposed development occurs within city limits on a project site of no more than 5 acres substantially surrounded by urban uses. (c) The project site has no value as habitat for endangered rare or threatened species. (d) Approval of the project would not result in any significant effects relating to traffic, noise, air quality, or water quality. (e) The site can be adequately served by all required utilities and public services. FOR ENVIRONMENTAL PLANNING USE ONLY |
| <input type="checkbox"/> | Class ____ |

STEP 2: CEQA IMPACTS

TO BE COMPLETED BY PROJECT PLANNER

If any box is checked below, an *Environmental Evaluation Application* is required.

| | |
|--------------------------|---|
| <input type="checkbox"/> | Air Quality: Would the project add new sensitive receptors (specifically, schools, day care facilities, hospitals, residential dwellings, and senior-care facilities within an Air Pollution Exposure Zone? Does the project have the potential to emit substantial pollutant concentrations (e.g., backup diesel generators, heavy industry, diesel trucks, etc.)? (refer to EP_ArcMap > CEQA Catex Determination Layers > Air Pollution Exposure Zone) |
| <input type="checkbox"/> | Hazardous Materials: If the project site is located on the Maher map or is suspected of containing hazardous materials (based on a previous use such as gas station, auto repair, dry cleaners, or heavy manufacturing, or a site with underground storage tanks): Would the project involve 50 cubic yards or more of soil disturbance - or a change of use from industrial to residential? If yes, this box must be checked and the project applicant must submit an Environmental Application with a Phase I Environmental Site Assessment. <i>Exceptions: do not check box if the applicant presents documentation of enrollment in the San Francisco Department of Public Health (DPH) Maher program, a DPH waiver from the Maher program, or other documentation from Environmental Planning staff that hazardous material effects would be less than significant (refer to EP_ArcMap > Maher layer).</i> |
| <input type="checkbox"/> | Transportation: Does the project create six (6) or more net new parking spaces or residential units? Does the project have the potential to adversely affect transit, pedestrian and/or bicycle safety (hazards) or the adequacy of nearby transit, pedestrian and/or bicycle facilities? |
| <input type="checkbox"/> | Archeological Resources: Would the project result in soil disturbance/modification greater than two (2) feet below grade in an archeological sensitive area or eight (8) feet in a non -archeological sensitive area? (refer to EP_ArcMap > CEQA Catex Determination Layers > Archeological Sensitive Area) |
| <input type="checkbox"/> | Subdivision/Lot Line Adjustment: Does the project site involve a subdivision or lot line adjustment on a lot with a slope average of 20% or more? (refer to EP_ArcMap > CEQA Catex Determination Layers > Topography) |
| <input type="checkbox"/> | Slope = or > 20%: Does the project involve any of the following: (1) square footage expansion greater than 1,000 sq. ft. outside of the existing building footprint, (2) excavation of 50 cubic yards or more of soil, (3) new construction? (refer to EP_ArcMap > CEQA Catex Determination Layers > Topography) If box is checked, a geotechnical report is required. |
| <input type="checkbox"/> | Seismic: Landslide Zone: Does the project involve any of the following: (1) square footage expansion greater than 1,000 sq. ft. outside of the existing building footprint, (2) excavation of 50 cubic yards or more of soil, (3) new construction? (refer to EP_ArcMap > CEQA Catex Determination Layers > Seismic Hazard Zones) If box is checked, a geotechnical report is required. |
| <input type="checkbox"/> | Seismic: Liquefaction Zone: Does the project involve any of the following: (1) square footage expansion greater than 1,000 sq. ft. outside of the existing building footprint, (2) excavation of 50 cubic yards or more of soil, (3) new construction? (refer to EP_ArcMap > CEQA Catex Determination Layers > Seismic Hazard Zones) If box is checked, a geotechnical report will likely be required. |

If no boxes are checked above, GO TO STEP 3. If one or more boxes are checked above, an *Environmental Evaluation Application* is required, unless reviewed by an Environmental Planner.

Comments and Planner Signature (optional): Michael Christensen

STEP 3: PROPERTY STATUS - HISTORIC RESOURCE
TO BE COMPLETED BY PROJECT PLANNER

| | |
|--|--|
| PROPERTY IS ONE OF THE FOLLOWING: (refer to Parcel Information Map) | |
| <input type="checkbox"/> | Category A: Known Historical Resource. GO TO STEP 5. |
| <input checked="" type="checkbox"/> | Category B: Potential Historical Resource (over 45 years of age). GO TO STEP 4. |
| <input type="checkbox"/> | Category C: Not a Historical Resource or Not Age Eligible (under 45 years of age). GO TO STEP 6. |

STEP 4: PROPOSED WORK CHECKLIST
TO BE COMPLETED BY PROJECT PLANNER

| | |
|--|--|
| Check all that apply to the project. | |
| <input checked="" type="checkbox"/> | 1. Change of use and new construction. Tenant improvements not included. |
| <input type="checkbox"/> | 2. Regular maintenance or repair to correct or repair deterioration, decay, or damage to building. |
| <input type="checkbox"/> | 3. Window replacement that meets the Department's <i>Window Replacement Standards</i> . Does not include storefront window alterations. |
| <input type="checkbox"/> | 4. Garage work. A new opening that meets the <i>Guidelines for Adding Garages and Curb Cuts</i> , and/or replacement of a garage door in an existing opening that meets the Residential Design Guidelines. |
| <input type="checkbox"/> | 5. Deck, terrace construction, or fences not visible from any immediately adjacent public right-of-way. |
| <input type="checkbox"/> | 6. Mechanical equipment installation that is not visible from any immediately adjacent public right-of-way. |
| <input type="checkbox"/> | 7. Dormer installation that meets the requirements for exemption from public notification under <i>Zoning Administrator Bulletin No. 3: Dormer Windows</i> . |
| <input type="checkbox"/> | 8. Addition(s) that are not visible from any immediately adjacent public right-of-way for 150 feet in each direction; does not extend vertically beyond the floor level of the top story of the structure or is only a single story in height; does not have a footprint that is more than 50% larger than that of the original building; and does not cause the removal of architectural significant roofing features. |
| Note: Project Planner must check box below before proceeding. | |
| <input type="checkbox"/> | Project is not listed. GO TO STEP 5. |
| <input type="checkbox"/> | Project does not conform to the scopes of work. GO TO STEP 5. |
| <input type="checkbox"/> | Project involves four or more work descriptions. GO TO STEP 5. |
| <input checked="" type="checkbox"/> | Project involves less than four work descriptions. GO TO STEP 6. |

STEP 5: CEQA IMPACTS - ADVANCED HISTORICAL REVIEW
TO BE COMPLETED BY PROJECT PLANNER

| | |
|---|--|
| Check all that apply to the project. | |
| <input type="checkbox"/> | 1. Project involves a known historical resource (CEQA Category A) as determined by Step 3 and conforms entirely to proposed work checklist in Step 4. |
| <input type="checkbox"/> | 2. Interior alterations to publicly accessible spaces. |
| <input type="checkbox"/> | 3. Window replacement of original/historic windows that are not "in-kind" but are consistent with existing historic character. |
| <input type="checkbox"/> | 4. Façade/storefront alterations that do not remove, alter, or obscure character-defining features. |
| <input type="checkbox"/> | 5. Raising the building in a manner that does not remove, alter, or obscure character-defining features. |
| <input type="checkbox"/> | 6. Restoration based upon documented evidence of a building's historic condition, such as historic photographs, plans, physical evidence, or similar buildings. |

| | |
|--|--|
| <input type="checkbox"/> | 7. Addition(s) , including mechanical equipment that are minimally visible from a public right-of-way and meet the <i>Secretary of the Interior's Standards for Rehabilitation</i> . |
| <input type="checkbox"/> | 8. Other work consistent with the <i>Secretary of the Interior Standards for the Treatment of Historic Properties</i> (specify or add comments): |
| <input type="checkbox"/> | 9. Other work that would not materially impair a historic district (specify or add comments): (Requires approval by Senior Preservation Planner/Preservation Coordinator) |
| <input type="checkbox"/> | 10. Reclassification of property status. (Requires approval by Senior Preservation Planner/Preservation <div style="display: flex; justify-content: space-between; margin-top: 10px;"> <div style="width: 45%;"> <input type="checkbox"/> Reclassify to Category A a. Per HRER dated b. Other (specify): </div> <div style="width: 45%;"> <input type="checkbox"/> Reclassify to Category C (attach HRER) </div> </div> |
| Note: If ANY box in STEP 5 above is checked, a Preservation Planner MUST check one box below. | |
| <input type="checkbox"/> | Further environmental review required. Based on the information provided, the project requires an <i>Environmental Evaluation Application</i> to be submitted. GO TO STEP 6. |
| <input type="checkbox"/> | Project can proceed with categorical exemption review. The project has been reviewed by the Preservation Planner and can proceed with categorical exemption review. GO TO STEP 6. |
| Comments (optional): | |
| Preservation Planner Signature: | |

STEP 6: CATEGORICAL EXEMPTION DETERMINATION

TO BE COMPLETED BY PROJECT PLANNER

| | | |
|-------------------------------------|---|--|
| <input type="checkbox"/> | Further environmental review required. Proposed project does not meet scopes of work in either (check all that apply): <input type="checkbox"/> Step 2 - CEQA Impacts <input type="checkbox"/> Step 5 - Advanced Historical Review STOP! Must file an <i>Environmental Evaluation Application</i>. | |
| <input checked="" type="checkbox"/> | No further environmental review is required. The project is categorically exempt under CEQA. There are no unusual circumstances that would result in a reasonable possibility of a significant effect. | |
| | Project Approval Action: Planning Commission Hearing If Discretionary Review before the Planning Commission is requested, the Discretionary Review hearing is the Approval Action for the project. | Signature: Michael Christensen 04/25/2019 |
| | Once signed or stamped and dated, this document constitutes a categorical exemption pursuant to CEQA Guidelines and Chapter 31 of the Administrative Code. In accordance with Chapter 31 of the San Francisco Administrative Code, an appeal of an exemption determination can only be filed within 30 days of the project receiving the first approval action. Please note that other approval actions may be required for the project. Please contact the assigned planner for these approvals. | |



SAN FRANCISCO PLANNING DEPARTMENT

Land Use Information

PROJECT ADDRESS: 4526 03RD ST
RECORD NO.: 2018-015127PRJ

1650 Mission St.
Suite 400
San Francisco,
CA 94103-2479

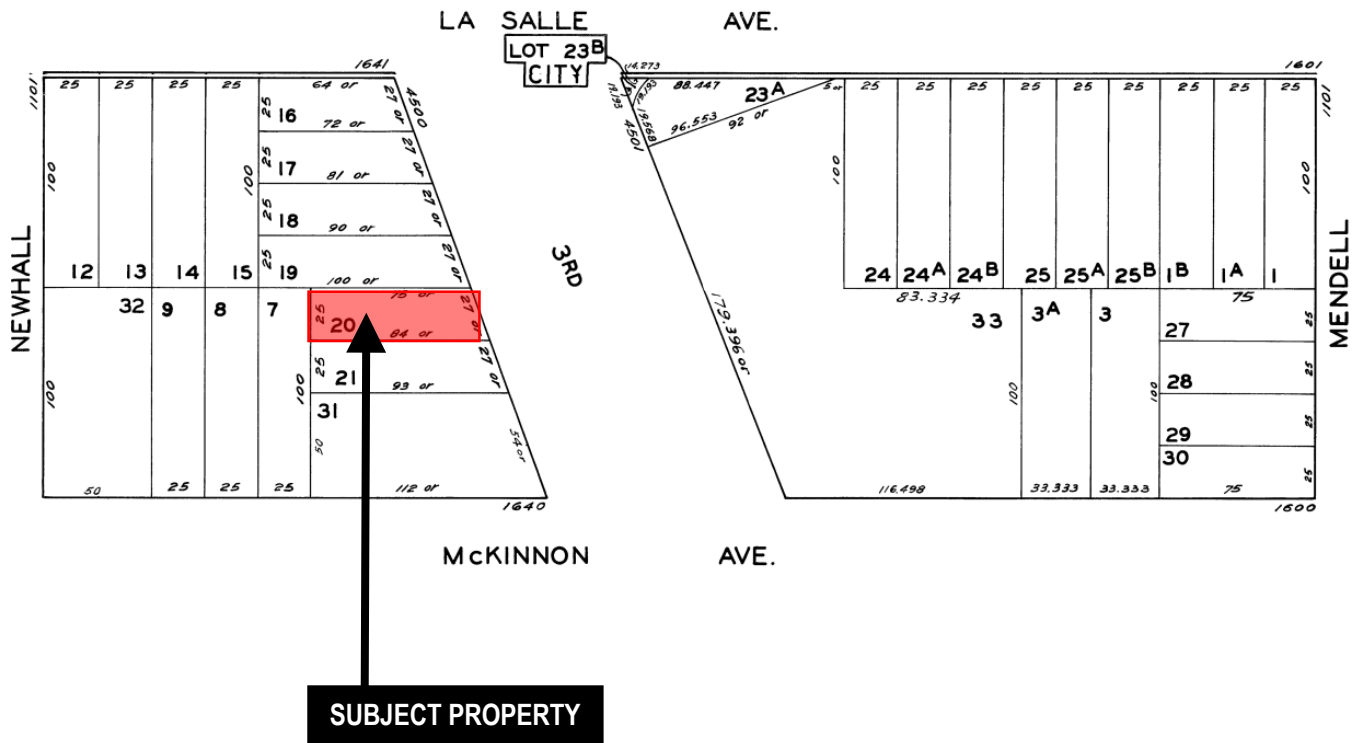
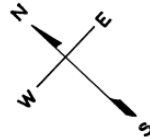
Reception:
415.558.6378

Fax:
415.558.6409

Planning
Information:
415.558.6377

| | EXISTING | PROPOSED | NET NEW |
|---|----------|----------|---------|
| GROSS SQUARE FOOTAGE (GSF) | | | |
| Parking GSF | | | |
| Residential GSF | | | |
| Retail/Commercial GSF | 1,606 | 1,606 | 0 |
| Office GSF | | | |
| Industrial/PDR GSF <i>Production, Distribution, & Repair</i> | | | |
| Medical GSF | | | |
| Visitor GSF | | | |
| CIE GSF | | | |
| Usable Open Space | | | |
| Public Open Space | | | |
| Other () | | | |
| TOTAL GSF | | | |
| | EXISTING | NET NEW | TOTALS |
| PROJECT FEATURES (Units or Amounts) | | | |
| Dwelling Units - Affordable | | | |
| Dwelling Units - Market Rate | | | |
| Dwelling Units - Total | | | |
| Hotel Rooms | | | |
| Number of Buildings | 1 | 1 | 0 |
| Number of Stories | 2 | 2 | 0 |
| Parking Spaces | | | |
| Loading Spaces | | | |
| Bicycle Spaces | | | |
| Car Share Spaces | | | |
| Other () | | | |

Parcel Map



Conditional Use Authorization Hearing
Case Number 2018-015127CUA
 Cannabis Retail – CDXX
 4526 Third Street, Block 5296, Lot 020

Aerial Photo – View 1

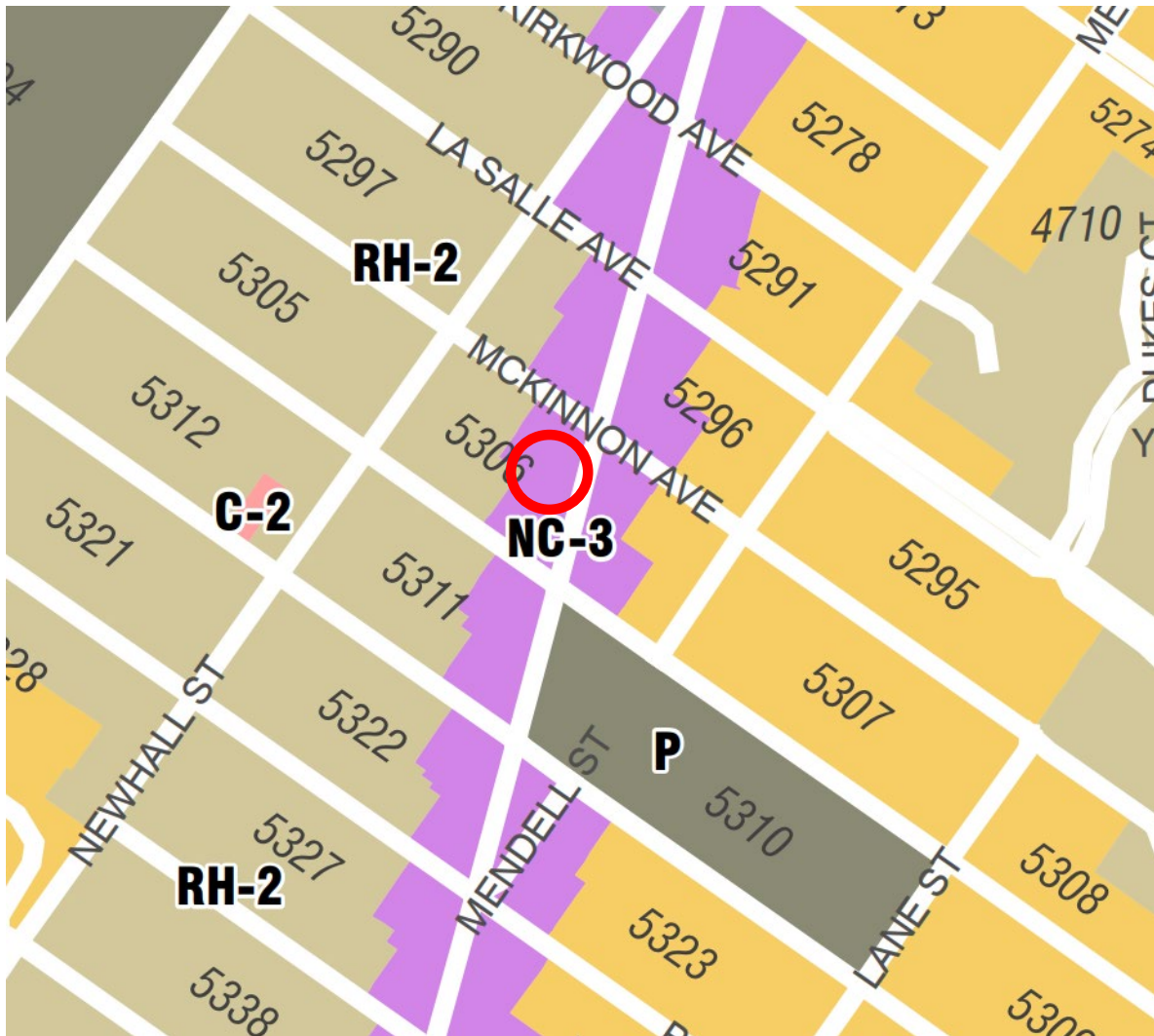


SUBJECT PROPERTY

KIRKWOOD / LA SALLE STATION

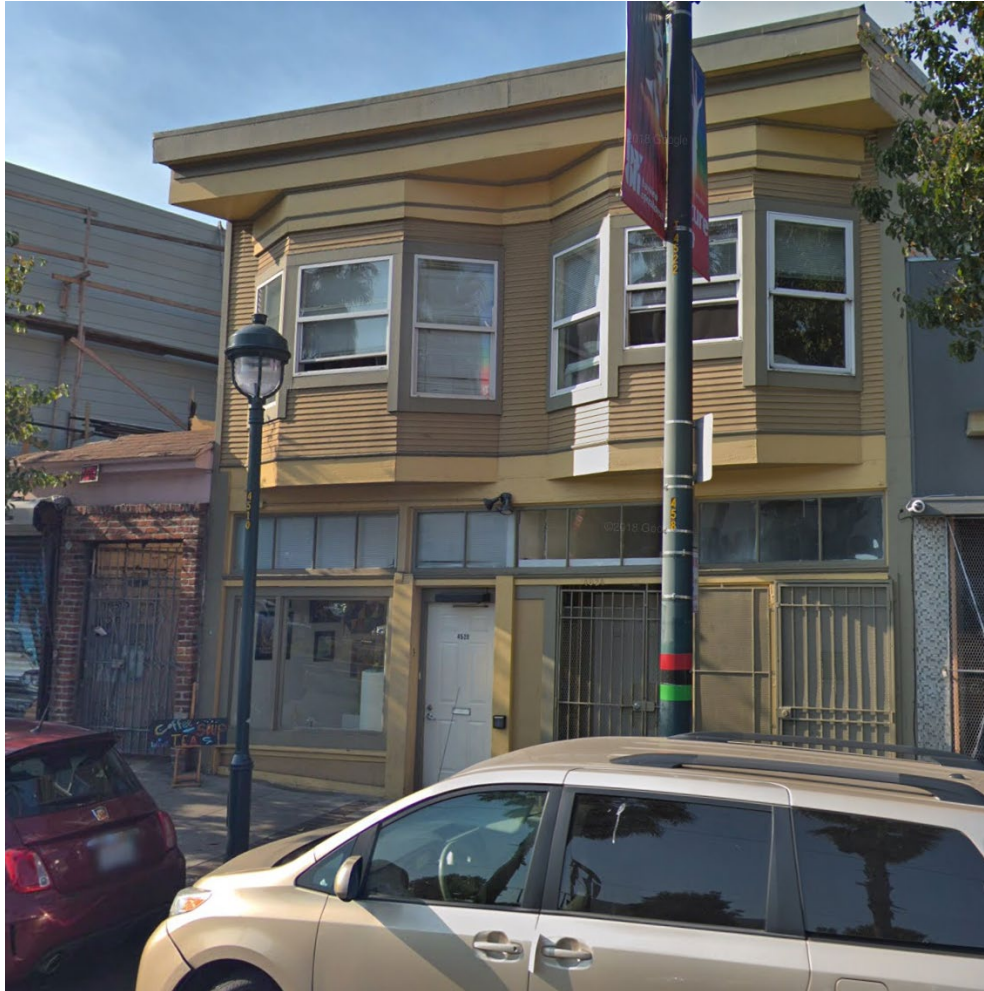


Zoning Map



Conditional Use Authorization Hearing
Case Number 2018-015127CUA
Cannabis Retail – CDXX
4526 Third Street, Block 5296, Lot 020

Site Photo



Conditional Use Authorization Hearing
Case Number 2018-015127CUA
Cannabis Retail – CDXX
4526 Third Street, Block 5296, Lot 020



OFFICE OF THE CITY ADMINISTRATOR



London N. Breed, Mayor
Naomi M. Kelly, City Administrator

Bayview Hunters Point Citizens Advisory Committee

Ellouise Patton, Chair
Tim Chan, Vice Chair

February 7th, 2018

Planning Commission
City and County of San Francisco
1650 Mission Street,
San Francisco, CA 94103

Project:
4526 3rd street
San Francisco, CA 94124

Commissioners:

On February 6th, 2018, the Bayview Hunters Point Citizens Advisory Committee voted and gave a positive recommendation for the currently proposed cannabis retail storefront located at 4526 3rd street.

The Committee has requested the project sponsor return 90 days from their last presentation, to update the CAC on their ventilation and odor mitigation system. The Committee also requested that the appropriate documentation be submitted to the City Administrator's Office at least 15 days prior.

Sincerely,

Ellouise Patton, Chair
Bayview Hunter Point Citizen Advisory Committee

My Gallery

4526 3rd St.

October 25, 2018

33 Petition Signatures Received

| Name | Address: Street/City/State/ Zip Code | E-mail | Other information you'd like to share! |
|-----------------|---|----------------------------------|---|
| Jane Gray | 15 Bonman Ct. | dianegray126@gmail.com | |
| BEN SCHWARTZ | | benjamin D schwartz@gmail.com | kg |
| Mail Hampton | 80 Middle | | |
| Byron Gafford | 54 Westbrook Ct | byrongafford64@gmail.com | |
| Violet Hanada | 777 teConce | | |
| Randy Sengulhai | 1485 Boyshore Blvd | rseriguchi@ wibmedacademy.org | |
| Revin S. | 1077 st Sec. | rubie.simonson@gmail.com | |
| Valerita Brown | 1230 Egbert #A SF | kenbrown45@gmail.com | |
| Brian Butler | 2626 Roosevelt Ave | brian.c.butter@gmail.com | |

Richmond, CA

Dear Planning Commissioners,

I SUPPORT the proposed CDXX Cannabis Retail Store Equity application at 4526 3rd st., San Francisco, CA. 94124. CDXX, and its Bayview community have a shared interest in the healing power of Cannabis and art.

CDXX has focused on showing compassion and caring to all residents and their needs. They are mindful of how their business will affect the community around them.

They have shown they will assist & support to improve the 3rd st. Commercial Corridor by revitalizing the block and bringing more foot traffic to surrounding businesses.

CDXX has shown they are good neighbors and valued community partner by engaging the community through various community outreach programs.

For example: ***"Compassion, Caring, and Community Programs."***

- Participated in 2017 Sunday Streets with a free terrarium building workshop by a local collaboration pop up with Pharm Girls and Public Glass. 2018 Sunday Streets participation helping local campaigns
- Provided freespace 3 times for a local Moon Yoga class that supports POC women.
- Once a month have power washed the block and surrounding areas to help keep our streets clean.
- Facilitated a block clean up 3 times in 2018.
- Currently offering free space for a community art gallery called "My Art Gallery." That has and will be engaged in a variety of community art events in 2017 - 2018.
- My Art Gallery has done over 10 free paint nights for families consisting of mostly children.

Please vote YES for CDXX Cannabis Retail Store Equity application at 4526 3rd st., San Francisco, CA. 94124.

Thank you for your consideration.

Sincerely,

Matthew Jackson
(resident print name)

94124
(Zip Code)



(resident signature)





Exhibit A

Applicant's Statement

1. The business plan for the proposed Equity Applicant Cannabis Adult Use and Medicinal Retail Store.

CDXX LLC Retail Business

- **Our Mission Statement**

The CDXX and the Bayview community have a shared interest in the equitable healing power of Cannabis. CDXX believes in equity first, community, compassion and caring for all of our customers and local Bayview residents. By partnering with Rodney Hampton a local Bayview community member and community organization, we hope to rehumanize those dehumanized and disenfranchised by the War-on-Drugs. We plan to focus on being mindful of how our business affects the community around us and plan to give back to the community by creating local career opportunities. Our objective is to ensure that the Equity Program thrives in San Francisco by providing the foundation and framework needed for success. Making sure that our equity applicant (Rodney Hampton) has access to safe funding and strategic partnerships. As well as promising that our equity businesses created are connected to the community through various community outreach programs. Our goal is not to just spread money around, but rather give those affected by the "War on Drugs" an equitable piece of the 'American Pie'.

- **Cannabis Business Overview**

The cannabis industry had experienced an exponential growth of 34.2% for the years between 2010 and 2015. The industry had a revenue of \$4 billion, with 5,169 businesses employing 74,222 people. A 2015 report by a leading marijuana industry investment and research firm found legal cannabis sales jumped 17% to \$5.4 billion in 2015 and grew by a whopping 25% in 2016 to reach \$6.7 billion in total U.S. sales.

In 2017 ArcView Market Research released its fourth edition of The State of Legal Marijuana Markets report, and it included the prediction that the legal cannabis market will see a whopping \$21.8 billion in total annual sales by 2020 (By comparison, at that point, the legal marijuana market could be bigger than the National Football League, which saw roughly \$12 billion of revenue last year but is aiming to reach \$25 billion by 2027.) At that time ArcView expected the legal cannabis market to show a compound annual growth rate of nearly 30% over the next few years. Now according to Arcviews Market Research and its research partner BDS Analytics, over the next 10 years, the legal cannabis industry will see much progress around the globe. Spending on legal cannabis worldwide is expected to hit \$57 billion by 2027. The adult-use (recreational) market will cover 67% of the spending; medical marijuana will take up the remaining 33%. The largest group of cannabis buyers will be in North America, going from \$9.2 billion in 2017 to \$47.3 billion a decade later. The largest growth spread, however, is predicted within the rest-of-world markets, from \$52 million spent in 2017 to a projected \$2.5 billion in 2027.

● **CDXX Executive Summary**

CDXX's retail store and delivery will be located on the 3rd St. corridor in San Francisco. We have been able to lease the facility for 20 years with the option of acquiring the property, once the property is put up for sale. CDXX has partnered with High Bridge Delivery and will be both CDXX's POS and online pickup/delivery platform. High Bridge will also offer an equity tech program to hire and train local talent to work for the High Bridge Delivery platform (Similar to the Meadow platform). CDXX's products will be white labeled and distributed as Equity Brands. We will work with large statewide vertically integrated business that will partner with CDXX to produce the white labeling, manufacturing, and distribution of CDXX products state wide. Allowing CDXX to create multiple white label products that can be distributed throughout California without having to build the immense infrastructure needed to be successful and compliant in this fast pace market. We are partnered with the few seed to sale compliant distributors and grows in the area. Our hope is to make Bayview the Mecca of the nations top equity businesses and brands.

CDXX's facility is well positioned and it matches the ideal picture of a community retail store. We will spend close to \$40,000 to facelift the facility because previously the facility was used as a retail shop.

Although the business is launching with just one outlet in San Francisco, CA we have plans to expand to other outlets in key locations all around San Francisco and California.

CDXX Retail Store will be involved in selling a variety of local cannabis brands within the CDXX product lines including local flower, edibles, concentrates etc. We will also be involved in the sale of organic CBD beauty products, CBD cosmetic creams, local glass, local art, and other related products.

We are in the retail cannabis business as permitted by the law in San Francisco and state of California and will provide our customers with the lowest prices available anywhere in California. Our employees will consist of local residents that will do 30% of all work hours. Also half of our employees will meet 3 of the 6 equity applicant criteria. They will be well trained and qualified to handle the wide range of customers that we are positioned to serve. We will engage in the sale of products at reduced prices for both counter and online orders.

CDXX's cannabis store plans to operate from (8am to 8pm) (delivery 10am to 10pm) 12 hours a day, 7 days a week as a retail store. We are in business to service both walk-in customers and online-order customers in San Francisco as well as in-store pick-up. Our workforce is going to be well trained to operate within the framework of our company's corporate culture and also to meet the needs of all our customers.

CDXX's cannabis retail store will ensure that all our customers are given first class treatment whenever they visit our store. We have a seed to sale CRM software by High Bridge that will enable us to manage a one-on-one relationship with our customers no matter how large the numbers of our customer base grows.

- **Senior Management**

CDXX's retail store will be a community-based business that is part owned and managed by Brandon Brown who has lived locally in Bayview for 6 years. Brandon has been volunteering for 5 years in the Bayview community. He has volunteered at 3rd-on-3rd for 3 years. He sat on the NACE Gala committee that raised thousands of dollars for New Door Ventures, a nonprofit organization that helps disadvantaged youth. He has over 20 years of sales experience and over 10 years of management experience. Five of

the 10 years of his management experience is in senior level cannabis management/biz dev. His tourism “Work Visa’s” spanned three different continents managing staffs from start-up to 50+. On his travels to Guam, Prague, and Central America he has managed people from many different cultures in different industries. He has over 80,000 hours (\$1.8 million in 1.5yrs.) of Luxury transportation booked and has organized over 300 singles events in SF and the Eastbay/Peninsula. He has taken over UCSF transit due to a strike 3 times grossing close to \$250,000 in less than a week. Also, he built a tour company with his friend in Prague managing over 800 tours in 3 years. He is a detail oriented COO that is also capable of hitting high million dollar sales goals while maintaining detailed financial records in many creative ways. He is the co founder of Eazeup.com (40mil) and Quildelivery.com(1.5mil). He is also the founder of Highbridgedelivery.com that has grossed over \$250,000 and has up to 30 five star reviews within the first year. Not only has he built multiple cannabis delivery apps, he has also directly consulted two cannabis dispensaries through the complicated planning and permitting process in San Francisco. His consulting included the product development for many collectives handling the acquisition, photography, and marketing of thousands of cannabis products across multiple ecommerce platforms. His knowledge in business logistics is very diverse and he has always been a cannabis activist attending many of the California Growers association and SF cannabis task force meetings. He is a co founder, board member, and Treasurer for the San Francisco Cannabis Retailers Alliance (SFCRA). Also he is on the SF Cannabis Equity working group that made many of the recommendations necessary to help create the equity program in San Francisco.

Brandon will use all his resources to provide Rodney Hampton the CEO of CDXX with business operations, consulting, and technical assistance. Rodney is a prominent community leader in Bayview Hunters Point. He has an amazing amount of energy. Most of the energy he spends results in community engagement. Community engagement is the “Gold” in the mine of all empowerment programs in San Francisco. Rodney is known as the jobs guy in the Bayview community and will make sure that

CDXX meets all the equity hiring requirements. Also he will make sure that our business will maintain a positive and consistent engagement in the community.

Rodney's Story: http://www.smartvoter.org/2006/11/07/ca/sf/vote/hampton_r/bio.html

• **Our Products**

Aside from the sale of retail cannabis which is our core product, CDXX retail store will also sale a wide range of locally sourced canvas art, glass art, and clothing products as a way to stay engaged with our community. We are currently working with a local group of Bayview Hunters Point artist to beautify our storefront with with local canvas art, and glass art work that we believe will help maintain the art culture of the Bayview community. CDXX will partner with large distributors to white label up to 5 products termed "Equity Brands." Our Equity brands will be similar to TOM's shoes one for one business model but our products will give back to its local community organizations. Each one of CDXX products will be premium locally crafted products that once purchased a specific dollar amount or % of the product price will be paid directly to a specific community organization in Bayview. We have a plan to launch CDXX's first line of products listed below to start off our Equity line.

CDXX Equity Brands

- **PAX Vape Cartridges**
- **Joint packs / Top Shelf Flower (High Bridge Hydro - established brand)**
- **"Ingrid Local Strain" all Natural joints / organic Hash**
- **Gummies and Pressed 5mg pills 100mg per bottle (THC - CBD - THCA)**

CDXX also plans to focus on the creation of a wide variety of CBD rich non-psychoactive products.

These products will offer an organic cancer killing cure to not only Bayviews large elderly community, but also products that fight cancers in both children and animals.

- **Compassion Program**

“Compassion, Caring, and Community.”

CDXX and its Bayview community have a shared interest in the healing power of Cannabis. The motto of our business revolves around showing compassion and caring to all of our patients and their needs. As well as being mindful of how our business affects the community around us. Our objective is to be known for our compassion and amazing knowledge of our cannabis products, as well as our ability to connect to our community through various community outreach programs.

We will institute a compassion program that revolves around helping those that can't afford expensive medication and suffer from psychological and physical pain. There is only one other club in San Francisco that offers this type of program and they do not include any community service. In my 5 years of cannabis retail / delivery management I have seen an influx of the elderly, soldiers with PTSD, cancer patients, and MS patients that find relief in various cannabis compounds, especially CBD products. We will have each patient that needs help enroll in the compassion program and they would receive free products twice a week from the donations offered by CDXX. Once a week we will gather a group of volunteers to sweep up the streets in the surrounding neighborhood to give back to the community. We will do this every Sunday, our “Sunday Sweep,” to help keep our community clean.

Many of the volunteers that participate in this program live on the streets of San Francisco. These types of weekly programs offer many of our fellow Bayview citizens a way for them to give back to their community, as well as get the medication they need. As they say, “you can give a man a fish and he will eat for a day, but show him how to fish and he will eat for a lifetime.” This program will also offer odd jobs in the retail store for the more physically capable patients. So they can gain job experience, pride in themselves, and an opportunity to earn their donations. All the proper safety and clean up gear will be provided and paid for by CDXX. Also a team leader will be designated to make sure that the experience is safe, fair, and fun for all compassion members participating in the program. We would also donate to the Weed for Warrior Project to support the new generation of soldiers coming back to the States with PTSD. Also we will donate to various Bayview organizations to contribute to helping those that struggle

with drug addiction. We are prepared to organize educational seminars for all ages especially the elderly in the Bayview community that would explain the new advances in CBD non psychoactive products. (Cancer- curing products/MS). We intend to educate them on various new technologies that would make it easier for them to receive their medication in the way that they wish. Our space is currently a functional community art and event space that displays community art for sale and has done many creative events for the passed two years. We have had local events that feature local artists and businesses in the years before we submitted this application. We also offer these artists and businesses free advertising and an event space on the 3rd street corridor in the heart of the Bayview community. This project has allowed for people in the community to see, enjoy, and benefit from the space before it becomes a cannabis retail store. Also CDXX as a Cannabis retail Art Gallery will decorate the dispensary with well known local artists as a way to maintain our connection with the community and create a unique cannabis store that features an ever changing estetic of local art.

● **Business Structure**

CDXX cannabis retail Store is a business that will be built on a solid foundation. From the outset, we are quite aware of the rules and regulations governing the new equity requirements. So we decided to recruit experienced, local, and equity qualified employees as foundational staff of the organization. We hope to leverage their expertise to build our business brand to be well accepted in San Francisco.

When hiring, we will look out for applicants that are not just qualified and experienced, but honest, customer centric and are ready to work to help us build a prosperous business that will benefit all the partners (the owners, workforce, and customers). It will be very important to create a profit-sharing arrangement that will be available to all our management staff and will be based on their performance for a period of three years or more.

These are the positions that will be available at CDXX Adult use Retail Store;

- CEO (owner, superintendent and chief of staff) (1)
- COO (Product Buyer, Financial/Equity Consultant) (1)
- Bud Concierge (Counter Agent) (5)

- Information Technology (1)
- Security Guards (at least 1 local off duty police officer) (3)
- Delivery Drivers (3)
- Cleaners (local compassion program) (5)

CEO (Chief Operating Officer) / Store Manager:

- Responsible for managing retail store and providing day to day direction for the business
- Creating, communicating, and implementing the organization's vision, and overall direction – i.e. leading the development and implementation of the overall organization's sales strategy and community engagement.
- Responsible for recruiting, training, managing and evaluating staff
- Responsible for processing recommendations and dispensing medication
- Providing advice about health issues, symptoms and medications in response to customer enquiries
- Responsible for signing checks and documents on behalf of the company
- Evaluates the success of the organization directors and employees

COO (Chief Operating Officer) / (Buyer)

- Responsible for ordering, selling and controlling medicines and other stock
- Responsible for payment of salaries
- Responsible for meeting medical representatives
- Responsible for managing the organization's budgets
- Responsible for keeping statistical and financial records
- Responsible for preparing publicity materials and displays
- Handle marketing services
- Interfaces with third – party providers (vendors)
- Control the sales floor inventory
- Supervise the entire organization's staff and workforce
- Manage vendor relations, market visits, and the ongoing education and development of the organization's buying teams
- Helps to ensure consistent quality of products on the rack
- Responsible for the purchase of goods and products for the organizations
- Responsible for planning sales, monitoring inventory, selecting the merchandise, and writing and pricing orders to vendors
- Handles financial transaction on behalf of the company
- Interfaces with our bankers
- Responsible for payment of tax, levies and utility bills
- Ensures that the organization operates within a stipulated budget.

Bud Concierge (Floor Manager)

- Ensures that the store facility is in 'tip-top' shape and conducive to welcoming customers (This includes turning on equipment such as computers, scales, and printers)
- Ensures that goods and products are properly arranged
- Responsible for processing transactions
- Responsible for sterilizing the counter tops, scales, pill counting trays, and other medication measuring devices.
- Handles administrative and bookkeeping tasks, inventory control, stocking shelves, and data entry
- Performs monthly inventory counts, files paperwork, and stocks inventory
- Handles any other duty as assigned by the floor manager
- Manages external research and coordinates all the internal sources of information to retain the organization's best customers and attract new ones
- Models demographic information and analyzes the volumes of transactional data generated by customer purchases
- Sources for clients for the company
- Responsible for promoting the company's image
- Responsible for creating marketing and sales strategies, etc.
- Represents the organization in some strategic business meetings
- Handles any other duty as assigned by the floor manager
- Receives payments on behalf of the organization
- Issues receipts to customers
- Prepares financial reports at the end of every working week
- Handles any other duty as assigned by the floor manager

Information Technologist

- Manages the organization website
- Handles e-commerce aspect of the business
- Responsible for installing and maintenance of computer software and hardware for the organization
- Manages logistics and supply chain software, Web-servers, e-commerce software and POS (point of sale) systems
- Manages the organization's CCTV
- Handles any other technological and IT related duties.

Cleaners: (Compassion Program patients)

- Responsible for cleaning the store facility at all times
- Ensures that toiletries and supplies don't run out of stock
- Cleans both the interior and exterior of the facility

- Cleans and helps manage smoking rentals
- Handles any other duty as assigned by the floor manager

Retail Business Plan – SWOT Analysis

We want our retail store to be the number one choice of all residents of San Francisco and other cities in California. We know that if we are going to achieve the goals that we have set for our business, then we must ensure that we build our business on a solid foundation. We must ensure that we follow due process in setting up our dispensary store.

Despite the fact that our COO (buyer) has a robust experience in retail cannabis business and medical research, we still went ahead to hire the services of business consultants that are specialized in setting up new businesses to help our organization conduct detailed SWOT analysis and to also provide professional support in helping us structure our business.

This is the summary of the SWOT analysis that was conducted for CDXX Adult Use and Medicinal Retail Store;

- **Strength:**

Our location, the business model we will be operating (physical store and online store) will be open 12 hours a day, 7 days in a week. Our multiple payment options, our well- packaged cannabis products, and wide range of CBD products with home delivery services as well as excellent customer service will definitely be a strength for us.

- **Weakness:**

Our perceived weakness is the fact that we are just starting out and we may not have the required finances to sustain the kind of publicity that we would like to give the business in the first year.

- **Opportunities:**

The opportunities that are available to adult use retail store business are unlimited and we are going to position our business to make the best out of the opportunities that will be available to us in San Francisco, California.

- **Threat:**

Just like any other retail business, one of the major threats that we are likely going to face is economic downturn and unfavorable government policies. It is a fact that economic downturn affects purchasing power. Another threat that may likely confront us is the arrival of a new and bigger, well established retail brand in the same location as our outlet. Also, the area where our storefront is located is considered an at-risk location known for high theft volume. This is the reason we plan to hire local security companies like ABU and off- duty police officers for security.

Retail Business Plan – Market Analysis

- **Market Trends**

The fact that the adult use and medicinal retail industry is highly regulated means that any entrepreneur who wants to run a cannabis retail business must be ready to play by the book or they will be booted out of business.

No doubt the industry will continue to grow and become more profitable because the aging baby-boomer generation (and their followers) in United States is expected to drive the increasing demand for cannabis products and CBD rich products.

Adult use retail stores are now making use of technology to effectively manage their business by plugging financial linkages which happens to be one of the biggest challenges that retail businesses faces. The use of technology, i.e. High Bridge Delivery platform (CRM software) is very effective in helping retail businesses manage their clientele databases. We have great software that will track all of our transactions and operations. This will help us stay seed- to-sale compliant and completely transparent.

- **Our Target Market**

CDXX Adult Use Retail Store is in business to service a wide range of customers in the San Francisco area. We will ensure that we target self-paying customers, delivery customers, and walk-in customers and others.

Generally, those who need cannabis range from those with severe pain, insomnia, anxiety, glaucoma, HIV/AIDS, epilepsy, nausea, cancer, and any other ailment wherein the provider prescribes the use of the cannabis.

The fact that we are going to open our doors to a wide range of customers does not in any way stop us from demanding and screening recommendations as required by the law. Our staff is trained to effectively service our customers and abide by the governing rules and regulations of the industry.

Our customers can be categorized into the following;

- Households
- Corporate Executives
- Business People
- Elderly people
- Sports Men and Women
- College Students
- Middle aged people – who are usually working, stressed from work and may have insomnia.
- The aged who might suffer from severe joint pains and every other age category who has a prescription by the physician.

Our Competitive Advantage

In every business there is competition, however, this competition means that you have been handed a passport to try your best in seeing that you are still visible on the business radar at all times. This is so that we can make our own business work out and so that we can compete favorably with others. The industry is growing and there are alternative ways through which clients / patients can get their medications.

In this industry, most of the competitive dynamics center around the quality of cannabis served, the service offered, the location of the retailer, discounts offered for the products, and the brand of the business. Even though competition is stiff especially from the big, well-backed enterprises, smaller

enterprises can still get their fair share of the market, if they stay true to the competitive dynamics. As well as maintain a large community outreach program.

It is a fact that small cannabis retailers will always struggle with larger cannabis chains when it comes to pricing power and brand recognition which is why smaller retail cannabis stores like us always go out of our way to deliver excellent customer service. It is through top notch customer service that we can secure a fair share of the available market.

Smaller retailers insure that each order carries a printout. The printout provides directions on how the patient is expected to take the medications and lists other drugs that should be avoided concurrently. Plus, other useful information.

CDXX Retail Store is coming into the market well prepared to favorably compete in the industry. Our store is well positioned and visible, we are working with the local Super Save grocery store to offer at least 3 parking spaces providing enough parking space with good security. Our management staff is well groomed and all our employees are trained to provide customized customer service to all our clients.

At CDXX retail store, we will ensure that we have a wide range of products to meet the needs and demands of our diverse patient base. We will also be involved in the sale of various vape pens, local glass art, local clothing / food pop ups, and CBD rich products (cancer killing) available in our store at all times. It will be difficult for customers to visit our store and not see the product that they are looking for. One of our business goals is to make our cannabis store a one-stop-shop.

Cannabis Retail Business Plan – Sales and Marketing Strategy

- **Sources of Income**

We know that it is very vital to state and act on the ways through which we have decided to raise funds. Our major source of income will be the retailing of cannabis products.

CDXX Retail Store will also generate income from the sale of various vape pens, local glass art, local clothing / food pop ups, and CBD rich products (cancer killing) and other related products.

- **Sales Forecast**

One of the true marks of an effective entrepreneur is being able to forecast sales based on the magnitude of work that has been put into the business. It is important to state that our sales forecast is based on the data gathered during our feasibility studies, market survey and also some of the assumptions readily available on the field.

Below are the sales projections that we were able to come up with for the first three years of operations;

First Year-: \$600,000 (From Walk-in customers): \$500,000 (From Delivery customers)

Second Year-: \$1,000,000 (From Walk- in customers): \$850,000 (From Delivery customers)

Third Year-: \$3,500,000 (From Walk- in customers): \$1,000,000 (From Delivery customers)

N.B: This projection is done based on what is obtainable in the industry and with the assumption that there won't be any major economic meltdown and natural disasters within the period stated above. Please note that the above projection might be lower and at the same time it might be higher.

Retail Business Plan – Marketing Strategy and Sales Strategy

The marketing and sales strategy of CDXX Retail Store will be based on generating long-term personal relationships with customers. In order to achieve that, we will ensure that we offer medications at lower prices compared to what is obtainable in San Francisco. We will also ensure that we have wide range of cannabis supplies in stock so we can keep up with demand in our storefront.

All our employees will be well trained and equipped to provide excellent and knowledgeable customer service. We know that if we are consistent with offering high quality cannabis products, and excellent customer service, we will increase the number of our customers by more than 25% for the first year and then more than 30% subsequently.

Before choosing a location for our retail store, we will conduct a thorough market survey and a feasibility study in order to penetrate the available market and become the preferred choice for the residents of San

Francisco – CA. We have detailed information and data that we were able to utilize to structure our business to attract the numbers of customers we want and need.

We have hired experts who have good understanding of the retail industry to help us develop marketing strategies that will help us achieve our business goal: winning a larger percentage of the available market in San Francisco, CA. We do not see hiring the best talent in marketing as a waste of money; rather we see it as a wise investment that will guarantee a lot within a short period of time.

In summary, CDXX Retail Store will adopt the following sales and marketing approach to win customers over;

- Introduce our business by sending an email campaign in constant contact and mailchimp to over 7,000 local patients signed up at events, including business owners (MMJ Doctors offices) and organizations.
- Our email campaigns will offer promotional discounts for example: \$10 off your next 10 orders, raffles with prizes, buy 2 get one free.
- CDXX will have a large and diverse menu of locally sourced cannabis products to meet the needs of every patient.
- We will work exclusively with licensed vendors making sure all the products on the shelf are lab tested quality.
- Discounts for Seniors, Veterans, and cancer patients/MS
- Sell and display local glass products and local art

Retail Business Plan – Publicity and Advertising Strategy

Regardless of the fact that our retail dispensary store is well located in San Francisco, CA, we will still go ahead and intensify the publicity for the business. We are going to explore all available conventional and non-conventional means to promote our retail business.

Here are the platforms we intend leveraging on to promote and advertise CDXX Retail Store;

- Place adverts on both print (community based newspapers and magazines) and electronic media platforms
- Sponsor relevant community programs
- Leverage on the internet and social media platforms like; Instagram, Facebook , twitter, YouTube, Google + to promote our brand
- Install our Billboards on strategic locations all around San Francisco – CA.
- Engage in Canna events (Hempcon, Hall of Flowers) from time to time
- Distribute our flyers and handbills in target areas

- Advertise our business in community based newspapers (Evergreen SF), and web advertisement like Weedmaps, Leafly, etc.
- List the business on all Social media platforms like Facebook, Instagram, Massroots, Canna SOS, etc.
- Leverage on the internet to promote our business (spend money on SEO)
- Engage in direct marketing (promo cards with discounts at doctors offices and events)
- Leverage on word of mouth marketing (referrals)
- Enter into business partnership with local businesses to build a positive image amongst the community. (Art based projects)

Our Pricing Strategy

It would be really wrong to go ahead and fix pricing without first determining other factors that surrounds costing. This is one of the reason why at CDXX Retail Store, we will work towards ensuring that all our products (cannabis flower, various vape pens, local glass art, local clothing / food pop ups, and CBD rich products (cancer killing) and other related products are offered at highly competitive prices compare to what is obtainable in California.

The fact that we are going to be offering our products at cheaper prices does not in any way means that we will sell substandard products. Selling our products at a lower price than what is obtainable in our competitor's store means that we will only reduce our profit margin and gain sales margin.

• Payment Options

At CDXX Retail Store, our payment policy is all inclusive because we are quite aware that different people prefer different payment options as it suits them. Here are the payment options that will be available in every of our outlets;

- Payment by cash (ATM)
- Payment via Point of Sale (POS) Machine cashless ATM
- Payment via online payment portal
- Payment via Mobile money (Bitcoin etc.)

In view of the above, we have chosen banking platforms that will help us achieve our payment plans without any hitches. This is very vital so that we do not lose focus.

Detailed Cost analysis for starting a Retail Business

● **Start – Up Expenditure (Budget)**

From research, it can be deduced that starting a cannabis business isn't something that comes cheap, neither is it for those that are faint of heart. The first set of money to be spent just to make an application before entering this business is usually non-refundable, and is always in thousands of dollars. The start-up cost also depends on the operating requirements of the state. Some states have cultivation locations, others don't.

There are those who have low capital and really want to go into the business, the advice would be to either wait or go into another line in the industry that isn't a retail store (for example: going into the provision of marijuana infused products including edibles and salves). This is also not a business that can be operated from home, even if you intend to go into another line of marijuana like growing. They all require a regulatory structure.

The items listed below are the basics that we would need when starting our own retail business in California (costs might vary slightly)

- The Total Fee for Registering the Business in San Francisco – \$10,000.
- Legal expenses for obtaining licenses and permits – \$25,000.
- Marketing promotion expenses for the grand opening in the amount of \$3,500 and as well as flyer printing (2,000 flyers at \$0.04 per copy) for the total amount of \$3,580.
- Cost for hiring Consultant – \$7,500.
- Cost for Computer Software (Accounting Software, Payroll Software, CRM Software, Microsoft Office, QuickBooks Pro, drug interaction software, Physician Desk Reference software) – \$7,000
- Insurance (general liability, workers' compensation and property casualty) coverage at a total premium – \$3,400.
- Cost for payment of rent for 12 month at \$1.76 per square feet in the total amount of \$105,600.
- Cost for Shop remodeling (construction of racks and shelves) – \$20,000.
- Other start-up expenses including stationery (\$500) and phone and utility deposits (\$2,500).
- Operational cost for the first 3 months (salaries of employees, payments of bills et al) – \$100,000
- The cost for Start-up inventory (stocking with a wide range of products) – \$150,000
- Storage hardware (bins, rack, shelves,) – \$3,720
- The cost for counter area equipment (counter top, sink, ice machine, etc.) – \$9,500
- Cost for Supplies (Assorted bottles, boxes, envelopes, etc. for dispensing and shipment)- \$3,000

- Cost for store equipment (cash register, security, ventilation, signage) – \$13,750
- Cost of purchase and installation of CCTVs: \$34,000
- The cost for the purchase of furniture and gadgets (Computers, Printers, Telephone, TVs, tables and chairs et al): \$4,000.
- The cost of Launching a Website: \$700
- The cost for our opening party: \$7,000
- Miscellaneous: \$10,000

We would need an estimate of \$500,000 to successfully set-up our retail store in San Francisco CA.

Please note that this amount includes the salaries of all the staff for the first month of the operation.

Generating Funding / Startup Capital for CDXX Retail Store

CDXX LLC is a private business that is owned and financed by Brandon Brown and his partners. Rodney and Brandon's Partners are established Real Estate Brokers in San Francisco.

These are the areas CDXX Retail Store intends to generate our start – up capital;

- Generate part of the start- up capital from private equity investors
- Partners refinancing of properties for cash out.

N.B: We have been able to generate about \$200,000 (Private equity \$200,000) and we are at the final stages of obtaining \$300,000 from a refinancing property cash out.

Retail Business Plan – Sustainability and Expansion Strategy

It is the wish of all business to become so successful so that they can have good succession plans. More often than not, having a good succession plan will help you predict the direction of your business. As such, the future of a business lies in the numbers of loyal customers, the capacity and competence of the employees, the investment strategy and the business structure. If all of these factors are present in a business, then it won't be too long before the business is successful.

One of our major goals of starting CDXX Retail Store is to build a business that will survive off its own cash flow without the need for injecting finance from external sources once the business is officially

running. We know that one of the ways of gaining approval and winning customers over is to sell our product a little bit cheaper than what is obtainable in the market and we are well prepared to survive on lower profit margin.

CDXX Retail Store will make sure that the right foundation, structures and processes are put in place to ensure that our staff is well supported and has longevity. Our company's corporate culture is designed to drive our business to greater heights and training and re-training of our workforce is a priority. As a matter of fact, profit-sharing arrangement will be made available to all our management staff and it will be based on their performance for a period of three years or more. We know that if that is put in place, we will be able to successfully hire and retain the best hands we can get in the industry; they will be more committed to help us build the business of our dreams.

Checklist / Milestone

- Business Name Availability Check: **Completed**
- Business Registration: **Completed**
- Opening of Corporate Bank Accounts: **Completed**
- Securing Point of Sales (POS) Machines: **Completed**
- Opening Mobile Money Accounts: **Completed**
- Opening Online Payment Platforms: **Completed**
- Application and Obtaining Tax Payer's ID: **In Progress**
- Application for business license and permit: **Completed**
- Purchase of Insurance for the Business: **Completed**
- Leasing of facility and remodeling the shop: **In Progress**
- Conducting Feasibility Studies: **Completed**
- Generating capital: **Completed**
- Writing of Business Plan: **Completed**
- Drafting of Employee's Handbook: **Completed**
- Drafting of Contract Documents and other relevant Legal Documents: **Complete**
- Design of The Company's Logo: **Completed**
- Graphic Designs and Printing of Packaging Marketing / Promotional Materials: **In Progress**
- Recruitment of employees: **In Progress**
- Purchase of the Needed furniture, racks, shelves, computers, electronic appliances, office appliances and CCTV security services: **In progress**
- Creating Official Website for the Company: **Complete**
- Creating Awareness for the business both online and around the community: **In Progress**
- Health and Safety and Fire Safety Arrangement (License): **In Progress**
- My Art Gallery Project (community engagement) : **In Progress**
- Compilation of our list of products that will be available in our Retail store: **Completed**
- Establishing business relationship with vendors (wholesale): **In Progress**

2. Specific factors which contribute to the compatibility and appropriateness of the Retail Cannabis Store with the immediate neighborhood and broader City environment;

CDXX adult use store will be extremely secure. Our store is well positioned and visible, and we are working with the local Super Save grocery store to offer at least 3 parking spaces. CDXX will offer security for the Super Save parking lot in trade for the parking spaces. Working with Super Save to offer parking spaces for our club will make sure that our patients will not be double parking in front of our location on a very busy 3rd street, which has been a common problem along the 3rd street corridor. We will have a total of 3 security guards daily that will make sure our club is safe and secure. There will be one security guard known as the “rover” stationed at the Super Save parking lot side of the street. That security guard will be responsible to secure the parking lot and a 2 block radius both north and south of 3rd street. One of the main responsibilities of the rover will be to make sure patients and people in general are not smoking product in public close by. There will be another security guard stationed at the front door checking I.D.’s and recommendations. This security guard will also be responsible for making sure that our block stays clean with no loitering. The third security guard will be stationed in the club double checking I.D.’s and recommendations as well as securing the inside of the club. They will also be responsible for monitoring the security cameras. CDXX is dedicated to the community and will be hiring off duty police officers as security guards to make sure we have local experience and a positive community presence.

3. Neighborhood outreach efforts made and the results/input from those efforts;

We created the “My Art Gallery” program. We will be working with local Bayview Hunters Point art programs to help design our location by decorating our retail store with local art from both

professional and family art. This program is already in progress (over a year). So far we are getting a lot of positive feedback from the local businesses and local community members.

4. Any other circumstances applying to the property involved which you feel support your application.

CDXX is a equity applicant cannabis retail store. High Bridge will help train our equity applicant in the operations of a retail store so he will be prepared to run his own store.

Priority General Plan Policies Findings

Proposition M was adopted by the voters on November 4, 1986. It requires that the City shall find that proposed projects and demolitions are consistent with eight priority policies set forth in Section 101.1 of the City Planning Code. These eight policies are listed below. Please state how the project is consistent or inconsistent with each policy. Each statement should refer to specific circumstances or conditions applicable to the property. Each policy must have a response. IF A GIVEN POLICY DOES NOT APPLY TO YOUR PROJECT, EXPLAIN WHY IT DOES NOT.

1. That existing neighborhood-serving retail uses be preserved and enhanced and future opportunities for resident employment in and ownership of such businesses enhanced;

The CEO Rodney Hampton Jr. is born and raised in the Hunters Point/Bayview area. Also within a few months CDXX will be hiring at least 10 - 20 employees from the local area. CDXX's COO has lived in Bayview for over 5 years and is also an African American. CDXX would be one of the few local/African American owned businesses on the 3rd st. corridor.

2. That existing housing and neighborhood character be conserved and protected in order to preserve the cultural and economic diversity of our neighborhoods;

CDXX has hired a local interior designer that works with many of the Bayview glass, wood, and steel workers in Yosemite place. This commission will produce a collaborative local art design experience that we hope will reflect the Bayview communities saturation of conventional and craft art. Bayview is an art community and CDXX believes that only local Bayview artists can bring out the cultural connection needed.

3. That the City's supply of affordable housing be preserved and enhanced;

CDXX as an equity Applicant is required to have local residents perform 30% of all work hours. We will be providing well paying jobs that will help local residents afford housing in San Francisco.

4. That commuter traffic not impede Muni transit service or overburden our streets or neighborhood parking;

Our store is well positioned and visible, and we are working with the local Super Save grocery store to offer at least 3 parking spaces. CDXX will offer security for the Super Save parking lot in trade for the parking spaces. Working with Super Save to offer parking spaces for our club will make sure that our patients will not be double parking in front of our location on a very busy 3rd street. Also our security guards will help make sure people are not double parking in front or around our location.

5. That a diverse economic base be maintained by protecting our industrial and service sectors from displacement due to commercial office development, and that future opportunities for resident employment and ownership in these sectors be enhanced;

Allowing CDXX to open would add to the diversity of the businesses owned along the third street corridor. As Entrepreneur's CDXX will be one of the few African American owned businesses along the 3rd street corridor in Bayview. Bayview is known to be a predominantly African American community, however that is rapidly changing. Allowing CDXX a chance to open its doors in this community would enhance the diversity of the businesses on the 3rd street. corridor and maintain some of Bayviews existing culture.

6. That the City achieve the greatest possible preparedness to protect against injury and loss of life in an earthquake;

Please Refer to CDXX's Emergency Safety and Security Procedure.

7. That landmarks and historic buildings be preserved

This question doesn't apply because our building is not a historical building or landmark. Although CDXX plans to maintain and never change its victorian exterior as a way to help preserve San Francisco's art history of beautiful Victorian facades.

8. That our parks and open space and their access to sunlight and vistas be protected from development.

This question doesn't apply because our space is a good distance away from any parks and doesn't obstruct or physically disrupt the public beautification of the area around it.

Storefront Operations Plan

Consumer Access to Premises

Consumer access is limited to a single entrance position at 4526 3rd Street. CDXX Adult Use Retail will be extremely secure. Our store is well positioned and visible, and we are working with the local Super Save grocery store located across the street. They will offer at least 3 parking spaces. CDXX will offer security for the Super Save parking lot in trade for the parking spaces. Working with Super Save to offer parking spaces for our club will make sure that our patients will not be double parking in front of our location on a very busy 3rd street. One of the main responsibilities of the rover will be to make sure patients and people in general are not smoking product in public near the vicinity of the store. There will be another security guard stationed at the front door checking I.D.'s and recommendations. This security guard will also be responsible for making sure that the city block stays clean with no loitering. The third security guard will be stationed in the club double checking I.D.'s and recommendations as well as securing the inside of the dispensary.

Hours of Operation

CDXX's cannabis storefront will operate from (8am to 8pm) 12 hours a day, 7 days a week as a retail store. CDXX's retail delivery operation hours will be from (10am to 10pm) 12 hours a day, 7 days a week. We are in business to service both walk-in customers and online-order customers in San Francisco.

Customer Protocol Plan

Customers will never be left unattended at a display case or front counter. Only a limited number of patients will be allowed in the waiting room at a time.

Retail Manager and all retail employees will be trained to only sell adult-use cannabis goods to individual to are at least 21 years of age. Medical cannabis goods will only be sold to individuals who are 18 years of age and hold a valid physician's recommendation or they are a primary caregiver for a person who has a valid physician's recommendation. Each employee responsible for checking age and physician recommendations will be using Highbridge which is a Consumer Relationship Management (CRM) program that CDXX has contracted with to help manage customer records and data. Photographs of each customers' government

issued ID and/or medical cannabis prescription will be recorded and kept digitally for future verification.

Cannabis Goods for Sale

CDXX's Retail Manager will verify that every item for sale to a customer has not exceed the cannabis product's expiration date. The Retail Manager will also be trained to identify and remove cannabis products that are designed to appeal to children, produced without standardized dosage, cannabis products that are not delineated to standardized dosage, and cannabis products are homogenized to ensure uniform disbursement of cannabinoids.

Cannabis goods that CDXX will delivery include but not limited to:

- vape cartridges filled with cannabis concentrate
- pre-rolled joints filled with cannabis flower
- sublingual mints infused with cannabis
- wide variety of CBD rich non-psychoactive products ranging from:
 - topicals
 - flowers
 - concentrates

Non-Cannabis Products

CDXXs will not retail any item that is in conflict with any city, county or state laws and regulations related to those items. There will be zero alcohol or tobacco products on premises.

CDXX intends to sell locally sourced canvas art, glass art, and clothing products as a way to stay engaged with the community. All commercial trade will be compliant with local and state law.

Live Plants

CDXX will only retail live cannabis plants that are not flowering. The Retail Manager will ensure all live plants sold at retail will have come from a business

that possess a valid Type-4 license. Each live plant at retail will have a label affixed to it stating “This product has not been tested.” No other live plants will be sold onsite. The Retail Manager will ensure that no pesticide will be applied to any live plants sold at retail.

Daily Limits

The Retail Manager will ensure that all Adult-Use customers will not be sold more than 28.5 grams (one ounce) of non-concentrated cannabis in a single day. A customer will not receive more than 8 grams of concentrated cannabis, including concentrated cannabis already contained within other cannabis products. This procedure will be guaranteed and applied to every individual customer through our Highbridge CRM process, which will track all items purchased and at what time.

The Retail Manager will ensure that no more than 6 immature cannabis plants are sold to a single customer on any single day.

The Retail Manager will be trained to limit the amount of medical cannabis given to each medical cannabis patient on any given day. No more than 8 ounces of medicinal cannabis will be given to any one patient, except when a verified physician’s recommendation proscribes an amount greater than 8 ounces.

Return of Cannabis Goods

The Retail Manager will be trained to destroy all cannabis goods returned by customers according to CDXXs Waste Management and Hazardous Materials Plans.

Free Cannabis Goods

The Retail Manager will be trained to ensure that no free cannabis goods are provided to individuals not employed by CDXX. The Retail Manager will ensure that all cannabis provided for free will be inventoried in our Track and Trace system, has been appropriately tested, provided only to patients or primary caregivers with valid State medical identification cards and complies with all compassionate use and equity programs administered by the City of San Francisco and the State of California.

Packing and Labeling

The Retail Manager will ensure that every cannabis good for sale is packaged and sold in compliance with all local and state laws. Neither the Retail Manager or any other CDXX employee designated as a retail associate will package or label any cannabis good.

Exit Packaging

CDXX customers will be required to leave the storefront with all their cannabis product purchases in an opaque child resistant exit packaging.

CDXX delivery drivers and delivery managers will ensure that each cannabis product sold, leaves CDXX premises in opaque child resistant exit packaging.

The Retail Manager will have all the following records on hand and properly recorded:

- Description of each item in inventory
- An accurate measurement of the quantity of the item
- Date and time cannabis goods were received
- Sell-by or expiration date
- Name and license number of the licensee that delivered
- Name and license number of distributor
- Price the retailer paid

a. Methods to Secure against Theft

b. Location of Cannabis Product Shipment Locations

Shipping and Inventory

The Retail Manager will ensure that all cannabis goods enter the facility through a limited access entrance. A designated inventory street entrance where CDXX will receive and ship out all cannabis goods will be located to the right of the main customer entrance of CDXX. No cannabis products will be shipped or delivered through entrances accessible to the public.

Upon delivery of cannabis product to CDXX, employees will immediately bring the goods to their designated secure holding locations. There will be two primary

secure inventory locations. The first is immediately to the front upon entering the shipping entrance. This secure room is on the ground floor where a safe and security cameras will be located to prevent theft and other crimes. The second secure inventory location is in the basement which is accessible from a stairwell located immediately upon entering the inventory entrance. The basement is in it's entirety a vault. Where the door to the basement will be a state of the art reinforced vault door with digital keypad.

c. Medical Customer Policy

i. Confidential spaces to speak with employees

ii. Ensuring Supply of Medical Cannabis

d. Cannabis Consumption Location

e. Delivery Plan

The delivery driver is the face of CDXX. The hand off between the driver and the patient is the most important interaction in the business. A CDXX driver greets the customer with a smile, building a comfortable platform for the customer to ask questions about their purchases. A CDXX employee driver will be trained on how to begin a new delivery through the following:

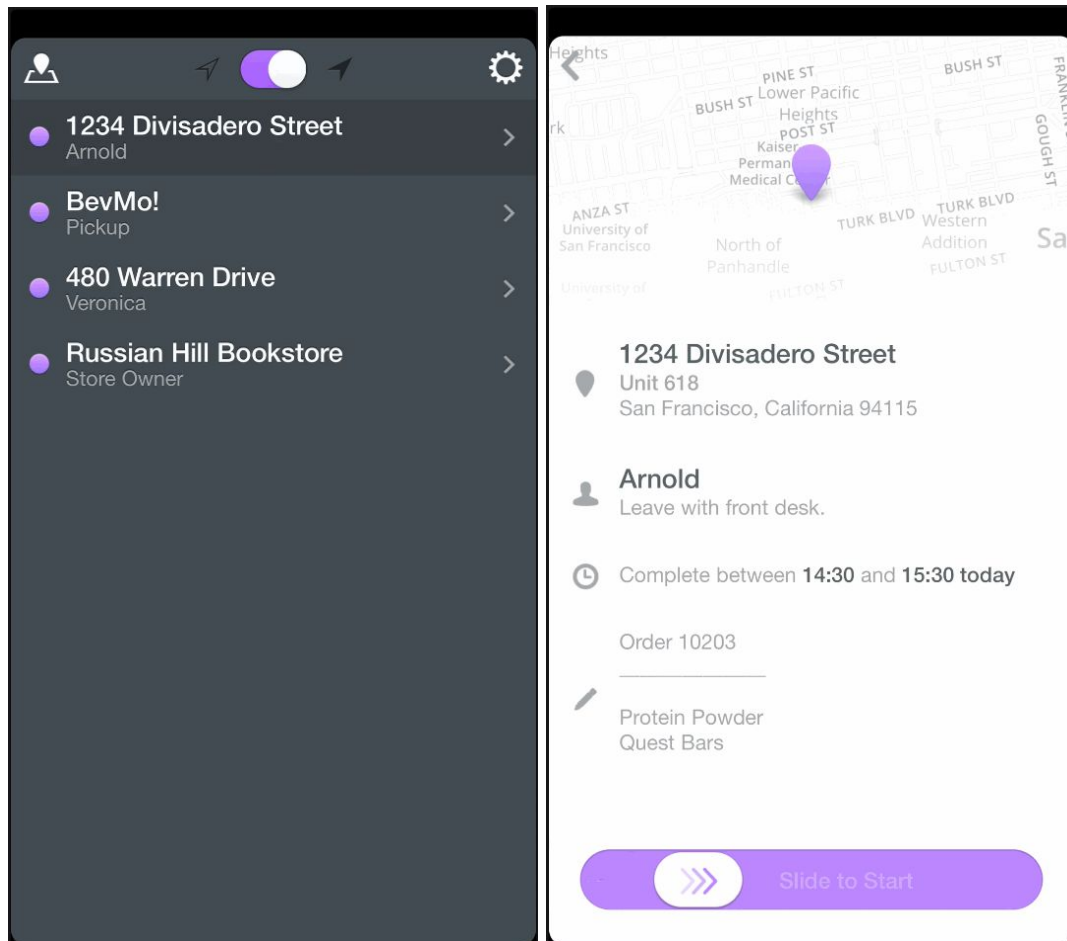
1. Employee driver will sign in through the smart phone application "When I Work" within 15 of shift. When I Work will maintain and organize all employee information and data. The driver will then log onto "Onfleet". Onfleet is a third party smart phone application that will be used by CDXX managers and administrators communicate between dispatch and drivers. Onfleet will help drivers and dispatchers have up to date locations of drivers and their orders out for delivery.
2. Once driver has checked in with manager and clock in, the driver will be ready to receive a customer order. Drivers who receive an order will follow a checklist that requires the driver to check the order, the price, and to pack the order and prepare it for delivery. Drivers who are waiting for customer orders will help maintain the packing and production spaces. Assisting wherever needed while waiting for an outgoing delivery.
3. Every driver will have a smart phone that will have the application Onfleet and Slack. Onfleet and Slack will be used to provide details to the driver

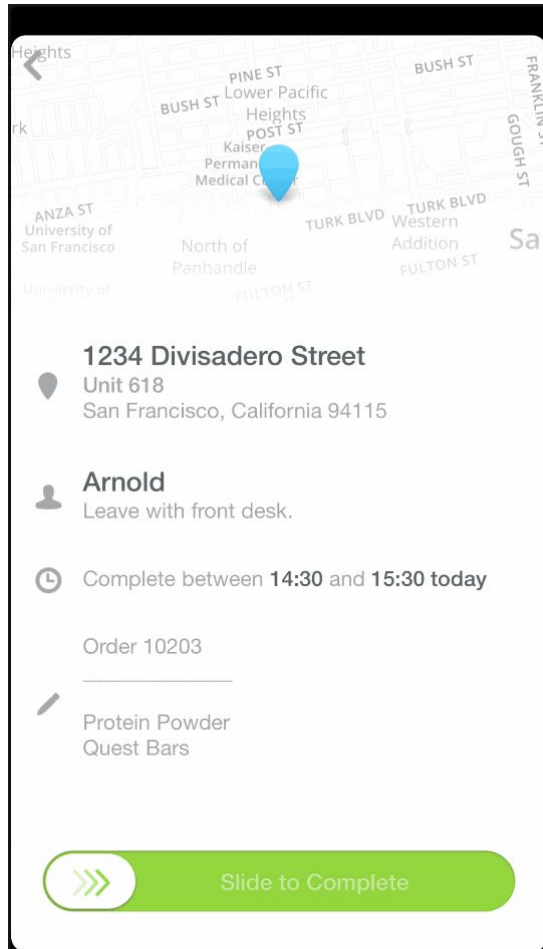
regarding all customer orders. Available drivers will accept a customer order through Slack and will be assigned that particular order upon accepting it through Slack.

4. Once a driver accepts an order through Onfleet, the driver may use the Onfleet to navigate and communicate anonymously with the customer.
5. Onfleet will detail any important notes the driver will need to know in order to carry out the delivery successfully. This includes special intercom data, apartment numbers, etc.
6. Upon successful delivery, the delivery employee will head back to CDXX where they will wait further customer orders or have an order ready for them upon arriving back from last delivery.

Driver Example:

Start a task by tapping on it in the list view, and sliding the Slide to Start slider to the right. The task will start after 5 seconds have elapsed. Until then, you may cancel the task with the Slide to Cancel slider. Once the task has been started, it *must* be completed before starting another task or going Off Duty.





Checking Out:

Make sure that all transactions for the day are recorded on the manual report in the product bag and all the cash is in the wallet.

Return all products on the checklist located on the product bag that were not received by customer. Driver clocks out on the When I Work app. This will close out the driver for the day until the next delivery/shift.

All deliveries of cannabis goods ordered from CDXX shall be performed by a delivery employee of CDXX. Each delivery employee of CDXX will be 21 years of age or older. Cannabis deliveries shall be made in person. No unmanned vehicles will be used by CDXX to make cannabis deliveries. All employees making a delivery of cannabis goods shall carry a copy of CDXX's current license, employee's government-issued ID, and ID badge identifying the employee with CDXX.

CDXX shall have a current list of all delivery employee onsite.

Delivery to a Physical Address

CDXX delivery employees will only delivery cannabis to a valid physical address in the state of California. At no time with an employee have authorizing to leave the state of California while delivering cannabis and while cannabis is in their vehicle while clock in at work. No delivery employee will delivery cannabis goods to an address located on publicly owned land or any land or building leased by a public agency. This prohibition will include land held in trusts by the United States for a tribe or an individual tribal member unless the delivery is authorized by and consistent with applicable law.

Methods of Delivery

All deliveries will be made in an enclosed vehicle and operated by a delivery employee. At no time will cannabis goods be visible to the public while cannabis goods are being delivered. All CDXX employees will be trained not to leave cannabis goods in an unattended motor vehicle unless the motor vehicle is locked and equipped with an active vehicle alarm system.

All deliveries that are outbound to their destination shall be outfitted with a dedicated Global Positioning System (GPS) device, which will provide real time geographic location information at a moment's notice. The GPS device **(X)** will be owned and maintained by CDXX. Each vehicle's GPS device shall be affixed to the inside of the vehicle. The GPS device shall remain active during the entire length of the delivery from travel to destination to return travel back to CDXX. CDXX will be able to provide specific detail locations for each delivery to the Bureau of Cannabis Control and the San Francisco Office of Cannabis, upon request.

Upon request, CDXX shall provide information for all vehicles used for delivering cannabis goods including, the make, model, color, VIN, license plate and DMV registration. CDXX employees will be trained to permit officers from the Bureau of Cannabis Control to inspect a delivery vehicle onsite or during delivery.

Cannabis Goods Carried During Delivery

CDXX will train all staff that outgoing deliveries shall not carry cannabis goods worth more than \$3,000 at any time. The value of cannabis goods will be measured using the current retail price of all cannabis goods carried by CDXX.

Cannabis Consumption During Delivery

CDXX has a strict no cannabis consumption policy with all of its employees, including delivery drivers while working and clocked in at CDXX.

Delivery Request Receipt

CDXX will require all deliveries to have a delivery request receipt prepared. The delivery request receipt will contain the following information:

- Name and address of CDXX
- First name of delivering employee and delivering employee's ID number
- First name and employee number of the employee who prepared the order for delivery
- First name of the customer and ID number assigned to customer by CDXX
- Date and time the delivery request was made
- Delivery address
- Detailed description of all cannabis goods ordered for delivery
 - Including; weight
 - Volume
 - Any other accurate measurement of amount of cannabis
- Total amount paid for delivery including;
 - Taxes
 - Fees
 - Cost of cannabis goods
 - Any other charges for delivery

All delivery customers will receive a copy of the delivery request receipt. CDXX employees will be trained to acquire a signed copy of the delivery request receipt.

Delivery Route

CDXX delivery employees will be trained to only travel from CDXX's premises to the delivery address; from delivery address to another delivery address, or from delivery address back to the retailer's license premises. Absolutely no frolicking or detours from delivery route will be tolerated from delivery employees. Delivery employees are permitted to acquire necessary rest, fuel, or vehicle repair stops, or because road conditions make continued delivery impossible or impracticable.

f. Information about electronic platform used to receive and process orders

There will be a permeant role of "dispatcher". This role will be filled by trained managers who have a thorough understanding of CDXX operations and procedures. The dispatcher will be responsible for all transactions being recorded on the manual report during their shift. Accounting for all products sent out to delivery and all cash on hand (both at location and out on delivery). Dispatchers will use Onfleet to manage and coordinate drivers and their deliveries. Dispatchers will have the ability to assign a customer order to a driver through Onfleet. New patients must create an account through Highbridge Delivery. CDXX will use Highbridge Delivery platform to host it's online cannabis menus for customers to select items for delivery.

i. VIN for each vehicle

ii. Customer Verification

iii. Tracking Drivers and Deliveries

g. Compassion Program

h. Security Plan

Access to Limited Areas

All Managers and employees will be trained and required to provide an escort to all non-employees who are required to be present in limited-access areas. This generally means but is not limited to; any space not meant for the general public to view or purchase cannabis products.

All Employees shall be required to wear an employee badge issued by CDXX Management. The badge shall be covered with plastic and worn at all times while the employee is clocked into work and engaging in commercial cannabis activities. The badge will include the CDXX name and license number, the employee's first name and ID number assigned by CDXX Management, a color photograph of employee that clearly shows employee's face.

Video Surveillance System

CDXX's digital video surveillance system
(interview security manager)

- Minimum camera resolution of 1280x720 pixels
- Shall be transmitted and controlled through the internet
- 24/7 clear monitoring
- Each camera must be permanently mounted
- Clearly record activity occurring within 20 ft. of all points of entry
- Clear and certain identification of people
- Areas to be recorded
 - Where cannabis is packed, stored, loaded and unloaded for transportation
 - Limited access areas
 - Security rooms
 - Areas storing surveillance storage system
 - Entrances and exits, both indoor and outdoor vantage points
 - All point of sale areas
 - 15 frames per second
 - Kept up to 90 days
 - Time and date
 - Equipped with failure notification system

Security Personnel

Retail or microbusiness engaged in retail must hire or contract security personnel. All Security personnel hired or contracted must be licensed by the state.

Locks

Commercial-grade, nonresidential door locks on all points of entry and limited access areas.

Alarm System

Licensed alarm company

Waste Disposal Plan

Track and Trace Compliance Plan

Record Retention

CDXX will require all Managers to maintain and scan all records of their business. The records required to be maintained by each Manager will include:

- financial statements and invoices
- receipts
- tax records required by the California Department of Tax and Fee Administration
- Personnel records for each employee
- Training records and who received the trainings
- Permits, licenses and other authorization
- Security records, except surveillance records
- Records related to the composting and destruction of cannabis goods
- All track and trace information relevant to the department's operation

All records shall be accessible to the Bureau of Cannabis Control upon request and when necessary. All records shall be stored and produced digitally. All records listed above shall be kept for seven years at minimum.

Odor Mitigation Plan

Hazardous Waste Plan

Power Plan

Compassion Program

Staffing Plan

Community Benefits Agreement

a. Employment Outreach and Recruitment

b. First Source Hiring Plan

c. Encouraging Growth of Equity Business Owners

Emergency Safety & Security Procedure

CDXX

Parking and Security Overview

CDXX Adult use Retail will be extremely secure. Our store is well positioned and visible, and we are working with the local Super Save grocery store located across the street. They will offer at least 3 parking spaces. CDXX will offer security for the Super Save parking lot in trade for the parking spaces. Working with Super Save to offer parking spaces for our club will make sure that our patients will not be double parking in front of our location on a very busy 3rd street. This has been a common problem along the 3rd street corridor. We will have a total of 3 security guards daily that will make sure our club is safe and secure. There will be one security guard known as the “rover” stationed at the Super Save parking lot side of the street. That security guard will be responsible to secure the parking lot and a 2 block radius both north and south of 3rd street. One of the main responsibilities of the rover will be to make sure patients and people in general are not smoking product in public near the vicinity of the store. There will be another security guard stationed at the front door checking I.D.’s and recommendations. This security guard will also be responsible for making sure that the city block stays clean with no loitering. The third security guard will be stationed in the club double checking I.D.’s and recommendations as well as securing the inside of the club. They will also be responsible for monitoring the security cameras. CDXX is dedicated to the community and will be hiring off duty police officers as security guards to make sure we have local experience and a positive community presence.

Security Process

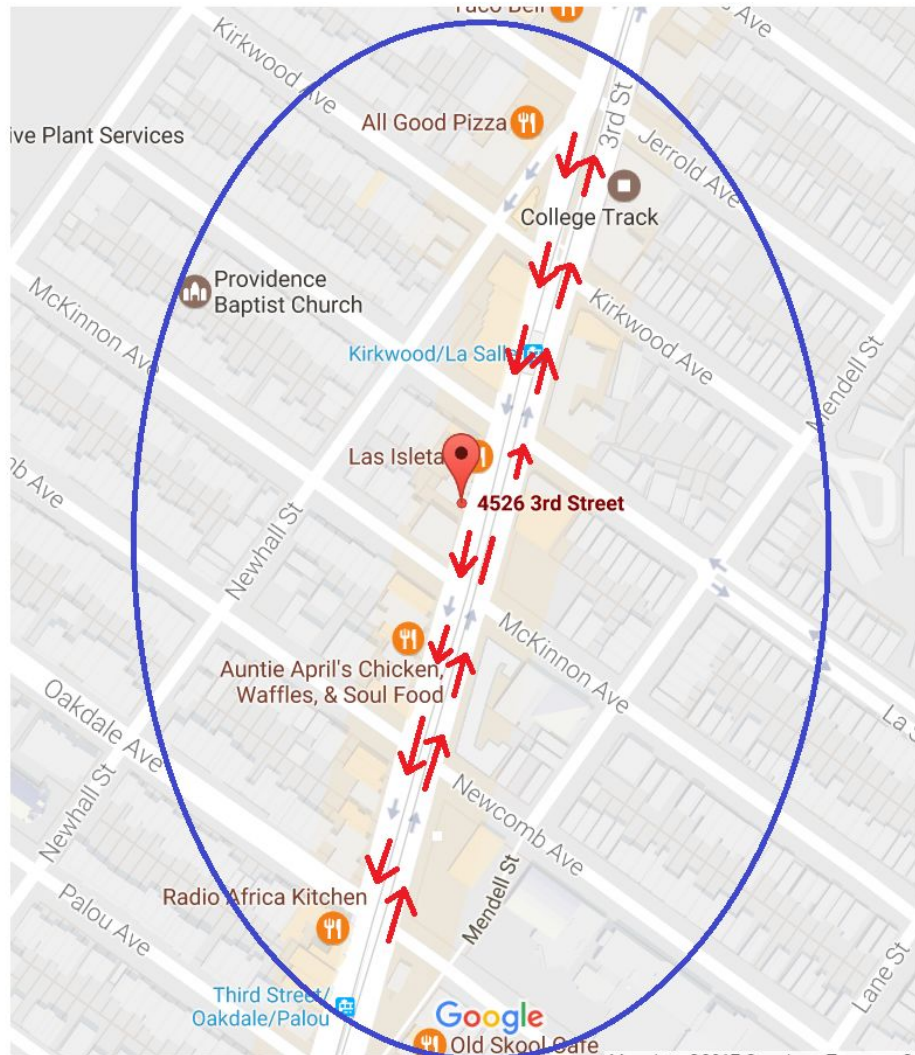
Our security is the front line of defense. All of CDXX’s security guards will be hired through a security agency trained and certified in current retail security protocols. Bayview ABU security services.

- No more than 30 - 40 people in the club at anytime.
- Upon entering the registration room the patient will be given a tablet to join the collective, electronically. Security will help assist in the process of checking I.D.s and taking photos.
- Once the patient has completed the registration, the front desk clerk will allow the patient through to the retail store while letting the budtenders know if the patient is a recurring patient or a new patient.
- No patient will be permitted through the security wall only with a valid government issued ID 21+.
- Medical patients doctor's recommendation will be checked in the system to make sure they are valid and not expired.
- At least one of the security guards should be an off duty police officer if possible.

OUTSIDE SECURITY POSITIONING



ROVER RADIUS



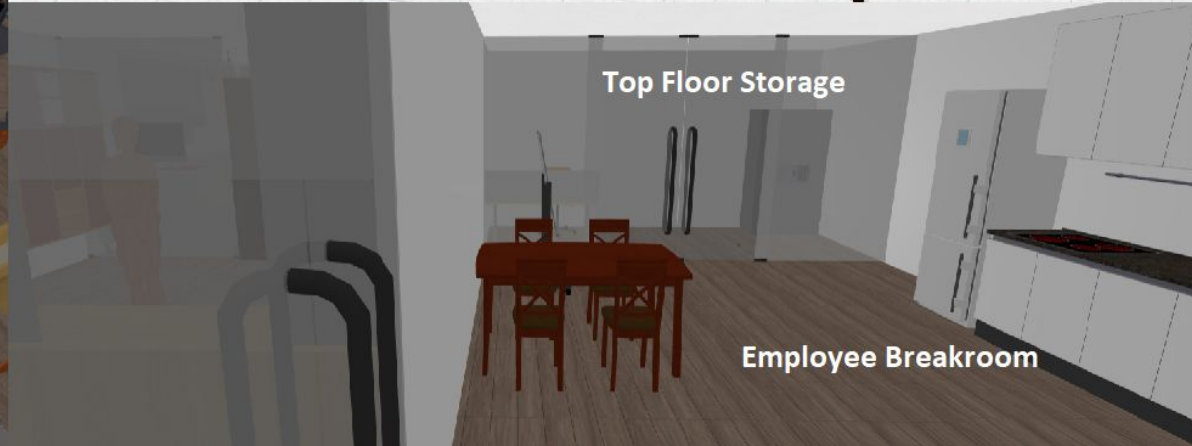
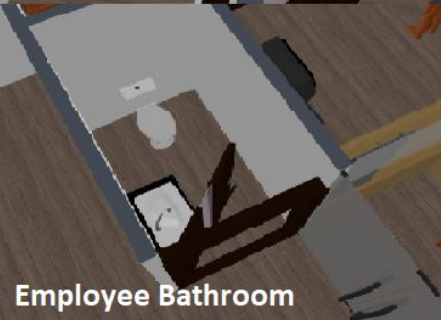
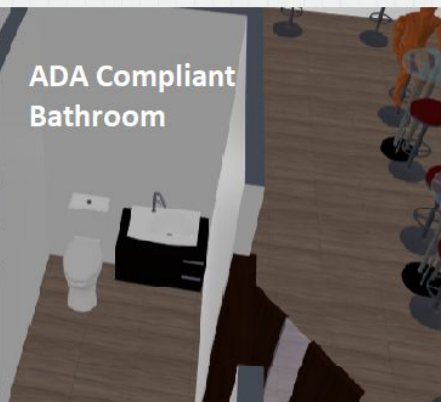
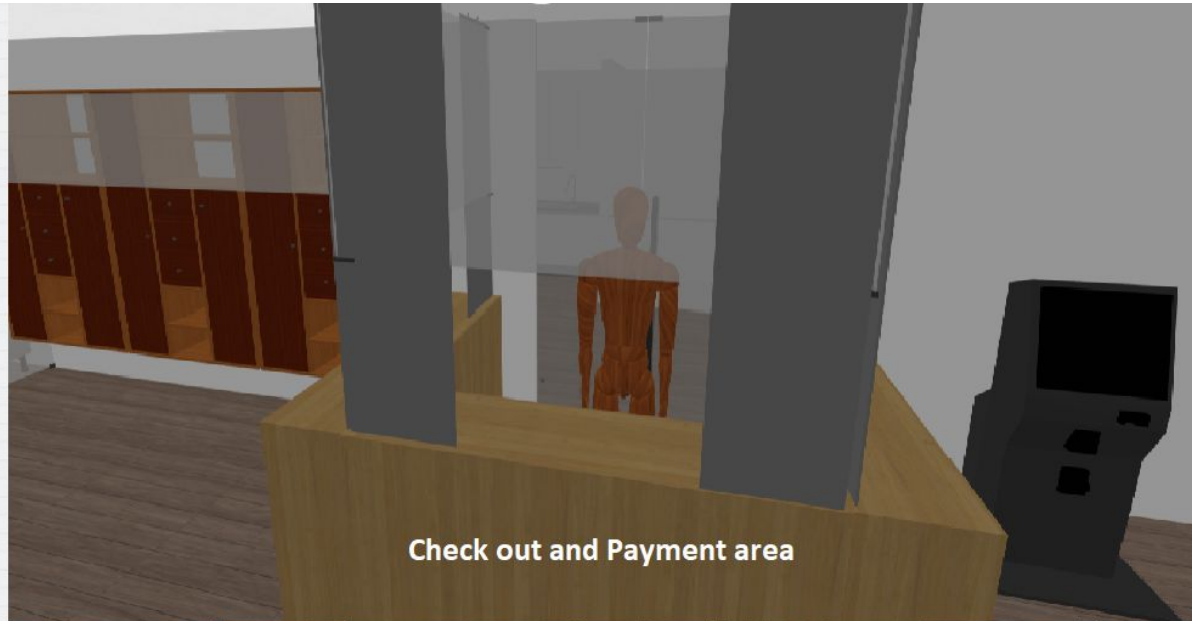
Smoke Lounge Overview

CDXX smoke lounge will be the front line in our cultural revolution! CDXX will be applying for a type C license. Our smoke lounge is where our cannabis community will come to be together, to be who they really are, in unity and enlightenment. We hope that our smoke lounge will keep people from smoking in public and become the local center for Bayview cannabis culture. CDXX believes in providing a safe place for its patients to smoke their cannabis products in a health way. We will have a very expensive Hvac/ large carbon filter (Merv 11-13) that will replace the air in the room every few minutes to help maintain a healthy smoking environment. The goal is for our patients to be able to consume their cannabis products in a safe and like minded environment. Our smoke lounge and security will ensure that our patients will not be smoking their cannabis products in public along the 3rd street corridor. We believe our smoke lounge will make sure that our club does not add to the existing problems on the 3rd street corridor but, instead help keep our community clean and safe.



Security Flow and Floor Plan Renderings





Procedures

Intrusion During Business Hours Procedure

If there is an occurrence of an intrusion during business hours, the panic button on the alarm keypad inside the main lobby will alert the local police department. Should an employee suspect a hostile act to occur (even if no alarms have been activated), they are to notify the Compliance Officer (CO) immediately. Employees will be trained by the CO to identify exactly what constitutes a hostile act, such as:

1. Forced entry
2. Suspicious and/or unrecognizable visitors
3. Armed personnel
4. Hostile/violent actions, such as:
 - a. Violent shouting
 - b. Detained personnel
 - c. Audible firearm discharge

These security measures are in place to provide defense support to CDXX's staff. At no point should an employee engage an intruder, unless reasonable judgment can be made that acting in an offensive manner would protect against loss of life. **Employees are instructed to cooperate with any intruder, in order to reduce a life-threatening situation.**

If the central alarm system is activated, and audible/visual alarms are tripped, employees will be trained to identify the nearest emergency exit. They will be trained to move as far away from the building as possible.

Intrusion After-Hours Procedure

In the occurrence of an intrusion after hours, the Intrusion Detection System will engage an alarm. The system trigger will notify the security company who will assess the intrusion and contact the local police department. The Owner, CO, be notified of the intrusion by the security company.

Local police will be dispatched to take further action regarding the intrusion.

Medical Emergency Procedure

If the CO is unable to retrieve Emergency Contact information in an emergency, each employee's Emergency Contact information is held confidentially, in the CO's office within a locked filing cabinet. Emergency information includes home and emergency contact telephone numbers, names and numbers of next of kin and medical information.

The five most common workplace injuries in an indoor cultivation environment are:

1. Cuts/scrapes/punctures
2. Eye injury or irritation
3. Chemical burns
4. Chemical inhalation or accidental exposure
5. Electrocution

Employees will reference the Personal Protective Equipment (PPE) SOPP to reduce and prevent exposure to potentially hazardous materials and activities which they may come into contact with.

The CO will train new employees on the location and use of first-aid kits and emergency eye wash stations.

Protocol for CDXX's employees in the event of a medical emergency:

1. Identify the emergency
2. Assess the situation! Can an individual respond safely, without putting themselves or the victim in further danger?
3. Is the emergency environment safe to enter?
4. If injury is life or limb threatening, call 911 immediately! Such injuries include (but are not limited to):
 - a. Loss of consciousness.
 - b. Acute, confused state and fits that are not stopping.
 - c. Persistent, severe chest pain.
 - d. Breathing difficulties.
 - e. Severe bleeding that cannot be stopped or slowed.
 - f. Severe allergic reactions.
 - g. Severe burns or scalds.

If first-aid is needed:

1. Grab the nearest first-aid kit.
2. First responder should utilize appropriate PPE.
3. Identify the injury.
4. Administer first-aid.
5. If possible, move victim to a safer location.
6. Notify the department manager.
7. Fill out an injury report.

Facility Evacuation Plan Procedure

1. Employees, visitors and management will be instructed to move away from the danger to a safe zone at or near an emergency exit.
2. Employees, visitors and management will proceed to evacuate the building through the nearest emergency exit.
3. Employees, visitors and management needing assistance will be aided by the CO.
4. The CO will take the First Aid Kit with him / her with a copy of the employee / management list and the visitor log for that day.
5. All individuals will be instructed to move to the safe zone outside of the facility. The safe zone is at least 100 feet away from the facility but may be extended depending on the severity of the hazard.
 - a. If the safe zone is not safe, the CO or designated trained employee will direct individuals to the secondary safe zone.
 - b. The secondary safe zone is located at least 250 feet from the facility depending on the severity of the hazard.
6. The CO will verify that everyone has been evacuated from the building by conducting a roll call. Roll call will be based on the employee / management list and the visitor log for that day.

7. The CO and approved employees or management will attend to any injured party using the First Aid Kit.

Fire Evacuation Plan Procedure

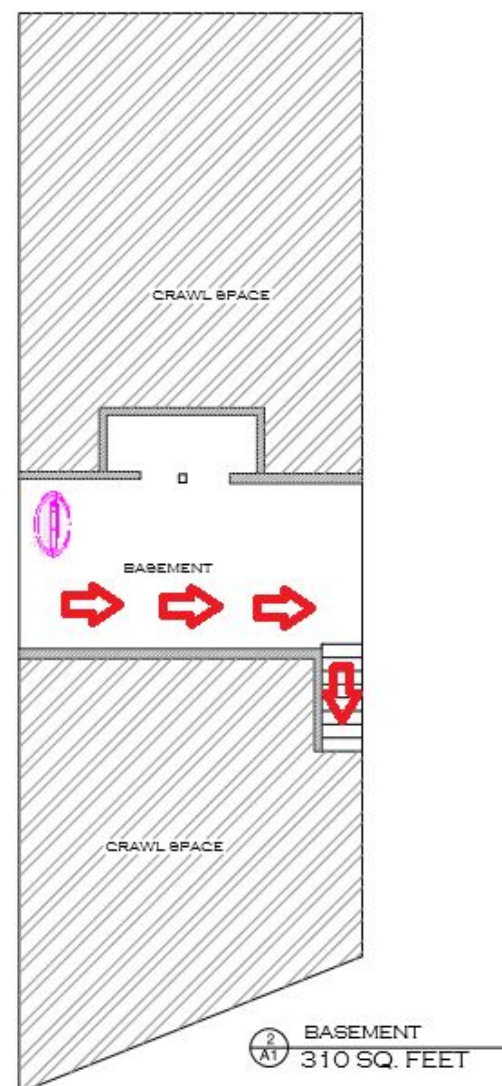
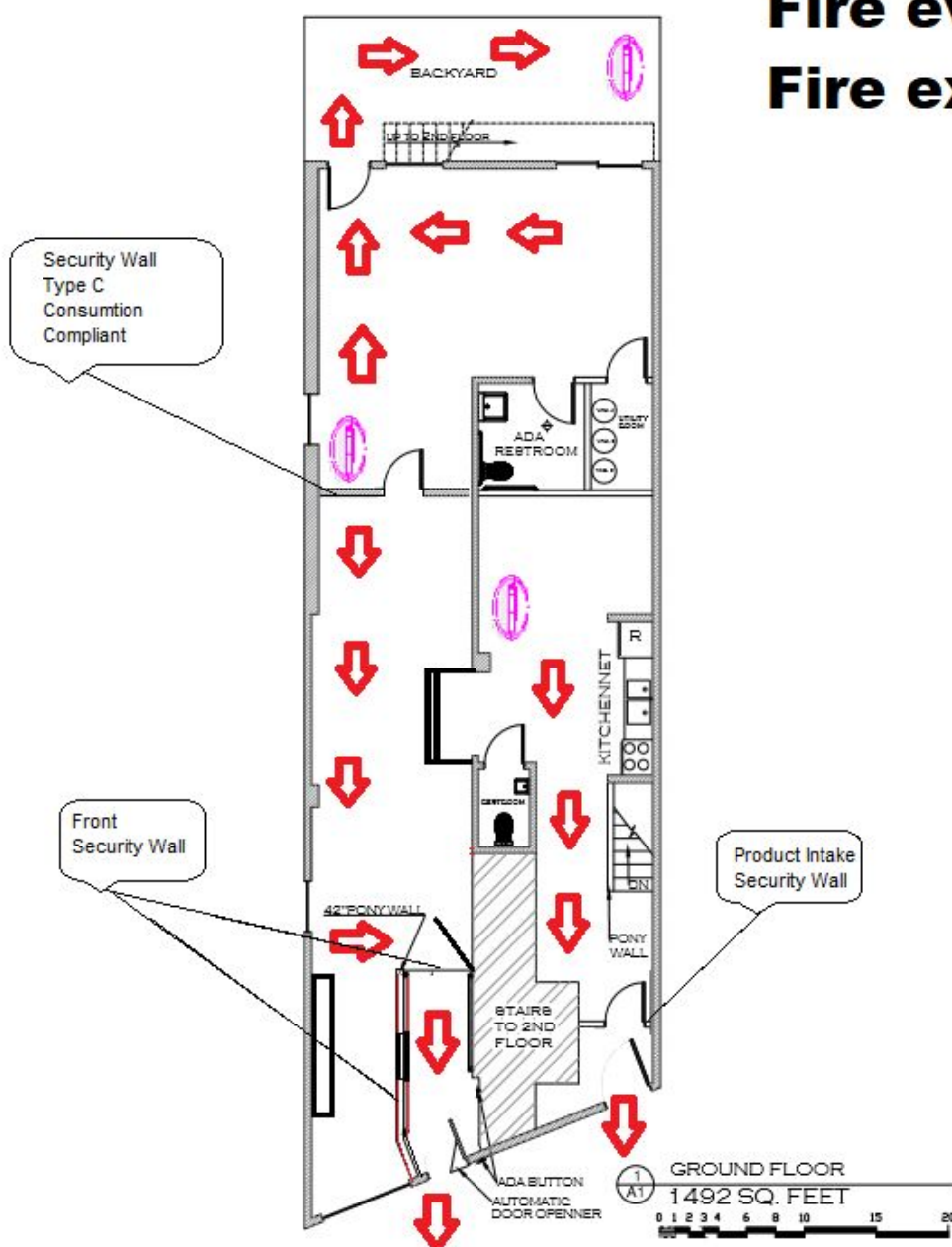
1. Employees, visitors and management will be instructed to move away from the fire to a safe zone at or near an emergency exit.
2. The CO and or a designated trained employee will instruct individuals to then move to the safe zone outside the facility. The safe zone is at least 100 feet away from the facility but may be extended depending on the severity of the hazard.
3. The CO and or a designated trained employee will evaluate whether or not the fire can be put out by portable fire extinguishers.
 - a. If the fire can be extinguished by portable fire extinguishers, the CO and or a designated trained employee will attempt to extinguish the fire.
 - b. All portable fire extinguishers will be inspected, tested and maintained per OSHA regulation 29 CFR 1910.157(b)(2).
 - c. All designated employees will be trained at least annually on the proper use of the portable fire extinguisher.
 - i. Evidence of this training will be documented in the Employee Training log and stored in the **Employee Training Log Binder**.
4. If the CO and or a designated trained employee cannot put out the fire using portable fire extinguishers, they will immediately contact 911.
5. The CO and or a designated trained employee will then proceed to the nearest safe emergency exit, evacuate the building and move to the safe zone. The safe zone is at least 100 feet away from the facility but may be extended depending on the severity of the hazard.
 - a. If the safe zone is not safe, the CO or designated trained employee will direct individuals to the secondary safe zone.
 - b. The secondary safe zone is located at least 250 feet from the facility depending on the severity of the hazard.
6. The CO will then conduct a roll call. Roll call will be based on the employee / management list and the visitor log for that day.

Returning to the Facility

Individuals, employees, management and visitors are not allowed to return to the facility until either the CO or designated trained employee has deemed the facility safe to re-enter. In the event that emergency responders have taken control of the situation; individuals, employees, management and visitors are not allowed to return to the facility until emergency responders have deemed the facility safe to re-enter.

The fire evacuation and fire extinguisher diagram posted at all entries and exits: EXAMPLE Below

Fire evacuation and Fire extinguisher diagram





CDXX LLC

CANNABIS
RETAIL

4526 3RD STREET
SAN FRANCISCO,
CA 94124
BLOCK: 5296 LOT: 020

| ISSUE: | DATE: |
|------------------|----------|
| ISSUE FOR REVIEW | 12.03.18 |
| PLAN CHECK REV.1 | 01.25.19 |

| | |
|--------------|----------|
| DRAWN BY: | TL |
| DATE: | 12.03.18 |
| SHEET TITLE: | |

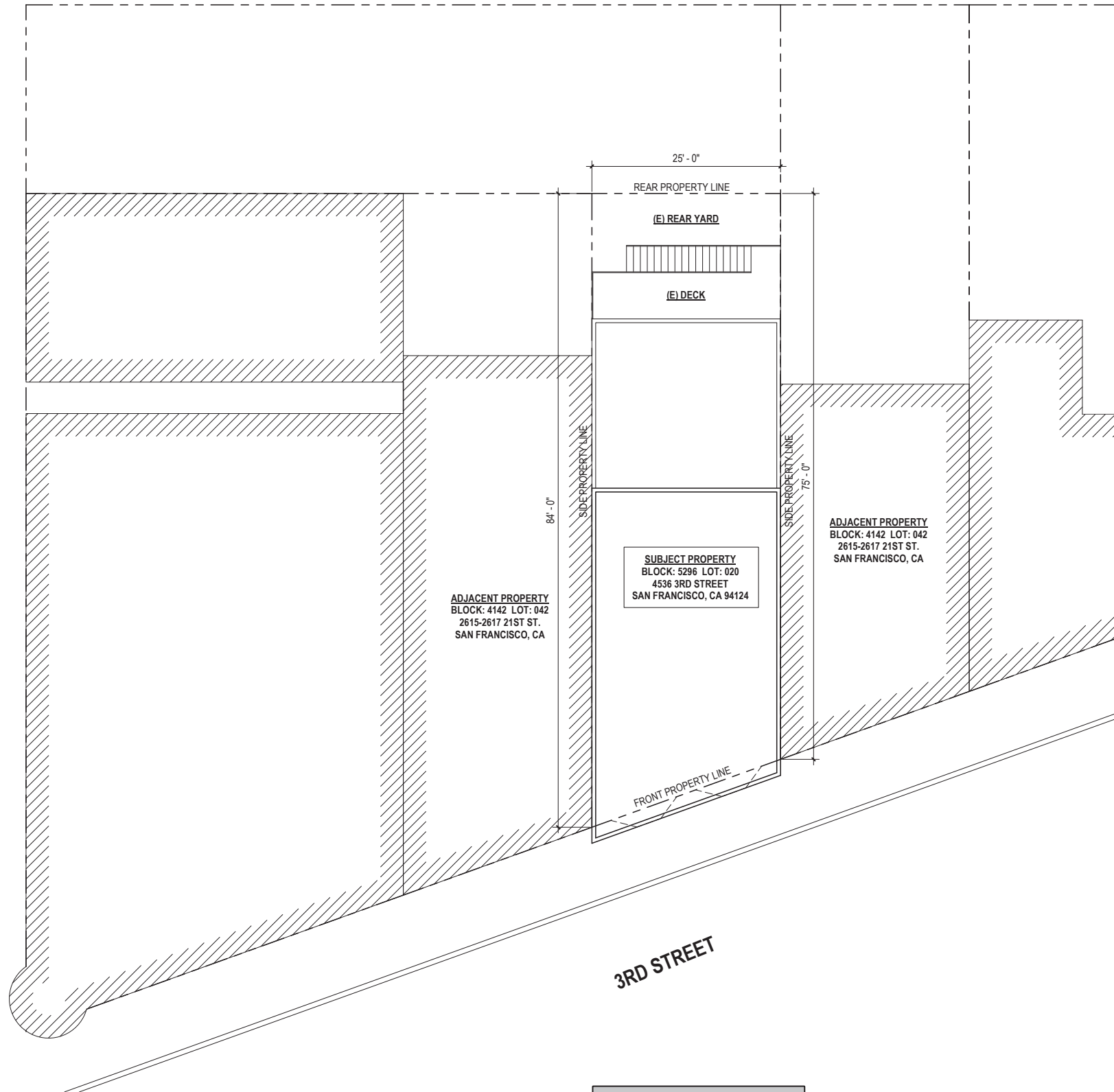
EXISTING
SITE PLAN

SHEET NUMBER:

A0.2

REV #: DATE:

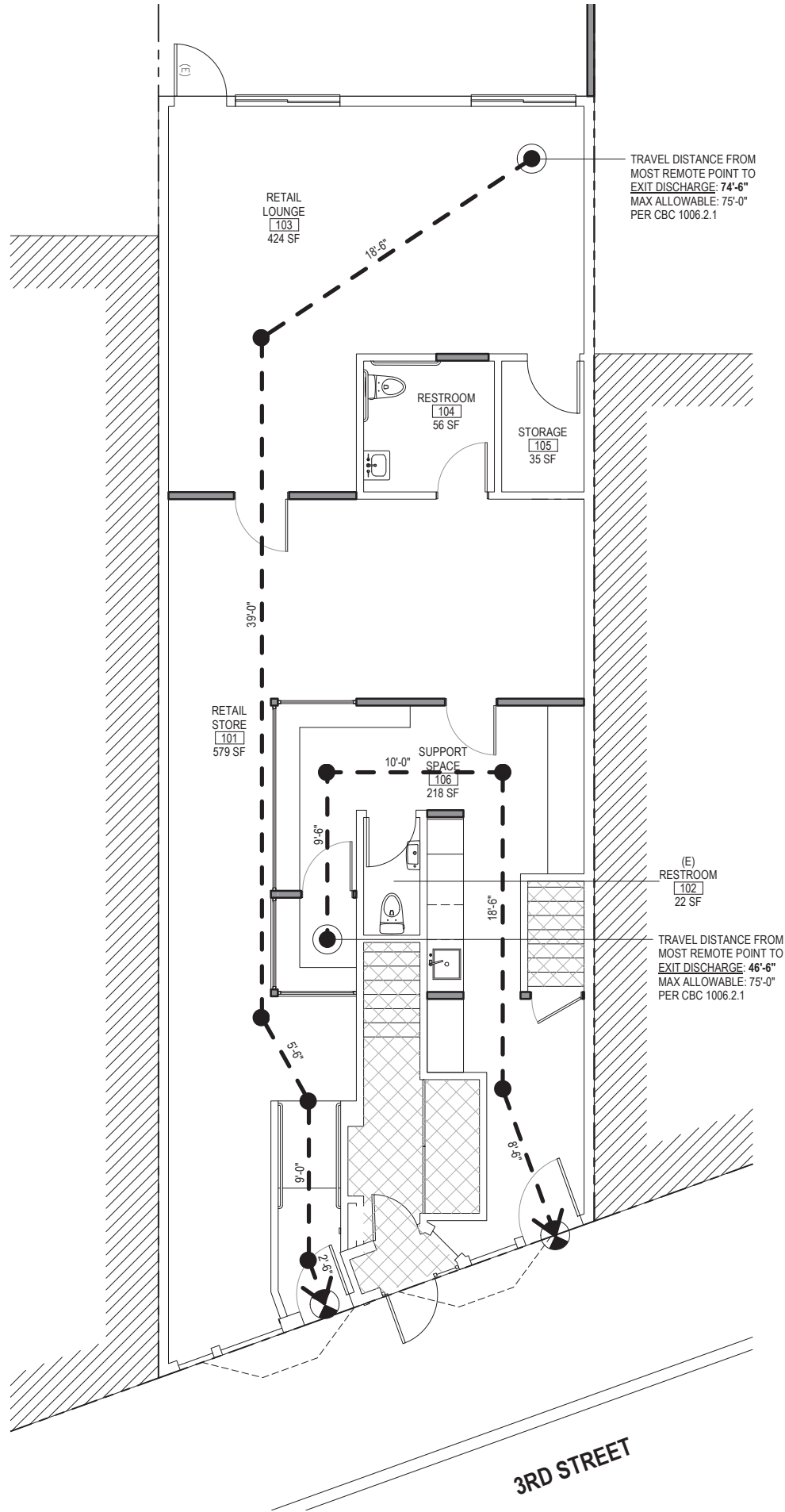
MCKINNON AVE



FOR REFERENCE ONLY

NO WORK IN THIS AREA





| OCCUPANCY CALCULATION | | | | |
|-----------------------|---------------|---------|--------|------|
| ROOM # | ROOM NAME | SF | FACTOR | OCCs |
| 101 | RETAIL STORE | 579 SF | 60 SF | 10 |
| 102 | (E) RESTROOM | 22 SF | 0 SF | |
| 103 | RETAIL LOUNGE | 424 SF | 60 SF | 7 |
| 104 | RESTROOM | 56 SF | 0 SF | |
| 105 | STORAGE | 35 SF | 300 SF | 0 |
| 106 | SUPPORT SPACE | 218 SF | 100 SF | 2 |
| GRAND TOTAL | | 1334 SF | | 19 |

TOTAL OCCUPANTS: 19
EXITS REQUIRED: 1
EXITS PROVIDED: 1

EXITING ANALYSIS

- EXITING NOTES**
ALLOWABLE 1 EXIT FROM FIRST FLOOR ABOVE GRADE PLANE w/ OCCUPANT LOAD OF 19 PERSONS PER CBC TABLE 1006.3.2 (2)
- OCCUPANT LOAD: 19 PERSONS PER SEC 1004.1.2.
 - EXIT DISCHARGE @ 1ST FLOOR TO PUBLIC WAY (STREET) PER CBC SEC 1028.5.

EXITING SYMBOL LEGEND

- REMOTE POINT OF SUBJECT FLOOR LEVEL
- ⊗ EXIT DISCHARGE
- - - - - - ➔ EXIT TRAVEL PATH IN DIRECTION INDICATED BY ARROW

HTA!

HOOD THOMAS ARCHITECTS

440 SPEAR STREET SAN FRANCISCO, CALIFORNIA 94105
P: (415) 643-5005 F: (415) 495-3338
WWW.HOODTHOMAS.COM



CDXX LLC

CANNABIS
RETAIL

4526 3RD STREET
SAN FRANCISCO,
CA 94124
BLOCK: 5296 LOT:
020

| | |
|------------------|----------|
| ISSUE: | DATE: |
| ISSUE FOR REVIEW | 12.03.18 |
| PLAN CHECK REV.1 | 01.25.19 |

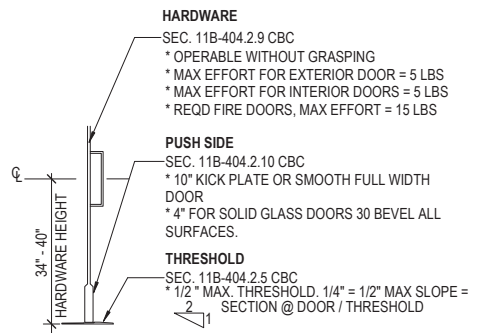
DRAWN BY: TL
DATE: 12.03.18
SHEET TITLE:

EXITING
ANALYSIS

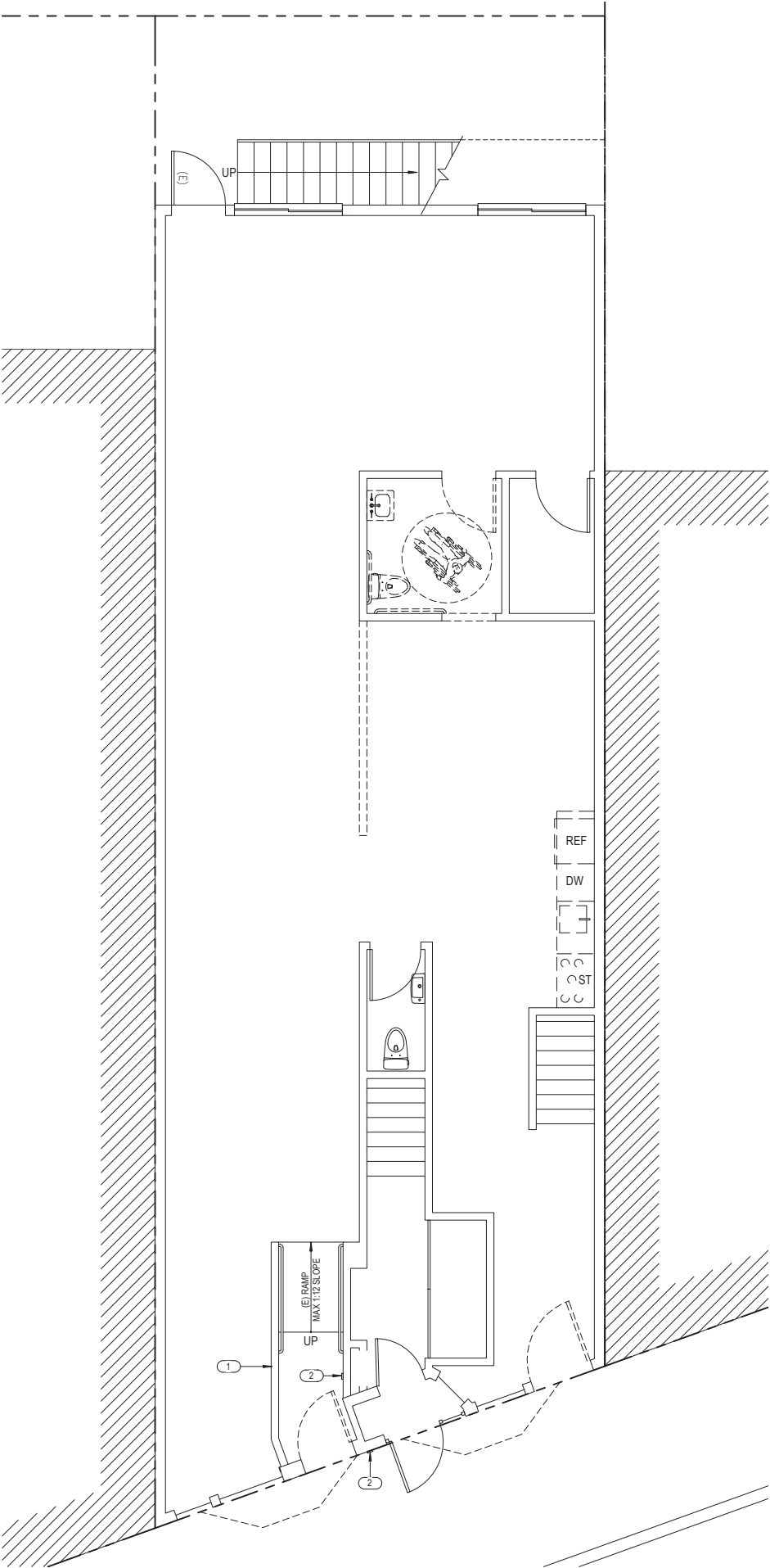
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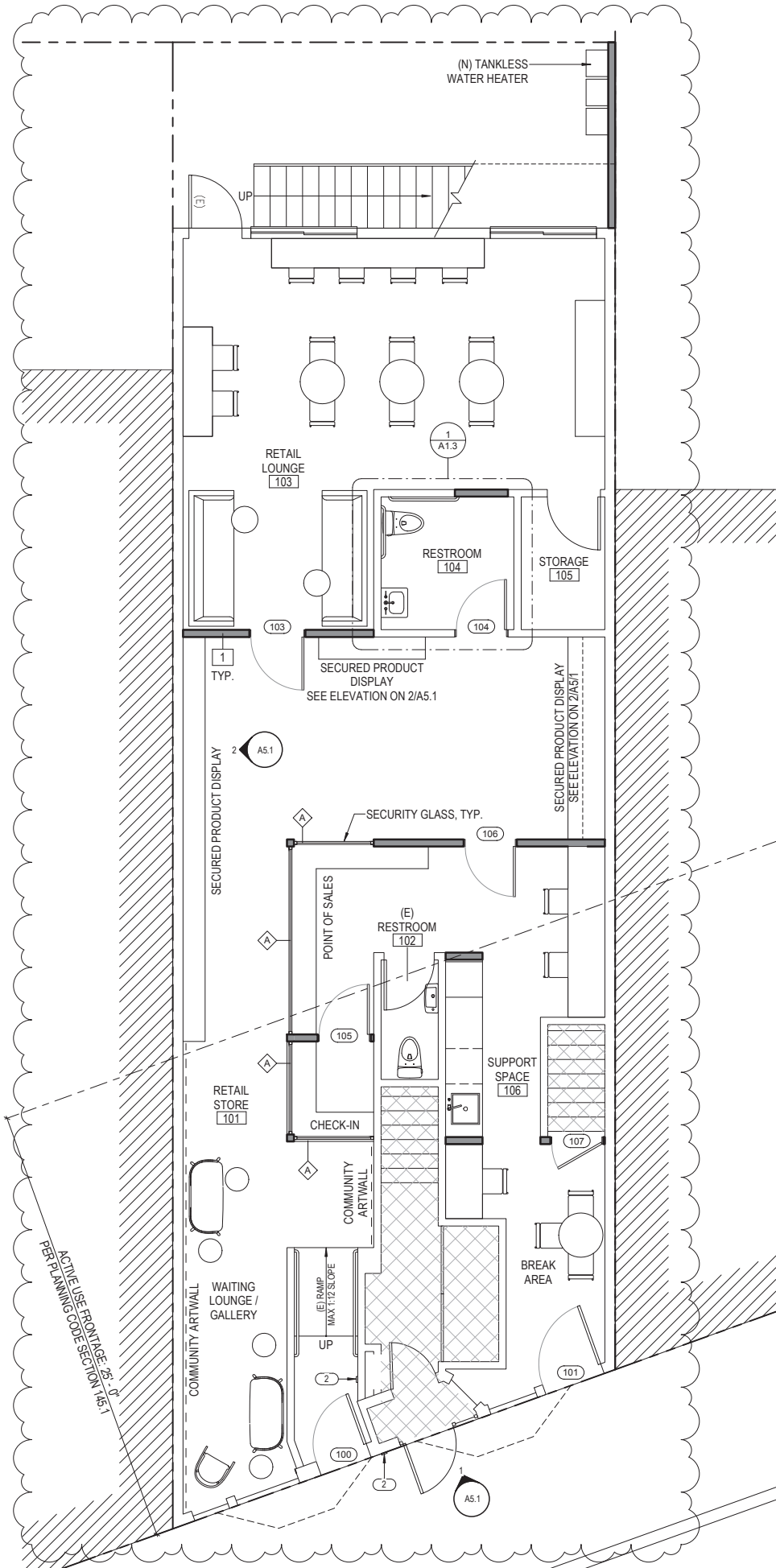
REV #: DATE:



REV #: DATE:



2 FLOOR 01 - EXISTING / DEMOLITION PLAN
SCALE: 1/4" = 1'-0"



1 FLOOR 01 - CONSTRUCTION PLAN
SCALE: 1/4" = 1'-0"

SHEET NOTES

1. REFER TO A0.2 FOR GENERAL NOTES.
2. REFER TO A0.3 FOR SYMBOL LEGEND.
3. REFER TO A1.2 FOR DIMENSIONS.
4. SEE A6.00 AND A6.01 FOR GENERAL PARTITION DETAILS.
5. LOCATE NEW PARTITIONS ON CENTER LINE OF MULLION OR ALIGNED WITH COLUMN OR WALL, UON. SEE TYPICAL PARTITION DETAILS ON SHEET A6.10.
6. ALL PARTITIONS SHALL BE TYPE 1, UON.
7. ALL GLAZING SHALL BE TYPE A, UON. PROVIDE GLAZING SEALANT COLOR SAMPLE FOR ARCHITECT'S REVIEW. GLAZING STOP COLOR TO MATCH FRAME.
8. REPAIR OR REPLACE DAMAGED OR MISSING GYPSUM BOARD ON EXISTING PARTITIONS AND COLUMNS TO REMAIN. MATCH EXISTING PARTITION TYPE AND FINISHES.
9. PROVIDE BACKING AS NEEDED TO SUPPORT WALL HUNG ITEMS INCLUDING, BUT NOT LIMITED TO, SIGNAGE, RESTROOM ACCESSORIES, GRAB BARS, EQUIPMENT, AND FURNITURE.
10. PROVIDE NEW SEMI RECESSED FIRE EXTINGUISHER CABINETS (FEC) W/ FIRE EXTINGUISHERS AS INDICATED ON PLAN. REUSE EXISTING WHERE POSSIBLE.
11. GC SHALL FIELD CUT MILLWORK AS NECESSARY TO ALLOW ACCESS TO WALL POWER AND SIGNAL LOCATIONS. FIELD VERIFY CONDITIONS.

KEYNOTES A1.1

- | | |
|---|--|
| 1 | EXISTING PARTIAL HEIGHT WALL TO REMAIN. PROTECT AS REQUIRED DURING CONSTRUCTION. |
| 2 | EXISTING ADA DOOR ACTUATOR TO REMAIN, TYP. |

WALL SCHEDULE

| TYPE | DESCRIPTION | DETAIL |
|------|--------------------------------|--------|
| 1 | 3 5/8" STUD PARTITION, FULL HT | |

GLAZING SCHEDULE

| TYPE | DESCRIPTION | DETAIL |
|------|---|--------|
| A | 3/8" FULLY TEMPERED CLEAR GLAZING IN ALUM. CHANNEL. | |

HTA!

HOOD THOMAS ARCHITECTS

440 SPEAR STREET SAN FRANCISCO, CALIFORNIA 94105
P (415) 643-5005 F (415) 485-3328
WWW.HOODTHOMAS.COM



CDXX LLC

CANNABIS
RETAIL

4526 3RD STREET
SAN FRANCISCO,
CA 94124
BLOCK: 5296 LOT:
020

| | |
|------------------|----------|
| ISSUE: | DATE: |
| ISSUE FOR REVIEW | 12.03.18 |
| PLAN CHECK REV.1 | 01.25.19 |

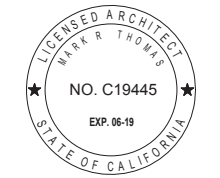
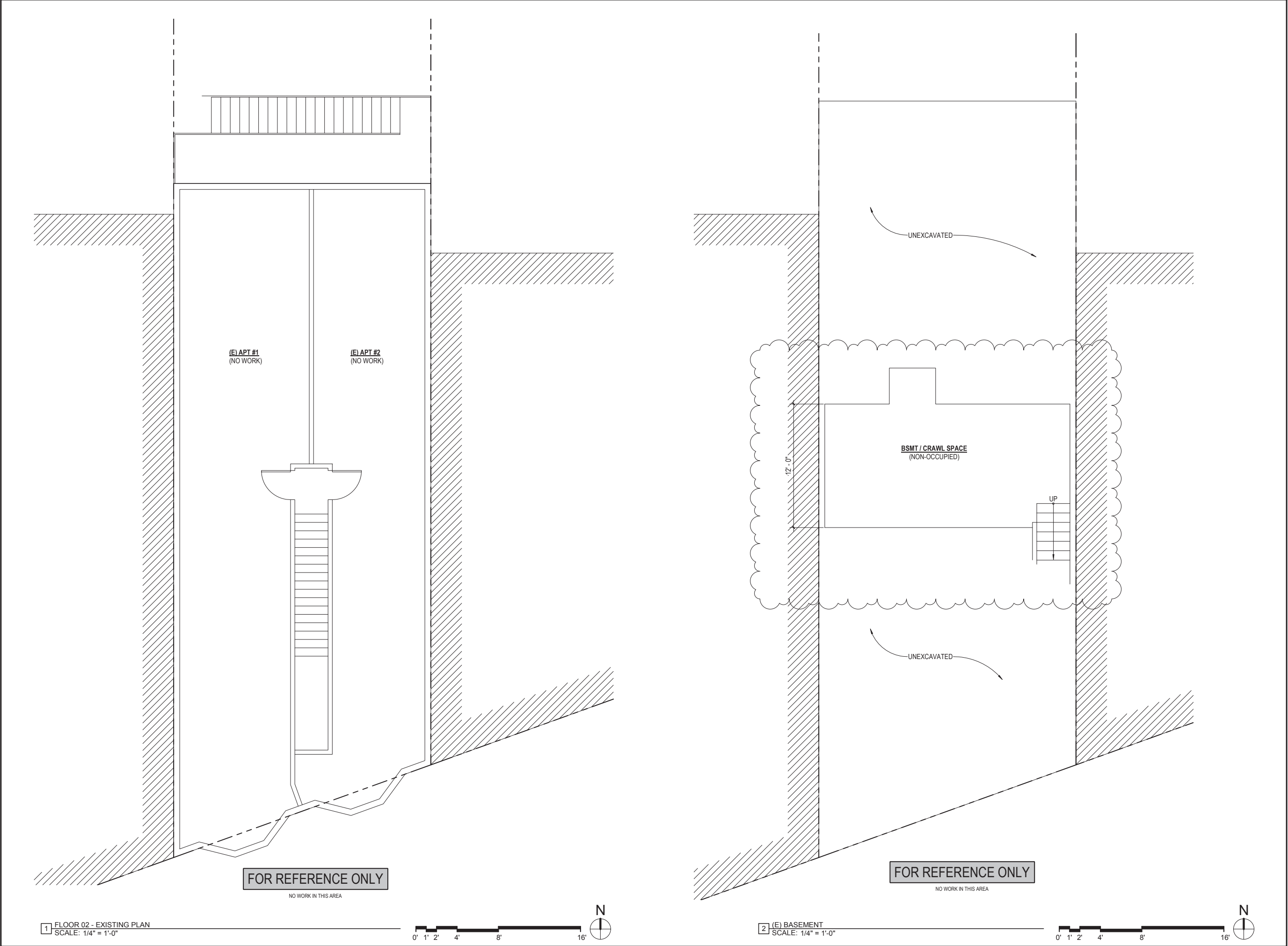
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| DRAWN BY: | TL |
| DATE: | 12.03.18 |
| SHEET TITLE: | |

FLOOR 01
EXISTING &
PROPOSED
FLOOR PLAN

SHEET NUMBER:

A1.1

| | |
|--------|-------|
| REV #: | DATE: |
|--------|-------|



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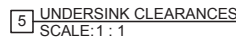
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| DATE: | 12.03.18 |
| SHEET TITLE: | |

BASEMENT &
FLOOR 02
EXISTING
FLOOR PLAN

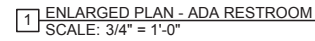
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A1.2

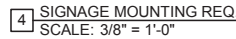
REV #: DATE:



6 DETAIL AT GRAB BAR
SCALE: 3" = 1'-0"



3 INTL SYMBOL OF ACCESSIBILITY
SCALE: 3/4" = 1'-0"



- 2** FIXTURE AND ACCESSORY HEIGHTS DETAIL
SCALE: 1/4" = 1'-0"

| | | |
|---|---|--|
| A | TOILET SEAT COVER DISPENSER | |
| B | SANITARY NAPKIN DISPOSAL | |
| C | DOUBLE ROLL TOILET PAPER TISSUE DISPENSER | |
| D | WALL MOUNTED STAINLESS STEEL GRAB BAR | |
| E | FLOOR MOUNTED ACCESSIBLE WATER CLOSET | |
| F | HANDICAP ACCESSIBLE URINAL | |
| G | URINAL PARTITION/DIVIDER | |
| H | BARRIER FREE WATER COOLER | |
| I | COUNTERTOP MOUNTED ACCESSIBLE LAVATORY | |
| J | WALL MOUNTED ACCESSIBLE LAVATORY | |
| K | TEMPERED GLASS MIRROR IN MTL FRAME | |
| L | WALL MOUNTED SOAP DISPENSER | |
| M | PAPER TOWEL DISPENSER / WASTE RECEPTACLE | |
| N | SURFACE MOUNTED NAPKIN / TAMPON VENDOR | |
| O | ACCESSIBLE WARDROBE HOOK | |
| P | WARDROBE HOOK | |
| Q | GROUND FAULT INTERRUPT CONVENIENCE OUTLET | |
| R | LIGHT SWITCH | |
| S | WALL MOUNTED ACCESSIBLE HAND DRYER | |
| T | WALL MOUNTED SHOWER HEAD & FLEXIBLE HOSE | |
| U | SHOWER / LEVER TRIMSET | |
| V | WALL MOUNTED FOLD-UP SEAT | |
| W | SHOWER DOOR | |
| X | TOILET PARTITION | |
| Y | LOCKERS | |



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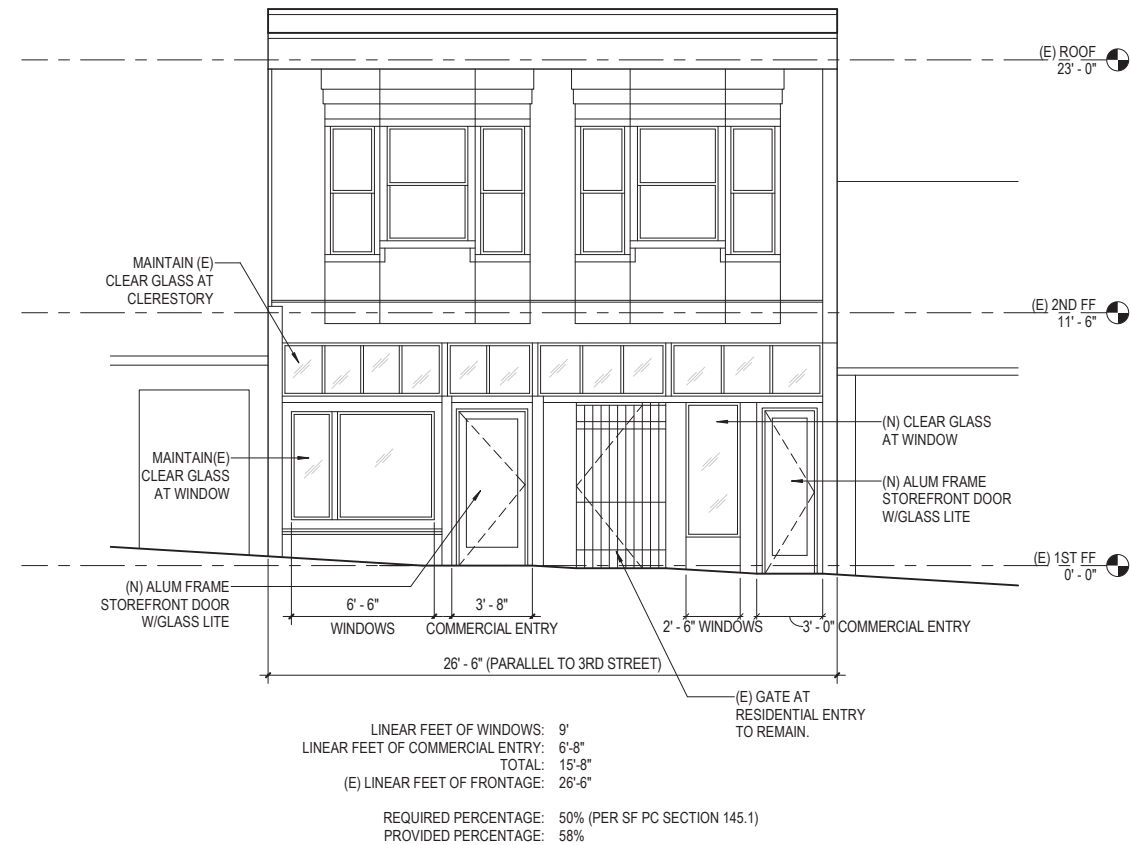
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| DATE: | 12.03.18 |
| SHEET TITLE: | |

STOREFRONT
ELEVATION

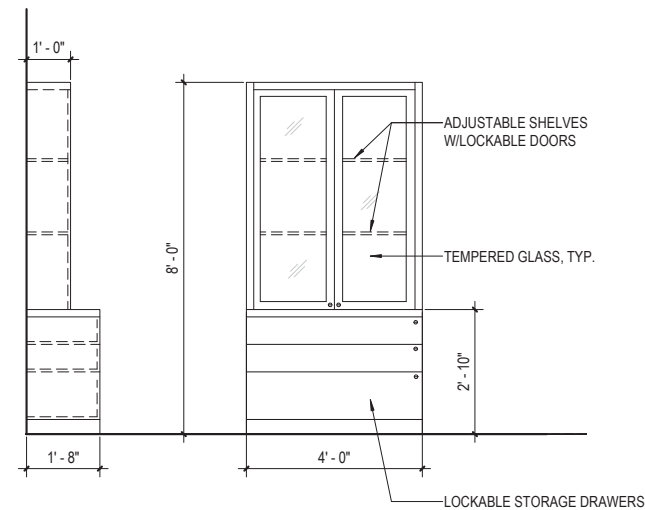
SHEET NUMBER:

A5.1

REV #: DATE:



1 EXISTING EXTERIOR ELEVATION
SCALE: 1/4" = 1'-0"

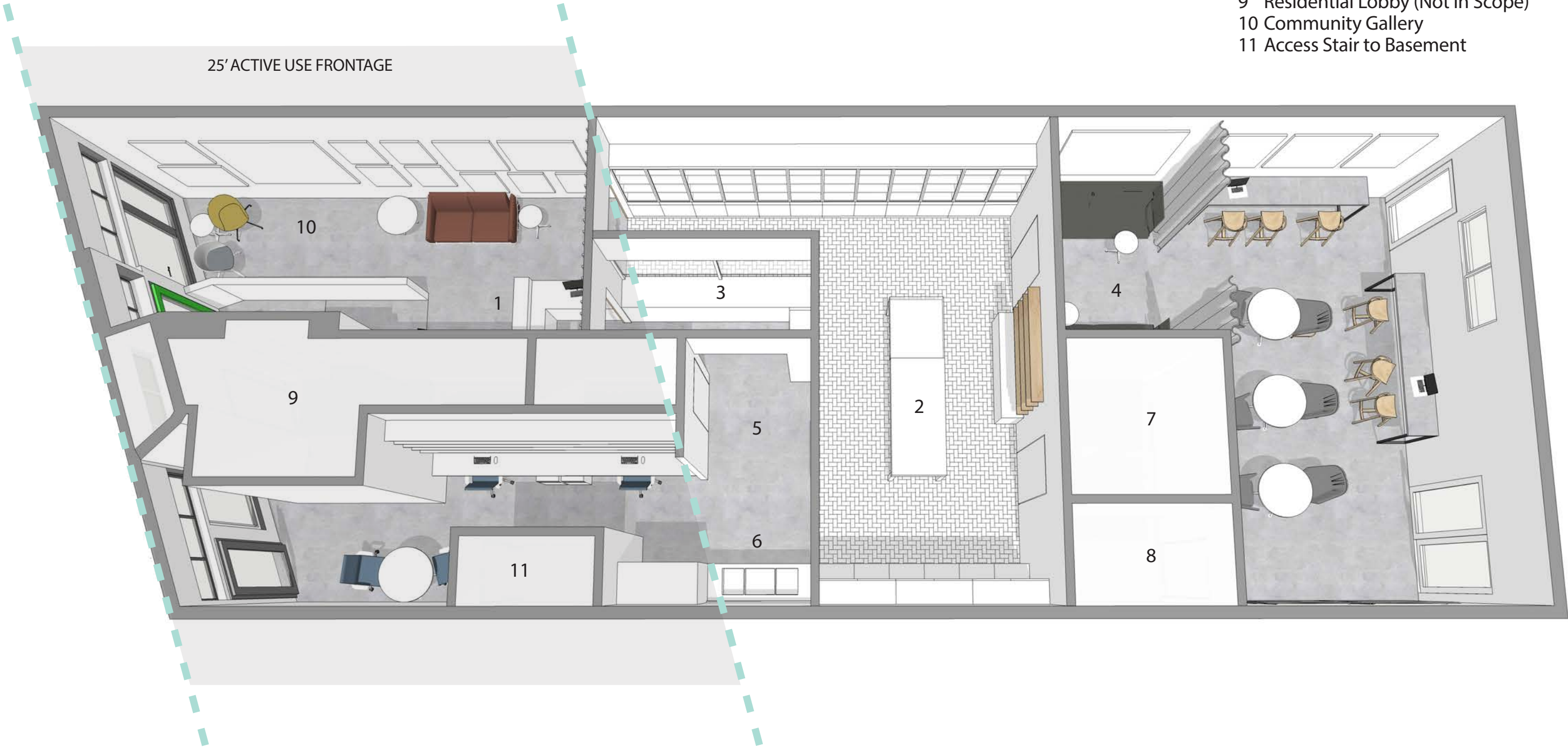


2 TYPICAL PRODUCT DISPLAY UNIT
SCALE: 1/2" = 1'-0"

Floor Plan

LEGEND

- 1 Security Check-in
- 2 Retail Store
- 3 Secured Point of Sale
- 4 Lounge
- 5 Back of House
- 6 Three Compartment Sink
- 7 ADA Restroom
- 8 Mechanical Room
- 9 Residential Lobby (Not in Scope)
- 10 Community Gallery
- 11 Access Stair to Basement



Street Frontage



Street Frontage



Street View from Interior

