

Application to
Operate a
Commercial
Cannabis Business:
LEAF DISPENSARY

BUSINESS PLAN

David MacFarlane, Owner
Paul Burns, Owner

3/30/2018



Exhibit A



Community Development Department

2100 Thousand Oaks Boulevard • Thousand Oaks, CA 91362
Planning Division • Phone 805/449.2323 • Fax 805/449.2350 • www.toaks.org
Building Division • Phone 805/449.2500 • Fax 805/449.2575 • www.toaks.org

COMMERCIAL CANNABIS BUSINESS PERMIT APPLICATION

PLEASE COMPLETE ALL APPLICABLE FIELDS ON THIS FORM			
Business Name (DBA) Leaf			
Corporate Name (If applicable)			
Contact Person Name Paul D. Burns			
Contact's Mailing Address	City	State	Zip
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
E-mail address		Phone Number	
[REDACTED]		[REDACTED]	
Type of Permit Requested: <input checked="" type="checkbox"/> Retailer M-License <input type="checkbox"/> Testing Lab			

For details about the information required, please see the Application Procedure to Operate a Commercial Cannabis Business in Thousand Oaks, Ordinance No. 1636-NS and additional requirements to complete the application process. All related documents can be found on the City of Thousand Oaks webpage: www.toaks.org/cannabis.

Section A: Owner Background Information (Must be signed by all Owners)

Under penalty of perjury, I acknowledge that I have personal knowledge of the information stated in this application and that the information contained herein is true. I also understand that the information provided in this application, except the Safety and Security Plan in Section C and certain confidential information such as driver's license and social security number which can be redacted, may be public information and subject to disclosure under the California Public Records Act.

Owner Number 1 Information			
Owner Name: David MacFarlane			
Owner Title: General Partner			
Owner Home or Cell Phone: [REDACTED]			
Owner Home Address:	City	State	Zip
[REDACTED]	[REDACTED]		
Owner Signature: [REDACTED]			

Attachments: [REDACTED]

- ☒ Background Information Form
- ☐ Receipt from background check (Live Scan)
- ☒ Picture of applicant (two passport quality photographs 2X2)
- ☒ Copy of Social Security Card
- ☒ Copy of Driver's License, or DMV issued ID Card, or Passport
- ☒ Proof of address (DMV-issued ID/driver's license, and/or recent utility bill under Owners name)

Staff use only: Pass background check ☐



Owner Number 2 Information

Owner Name:

Paul Burns

Owner Title:

General Partner

Owner Home or Cell Phone:

[REDACTED]

Owner Home Address:

City

State

Zip

[REDACTED]

Owner Signature

[REDACTED]

Attachments:

- ☒ Background Information Form
- ☐ Receipt from background check (Live Scan)
- ☒ Picture of applicant (two passport quality photographs 2X2)
- ☒ Copy of Social Security Card
- ☒ Copy of Driver's License, or DMV issued ID Card, or Passport
- ☒ Proof of address (DMV-issued ID/driver's license, and/or recent utility bill under Owners name)

Staff use only: Pass background check ☐



Owner Number 3 Information			
Owner Name: N/A			
Owner Title:			
Owner Home or Cell Phone:			
Owner Home Address:	City	State	Zip
Owner Signature:			

Attachments:

- ☐ Background Information Form
- ☐ Receipt from background check (Live Scan)
- ☐ Picture of applicant (two passport quality photographs 2X2)
- ☐ Copy of Social Security Card
- ☐ Copy of Driver's License, or DMV issued ID Card, or Passport
- ☐ Proof of address (DMV-issued ID/driver's license, and/or recent utility bill under Owners name)

Staff use only: Pass background check ☐

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



1. List whether the applicant(s) has had other cannabis-related licenses issued to them, or revoked, in the past three years. Please list the type, status, and issuing/denying entity for each license/permit. (Please attach a separate document, with further explanation, if necessary)

BCC (Bureau of Cannabis Control) M10-17-0000022-Temporary (Active)

BCC(Bureau of Cannabis Control) M12-17-0000009-Temporary (Active)

City of Goleta-Business License-Marijuana Delivery Service-#17574

City of Goleta-Business License-Marijuana Delivery Driver-#17610

Copies contained in Business Plan

2. List all owners (as defined by state law) who have been convicted of a felony, or have engaged in misconduct that is substantially related to the qualifications, functions, or duties of a commercial cannabis operator, applicant, owner, or employee. A conviction, for the purpose of this section, shall mean a plea or verdict of guilty, or a conviction following a plea of nolo contendere. (Please attach a separate document with further explanation if necessary)

N/A



Section B: Business Organization Status

1. Describe the Commercial Cannabis Business organizational status:

Corporation/Partnership will be formed upon issuance of license.

- ☐ Attach proof of status, such as articles of incorporation, by-laws, partnership agreements, and other documentation as may be appropriate or required by the City.

Section C: Commercial Cannabis Business Description and Location

1. Statement of Purpose of the Commercial Cannabis Business (a separate sheet may be attached):

Provide dignified safe access to medical cannabis for qualified
patients, with a valid California recommendation from a licensed
California physician.

2. Proposed Location and Assessor's Parcel Number of Business:

2400 Willow Lane, Thousand Oaks, CA 91361 APN: 676-0-180-325

3. Name and address of property owner:

West Hollywood Property Limited Partnership, a California limited partnership
26050 Mureau Road, Suite 101, Calabasas, CA 91302



4. Name and address of school closest to Proposed Location:

Conejo Elementary School, 280 N. Conejo School Road, Thousand Oaks, CA 91362

5. Name and address of existing alcohol related establishment closest to the proposed location:

P.F. Chang's, 2250 Thousand Oaks Blvd., Thousand Oaks, CA 91362

6. Have you received a Location Certification? (Please check the appropriate response)

Yes ☒

No ☐

(If yes, include documentation with this section of the application)

7. Description of the neighborhood around the proposed location (surrounding uses, nearby sensitive uses (such as schools, youth centers, churches, parks, daycares, or libraries). A separate sheet may be attached.

Athletic Society Gym, 2400 Willow Lane, Thousand Oaks, CA 91361



8. Site plan (at appropriate scale) showing subject parcel(s), including parking, structures and related improvements.
9. Photos of proposed site and existing building(s).
10. Floor plan(s) for each proposed location. Plans must be accurate, dimensioned and at an appropriate scale.
11. If exterior alterations are proposed for the existing building(s) or site, proposed site plan, grading plan, and elevations (accurate and at an appropriate scale) for each proposed location.
12. Signage plan.
13. Vicinity map.

Section D: Required Supplemental Information

This information is required for this application to be considered complete. Attach the following reports to the application. For explanation about the information required, see the "Application Procedure to Operate a Commercial Cannabis Business in Thousand Oaks" handout.

- ☒ Proposed Location of Business
- ☒ Business Plan
- ☒ Neighborhood Compatibility Plan
- ☒ Safety and Security Plan
- ☒ Qualifications of Principals
- ☒ Community Benefits
- ☒ Enhanced Product Safety
- ☒ Labor & Employment
- ☒ Local Enterprise



EXECUTIVE SUMMARY: LEAF DISPENSARY



Executive Summary

Leaf Dispensary is a proposed medical cannabis dispensary in the city of Thousand Oaks, CA. Leaf Dispensary is applying for a medical dispensary license and will service the Ventura County area by providing safe access to legal medical cannabis.

Leaf Dispensary will employ up to 15 people in its retail operations in the enterprise zoned area of Thousand Oaks. Leaf Dispensary plans to operate the dispensary from 10AM-7PM, 7 days a week. Leaf Dispensary is in business to service patients who make an appointment the day before. Our workforce will be well trained to operate within the framework of state and local laws and our company's procedures.

Leaf Dispensary is owned by David MacFarlane, founder and owner of Santa Barbara Care Center, and Paul Burns, founder and owner of Burns-Pacific Construction in Thousand Oaks, CA. David and Paul have both lived in California for over 40 years each and they have been active members of the Thousand Oaks community. They are passionate about Thousand Oaks and have both worked to develop successful businesses within the area.

David MacFarlane started Santa Barbara Care Center, a medical cannabis dispensary in Goleta, CA, in 2007. Santa Barbara Care Center is licensed by the State of California and has maintained an excellent operating relationship with the City of Goleta, local authorities, and neighboring businesses.

Paul Burns was a Deputy Sheriff for the City of Thousand Oaks from 1965 through 1977 when he retired due to an injury suffered on duty. In 1980, he formed Burns-Pacific Construction, Inc. in Thousand Oaks. Over the past 38 years, has built Burns-Pacific Construction into a successful general engineering and building contracting firm. Burns-Pacific Construction is the public works contractor for the City of Malibu, City of Agoura Hills, and City of Calabasas.

Main Goals of Leaf

- To establish and operate a medical cannabis dispensary in the City of Thousand Oaks, CA
- To improve the social and economic conditions of the City of Thousand Oaks, while providing living wages to residents of the area
- To establish a client base and build a brand in a growing commercial industry
- To be fully compliant with all state and local laws and to be ready for widespread expansion as federal laws change to benefit the industry
- To provide safe access to legal medical cannabis to qualified patients and to educate them on the benefits and safe use of medical cannabis

Mission

- To provide safe and dignified access to medical cannabis to qualified patients and their caregivers with a written recommendation from a licensed physician.

Objectives

- Obtain city and state medical licenses to operate a medical cannabis dispensary
- Earn net income to support operational expenses that creates tax revenue and jobs for the City of Thousand Oaks, CA
- Operate a resource center for the benefit of medical cannabis patients by providing safe, educated access to medical cannabis
- Educate patients on the optimal medical cannabis product to treat their condition
- Be a good neighbor to the surrounding community and establish rapport with nearby business owners to ensure an open flow of conversation

Keys to Success

- Focusing on high-quality, unique cannabis products
- Maintaining a functional operational structure that responds quickly to patients' needs and concerns
- Working with the community and patients to foster a more accepting and educated understanding of safe use of medical cannabis

PROPOSED
LOCATION:
LEAF DISPENSARY



Proposed Location of Leaf Dispensary

The proposed location of Leaf Dispensary is 2400 Willow Lane, Thousand Oaks, California 91361. Leaf Medical Dispensary will be located in a 5000 square foot medical office space located in an M1 zoned business area, hereinafter referred to as "the space". The space will be divided into three sections described as follows:

1. Product Display and Sales Counter Area. Total 3,400 SF
2. Limited access area # 1 – Employee break area and restrooms. 800 SF
3. Limited access area # 2 – Safe Room and Storage Area. 800 SF

Neighborhood Compatability

1. Our location is located in a building approved by the City of Thousand Oaks for Medical Use.
2. Our dispensary will provide security 24 hour security cameras for the building and surrounding parking lots.
3. Our security guards will monitor parking lots and ensure no product is used at or around the dispensary.
4. Our location has more than adequate parking available for our clientele and other tenants of the building.
5. Our location is discreet.
6. Traffic to and from our dispensary location does not go near any residential streets.

BUSINESS PLAN: LEAF DISPENSARY



Business Plan

Operations

Day to Day Operations

The Day to Day operations of Leaf Dispensary are outlined in **Appendix A: Leaf Dispensary Operations Manual**. These will ensure that day-to-day operations are in alignment with industry best practices for a medical cannabis dispensary as well as adhering to local and state regulations. The sections of the **Leaf Dispensary Operations Manual** pertaining to Day to Day Operations are:

Section 1: Store Opening Procedures

Section 2: Store Closing Procedures

Section 3: Store Operation Procedures

1. Patient Verification
2. Entry into Dispensing Room
3. Checkout
4. Transportation and Receipt of Product
5. Managing Inventory
6. Ordering Product
7. Cash Management

Section 4: Employee Policies

1. Employees, Roles, and Responsibilities
2. Planned Organizational Structure
3. Compensation, Continuing Education, & Training
 - A. Training
 - B. Regulations
 - C. Living Wage

Section 4: Employee Policies with Local Regulations

Conformance to Local and State Law

Leaf Dispensary will conform to local and state laws at all times. Specifically, Leaf Dispensary will adhere to the California laws regarding cannabis control as outlined in the Bureau of Cannabis Control Emergency Regulation from the California Code of Regulations Title 16 Division 42 Bureau of Cannabis Control. Also, Leaf Dispensary will adhere to Thousand Oaks Municipal Code (TOMC) Title 5, Chapter 29. The following is outlined in **Appendix A: Leaf Dispensary Operations Manual**:

1. **Sec. 5- 29.04. Compliance with Laws:**

At all times, Leaf Dispensary will operate in a manner compliant with all applicable state and local laws, and any regulations promulgated thereunder as well as any subsequently enacted state law or regulatory, licensing, or certification requirements, and any specific, additional operating procedures or requirements which may be imposed as conditions of approval of the commercial cannabis business permit.

2. **Sec. 5-29.22. Building Permits and Inspection:**

Prior to commencing operations, Leaf Dispensary will have a mandatory building inspection, and will obtain all required permits and approvals which would otherwise be required for any business of the same size and intensity operating in that zone. This includes but is not limited to obtaining

any required building permit(s), Fire Department approvals, Health Department approvals and other zoning and land use permit(s) and approvals.

3. Sec. 5- 29.28. Security Measures:

- (a) Leaf Dispensary will implement sufficient security measures to deter and prevent the unauthorized entrance into areas containing cannabis or cannabis products, and to deter and prevent the theft of cannabis or cannabis products at the commercial cannabis business. Except as may otherwise be determined by the Chief of Police or his/her designee(s), these security measures shall include, but shall not be limited to, all of the following:
- (1) Preventing individuals from remaining on the premises of the commercial cannabis business if they are not engaging in an activity directly related to the permitted operations of the commercial cannabis business in accordance with Appendix A: Leaf Dispensary Operations Manual.
 - (2) Limited access areas will be accessible only to authorized Leaf Dispensary personnel in accordance with Appendix A: Leaf Dispensary Operations Manual.
 - (3) All cannabis and cannabis products will be stored in a secured and locked room, safe, or vault. All cannabis and cannabis products shall be kept in a manner as to prevent diversion, theft, and loss. This is in accordance with Appendix A: Leaf Dispensary Operations Manual.
 - (4) Security system will be installed and monitored in accordance with TOMC Sections 5.29.28 item 4.
 - (5) Audible sensors will be installed to detect entry and exit from all secure areas as defined in Leaf Dispensary's Security Plan.
 - (6) Panic buttons will be installed and monitored at all times by a licensed alarm company in accordance with Leaf Dispensary's Security Plan.
 - (7) A professionally installed, maintained, and monitored alarm system will be installed in accordance with Leaf Dispensary's Security Plan and in accordance with TOMC Sections 5.29.28 item 4.
 - (8) Any bars installed on the windows or the doors of the commercial cannabis business shall be installed only on the interior of the building, and in compliance with the California Building Code.
 - (9) Security personnel will be on site during business hours and monitoring will be 24 hours a day by security provider.
 - (10) Security personnel will be licensed by the State of California Bureau of Security and Investigative Services personnel and shall be subject to the prior review and approval of the Chief of Police or his/ her designee(s), with such approval not to be unreasonably withheld.
 - (11) Leaf Dispensary will have the capability to remain secure during a power outage and will ensure that all access doors are not solely controlled by an electronic access panel to ensure that locks are not released during a power outage.
- (b) Leaf Dispensary will identify a designated security representative/ liaison to the City of Thousand Oaks, who shall be reasonably available to meet with the Chief of Police or his/her designee(s) regarding any security related measures or and operational issues.
- (c) Leaf Dispensary will follow Appendix A: Leaf Dispensary Operations Manual, which details the storage and transportation plan, which describes in detail the procedures for safely and securely storing and transporting all cannabis, cannabis products, and any currency.
- (d) Leaf Dispensary will cooperate with the City whenever the City Manager or his/her designee(s) makes a request, upon reasonable notice to the dispensary, to inspect or audit the effectiveness of any security plan or of any other requirement of this Chapter.
- (e) Leaf Dispensary will notify the Chief of Police or his/ her designee(s) within twenty-four (24) hours after discovering any of the following: 1) Significant discrepancies identified during

inventory. The level of significance shall be determined by the regulations promulgated by the Chief of Police or his/ her designee(s). 2) Diversion, theft, loss, or any criminal activity involving the commercial cannabis business, any agent, or employee of the commercial cannabis business. 3) The loss or unauthorized alteration of records related to cannabis, registering qualifying patients, primary caregivers, or employees or agents of the commercial cannabis business. 4) Any other breach of security.

4. Sec. 5- 29.30. Compliance with Laws:

Leaf Dispensary will ensure that it is, at all times, operating in a manner compliant with all applicable state and local laws, and any regulations promulgated thereunder.

5. Sec. 5- 29.32. Miscellaneous Operating Requirements:

- (a) Cannabis or cannabis products shall not be consumed by any retail customer or employee on the premises of Leaf Dispensary.
- (b) No cannabis or cannabis products or graphics depicting cannabis or cannabis products shall be visible from the exterior of Leaf Dispensary or on any vehicle(s) owned or used as part of the commercial cannabis business. No outdoor storage of cannabis or cannabis products will be permitted at any time.
- (c) Leaf Dispensary will have in place FlowHub, a point-of-sale/management inventory tracking system to track and report on all aspects of the commercial cannabis business including, but not limited to, such matters as cannabis tracking, inventory data, gross sales by weight, and by sale, and other information which may be deemed necessary by the City. The commercial cannabis business shall ensure that such information is compatible with the City's record- keeping systems. In addition, the system must have the capability to produce historical transactional data for review. Furthermore, any system selected must be approved and authorized by the City Manager or his/ her designee(s) prior to being used by the permittee.
- (d) There shall not be a physician located in or around Leaf Dispensary at any time for the purpose of evaluating patients for the issuance of a cannabis recommendation or card where applicable.
- (e) Prior to dispensing medicinal cannabis or medicinal cannabis products to any person, Leaf Dispensary will obtain verification from the recommending physician that the person requesting medicinal cannabis or medicinal cannabis products is a qualified patient.
- (f) Leaf Dispensary will provide the Police Chief or his/ her designee(s) with the name, telephone number, both land line and mobile, if available, of an on- site employee or owner to whom emergency notice can be provided at any hour of the day.
- (g) Signage and Notices.
 - 1) In addition to the requirements otherwise set forth in this section, business identification signage for a commercial cannabis business shall conform to the requirements of the Thousand Oaks Municipal Code, including, but not limited to, seeking the issuance of a City sign permit, pursuant to Title 9, Chapter 4, Article 23.
 - 2) No signs placed on the premises of a commercial cannabis business shall obstruct any entrance or exit to the building or any window.
 - 3) Each entrance to a Leaf Dispensary will be visibly posted with a clear and legible notice indicating that smoking, ingesting, or otherwise

- consuming cannabis on the premises or in the areas adjacent to the commercial cannabis business is prohibited.
- 4) Business identification signage shall be limited to that needed for identification only. Specific building signage shall be further defined in the Operations Agreement. Leaf Dispensary will not advertise by having a person holding a sign and advertising the business to any passersby, whether such person is on the premises of the commercial cannabis business or elsewhere including, but not limited to, the public right-of-way.
 - 5) Signage will not be directly illuminated, internally or externally. No banners, flags, billboards or other prohibited signs may be used at any time.
 - 6) In accordance with State law and regulations or as stipulated in the regulatory permit, Leaf Dispensary agrees that, as an express and ongoing condition of permit issuance and subsequent renewal, the holder of the permit shall be prohibited from advertising any commercial cannabis business located in the City utilizing a billboard, fixed or mobile, bus shelter, placard, aircraft, or other similar forms of advertising, anywhere in the state. This paragraph is not intended to place limitations on the ability of a commercial cannabis business to advertise in other legally authorized.

Inventory management

Leaf Dispensary will adhere to the California laws regarding inventory management as outlined in the Bureau of Cannabis Control Emergency Regulation from the California Code of Regulations Title 16 Division 42 Bureau of Cannabis Control. For Inventory Management, a system called Flowhub will be utilized and will tie into metrc™, the seed-to-sale inventory tracking software system that state regulators utilize to monitor and insure cultivators, manufacturers, dispensaries, and transporters are compliant with state law. Sales and many other data points will be reported to the state every day.

Flowhub's inventory management platform connects to METRC and automatically reports compliance information to the state. Flowhub is the platinum standard of industry specific software due to ease of use, built-in purchase limits, inventory management, and data standardization across the entire supply chain. FlowHub will ensure the following track and trace requirements are complied with by Leaf Dispensary at all times:

Article 6. Track and Trace Requirements

§ 5048. Track and Trace System

- (a) A licensee shall create and maintain an active and functional account within the track and trace system prior to engaging in any commercial cannabis activity, including the purchase, sale, test, packaging, transfer, transport, return, destruction, or disposal, of any cannabis goods.
- (b) A licensee shall designate one individual owner as the track and trace system account manager. The account manager may authorize additional owners or employees as track and trace system users and shall ensure that each user is trained on the track and trace system prior to its access or use.

- (1) The account manager shall attend and successfully complete all required track and trace system training, including any orientation and continuing education.
- (2) If the account manager did not complete the required track and trace system training prior to receiving their annual license, the account manager shall sign up for and complete state mandated training, as prescribed by the Bureau, within five business days of license issuance.
- (d) The account manager and each user shall be assigned a unique log-on, consisting of a username and password. The account manager or each user accessing the track and trace system shall only do so under his or her assigned log-on, and shall not use or access a log-on of any other individual. No account manager or user shall share or transfer his or her log-on, username, or password, to be used by any other individual for any reason.
- (e) The account manager shall maintain a complete, accurate, and up-to-date list of all track and trace system users, consisting of their full names and usernames.
- (f) A licensee shall monitor all compliance notifications from the track and trace system, and timely resolve the issues detailed in the compliance notification.
- (1) A licensee shall keep a record, independent of the track and trace system, of all compliance notifications received from the track and trace system, and how and when compliance was achieved.
- (2) If a licensee is unable to resolve a compliance notification within three business days of receiving the notification, the licensee shall notify the Bureau immediately.
- (g) A licensee is accountable for all actions its owners or employees take while logged into or using the track and trace system, or otherwise while conducting track and trace activities.

Authority: Section 26013, Business and Professions Code. Reference: Sections 26067, 26070, 26160 and 26161, Business and Professions Code.

§ 5049. Track and Trace Reporting

- (a) A licensee shall record in the track and trace system all commercial cannabis activity, including:
 - (1) Packaging of cannabis goods.
 - (2) Sale of cannabis goods.
 - (3) Transportation of cannabis goods to a licensee.
 - (4) Receipt of cannabis goods.
 - (5) Return of cannabis goods.
 - (6) Destruction and disposal of cannabis goods.
 - (7) Laboratory testing and results.
 - (8) Any other activity as required pursuant to this division, or by any other licensing authority.
- (b) The following information shall be recorded for each activity entered in the track and trace system:
 - (1) Name and type of the cannabis goods.
 - (2) Unique identifier of the cannabis goods.
 - (3) Amount of the cannabis goods, by weight or count.
 - (4) Date and time of the activity or transaction.
 - (5) Name and license number of other licensees involved in the activity or transaction.

(6) If the cannabis goods are being transported:

- (A) The licensee shall transport pursuant to a shipping manifest generated through the track and trace system, that includes items (1) through (5) of this subsection, as well as:
 - (i) The name, license number, and premises address of the originating licensee.
 - (ii) (ii) The name, license number, and premises address of the licensee transporting the cannabis goods.
 - (iii) The name, license number, and premises address of the destination licensee receiving the cannabis goods into inventory or storage.
 - (iv) The date and time of departure from the licensed premises and approximate date and time of departure from each subsequent licensed premises, if any.
 - (v) Arrival date and estimated time of arrival at each licensed premises.
 - (vi) Driver license number of the personnel transporting the cannabis goods, and the make, model, and license plate number of the vehicle used for transport.
- (B) Upon pick-up or receipt of cannabis goods for transport, storage, or inventory, a licensee shall ensure that the cannabis goods received are as described in the shipping manifest, and shall record acceptance and acknowledgment of the cannabis goods in the track and trace system.
- (C) If there are any discrepancies between the type or quantity specified in the shipping manifest and the type or quantity received by the licensee, the licensee shall record and document the discrepancy in the track and trace system and in any relevant business record.

(7) If cannabis goods are being destroyed or disposed of, the licensee shall record in the track and trace system the following additional information:

- (A) The name of the employee performing the destruction or disposal.
 - (B) The reason for destruction or disposal.
 - (C) The name of the entity being used to collect and process cannabis waste, pursuant to section 5055 of this division.
- (8) Description for any adjustments made in the track and trace system, including, but not limited to:
- (A) Spoilage or fouling of the cannabis goods.
 - (B) Any event resulting in exposure or compromise of the cannabis goods.
 - (9) Any other information as required pursuant to this division, or by any other applicable licensing authorities.
- (c) Unless otherwise specified, all transactions must be entered into the track and trace system within 24 hours of occurrence.
 - (d) Licensees shall only enter and record complete and accurate information into the track and trace system, and shall correct any known errors entered into the track and trace system immediately upon discovery.

Authority: Section 26013, Business and Professions Code. Reference: Sections 26067, 26070, 26160 and 26161, Business and Professions Code

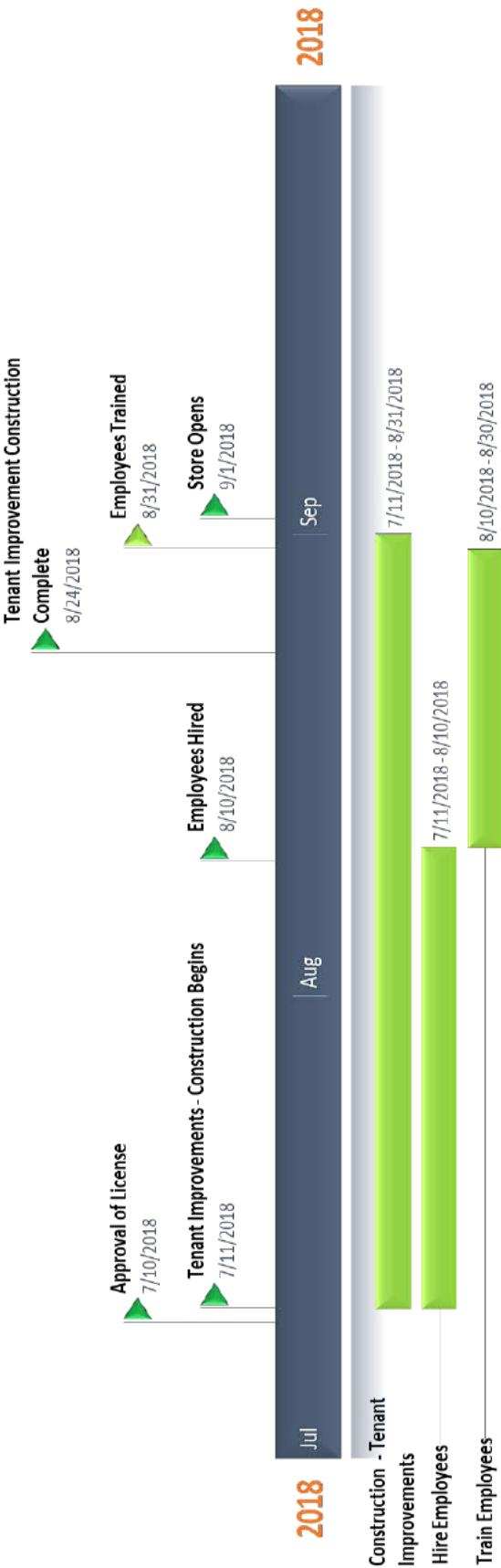
Mechanisms for Ensuring Leaf Dispensary Will Operate as a Not-For-Profit

As year-end numbers could not be calculated until at least January of the following year, the Board of Directors would state in the minutes of a Board Meeting, that any and all profits will be paid in the form of Charitable Donations and employee bonuses.

Preventing Diversion

Diversion of medical use cannabis is forbidden in our Code of Ethics (see Figure 1 in the Neighborhood Compatibility Plan) that must be signed by all patients. Each patient agrees to not divert their medical cannabis products and if they are found to be diverting, they will be banned for lifetime from our dispensaries. Other cannabis dispensaries in Ventura County will be notified of their misconduct and breach of rules for diversion.

Timeline for Beginning Operation



Construction and Improvements Schedule

- **July 10, 2018** – Approval of License
- **July 11, 2018** - Construction begins
- **July – September 2018** - Tenant Improvements to setup showroom by installing:
 - Build out of internal spaces
 - Counter spaces
 - Refrigeration
 - Safes
 - Secured Entry Clearance Room for Authorizing Entrance
 - Steel Doors in Inventory Room
 - Safety Components (Ingress/Egress Markers)
 - Security System
 - Alarms
 - Cameras
 - Limited Access Area to safely house medicines
- **July 11-Sept 1, 2018**
 - Hire Employees
 - Train Employees on Safety, Security, Products, and Procedures
 - Non-Disclosure Agreement
 - Fire Prevention
 - Security
 - Patient Information
 - System Use of Track and Trace
 - State and Local Regulations
- **September 1 – Dispensary Opens**

NEIGHBORHOOD
COMPATIBILITY
PLAN:
LEAF DISPENSARY



Neighborhood Compatibility Plan

Exterior Management

Leaf Dispensary will have onsite security guard during all hours of operation. Security cameras will be utilized to review perimeter areas during business hours and should the security cameras identify a threat or nuisance to the area, the Security Personnel will address or remove the threat or nuisance immediately. Parking will be monitored by security cameras and personnel to ensure that there is no loitering.

Neighborhood Location

Our Thousand Oaks location is well suited for operation of a medical dispensary. There is adequate parking that will not impede other businesses in the area. Our location has minimal amounts of possible nuisances or impacts on neighbors or surrounding areas. The location is discreet. There will be no impact to traffic flow in the neighborhood.

Good Neighbor

Leaf Dispensary is committed to maintaining Good Neighbor status with surrounding businesses and community. Our dispensary in Goleta, CA has operated for 11 years with no neighborhood complaints and we were commended by Goleta City Council for zero complaints/incidents for 11 years. References from four neighbors of Santa Barbara Care Center have been included below.

To establish ourselves as a good neighbor in business, contact will be made with all business and property owners to establish a working relationship to build on community feedback. A neighbor outreach will be done via mail to local area businesses to provide a contact for addressing any neighborhood issues pertaining to parking, loitering, or any other possible nuisances and neighbors will be made aware of our safety protocols and Code of Ethics (see Figure 1 below) that ensures patients are following laws.

Leaf Dispensary will have security personnel monitoring the outer perimeter of the dispensary during business hours, making sure patients are being respectful of the surrounding area. Loitering, double parking, leaving debris and smoking nearby are not permitted.

QUALIFICATIONS OF PRINCIPALS LEAF DISPENSARY



Qualifications of Principals

David MacFarlane

David MacFarlane has been a resident of Thousand Oaks, California for more than 40 years, and has been actively involved in a legal medical cannabis business in Santa Barbara county for over 10 years. David is the Owner and President of Santa Barbara Care Center, which is a medical cannabis dispensary in Goleta, CA that has been in business since 2007. David has been an advocate for medical cannabis patients and has provided compassionate care for those unable to afford medical cannabis for treatment.

Licenses

- 1) **Medicinal – Microbusiness License:**

5) California State Board of Equalization – Seller's Permit

6) Weights and Measures

Expertise in Medical Cannabis

David MacFarlane is the owner of Santa Barbara Care Center, which is a medical cannabis dispensary in Goleta, CA that has been in business since 2007. He has founded a medical dispensary, successfully run it as a business in Santa Barbara County for 11 years and has followed the state and local regulations to run his medical dispensary.

David has 11 years of expertise in providing safe, legal access to medical cannabis and has advised and educated thousands of patients on the safe use of medical cannabis for their conditions.

DAVID MACFARLANE

SANTA BARBARA COUNTY BUSINESS OWNER

Thousand Oaks, CA

EXPERTISE

- 27 Years of Small Business Management
- Building Financially and Operationally Successful Businesses
- Local Business Leadership
- Entrepreneurship
- Holistic Medicine
- Medical Cannabis

EXPERIENCE

2007 – current

FOUNDER AND OWNER • SANTA BARBARA CARE CENTER

5814 Gaviota St, Goleta, CA 93117

Healthcare Cannabis

- S-Corp Company Founded: 2007
- Number of Employees: 12
- Issued 9th medical dispensary license in the state of California
- Commended by Goleta City Council for zero complaints/incidents for 11 years
- Recognized as the first grandfathered dispensary in Goleta
- Multi-million-dollar annual revenue
- Holistic, natural medical dispensary
- Provide Compassionate Care financial assistance for patients with limited funds

1991 – 2014

FOUNDER AND OWNER • SHADE THE RAYS

THOUSAND OAKS, CA

GLASS COATING AND WINDOW FILM INSTALLATION COMPANY

- Company Founded: 1991
- Number of Employees: 7
- Voted #1 Tint Shop in Conejo Valley
- Serviced large property management companies
- Commercial filming
- Provider to 7 major car dealerships
- Installed safety security film on Ronald Reagan's Air Force One model for the Ronald Reagan Library
- Partner of GM Auto Show



EMAIL

[REDACTED]



ADDRESS

[REDACTED]



PHONE

[REDACTED]

Paul Burns

Paul Burns was a Deputy Sheriff for the City of Thousand Oaks from 1965 through 1977 when he retired due to injury suffered on duty. After his retirement, he went into construction. In 1980, he formed Burns-Pacific Construction, Inc. and opened a small office in Thousand Oaks. Over the past 38 years, has built Burns-Pacific Construction into a successful General Engineering and Building Contracting firm. Burns-Pacific Construction is the Public Works Contractor for the City of Malibu, City of Agoura Hills and City of Calabasas.

They are on first alert call out for Caltrans and have handled over \$50 Million of emergency highway repair projects for Caltrans over the past 25 years. They have an extensive list of private firms that they do construction projects for. In 1996, Paul built a 6,000 SF office building located at 505 E. Thousand Oaks Blvd., Thousand Oaks which is the main office of Burns-Pacific Construction.

Licenses

Contractors State License Board

License #394798

CLASS A: General Engineering Contractor

CLASS B: General Building Contractor

PAUL BURNS

VENTURA COUNTY BUSINESS OWNER

Thousand Oaks, CA

EXPERTISE

- 38 Years of Business Management in Ventura County, CA
- 53 Year Resident and Community Contributor of Thousand Oaks, CA
- General Engineering & Building Contracting
- Public Works Contractor for CalTrans
- Building Financially and Operationally Successful Businesses

EXPERIENCE

1980 – current

President & Owner • Burns-Pacific Construction

505 E. Thousand Oaks Blvd., Thousand Oaks, CA

General Engineering and Building Contracting

- Started and led successful corporation for 38 years in Thousand Oaks, CA.
- Corporation Founded: 1980
- Number of Employees: 38
- Public Works Contractor for the City of Malibu, City of Agoura Hills and City of Calabasas.
- First alert call-out for Caltrans
- Multi-million-dollar annual revenue
- Lead construction projects for dozens of private firms

1965-1977 (retired due to on-duty injury)

Deputy Sheriff • City of Thousand Oaks

Law Enforcement



EMAIL

[Redacted Email Address]



ADDRESS

[Redacted Address]



PHONE

[Redacted Phone Number]

COMMUNITY BENEFITS: LEAF DISPENSARY



Community Benefits

Leaf Dispensary will provide significant benefits to the community of Thousand Oaks, CA. Some of these benefits are employment for residents of the city, in-kind and financial community contributions, and economic incentives to the city. There will be sustainable jobs created in the community, sales and excise taxes paid into the state of California, donations to patients and non-profits in the form of charitable compassionate care and financial donations, and a reduction in the amount of illegal drug activity in the community.

Employment & Jobs

- Leaf Dispensary believes that our employees are the most important part of our success. Because of this, Leaf Dispensary will provide ABOVE a Living Wage (150% of minimum wage mandated by California Law) pay to all of our dispensary staff and employees.
 - Our wages will pay at least 160% of the minimum wage mandated by California Law.
 - Our wages will be on average 190% of the minimum wage mandated by California Law.
 - Our wages will be on average 27% above the Living Wage pay.
- Health insurance will be offered to employees
- Local jobs will be created for at least 10 employees, generating pay of over \$350,000 for locally hired employees and contributing more taxes to the city of Thousand Oaks, CA.



Charitable Donations

Leaf Dispensary believes in supporting local community charities. We believe that medical cannabis provides significant benefits for those whose illnesses cannot be cured and who are in the last stages of life. Because of this, our current dispensary, Santa Barbara Care Center, donates regularly to Hospice and to patients who are financially impaired. Leaf Dispensary will continue this support by making:

- Donate \$5,000 to Conejo Valley Food Bank MANNA every Thanksgiving.
- Donate \$5,000 annually to the Thousand Oaks Elks Lodge for their annual Christmas Baskets Charity Program.
- Provide medical cannabis at no charge to Hospice patients with a physicians recommendation.
- Donate to Conejo Valley Chapter of the American Cancer Society for Breast Cancer Research
- Discounted rate for medical cannabis for veterans

Program to Provide Medication for Hospice Patients

The owners of Leaf Medical Cannabis Dispensary (hereinafter referred to as "Leaf"), as a benefit to the Community, desire to provide Medical Marijuana to Hospice Patients in the Thousand Oaks area at no charge. In considering doing so, we have to take into consideration the impact of both State and Federal law with regards to the use of Medical Marijuana.

California Law

In California, under Proposition 215, the “Compassionate Use Act” passed in 1996. The passage of Proposition 215 is considered a significant victory for medical marijuana. It exempts patients and defined caregivers who possess or cultivate marijuana for medical treatment recommended by a physician from criminal laws which otherwise prohibit possession or cultivation of marijuana. Because of Proposition 215, California is one of the twenty-nine states (and D.C.) that allow marijuana for medical uses.^[1]

Federal Law

Marijuana use, possession, and distribution is illegal under federal law. 21 U.S.C. Sec. 801 et seq. There is no exception or special treatment for medical use, and California law cannot override federal law.

Plan to Distribute Medical Marijuana to Hospice Patients

Doctors do not “prescribe” marijuana. Federal law specifically prohibits prescription of Schedule I drugs, including marijuana. Instead, doctors can “recommend” marijuana for appropriate conditions. Patients who are living with “cancer, anorexia, AIDS, chronic pain, spasticity, glaucoma, arthritis, migraine, or any other illness for which marijuana provides relief” are mentioned in Prop. 215. Physicians have recommended marijuana for numerous other conditions, including insomnia, depression, anxiety, PTSD, and many more.

Leaf has found that, because Federal Law does not allow the use of Medical Marijuana, the operators of Hospice Facilities which receive Federal Funding from various sources, cannot accept donations of Medical Marijuana for disbursement to their patients.

As such, in order to be able to provide Medical Marijuana directly to Hospice Patients in the local area, Leaf (assuming award of the Medical Dispensary Permit) would distribute informational literature to local Doctors and health care facilities that deal with Hospice Patients wherein they would be advised of the availability of free Medical Marijuana for Hospice Patients. Doctors would provide their patients with written recommendations and the care giver or a family member of the patient could take the recommendation to the Leaf dispensary where the product would be provided at no charge.

Economic Incentives and Local and State Taxes/Revenue

Significant state and local tax revenue will be generated by Leaf Dispensary. Annual sales taxes as well as excise taxes will generate:

- Sales Taxes

[REDACTED]

- Excise Taxes

[REDACTED]