



COMMERCIAL CANNABIS BUSINESS  
INITIAL APPLICATION  
CITY OF FAIRFIELD

# City of Fairfield

Community Development Department  
1000 Webster Street  
Fairfield, CA 94533  
Ph: 707.428.7461  
Email: [planning@fairfield.ca.gov](mailto:planning@fairfield.ca.gov)  
<https://www.fairfield.ca.gov/cannabis>

## APPLICANT (ENTITY) INFORMATION

APPLICANT (ENTITY) NAME: Responsible and Compliant Retail Fairfield LLC DBA: Embarc Fairfield

Physical Address: 180 Serrano Drive, Suite A City: Fairfield State: CA Zip: 94533

PRIMARY CONTACT (Same as above?  Yes  No): Ron Turner

Title: Owner / Chairman / Head of Community Development

Address: 180 Serrano Drive, Suite A City: Fairfield State: CA Zip: 94533

Phone: [REDACTED] Email: embarcfairfield@gmail.com

HAS ANY INDIVIDUAL IN THIS APPLICATION APPLIED FOR ANY OTHER CANNABIS PERMIT IN THE CITY OF FAIRFIELD:  Yes  No

Select one or more of the following categories. For each category, indicate whether you are applying for Adult-Use ("A") or/and Medicinal ("M") or both.

- Adult Use  Medical Use  
 Retail (Storefront)  Retail (Non-Storefront)  Manufacturing  Testing

Business Formation Documentation: Describe how the business is organized (attach to Business Plan).

- Sole Partnership  Corporation  S-Corporation  Limited Liability Company  Limited Partnership

## PROPOSED LOCATION

PROPERTY OWNER NAME: Jimmy Rong

Address: [REDACTED] City: [REDACTED] State: [REDACTED] Zip: [REDACTED]

Phone: [REDACTED] Email: [REDACTED]

Zoning Verification Letter (Please attach):  Not Applicable  Yes  No

Assessor's Parcel Number (APN): 0028-171-300

Proposed Location Square Footage: 2,800

## APPLICATION SUBMITTAL CHECKLIST

Applications failing to submit any of the following will be determined ineligible unless otherwise noted by an asterisk for special deadlines, and will not move forward in the application process:

- ✓ One (1) printed hard copy of a complete and signed Commercial Cannabis Initial Application form (Pages 1-9), with the Application Fee, and one (1) printed hard copy of the entire application submittal.
- ✓ All Evaluation Criteria outlined in Appendix A saved in PDF format on a single USB flash drive. (This section shall not exceed 200 pages).\*
- ✓ Proof of Capitalization (All bank statements, loan documents, promissory notes, financial and commitment letters) – to be contained within the Business Plan listed in Appendix A
- ✓ Proof of comprehensive general liability insurance (minimum \$1M per occurrence) or evidence by an Insurance Agency that the cannabis business is insurable.\*\*
- ✓ A signed and notarized Property Consent form, or Lease Agreement, or a "Letter of Intention" to Lease.
- ✓ A signed and notarized Terms and Conditions form.
- ✓ Live Scan/Background Check information for each Owner/Principal, and Proof of Preliminary Background Check payment.
- ✓ Zoning Verification Letter (ZVL).

\* Background and Proof of Capitalization/Financial documents are not part of the 200-page limitation.

\*\* The only information that can be submitted after the initial application is proof of insurance prior to the City Awarding a Cannabis Permit however, at a minimum proof of insurability must be provided with the initial application package.

**SUPPORTING INFORMATION**

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

Not applicable

Has the Applicant or any of its owners been the subject of any administrative action, including but not limited to suspension, denial, or revocation of a cannabis business license at any time during the past three (3) years? If so, please list and explain:

No

Is the Applicant or any of its owners currently involved in an application process in any other jurisdiction?

Yes, Lauren Carpenter, George Miller and Dustin Moore are involved in the application process in the City of Tracy and unincorporated El Dorado County

**APPLICATION CERTIFICATION**

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

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

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

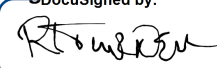
Name

Ron Turner

Title

Owner / Chairman / Head of Community Development

Signature



Date

10/22/2020

For details about the information required as part of the application process, see the Application Procedures & Guidelines, City of Fairfield Municipal Code Chapter 10E and any additional requirements to complete the application process. All documents can be found online at [www.fairfield.ca.gov/cannabis](http://www.fairfield.ca.gov/cannabis). For questions please contact the Community Development Department at 707.428.7461.

**OWNER INFORMATION**

**This section must be completed by all owners. The total ownership percentage should equal 100%.**

I declare under the penalty of perjury that the information provided on this disclosure form is true and accurate to the best of my knowledge.

Ownership % 5

Name: Ron Turner Title: Owner / Chairman / Head of Community Development

Address: REDACTED City: REDACTED State: REDACTED Zip: REDACTED

Background Information Included as required?  Yes  No

Signature: *Ron Turner* Date: 10/22/2020

DocuSigned by:  
*Ron Turner*  
FCBD9440696B460...

I declare under the penalty of perjury that the information provided on this disclosure form is true and accurate to the best of my knowledge.

Ownership % 45

Name: Lauren Carpenter Title: Owner / CEO

Address: REDACTED City: REDACTED State: REDACTED Zip: REDACTED

Background Information Included as required?  Yes  No

Signature: *Lauren Carpenter* Date: 10/22/2020

DocuSigned by:  
*Lauren Carpenter*  
BF16C963DE794F5...

I declare under the penalty of perjury that the information provided on this disclosure form is true and accurate to the best of my knowledge.

Ownership % 5

Name: George Miller Title: Owner / Head of Government Affairs

Address: REDACTED City: REDACTED State: REDACTED Zip: REDACTED

Background Information Included as required?  Yes  No

Signature: *George Miller* Date: 10/22/2020

DocuSigned by:  
*George Miller*  
7745E621F15A45A...

I declare under the penalty of perjury that the information provided on this disclosure form is true and accurate to the best of my knowledge.

Ownership % 45

Name: Dustin Moore Title: Owner / Chief Compliance Officer

Address: REDACTED City: REDACTED State: REDACTED Zip: REDACTED

Background Information Included as required?  Yes  No

Signature: *Dustin Moore* Date: 10/22/2020

DocuSigned by:  
*Dustin Moore*  
3CE982275B6D4AE...

I declare under the penalty of perjury that the information provided on this disclosure form is true and accurate to the best of my knowledge.

Ownership % \_\_\_\_\_

Name: \_\_\_\_\_ Title: \_\_\_\_\_

Address: \_\_\_\_\_ City: \_\_\_\_\_ State: \_\_\_\_\_ Zip: \_\_\_\_\_

Background Information Included as required?  Yes  No

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

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

**CITY OF FAIRFIELD**  
**COMMERCIAL CANNABIS BUSINESS PERMIT APPLICATION**  
**TERMS AND CONDITIONS**

Dated: 10/20, 2020

With submission of the attached Commercial Cannabis Business Permit Application ("Application"), I, the undersigned, hereby agree to the following Terms and Conditions:

1. I am submitting to the City an application deposit in the amount of \$~~11,317~~ for the review and processing of a commercial cannabis business permit.
2. The entire amount of the Application deposit is not refundable for any reason. I understand that there is no guarantee, express or implied, that by submitting an Application or making the application deposit identified above that I will obtain a commercial cannabis business permit or any land use entitlements necessary in order to operate a commercial cannabis business. I understand that the City may deny my Application for any reason.
3. All costs incurred by the City in processing my Application, including staff time and overhead, shall be paid by me. This is my personal obligation and shall not be affected by sale or transfer of the property subject to the Application, changes in business organization, or any other reason. As work proceeds on the Application, actual City costs, as established by the City Council, will be charged against the deposit account. The City will deduct such costs from the deposit at such times and in such amounts as City determines. "Costs incurred by the City" as identified in this paragraph shall include costs for the services of contractors or consultants. The City shall exercise its sole discretion in determining whether it is necessary to engage the services of an outside contractor to assist with application processing, which costs are to be paid by me.
4. If at any point the City determines that the amount deposited will not be adequate to cover all costs associated with Application processing, the City may make a written request for additional deposit(s) and staff will suspend work on the Application until sufficient funds are deposited. I agree to deposit such additional sums within the time stated in City's request. If I fail to deposit additional funds I understand that my Application will be deemed withdrawn.
5. To the fullest extent permitted by law, I shall defend (with counsel of City's choosing), indemnify, and hold harmless the City of Fairfield and its agents, officers, elected officials, employees, and volunteers (together, "City indemnitees") from and against any claims, actions, damages, injuries, costs (including attorneys' fees and other expenses), or liabilities of any kind, including those arising from bodily injury, sickness, disease, death, property loss and property damage, arising from or related to the processing of my Application for a commercial cannabis business permit, the issuance of the permit, the enforcement of the conditions of the permit, or the conduct or operations of the commercial cannabis business that is the subject of a permit. My obligations under this paragraph shall apply regardless of whether a license or any permits or entitlements are issued.
6. I hereby waive and release the City Indemnitees from any and all claims, injuries, damages, or liabilities of any kind arising from or related to the Application for a commercial cannabis business permit, the issuance of the permit, the enforcement of the conditions of the permit, or the conduct or operations of the business that is



the subject of the permit.

7. I consent to and expressly allow, authorize, and permit any City officer, agent, or employee to enter upon, inspect, and photograph the property identified in my Application, with reasonable prior notice, for the purposes of processing the Application and ensuring compliance with all laws, regulations, and conditions of any existing land use approvals. No additional permission or consent to enter upon the property is necessary or shall be required.
8. I understand that all materials submitted in connection with my Application will become records of the City when received, and that such records may be subject to disclosure under the California Public Records Act ("CPRA"). I understand that any information considered to be proprietary and exempt from disclosure must be clearly marked within the Application, identifying the specific lines containing the information and the applicable exemption under the CPRA. I understand that such marking is not determinative as to whether the information is exempt from disclosure under state law, and that the City retains the right to disclose or withhold information in accordance with state law.
9. I represent and certify to the following:
  - I have submitted the necessary information for the Fairfield Police Department to conduct a Live Scan and/or background check.
  - If I am submitting an application for the renewal of a commercial cannabis business permit, I continue to hold in good standing any permit/license that is required by the State of California for the operation of the commercial cannabis business.
  - I understand that owners, operators, employees and members of a commercial cannabis business may be subject to prosecution under Federal Laws.
10. These Terms and Conditions shall constitute a separate legal document from any permit approval, and that if the permit, in part or in whole, is revoked, invalidated, rendered null or set aside by a court of competent jurisdiction, I agree to be bound by the Terms and Conditions, which shall survive such invalidation, nullification or setting aside.
11. These Terms and Conditions shall be construed and enforced in accordance with the laws of the State of California. Any legal action or other proceeding arising in connection with these Terms and Conditions shall be filed in Solano County Superior Court.

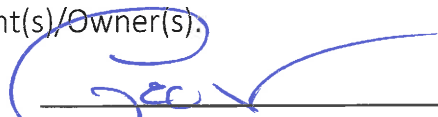
I have reviewed, understand, and agree to be bound by and to fully comply with all of the foregoing Terms and Conditions.

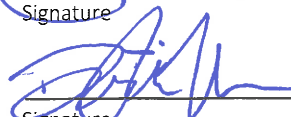
Applicant(s)/Owner(s).

George Miller  
Printed Name

Dustin Moore  
Printed Name

RONALD TURNER  
Printed Name

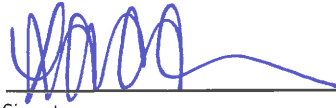
  
Signature

  
Signature

  
Signature

Lauren Carpenter

Printed Name



Signature

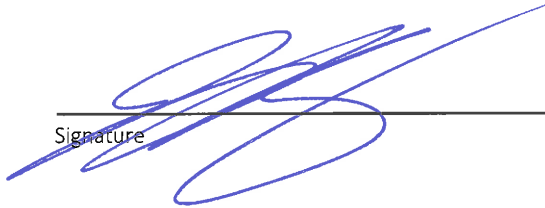
Printed Name

Signature

Property Owner(s): (if different)

Jimmy Rong

Printed Name



Signature

Printed Name

Signature

Printed Name

Signature

EACH OF THE ABOVE SIGNATURES MUST BE ACCOMPANIED BY AN ACKNOWLEDGEMENT FROM A NOTARY PUBLIC

**CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT**

**CIVIL CODE § 1189**

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

State of California )

County of Solano )

On October 22, 2020 before me, J. Ballard - notary public,  
Date Here Insert Name and Title of the Officer

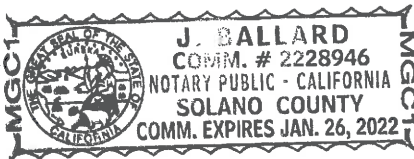
personally appeared Dustin Moore, Ronald Turner,  
Name(s) of Signer(s)

Lauren Carpenter AND Jimmy Rong

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

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

WITNESS my hand and official seal.



Signature J. Ballard  
Signature of Notary Public

Place Notary Seal Above

**OPTIONAL**

Though this section is optional, completing this information can deter alteration of the document or fraudulent reattachment of this form to an unintended document.

**Description of Attached Document**

Title or Type of Document: City of Fairfield Commercial Permit Document Date: October 22, 2020  
Number of Pages: 9 Signer(s) Other Than Named Above: George Miller

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

Signer's Name: \_\_\_\_\_  
 Corporate Officer — Title(s): \_\_\_\_\_  
 Partner —  Limited  General  
 Individual  Attorney in Fact  
 Trustee  Guardian or Conservator  
 Other: \_\_\_\_\_  
Signer Is Representing: \_\_\_\_\_

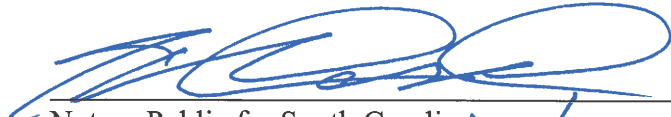
Signer's Name: \_\_\_\_\_  
 Corporate Officer — Title(s): \_\_\_\_\_  
 Partner —  Limited  General  
 Individual  Attorney in Fact  
 Trustee  Guardian or Conservator  
 Other: \_\_\_\_\_  
Signer Is Representing: \_\_\_\_\_

STATE OF SOUTH CAROLINA )  
 )  
COUNTY OF BEAUFORT )

ACKNOWLEDGMENT

I, the undersigned Notary Public, do hereby certify that the within-named George Miller, personally appeared before me this day and acknowledged the due execution of the foregoing instrument.

Witness my hand and official seal this the 20th day of October 2020.

  
\_\_\_\_\_  
Notary Public for South Carolina  
Commission Expires on 4/25/26  
{SEAL}

**CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT**

**CIVIL CODE § 1189**

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

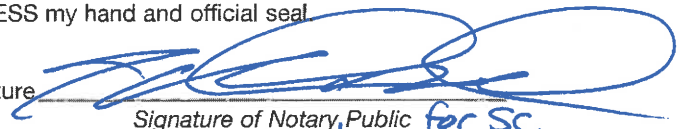
State of ~~California~~ SC )  
County of Beaufort )  
On 10/20/2020 before me, Jason W. Ward  
Date Here Insert Name and Title of the Officer  
personally appeared George Miller  
Name(s) of Signer(s)

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

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

WITNESS my hand and official seal

Signature

  
Signature of Notary Public for SC  
Exp: 4/25/26

Place Notary Seal Above

**OPTIONAL**

Though this section is optional, completing this information can deter alteration of the document or fraudulent reattachment of this form to an unintended document.

**Description of Attached Document**

Title or Type of Document: \_\_\_\_\_ Document Date: \_\_\_\_\_  
Number of Pages: \_\_\_\_\_ Signer(s) Other Than Named Above: \_\_\_\_\_

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

Signer's Name: \_\_\_\_\_  
 Corporate Officer — Title(s): \_\_\_\_\_  
 Partner —  Limited  General  
 Individual  Attorney in Fact  
 Trustee  Guardian or Conservator  
 Other: \_\_\_\_\_  
Signer Is Representing: \_\_\_\_\_

Signer's Name: \_\_\_\_\_  
 Corporate Officer — Title(s): \_\_\_\_\_  
 Partner —  Limited  General  
 Individual  Attorney in Fact  
 Trustee  Guardian or Conservator  
 Other: \_\_\_\_\_  
Signer Is Representing: \_\_\_\_\_

October 19, 2020

To Whom It May Concern:

In an effort to satisfy the requirement stated in the City of Fairfield's Application for Commercial Cannabis Business Permit and FAQs, Responsible and Compliant Retail Fairfield LLC contacted me regarding obtaining insurance for their proposed commercial cannabis business. Responsible and Compliant Retail Fairfield LLC is not able to obtain General Liability insurance to satisfy the requirements stated in the City's Request for Proposals until such time as the City has approved a proposed location and awarded them the right to apply for a conditional use permit.

Without confirmation that a business will operate at the location, it is not possible to underwrite and produce commercial cannabis insurance for a company, as insurance companies require building information and business receipts to generate premium calculations.

Put simply, no reputable insurer can provide commercial cannabis insurance unless a commercial cannabis business is properly licensed by the local jurisdiction and the State of California. At such time as they are awarded a permit, Responsible and Compliant Retail Fairfield LLC will be able to obtain comprehensive insurance coverage to satisfy the City's Requirements.

In my discussions with the Company, they have indicated they are prepared to obtain insurance immediately upon notification from the City of being selected to operate and/or receiving the right to apply for a conditional use permit. At that time, we are prepared to facilitate the company obtaining sufficient insurance coverage. This process typically takes fewer than five (5) days to complete.

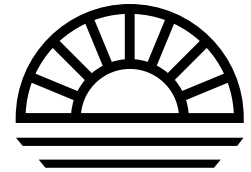
Sincerely,



Asher Styrsky, Owner / Agent  
[www.insure420.com](http://www.insure420.com)

License #0G13465

Application for a Commercial  
Cannabis Business Permit



**embarc**™

**REDACTED**

Responsible and Compliant Retail  
Fairfield LLC, dba Embarc Fairfield



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The City of Fairfield indicated that any sections or pages the applicant considers proprietary should be clearly marked within the application. We have noted pages in this submission that are proprietary and confidential as "Proprietary – Not for Disclosure" in the upper righthand corner. If there are any questions about the intended redaction, please contact Lauren Carpenter at [REDACTED] or [lauren@goembarc.com](mailto:lauren@goembarc.com).

# Community Leaders Agree: Embarc is the Right Choice for Fairfield

Embarc has a demonstrated record of transparency, accountability, and community engagement. Its Community Advisory Board works with educators, youth services, and public health and safety officials to prevent underage cannabis use and ensure community benefit dollars are well spent. I urge your full and fair consideration of Embarc's application for a license to operate.



Congressman Mike Thompson

We deserve cannabis operators with a track record of community engagement, meaningful local support, and unparalleled cannabis business and compliance expertise that will ensure smooth operations. Ron, George and the Embarc team are that partner.



Senator Bill Dodd

Given my deep connection to the Fairfield community, and our organization's ongoing desire to engage in youth education efforts, I am thrilled to participate in Embarc's Community Advisory Board. This is an important opportunity to lead the charge on youth drug prevention.

The Fairfield community deserves cannabis operators with a proven track record of ongoing community engagement and support. Embarc has demonstrated through action that it can be that partner to the City of Fairfield. I encourage the City to select them to move forward with local operations and look forward to sitting on the Community Advisory Board to play a meaningful role in Embarc's community benefits.



Teresa Courtemanche  
President, The Matt Garcia Foundation

# Community Leaders Agree: Embarc is the Right Choice for Fairfield

**“** The Napa Solano CLC has always advocated for the highest standards possible for the Cannabis Industry, including the safety of its employees and customers, the highest standards of regulatory compliance, the professionalism and experience of the organization’s leaders and, most of all, the compassion and care for communities in which they operate. We feel that Embarc exceeds the high standards our members demand.



**Jon Riley**  
Executive Director Napa-Solano Central Labor Council

**“** The Workforce Development Board of Solano County is committed to working with our local businesses to provide meaningful employment opportunities. Today with roughly 60% of our County residents commuting to the Bay Area and beyond for their daily for employment, we celebrate the chance to partner with a local business, to help establish local career pathways. Embarc has demonstrated a true commitment through their Community Advisory Board to create local gainful career opportunities for this community, and we are pleased to participate and help them achieve these goals.



**Brian Hooker**  
External Affairs Manager, Workforce Development Board of Solano County

**“** We are writing in support of Embarc Fairfield’s application for a Retail Dispensary in Fairfield. Embarc is committed to the development of local economic opportunities for residents, significant ongoing community benefits, and to true partnership with the City and its residents. As detailed in their proposal, the Company has committed to 100% local hiring, a living wage, meaningful benefits and opportunities for advancement within the company. It is these commitments that ensure employment at Embarc will provide for local workers and their families, allowing the Company’s workforce to be—and remain—truly local.



**James Araby**  
Director of Strategic Campaigns, United Food & Commercial Workers Union Local 5

October 23, 2020

City of Fairfield  
Community Development Department  
1000 Webster Street  
Fairfield, CA 94533

Dear Selection Committee Members,

Thank you for this opportunity to submit a proposal to operate a retail and delivery Commercial Cannabis Business (CCB) in the City of Fairfield. As a more than four-decade public servant in Fairfield and its surrounding communities, I appreciate the City's thoughtfulness as we contemplate commercial cannabis activities – and particularly cannabis retail – in our community.

As a longtime former law enforcement officer in the City of Fairfield, partnering with a cannabis operator to submit an application to operate a commercial cannabis business is certainly not something I imagined undertaking in my lifetime. But with the City of Fairfield opting to legalize and regulate local cannabis activity – and as the father of a current Fairfield Police Officer – I see this as an opportunity to get legal, compliant cannabis "right" for our City.

The submission of this application represents my journey coming full circle, first by protecting public health and safety as a police officer and now through the creation of a community-oriented, compliant cannabis business that seeks to provide tangible benefits for the community, public health and safety, and youth education and prevention efforts.

As the founder of the 100 Club of Solano & Yolo Counties, a local non-profit, and a district representative for Senator Bill Dodd who represents this community, I appreciate the sensitivities associated with retail dispensaries and the need for operators who understand the unique needs and dynamics of this City and who will meaningfully invest in, and integrate into, the community. Balanced against that preference for community mindedness is the need to select operators that have a proven track record of execution.

Now more than ever, we need a team that is operational, not aspirational, to ensure the business is able to open and generate tax revenues and community funding. As a longtime resident, parent, neighbor, and engaged citizen in this region, I know that our team can do just that because Embarc has already demonstrated its ability to launch and operate responsibly elsewhere in California.

Although cannabis has existed in communities for decades, regulated cannabis is still an emerging market. Communities are grappling with how to best integrate commercial cannabis activities into existing neighborhoods – balancing the economic opportunity this new

industry represents with a desire to protect public health, safety and neighborhood integrity, and to provide meaningful inclusivity to all segments of our community.

Embarc understands the transformative impact of its operations and acts with the belief that its business is a privilege and not a right. Embarc's successful business model is thus predicated on the ability to consistently engage the community to ensure communication, transparency, integrity, and collaboration. By putting the community first, Embarc can ensure a positive relationship with the City, community leaders, and the neighborhood, ultimately giving back in meaningful ways.

As a father, I spent countless hours reading stories to my son as a child. Goldilocks comes to mind as a fitting analogy as to why Embarc is the right fit for Fairfield. Unlike others who view Fairfield as an opportunity to cash in on the green rush, or who are pursuing licenses across the state or nation to be "the biggest" and "the best," the team I have partnered with brings a proven track record as experienced leaders with the right motives in this emerging industry.

With four licenses to date, Embarc is neither "too big" nor "too small." Rather, this team can be trusted to operate in Fairfield because we bring the experience of existing operations focused on community – which most large operators lack. Fairfield will not be just another dot on an expansion map because I have spent nearly four decades serving this community as a police officer, non-profit leader and legislative district representative. For me, this is home.

Thank you again for this opportunity.

Sincerely,



Ronald Turner  
Local Owner  
Chairman, Embarc Fairfield Community Advisory Board  
Head of Community Engagement

# Executive Summary

Thank you for the opportunity to submit this proposal. We are enthused at the prospect of operating a local cannabis business that will serve as a true partner to the Fairfield community.

As a partnership between a decades long public servant in the City of Fairfield and its surrounding communities and seasoned cannabis operators with a proven track record of compliant, transparent, and profitable operations, we each bring diverse backgrounds and professional experiences to this endeavor. Despite this diversity, we share a common vision for cannabis businesses that successfully integrate into and help uplift the communities in which they are located, and from that vision, Embarc Fairfield was born.

Over the past decade, Embarc's leadership team has been a driving force in the development and implementation of thoughtful cannabis legalization policies, both in California and internationally. Through its local partnership model, Embarc has secured four licenses to operate dispensaries in Northern California and is on track to obtain approximately a dozen additional licenses over the next eighteen months – all focused on Northern California. There are compelling reasons for Embarc's success.

What differentiates Embarc from other operators is more than regulatory expertise – we have a proven track record of meaningful civic engagement, patient and customer education, and ongoing community support. Embarc is not simply writing a check or undertaking a few hours of volunteerism; we have integrated community-orientation into our operations by putting local residents and community stakeholders at the helm of our decision making via a Community Advisory Board. Our track record is evidenced in our existing operations in South Lake Tahoe and will be scaled across the company as Embarc continues to grow.



**The breadth and depth of expertise that the Embarc team has drawn upon when approaching this process is second to none.**

**Jason Collin, Mayor**  
City of South Lake Tahoe

We are more than just proven cannabis operators; we are trusted local partners in the communities where we live and work. Embarc has been endorsed by some of the leading non-profit organizations and elected leaders in the state – an honor we do not take lightly. It is our role within the community, and the trust placed in us by these myriad community leaders throughout California, that informs how we distinguish our operations and philosophy from other cannabis retailers. Put simply, our local operators and supporters represent their communities' values.

**Embarc is committed to philanthropy and in the short time they have been open, have already donated thousands of dollars to local non-profits.**

**I feel strongly that businesses permitted to retail cannabis must conform to the highest standards of ethics and business practices, and be willing to work with and support local nonprofits and youth organizations. In Embarc you will find a business that exemplifies those standards, and provides meaningful support and engagement with the local community.**

**Jude Wood, Executive Director**  
Boys and Girls Club of South Lake Tahoe

**We deserve cannabis operators with a track record of community engagement, meaningful local support, and unparalleled cannabis business and compliance expertise that will ensure smooth operations. Ron, George and the Embarc team are that partner.**

**Senator Bill Dodd**

Ultimately, Embarc will bring to Fairfield the same commitment to compliance, customers, patients, and the community that are hallmarks of our business model and evident in our existing operations. For these reasons, and as detailed throughout our proposal, we believe we are the right fit for the City of Fairfield:

- Embarc is a partnership between a decades-long Fairfield public servant and an operational team with over 350 years of combined business experience, including an unparalleled operational track record of executive-level leadership in cannabis, retail, supply chain and other highly regulated industries.
- Embarc is well capitalized, and operates with sound financial principles and a realistic, scalable and achievable growth plan. Our success to date is the result of significant innovative, responsive, competent and practical business acumen, as demonstrated by our current operations.
- Embarc is committed to bringing best-in-class practices to the City of Fairfield as well as the experience of a team that has operated successful, legal cannabis dispensaries in California for a decade. We have a proven track record of delivering on our promises to residents, local officials, community leaders, neighbors, patients, and customers. We are a model retailer in the industry and demonstrate how cannabis can work in true partnership with the City to define a new cannabis experience for the modern patient and consumer.
- Embarc has significant expertise navigating the complex legal and regulatory framework for cannabis. Embarc team members effectively wrote and implemented Proposition 64 – from Chief Compliance Officer Dustin Moore serving as the day-to-day campaign manager and Senior Vice President of Regulatory Affairs Kevin Schmidt serving as Senior Policy Advisor to then Lt. Governor Gavin Newsom. Embarc has shaped – and continues to refine – the regulatory landscape for cannabis in California.
- Embarc has a track record of successful cannabis operations, both as Embarc and as strategic advisors and consultants for the leading cannabis retailers and brands across the country. We combine this experience with unique expertise in the policy arena that informs our desire for transparency and partnership with local government.



- Embarc has a proven commitment to its employees, having proactively signed a Labor Peace Agreement with UFCW for these purposes and with a demonstrated track record of industry-leading wages, benefits, educational and training opportunities and upward mobility creation.
- Embarc's commitment to community integration is about more than just writing a check. We have developed meaningful, ongoing partnerships with communities and have built community engagement and support into our business model in significant ways, including through the development of a local Community Advisory Board to guide our operations and community contributions.
- Embarc has robust life safety and security plans developed by leading subject matter experts and tested through existing operations to ensure compliance and robust public health and safety measures are at the forefront of daily operations.
- Embarc was thoughtful and deliberate in site selection by securing a location that is over half a mile from the nearest sensitive use.
- Embarc brings a philanthropic ethos and commitment to support the City's economic growth and prosperity resulting in tangible economic benefits and opportunities for the City, its residents, and local non-profit partners, with a significant focus on youth education and drug prevention programs.

This is how cannabis retail can and should operate in Fairfield.

## Meet Embarc

Embarc Fairfield is comprised of local and regional community members and business leaders with unparalleled experience navigating the complex regulatory environments necessary to operate compliant retail dispensaries and similar businesses.

The Embarc team brings over 350 years of combined experience to our proposed cannabis dispensary, representing the vision and unequalled operational track record of executive level leadership in cannabis, retail, supply chain and other highly regulated industries. Our team also includes seasoned former law enforcement and public health and safety officers committed to the creation of a business that enhances the surrounding neighborhood and has a positive impact on the Fairfield community.

We believe an applicant must have a track record of local engagement to understand the unique needs, values and expectations of this community and to create an operation that reflects these qualities. Embarc is focused on creating and maintaining a local operation that ensures the business is the right fit for Fairfield and that its operations are community oriented – hiring 100% locally and empowering local community leaders to guide and inform mindful operations through our Community Advisory Board.

Embarc Fairfield's team is led by local partner and owner Ron Turner. Ron has been a public servant in the City of Fairfield and its surrounding communities for nearly forty years as a law enforcement officer, local non-profit leader, and district representative for Assemblymember Susan Bonilla and now for Senator Bill Dodd. Ron has accomplished all of this while also continuing his family's multi-generational legacy of farming in the region, where purchasing hay is still conducted via a handshake much the same way it was with Ron's father a generation ago.

Ron's professional, civic and volunteer engagement in Fairfield spans decades, and it is from this deep commitment to the community that Embarc Fairfield was born, driven to develop and implement a business that operates thoughtfully, sensitively and respectfully.

*Importantly, Ron's commitment to the creation of a safe, secure operation could not be more personal. Ron's son has followed in his footsteps and is an active duty law enforcement officer in the City of Fairfield. There is no greater motivation to ensure safe and compliant operations than this.*

In fact, family is at the core of this proposal. While contemplating whether to become involved in the cannabis industry, Ron connected with George Miller IV, owner of Embarc Martinez and Embarc Contra Costa. George is the son of longtime former Congressman George Miller III, a nearly 45-year elected official who serves as Chairperson of Embarc's Community Advisory Boards in both Martinez and Contra Costa County.

Many years ago, while serving as a police officer in Concord, Ron spent significant time drinking coffee and engaging with the community in the Congressman's district office. Joining the Embarc team thus presents an opportunity for Ron to re-engage with both the Miller family and the community to ensure we get cannabis "right" in the City of Fairfield.

But "keeping it in the family" transcends these father and son relationships. Through this partnership with Embarc, Ron is now working with husband and wife team Dustin and Lauren, who have played pivotal roles in shaping California's legal and compliant cannabis industry, particularly through Dustin's role as the campaign manager for Proposition 64 which legalized adult use.

It is these familial relationships that drive our desire to create a local business that instills a sense of colleagues becoming friends, and community members feeling as though they are members of the Embarc family.

## **MEET RON: A COMMITTED COMMUNITY PARTNER**

On July 28, 1984, Fairfield Police Sergeant Art Koch was shot by a struggling Vietnam veteran, ultimately passing away a day later. Ron Turner was a young Fairfield police officer when he witnessed his first officer-involved shooting, an experience that continues to shape his life today.

More than thirty years later, and after a law enforcement career that includes serving as a police officer, tactical team negotiator and SWAT member, Ron founded the Solano County branch of the 100 Club, a local non-profit organization in Fairfield. The 100 Club places an emphasis on supporting middle and high school students' education, as well as providing emotional and financial support to the loved ones of police, fire and first response officers killed in the line of duty.

Personally and through the 100 Club of Solano and Yolo Counties, Ron has engaged in significant community support to dozens of local and regional non-profits and individuals, including, but not limited to:

- Public Safety Academy
- Fairfield Police Activities League
- St. Mark's Food Bank
- Boys and Girls Club of Vacaville
- Lioness Program

## A LIFETIME IN FAIRFIELD

Ron grew up in Fairfield, attending lower, middle and high school in the City as well as Solano Community College. As a child, Ron played sports with his friends in the neighborhood, skated at the old roller rink on Texas Street, and spent his summers picking fruit at German's Fruit Orchard off Suisun Valley Road. He and his wife still attend church at the United Methodist Church in Fairfield today.

It is from these deep roots in Fairfield that Embarc Fairfield was born, and it is these deep roots in Fairfield that will ensure Embarc operates in all ways with a deep respect for, and engagement with, this community.

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# Section 1: Business Plan

## Introduction

Embarc is a retail and delivery cannabis business that seeks to redefine the cannabis experience by reimagining the interaction between consumers and cannabis, focusing on health, wellness and approachability rather than the traditional emphasis on "getting high."

Our target audience prioritizes a healthy lifestyle and sees cannabis as a component of their overarching appreciation for recreation, relaxation and wellness. These are active and engaged community members who appreciate quality, innovative products that enrich their lives and relationships.

Embarc provides safe and reliable access to medical and adult-use cannabis through a warm and inviting retail expression and highly trained, professional and educational staff. Our business plan is designed to comply with the Fairfield Municipal Code, all applicable rules and regulations, and all state laws. It is a realistic model of operations developed through a collaborative process that leverages the expertise of our seasoned leadership team, existing operations and best practices from leaders in cannabis and beyond.

Our team brings the most extensive experience managing operational and regulatory compliance plans in the cannabis industry, and over three centuries of combined expertise in business development, operations, finance and management. This breadth of experience and knowledge uniquely equips our team to execute our start-up plan, and to begin safely serving patients and customers faster, more efficiently, and more community-sensitively than other operators.

Given the City's mandated spatial restraints, the following business plan contains only direct responses to prompts rather than a comprehensive overview of the business and business plan. We welcome the opportunity to provide more detail on any component of the business and its proposed Fairfield operations.

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## 1.1. Owner qualifications. Resumes are not to exceed two (2) pages per owner.

### Overview: Getting Cannabis 'Right' for Our Community

As a long-time local law enforcement officer and local non-profit operator, Ron was initially hesitant upon hearing that cannabis was coming to Fairfield. After all, he has spent most of his career fighting the war on drugs. After learning more about the emerging industry, including the robust regulations in place, he realized that cannabis needed to be implemented properly to ensure operations are safely and securely integrated into the community. This requires someone like Ron who cares about this community, has a demonstrated track record of community service, and brings substantial public health and safety experience.

Ron knew he had the skills necessary to build and manage a team that could execute a successful local cannabis business. He put together a leadership team with unparalleled cannabis experience and a successful record of execution and compliance and merged it with his own track record of community engagement as a Fairfield law enforcement officer, a district representative for Senator Bill Dodd, and as the operator of a local non-profit organization in Fairfield.

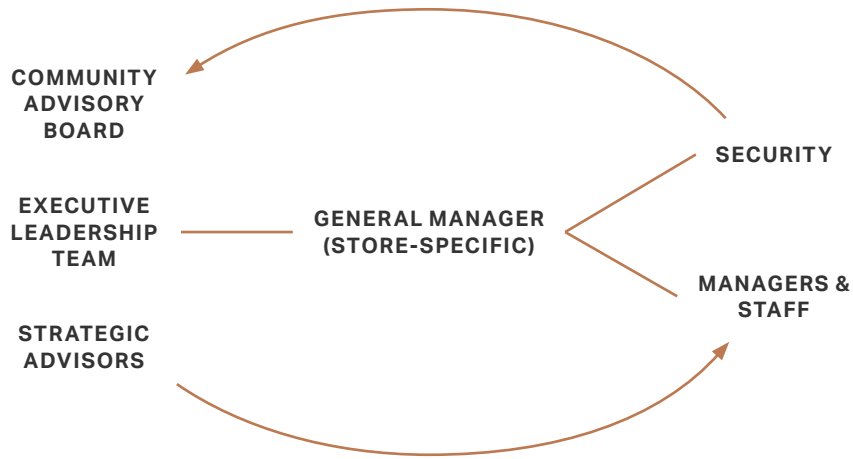
Ron is proud to have assembled a leadership team that includes former Fortune 500 executives, proven cannabis operators, and business owners that have experience in retail, hospitality, supply chain and other highly regulated businesses. Given the tremendous importance of compliance and community safety, this team also includes leading experts in cannabis compliance who are actively engaged at both the state and local level to ensure that regulations provide for the highest level of public health and safety.

This team will create more than just a cannabis dispensary—through partnership with and empowerment of the community, Embarc will create a unique business that honors local values and provides meaningful benefits for the City, its residents, and Embarc's non-profit and community-based partners.

As detailed below, the depth and breadth of our team's knowledge and experience as community leaders and business owners means we are truly committed to this community. Unlike outside entities and multi-state operators with no vested interest in the City, we will operate a compliant business with strict adherence to regulations, industry standards and best practices—because for Ron, this community is not just another dot on an expansion map, it is home.

### The Embarc Team

The Embarc team consists of leadership, in-store management and staff, and strategic advisors. Additionally, as detailed later in this proposal, we will create a Community Advisory Board in Fairfield comprised of community leaders and other vital stakeholders to provide feedback and input on operations and to direct our giving to key local priorities identified by the Fairfield community.



## RON TURNER

Chair of the Community Advisory Board  
Head of Community Engagement

As detailed above, Ron brings prolific expertise in law enforcement, public health and safety, and community engagement. He has served as a police officer, security expert, leader of a local non-profit organization, and as a district representative for Assembly member Susan Bonilla and then for Senator Bill Dodd, who represents Fairfield.

Ron has served as a police officer in California for 37 years, first in Long Beach, then in Fairfield, then in Concord as a Tactical Team Negotiator and former SWAT Team member. He is currently a member of the Association of Threat Assessment Professionals and is an expert in the areas of Crime Prevention Through Environmental Design, (CPTED) and Threat Assessments.

Ron conducted Threat Assessments in conjunction with the FBI, US Capitol Police, California Highway Patrol and the Contra Costa County Sheriff's Department. These Threat Assessments involved the protection of former President George W. Bush and Presidential candidate Hillary Clinton. He is also an authority in the field of Homeland Security, assessing hard and soft terrorist attack targets as identified in the Patriot Act.

Ron has testified in Contra Costa County, Solano County, and in the Los Angeles County Superior Courts as an expert in the sale, possession, use and transportation of cocaine and methamphetamine. He has been recognized by the Contra Costa County Board of Supervisors and the Contra Costa County Mental Health Department for tracking from California to New York and locating a mental health patient with Asperger Syndrome. Ron is also certified by POST (Academy Instructor Certification Course) as a Basic Academy Instructor.

Since retiring from the police department, Ron has spent nearly a decade serving as a Field District Representative, first for California Assembly member Susan Bonilla and currently with California State Senator Bill Dodd. In this capacity, Ron understands the issues and unique needs of this community.

Approximately four years ago, Ron founded the 100 Club of Solano & Yolo Counties, an IRS/California approved 501(c)(3), Fairfield-based non-profit organization. Ron was driven to start the Solano County branch of the 100 Club in part because of the tragic shooting of Fairfield Police Sergeant Art Koch and the need to support those impacted by an officer's death — mostly close family.

The 100 Club of Solano & Yolo Counties seeks to provide immediate financial assistance to families of public safety officers and firefighters who are killed in the line of duty and to provide educational scholarships for the children of fallen first responders. Additionally, members of the 100 Club help guide and mentor youth and support their efforts to become good citizens who value education, civic responsibility and public service.

In this capacity, Ron focuses significant financial and human resources to supporting youth education and engagement, with an emphasis on middle and high school students and keeping them on the right path. He brings this experience to Embarc’s community benefits and youth prevention efforts as both Chairman of the Community Advisory Board (detailed later in this proposal) as well as Embarc Fairfield’s Head of Community Engagement.

DATE	ROLE
2017 – Present	President, The 100 Club of Solano & Yolo Counties
2016 – Present	Senior District Representative, California Senator Bill Dodd
2012 – 2016	District Representative, California Assemblymember Susan Bonilla
1976 – 2012	Police Officer, Long Beach, Concord & Fairfield Police Departments

## LAUREN CARPENTER

Chief Executive Officer

Lauren has a decade of private sector executive leadership experience in cannabis and other highly regulated industries. Lauren is a prolific team builder who has led key strategic efforts for some of the largest and most successful business coalitions in California, including Fortune 50 companies and some of the largest cannabis retailers in the world.

She previously served as Chief Strategy Officer for Sweet Flower, one of the largest cannabis retailers in Los Angeles, where she was responsible for creating and executing corporate strategic initiatives across community, regulatory, political and business arenas while driving the company’s dynamic growth strategy. She oversaw operationalization of retail assets in Los Angeles while developing the company’s licensing strategy, community engagement programs and government affairs platform.

She has also served as Director of Government Affairs for Western States for MedMen, one of the world’s largest vertically integrated cannabis operators. She was responsible for the company’s political, government, public and community affairs strategies at the state and local levels across the Western United States, including in states that have legalized adult use cannabis and in states with pending adult use legislation and initiatives. She has worked with governments throughout California and across the country to implement thoughtful cannabis regulations and uses this expertise to inform the execution of Embarc’s business model.

DATE	ROLE
2020 – Present	CEO, Embarc Fairfield Head of Strategy, Embarc Martinez, Embarc Contra Costa, Embarc Tahoe, Alameda Patients Group

2019 – 2020	Chief Strategy Officer, Sweet Flower
2018 – 2019	Director of Government Affairs for Western States, MedMen California Political Director, MedMen
2012 – 2018	Sr. Account Executive, Wilson Public Affairs Account Executive, Wilson Public Affairs
2010 – 2012	Misc. Political Campaigns

## **TERRI GILLES**

Chief Operations Officer

Terri brings nearly two decades of operational expertise to Embarc, having led operations for top leaders in the technology, sports and cannabis industries. Terri oversaw Google’s western regional real estate portfolio and daily operations. She was then tapped to establish Snap Inc.’s Facilities and Operations team. In these capacities, Terri was responsible for managing teams of over 300 employees, and the development of over two million square feet of construction. Terri is a LEED accredited professional.

After nearly 10 years in technology, Terri transitioned into the cannabis industry. She was the first hire at Sweet Flower, where she served as Chief Operating Officer. Terri was responsible for positioning the new company as Southern California’s premier cannabis retailer and for building out four high-end retail stores, developing the brand, and creating a best-in-class retail team. Terri brings this unique combination of experience to Embarc, where she oversees all of the company’s development, expansion and operations.

DATE	ROLE
2020 – Present	Chief Operating Officer, Embarc
2019 – 2020	Chief Operating Officer, Sweet Flower
2016 – 2018	Global Head of Workplace Services, Snap Inc.
2010 – 2016	Southwest Regional Facilities Manager, Google
2004 – 2006	Operations Manager, Alan Friedman Designs
1994 – 2004	Elementary School Teacher, Brentwood School

## **TERRY MULLER**

Vice President of Retail Operations

Terry brings more than 15 years of professional experience to Embarc, the majority of which has been in the establishment and operation of licensed, compliant commercial cannabis businesses. His wide range of experience includes establishing a premier medical marijuana caregiver collective in the Midwest, serving as a chief consultant to premier medical cannabis businesses throughout California, developing equity-centered community outreach programs for cannabis businesses, facilitating cannabis brand development and marketing strategy, supervising cultivation facilities, and providing management services to established cannabis dispensaries.



In 2009, Terry co-founded a cannabis caregiver collective in the Midwest that was one of the first businesses to receive a state license and was used as a model statewide. Terry then went on to establish a consulting business in which he supported medical cannabis dispensaries in developing their community outreach programs, wellness services, standard operating procedures, vendor management, and employment systems. In this capacity, Terry was instrumental in the development, launch and ongoing operations of prominent dispensaries throughout California.

After serving in an advisory role for Barbary Coast, one of San Francisco’s preeminent dispensaries and consumption lounges, for a number of years, Terry formally joined its operation in 2016 and was responsible for neighborhood integration and communication, employee management, and overarching strategic operational management, including front-of-house and back-of-house operations, inventory, purchasing and more. As part of his business development and neighborhood integration efforts in opening and operating two Barbary Coast dispensaries, Terry facilitated more than a dozen community workshops, providing educational sessions and building partnerships with neighborhood associations. Through this process, Terry gained extensive experience navigating local and state regulations.

DATE	ROLE
2020 – Present	Vice President of Retail Operations, Embarc
2017 – 2020	Director, National Bridges Consulting (San Francisco)
2016 – 2020	General Manager, Barbary Coast Collective (San Francisco) Dispensary Director in the Midwest
2006 – 2010	Audio Technician, PG&E Training Facility (San Ramon)
2000 – Present	Audio Technician, Local 16 I.A.T.S.E. (San Francisco)

## DUSTIN MOORE

Chief Compliance Officer

Dustin Moore has been a driving force behind California’s efforts to legalize and regulate commercial cannabis for nearly a decade. In 2011, while working for the Speaker of the California Assembly, Dustin developed legislation for medical cannabis regulations that served as the foundation for the regulatory framework in place today. In 2014, he began working to develop, and ultimately served as Deputy Campaign Manager for Proposition 64, the successful ballot measure that legalized adult-use cannabis in California. No one is more familiar with Proposition 64’s language and intended implementation than Dustin.

After Proposition 64 passed overwhelmingly in 2016 and having developed unrivaled expertise about how to effectively regulate the cannabis industry, Dustin began working with local, state, national and international jurisdictions to assist in developing and implementing their regulatory and licensing programs, including in Canada, Mexico and municipalities throughout California. Dustin is regarded as a premier subject matter expert whose advice and experience is sought by both the private and public sectors nationally and internationally.

In 2018, he worked with Canada on their testing regulations and he is currently serving as an advisor to the Mexican Senate in the development of Mexico’s adult-use legalization legislation. He has served as Executive

Director and is currently a board member of the International Cannabis Farmers Association and is a member of the State of California’s Track and Trace Advisory Committee.

True to the intent of Proposition 64, Dustin specializes in policy development that prioritizes public health and safety. After nearly five years of California cannabis policy development, Dustin Moore became a founding partner at Axiom Advisors, the state’s leading strategic consulting firm providing business and compliance services to professional cannabis associations, cannabis manufacturers, distributors, testing labs and retailers. In this role, he and others at the firm are responsible for managing the compliance for more than 200 commercial cannabis license holders in California, including over three million square feet of licensed cultivation. Dustin is a highly regarded subject matter expert and sought after speaker at countless cannabis events, panels, discussions and conferences across the country.

DATE	ROLE
2020 – Present	Chief Compliance Officer, Embarc
2019–Present	Partner, Axiom Advisors Board Member, International Cannabis Farmers Association
2017–2019	Principal, Main Street Strategies Executive Director, International Cannabis Farmers Association
2015–2016	Deputy Campaign Manager, Yes on Proposition 64
2014–2015	Consultant, Kaufman Campaign Consultants
2012–2014	Senior Consultant, California State Assembly

## **MATT CARROLL**

Chief Security Officer

—  
Matt is one of the most qualified cannabis security experts in California, having helped create and implement the rules and regulations governing commercial cannabis businesses in the State.

After years of service as a police officer and advising the Coast Guard on port security in the wake of 9/11, Matt founded Paladin Private Security, a company widely recognized as Northern California’s leader in private patrol and response services. Matt designs and maintains security programs for over 450 clients, including Sacramento Regional Transit, the City of Sacramento, public school districts, recreation and park districts, property owners, and business improvement districts.

As the City of Sacramento’s cannabis industry took shape, Matt worked closely with the Sacramento Police Department to develop ordinances, standards and best practices. To date, Matt has authored and executed over 85% of the security plans required of Sacramento cannabis licensees. In late 2017, Matt began providing cannabis security consulting services for other municipalities. Matt is currently under contract with the cities of Dixon and Benicia Police Departments, training city staff, police and code enforcement personnel on cannabis regulations, crime prevention strategies, crime prevention through environmental design, and assisting with facility design review, security plan review, and both site and compliance inspections. He brings this wealth of knowledge and practical experience to Embarc, designing and implementing security protocols, strategies, trainings and execution.

DATE	ROLE
2018 - Present	Chief Security Officer, Embarc
2015 – Present	Founder, Sacramento Security Training Center
2003 – Present	Founder, Paladin Private Security Company
2001 - 2003	Port of West Sacramento Police Department
1998 – 2001	Sacramento County Sheriff’s Department

## NATE REED

Director of Compliance

Nate is a veteran in navigating the dynamic regulatory and compliance landscape for commercial cannabis in California and across the country. After completing law school in 2015, Nate joined a real estate brokerage firm specializing in cannabis transactions as their Vice President of Legal Affairs. Nate was also an early member of CannaRegs, working as a Legal Research Analyst to ensure the platform was providing up-to-date rules and regulations governing to the burgeoning cannabis industry. Nate took his regulatory expertise to the Compliance and Legal Departments of multi-state cannabis operator, MedMen, which during his tenure was one of the largest legal cannabis companies in the world. While at MedMen, Nate developed and executed compliance programs, undertook legal initiatives and helped the company secure state and local licenses nationwide.

Most recently, Nate practiced as an attorney for prominent cannabis law firm, Vicente Sederberg, where he worked in the licensing department. In this capacity, Nate assisted clients across the country in applying for and securing licenses to operate commercial cannabis businesses in a compliant manner. He brings this experience in compliance, legal affairs and real estate to his role at Embarc.

DATE	ROLE
Sept 2020 – Present	Director of Compliance, Embarc
Nov 2019 – Sept 2020	Associate Attorney, Vicente Sederberg LLP
2018 – 2019	Legal and Compliance Associate, MedMen
2017 – 2018	Legal Research Analyst, CannaRegs
2016 – 2017	VP of Legal Affairs, Colorado Marijuana Real Estate (CMRE)

## KEVIN SCHMIDT

Senior Vice President of Regulatory Affairs

Kevin Schmidt is a fourth-generation California public servant with the institutional knowledge necessary to navigate California’s complex political and regulatory landscape. Beginning his public service career with

the California Senate Majority Leader, Kevin worked on a broad array of topics including agriculture, water, and energy.

Kevin then served for five years as Policy Director for then-Lieutenant Governor Gavin Newsom, focusing on energy, natural resources, economic development, higher education, and other policy issues. Kevin represented Lt. Governor Newsom on the California Coastal Commission, the California State Lands Commission, and the Ocean Protection Council, and in those positions was responsible for making decisions on important statewide policies and multibillion-dollar State budgets. During his time with the Lt. Governor, Kevin spearheaded the Blue-Ribbon Commission on Cannabis and served as a senior advisor to the Proposition 64 campaign. Since then, he has been instrumental in shaping California’s legal commercial cannabis industry, working to help draft the laws, regulations and statute in place today.

Kevin has since become a founding partner of Axiom Advisors, the leading cannabis compliance, regulatory and political consulting firm in California. In this capacity, Kevin has developed extensive relationships in the cannabis industry and with the California Governor’s Office, legislators and regulators that are critical to his role as Senior Vice President of Regulatory Affairs for Embarc.

DATE	ROLE
2020 – Present	Senior Vice President of Regulatory Affairs, Embarc
Jan 2019 - Present	Partner, Axiom Advisors
Jan 2016 – Dec 2018	Partner, California Strategies
Feb 2011 – Jan 2016	Policy Director, Lt. Governor Gavin Newsom
Jan 2009 – Feb 2011	Policy Analyst, California State Senate

## **CHRISTY WILSON**

Head of Public Affairs

Christy Wilson has a multi-dimensional background in developing and executing outreach campaigns and meaningful partnerships in the cannabis industry and traditional businesses.

As a small business owner of a prominent Sacramento public affairs firm, Christy brings nearly twenty years of experience in community and stakeholder engagement across a variety of complex and highly regulated issue areas including insurance reform, mortgage and financial bailouts, energy, gaming, campaign finance, taxation and education. She is also the local owner for Embarc Tahoe, which has developed a robust coalition of community support ranging from the Boys and Girls Club to the Drug Free Coalition. She brings a wealth of experience in partnership best practices.

DATE	ROLE
2019 – Present	CEO, Embarc Tahoe
2013 – Present	President, Wilson Public Affairs
1998 – 2013	Partner, Goddard Claussen Public Affairs

## GEORGE MILLER

Head of Government Affairs

George Miller IV has dedicated his career to parallel goals—public service and navigation of California’s complex regulatory environment. George has served as a California Coastal Commissioner, working to protect and enhance California’s coast and ocean for present and future generations. In this capacity, George served as a regulator for the State, ensuring he understands the importance of working within a highly regulated environment such as the cannabis industry.

George is a partner at a prominent Sacramento political consulting firm responsible for helping leading cannabis companies, Fortune 500 companies, trade associations and others navigate regulatory and political compliance in California, demonstrating Embarc’s ability to operate businesses across industries in accordance with robust regulations. George is the local owner of Embarc Martinez and Embarc Contra Costa, along with his father, long time Congressman George Miller III, who represented the region in Congress for nearly 45 years. Congressman Miller chairs our local Community Advisory Boards in Martinez and Contra Costa County and brings a strong record on labor and youth issues, including helping to draft the No Child Left Behind Act, sponsoring the Fair Minimum Wage Act, and sponsoring the Protecting Students from Sexual and Violent Predators Act.

DATE	ROLE
Jan 2020 – Present	Owner, Embarc Martinez and Embarc Contra Costa Head of Government Affairs, Embarc
Jan 2020 – Present	Managing General Partner, Miller, Cespedes & Associates
April 1998 – Jan 2020	Partner, Lang, Hansen, O’Malley & Miller

## COURTNEY ZALEWSKI

Chief Brand Officer

Courtney is one of the most prolific brand builders in the cannabis industry, bringing more than half a decade of cannabis design and entrepreneurial experience to Embarc. Courtney previously served as the Vice President of Product and Design for Lowell Herb Co., effectively creating and implementing one of California’s most recognized cannabis brands. Courtney knows how to develop a lasting brand with experience spanning brand development, compliance and operations.

Courtney is also one of the co-founders of the Original Cannabis Café in West Hollywood, the nation’s first and only legal, licensed cannabis consumption café. This ensures Courtney has her finger on the pulse of consumer behavior in both cannabis retail and social consumption settings and drives her development of Embarc’s brand and marketing strategies.

DATE	ROLE
2020 – Present	Chief Brand Officer, Embarc
2017 – Present	Partner & Co-Founder, Cannabis Cafe

2015-Present	Partner & Co-Founder, Studio Good
2015 – 2019	Co-Creator, Co-Founder, VP Product & Design, Lowell Herb Co.
2016 – 2017	Partner, Midnight
2015 – 2016	Director of UX, Pager
2010 – 2015	Freelance Designer

## NIC MAGBANUA

Marketing and Partnerships Manager

Nic brings years of marketing and partnership experience to Embarc, including marketing and partnership efforts for a prominent California cannabis retailer and manufacturer. This experience includes creating high performing marketing campaigns, brand development, and developing strategic partnerships across the industry and local communities. These partnerships are a foundation of Embarc’s business model.

Nic’s lifelong passion for music was manifested in a 13-year career in which he built a successful brand as a music producer and touring artist. He pursued his ambitions after receiving a bachelor’s degree from California State University East Bay with a double major in Marketing and Operations Management. His mission as Embarc’s Marketing and Partnerships Manager is to create positive social change by building strong relationships with like-minded organizations, the cannabis community, and our customers.

DATE	ROLE
2020 - Present	Marketing & Partnerships Manager, Embarc
2019 – 2020	Marketing Lead, NUG
2018 – 2019	Field Marketing Coordinator, NUG
2005 – 2018	Music Producer/Founder, Panic City

## DAN STASZAK

Chief Financial Officer

Dan brings more than thirty years of experience in fiscal management for diverse companies including those in the health, wellness and cannabis arenas. In 2011, Dan founded Staszak & Company, Inc., a large California CPA firm providing accounting, tax preparation and financial planning services for individuals, businesses, estates and trusts. For more than a decade, Dan served as an Instructor at UC Davis Extension, helping his students distill complex financial and accounting principles into actionable information. Dan brings this wealth of finance and accounting experience to Embarc, where he leads the company’s accounting and finance teams. Dan’s experience as a Chief Financial Officer for healthcare companies provides expertise and insight into the complex legal and financial infrastructure necessary in the cannabis space. Dan is a frequent speaker on tax-related topics.

DATE	ROLE
2019 – Present	Chief Financial Officer, Embarc
Aug 2011 – Present	Principal, Staszak & Company
Apr 2006 – Sept 2017	Instructor, UC Davis Extension
Aug 1988 – Aug 2011	Partner, Willis & Walsh, CPAs

## LEONARD SCHLEMM

Vice President of Finance and Corporate Development

Leonard is a finance executive specializing in leading high-growth organizations in the cannabis, retail and consumer packaged goods industries. Prior to joining Embarc, Leonard acted as Vice President of Corporate Development & Finance at MWG Holdings Group, Inc., a multi-state cannabis company with a focus on California cannabis operations. Leonard has held various positions in the private equity industry, focusing on acquiring, recapitalizing, and scaling middle-market investments in the retail sector. He has executed over \$200 million in transactions, while being directly involved in the financial oversight of several portfolio companies. Leonard has experience leading multi-unit retail companies, having been involved in adding over 100 retail locations to several brands.

DATE	ROLE
2020 – Present	VP of Finance & Corporate Development, Embarc
2017 – 2019	VP of Finance & Corporate Development, MWG Holdings Group, Inc. dba Perfect Union
2015 – 2017	Director of Corporate Development, Amerit Fleet Solutions
2013 – 2015	Business Development, UFC Gym
2012 – 2015	Private Equity Analyst, New Evolution Ventures

## PHYLLIS NEWTON

Chief Legal Officer

Phyllis brings over three decades of legal experience to the Embarc team, having served as general counsel to a number of domestic and international organizations.

A former litigator, Phyllis brings her experience to drafting and negotiating Embarc's legal agreements and other business-related documents. Years in the litigation trenches informs her development of Embarc's risk avoidance strategies and procedures. In conjunction with specialized outside counsel, Phyllis oversees all legal matters and advises Embarc on all aspects of its operations, including transactional requirements, corporate structuring, governance, compliance, intellectual property, insurance, and human resources. She previously served as an Adjunct Professor at McGeorge School of Law.



DATE	ROLE
2019 – Present	Chief Legal Officer, Embarc
1989 – Present	Law Offices of Phyllis Newton

In addition to Embarc’s seasoned leadership team, the company also engages the expertise and experience of an exceptional group of strategic advisors. These advisors provide ongoing guidance, counsel and strategy to the Embarc team and its operations.

### **MIKE BEAUDRY**

Supply Chain Advisor

Supply Chain Strategy Advisor Mike Beaudry owns and operates HERBL Solutions, the state’s leading cannabis distribution company and brings this vast network and understanding of cannabis regulatory compliance to Embarc. Mike has extensive distribution experience, having spent the last 20+ years achieving the highest level of understanding in the perishable distribution business, including natural, organic and specialty foods at United Natural Foods Incorporated, America’s leading distributor of natural and organic foods.

While President of UNFI, Mike led teams of up to 5,000 members while managing more than \$2 billion in annual revenue. Prior to his role as President, Mike led the operations nationally for UNFI’s highly complicated perishable distribution business, with more than three million square feet of warehouses and 1,000 trucks across the United States.

### **JOHN YOST**

Brand and Marketing Advisor

John has served as Chief Marketing Officer for publicly traded, vertically integrated cannabis companies, providing a wealth of knowledge and experience in how to best position Embarc as a community-oriented business.

He served as Chief Marketing Officer at Harborside, an Oakland dispensary that is one of the most renowned cannabis operations in the world. He has also served as Chief Marketing Officer for FLRish, Inc., a publicly traded, vertically integrated cannabis company, and has served in a similar capacity at companies such as Steep Hill, a cannabis testing laboratory; Francis Ford Coppola Presents, where he served as the first Chief Marketing Officer to market the company’s wine and resort businesses; and Sungevity, a residential and commercial solar design and installation company.

From 1996 to 2005 he served as Founder & President of Black Rocket, a national advertising agency and marketing partner with clients such as Yahoo!, Morgan Stanley Online and Peugeot North America. John’s breadth of traditional marketing and cannabis brand positioning experience is invaluable as Embarc seeks to break the marketing mold in the burgeoning legal cannabis industry.

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## **LEX GEMAS**

Retail and Operations Advisor

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Lex has served as Chief Operating Officer for multi-billion dollar global retail brands, providing Embarc with invaluable insights into supply chain navigation, retail strategy, and operations based on nearly thirty years of relevant experience. Lex is currently Chief Commercial Officer at Herbl, the state's leading cannabis distribution company. In that capacity, Lex leads the company's retail integration efforts, ensuring his finger is on the pulse of cannabis retail operations.

Lex's career includes senior management and chief operating officer roles with large, multi-billion dollar global brands including Nordstrom, Gap, Banana Republic, Victoria's Secret and Macy's where he was responsible for the end-to-end demand-driven supply chain and was always focused on consumer experience and satisfaction. He applies his operational expertise and commercial acumen with the complicated nature of retail supply chains to his advisory role for Embarc.

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## **JOSH HELD**

Scientific Innovation Advisor

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Josh Held is the founder of Chemistry Holdings and Made by Science—two companies at the forefront of sustainable product and cannabis innovation. Held is a unique player in the cannabis industry, fusing a venerable business background with boundless scientific curiosity and a natural talent for spotting “the next big thing.” In addition, he brings immense depth in corporate development, deal origination, complex deal structures, legal planning, business succession planning, new brand buildouts, media planning, and cross-disciplinary leadership. His track record in the financial sphere is also sound: as Vice President of Investments for JP Morgan, he managed more than \$100 million in investment dollars for high net worth individuals, families, and family offices, demonstrating a working knowledge of the financial arena and an ability to cultivate sound business relationships.

At Chemistry Holdings, Held acts as a business growth partner to food and beverage, wellness, and social impact communities, providing support for and encouraging next-level innovation. The company focuses on inventive, sustainably made products developed by a carefully chosen team of scientists, market strategists, product designers, and project deployment specialists. As CEO of Made by Science, Held led the creation of new cannabis technology and consumer-friendly products that impact everything from sleep and anxiety to pain management. The company recently merged with Gesundheit Foods to create Form Factory, Inc., which was just acquired by Acreage Holdings. The back-to-back mergers has placed Held at the helm of the largest cannabis product manufacturing and distribution platform in the United States.

A business and family man who values strong relationships, Held vetted the Form Factory team himself, bringing on top talent from around the globe—including Chief Scientific Officer, Teresa Virgallito, one of the world's foremost experts in conceptualizing and commercializing customized products in food and beverage, pharmaceuticals, wellness and nutrition, and cosmetics and personal care. She holds 62 patents on a range of micro-encapsulation systems and processes, earning her the internal moniker, “The Oracle of Molecule Delivery.” By designing solutions for common problems related to drug efficacy, formulation, onset, dosage,

and labeling, Held and his teams are raising the bar for wellness product manufacturers and sellers around the globe. He says he looks forward to helping to shape the future of nutrition and drug delivery by creating a platform of technologies that not only create new product experiences, but also cater to a wide range of consumer ailments. Held brings this expertise in scientific innovation to his role as an Advisor to Embarc.

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## **KRISTIN NEVEDAL**

Cannabis Education and Sustainability Advisor

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Kristin Nevedal has been a driving force in the development of cannabis policies in California. She sits on the Cannabis Advisory Committee, which advises the Bureau of Cannabis Control and the other licensing authorities—the California Department of Food and Agriculture and the California Department of Public Health—on the development of regulations that help protect public health and safety and reduce the illegal market for cannabis. In this capacity, she chairs the Cultivation Subcommittee and Testing Subcommittee and serves on the Microbusiness and Annual Report Subcommittees.

She is co-founder, executive director and board member of the International Cannabis Farmers Association, serves as a board member for the California Cannabis Industry Association, where she chairs the agricultural committee, and is the chief compliance officer for Humboldt's Finest. Kristin is co-founder and board secretary for Sun + Earth Certified, where she assisted in the development of standards for beyond organic earth care and cultivation, human empowerment, and community engagement.

Kristin is principal at The Nevedal Group, a small consulting firm specializing in compliance support for seasonal cultivators, temporary cannabis events, and the development of sustainable and regenerative educational programs. As chair of the American Herbal Products Association Cannabis Committee's cultivation working group, Kristin assisted in the development of cultivation model regulations and best practices for agency consideration. Kristin teaches classes on environmental sustainability and best management practices at Oaksterdam University, America's first cannabis college.

Kristin's broad policy and advocacy experience also includes serving as a board member for the Emerald Growers Association, Coalition for Cannabis Policy Reform, Californians to Regulate Medical Marijuana, 420 Archives, and the Americans for Safe Access' Patient Focused Certification Peer Review Board.

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## **LUANNE MOORE**

Seniors Outreach and Educational Advisor

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Luanne Moore is a lifelong teacher and counselor who dedicated her entire career to youth and community engagement. Luanne began teaching for the Stockton Unified School District in the early 1970s before transitioning into counseling services for elementary students in the District in 1985. She completed her secondary teaching credential with the State of California and then moved into a Secondary Counseling position for Stockton Unified School District. She served as Guidance Chair at Cesar Chavez High School in Stockton until her retirement in 2009, approximately 40 years after initiating her career as an educator. Luanne brings four decades of experience in teaching and counseling to her role as Seniors Outreach and Educational Advisor to Embarc, where she focuses on the development and implementation of educational outreach

programming for seniors. She also participates in new store opening trainings, where she teaches Guides how to be sensitive to, and mindful of, the unique needs and perspectives of seniors.

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## **LAUREN SCHMIDT**

Wellness Education Advisor

With over a decade of patient care experience as a licensed nurse, Lauren brings a balanced and compassionate perspective as Embarc's Wellness Education Advisor. For Lauren, healthcare is not just a job, it is a vocation. After a successful career at Google, Lauren began her healthcare journey with a focus on healthcare for women and low-income communities. This afforded her the opportunity to have a meaningful impact on individual patients every day.

Most recently, Lauren honed her healthcare experience working in the Neurosciences Unit at Sutter Sacramento. This role allowed her to develop a deep understanding of the brain and body connection, a key to her role at Embarc, where she advises on how to educate Embarc staff, who in turn educate consumers, about cannabis and wellness. Throughout it all, Lauren has carried with her the lessons learned from Northwestern University—strive to have a positive and significant impact on others above oneself. These values and experience continue to drive Embarc as an industry leader.

### **IMPORTANT NOTE: COMMUNICATION NOT CONSULTATION**

We celebrate the tremendous power of this plant and are grateful to be part of a movement that recognizes the benefits of cannabis as medicine for ailments ranging from anxiety to seizures. But with legalization comes regulation, which has changed the way that legal, compliant operators can position themselves in the discussion around cannabis as medicine with patients and consumers. We are very careful to fully comply with both the letter and the spirit of the laws and regulations governing how we engage as a cannabis retailer on this issue.

Specifically, while there is a long legacy of dispensaries serving as a hub for community wellness, there are strict laws and regulations prohibiting dispensary staff from serving in a quasi-medical capacity. As a result, Embarc balances the need for thoughtful and approachable discussion of cannabis and its potential effects with consumers with the strict guidelines in place to ensure Embarc is not providing health recommendations. A critical component of achieving that balance is how we position ourselves within a patient or consumer's wellness journey. While some dispensary workers wear scrubs—sending the wrong message about dispensary staff as administrators of licensed healthcare—we act as "Guides," helping customers navigate his or her own personal wellbeing through approachability, education and curation. For this reason, we are vigilant in our training and in the ways we integrate healthcare into our business model.

## OTHER RELEVANT QUALIFICATIONS

Our team is comprised of some of the leading cannabis experts in the state, with more than a decade of legal, compliant cannabis operational expertise combined with industry-best compliance expertise from the people that helped design California’s legal marketplace. Embarc’s team members have served as strategic advisors, consultants, and/or employees for the following companies:



To summarize key points, our team has unparalleled experience operating in a regulated environment, the ability and knowledge to operate a commercial cannabis business, and is qualified due to its significant, relevant depth and breadth of experience.

## Cannabis Operations

- Currently operates an Embarc retail and delivery dispensary in California with three additional stores opening in the next four months
- Served as a C-Suite executive for one of Los Angeles' largest and fastest growing cannabis retailers
- Responsible for constructing and operationalizing four cannabis dispensaries in Los Angeles in a year
- Co-founder of a cannabis caregiver collective in the Midwest that was one of the first businesses to receive a state license and was used as a model statewide
- Chief Executive Officer of the state's largest cannabis distribution company
- Chief Commercial Officer for the state's largest cannabis distribution company
- Cannabis entrepreneur in scientific innovation

## Regulatory and Compliance

- Partnered with then-Lieutenant Governor Gavin Newsom to conduct a Blue Ribbon Commission, which led to the creation of Proposition 64
- Assisted in the drafting and managed the passage of Proposition 64, The Adult Use of Marijuana Act, that legalized cannabis in California
- Developed and continues to shape the laws and regulations for cannabis in California
- Advises local, state and national governments on the development of cannabis regulations, including cities throughout California, and the countries of Canada and Mexico
- Sits on the California Bureau of Cannabis Control's Cannabis Advisory Committee which advises the State regulatory agencies overseeing commercial cannabis activities
- Former board member of Californians to Regulate Medical Marijuana
- Responsible for the compliance of over one million square feet of licensed cultivation
- Currently under contract with the cities of Dixon and Benicia Police Departments, training city staff, police and code enforcement personnel on cannabis regulations, crime prevention strategies, crime prevention through environmental design (CPTED), and assisting with facility design review, security plan review, and both site and compliance inspections
- Manages the compliance for over 200 cannabis licenses statewide
- Managed government, public, community and regulatory affairs for one of the largest vertically integrated cannabis companies in the world
- Legal and compliance professional with five years' experience navigating compliance for the legal cannabis industry
- Partner at a prominent Sacramento political consulting firm responsible for helping leading cannabis companies navigate regulatory and political compliance in California

## Community Relations and Social Equity

- Prominent leader of San Francisco's social equity program development and creation of a Good Neighbor Policy
- Former board member for the Coalition for Cannabis Policy Reform
- Former board member of 420 Archives
- Former California Coastal Commissioner
- Former forty-year Congressman in California

## Marketing and Branding

- One of the most prolific brand builders in the cannabis industry, developing one of the state's top selling brands and executing the first legal consumption café in the country
- Former Chief Marketing Officer for the most well-known dispensary in the country
- Former Chief Marketing Officer of a publicly traded cannabis company

## Finances and Accounting

- Financial advisor for three decades with a track record in cannabis finances
- Founder of a large California CPA firm
- Seasoned private equity finance executive with experience in finance and corporate development for large California cannabis operator

## Fortune 500 Business Experience

- Former Google and Snapchat executive responsible for more than 300 employees and 2 million square feet of construction
- Former Chief Operations Officer of a Fortune 50 Retail Company
- Former President of the nation's largest natural foods distributor

## Cannabis Science and Medicine

- Chair of the Cannabis Advisory Committee's Cultivation Subcommittee
- Chair of the Cannabis Advisory Committee's Testing Subcommittee
- Co-founder, executive director and board member of the International Cannabis Farmers Association
- Board member for the California Cannabis Industry Association and Chair of the Agricultural Committee
- Chair of the American Herbal Products Association Cannabis Committee's Cultivation Working Group
- Former board member of the Americans for Safe Access' Patient Focused Certification Peer Review Board

This depth and breadth of experience ensures we will operate a world-class dispensary in Fairfield with core values rooted in our deep respect for—and understanding of—this distinct community, including a focus on wellness and education. Unlike outside interests, our proposed operation embodies and furthers the spirit of Fairfield by the partnering of a longtime community advocate with a team with proven operational experience to execute his vision.

The team is buoyed by the expertise and community-orientation of a community advisory board, detailed in Section 7 – Community Relations Plan, that will provide meaningful ongoing input on our local operations. Ultimately, there is not a team better prepared to execute on the City's vision for thoughtful, compliant cannabis operations than us, because for Ron, this region represents home and a lifetime of public service.

## 1.2. A budget for construction, operation, and maintenance, compensation of employees, equipment costs, utility cost, and other operation costs.

### Overview

Embarc has developed a detailed budget that includes conservative expenditures associated with the construction, operation, maintenance, compensation of employees, equipment costs, utility cost, and other operation costs including property lease, security equipment and staff, City fees, State fees, product purchases and other anticipated contingency costs.

The budget was developed with input from our Chief Financial Officer, Chief Operating Officer and Vice President of Finance & Corporate Development. It is a realistic budget based on practical experience from a team that has operationalized dozens of dispensaries across careers spanning more than a decade of legal cannabis activities, as well as best practices from existing Embarc operations.

Embarc has secured **REDACTED** in working capital to cover construction and operationalization for the proposed Fairfield dispensary. Specifically, we anticipate the following costs associated with construction, and initial operationalization, including the first three months of operation:

- **REDACTED** in construction
- **REDACTED** in operation
- **REDACTED** in maintenance
- **REDACTED** for compensation of employees
- **REDACTED** for equipment costs (and other fixed assets)
- **REDACTED** in utility costs
- **REDACTED** for other operating costs

As detailed in the chart below, this represents a total startup budget, including the first three months of operation, of **REDACTED**. We have committed the remaining funds to ensure the business is well-funded far beyond the first three months of operations. Specifically, we have allocated \$**REDACTED** in additional funding for this project, which provides enough capital to cover over eight months of operating expenses. Given this economic position, we remain more than prepared to weather any storm and ensure the ability to open and operate quickly and efficiently.

Embarc Fairfield Startup Budget - Sources and Uses		\$ Value	\$ Value
<u>Uses of Capital</u>			<u>Sources of Capital</u>
Construction	<b>REDACTED</b>	Commitment from Embarc	<b>REDACTED</b>
Operation	<b>REDACTED</b>		
Maintenance	<b>REDACTED</b>		
Compensation of Employees	<b>REDACTED</b>		
Equipment Costs (and other Fixed Assets)	<b>REDACTED</b>		
Utility Costs	<b>REDACTED</b>		
Other Operating Costs	<b>REDACTED</b>		
<b>Total Startup + 3 Months Budget</b>	<b>REDACTED</b>		
Excess Working Capital	<b>REDACTED</b>		
<b>Total Uses of Capital</b>	<b>REDACTED</b>	<b>Total Sources of Capital</b>	<b>REDACTED</b>



Embarc anticipates generating revenue by the third quarter of 2021, or sooner if we are able to complete construction early and obtain a certificate of occupancy as anticipated. Because the building is currently in “warm shell” condition, we anticipate construction will be completed quickly should we be fortunate enough to be selected to operate in Fairfield. An abridged overview of the project timeline is below, as this is material to the budget development and cadence of expenditures.

We understand that it is critical for the City to select applicants that are prepared to execute on their proposal rapidly and fastidiously. Embarc has a demonstrated track record of doing just that, having been the first of the license recipients to open and operate in South Lake Tahoe by more than two months.

To that end, Embarc will aggressively pursue the following schedule to complete this project in a timely manner and begin operations. The following schedule clearly provides realistic milestones for:

- Application Processing
- Conditional Use Permit
- Community Relations Agreement
- Issuance of State License
- Issuance of Building Permit & Other Regulatory Permits
- Completion of Construction
- Issuance of Operating Permit
- Opening and Commencement of Operations

In addition to the components listed above, the proposed schedule also includes a detailed and comprehensive timeline for operational staging to ensure operations can commence in Q3 2021.

This schedule was developed by a team with experience taking hundreds of cannabis licenses from concept to completion across every component of the supply chain and with extensive experience navigating local and state regulatory and licensing requirements specific to these license types.

The following timeline has been broken into four phases, some distinct and some that overlap to ensure concurrent actions where possible. It reflects past timelines and actions by Fairfield Planning and Development staff, providing realistic, achievable project milestones.

#### **PHASE I: OCTOBER 2020 - FEBRUARY 2021**

The first phase of the schedule includes time for the City to conduct a Determination of Eligibility, Criteria Evaluation and Scoring, Interviews and Second Ranking, Public Comment, City Council Final Determination and Issuance of CCB License and a potential Appeal Period as stipulated in the Fairfield Municipal Code. This timeline is informed by the City’s own timeline projections and is thus rooted in reality. During this phase, there is the potential for an appeal by another applicant, which could potentially slow the process. However, this potential delay is accounted for in the proposed schedule.

#### **PHASE II: MARCH – APRIL 2021:**

This phase of the schedule contemplates that Embarc is awarded a permit, at which point all necessary applications to begin construction, entitlement and licensing will be submitted. Additionally, given that design review and plan check can take between 30-60 days, Embarc intends to submit these plans within 60 days of being awarded a license to expedite the building permit process.

#### **PHASE III\*: APRIL – AUGUST 2021:**

During this phase, we contemplate issuance of the use permit by the Planning Commission, issuance of building permits, and the subsequent commencement of construction. This is also the phase in which

operationalization of the business commences. Embarc anticipates legislative approval on the Community Relations agreement during this phase.

\* If an appeal is filed, this timeline will likely be delayed to June or July 2021.

#### **PHASE IV\*: AUGUST – SEPTEMBER 2021:**

The final phase of the process includes the completion of construction, operations staging, issuance of a state annual license, and both soft and grand openings.

\* Or as late as December 2021, depending on whether an appeal is filed.

### **Description of Operations Budget**

Ongoing costs include, but are not limited to, operation, maintenance, compensation of employees, equipment, property lease, security equipment and staff, City fees, state fees, utility costs, product purchases and other anticipated contingency costs, community programming and partnerships, philanthropic giving, and marketing.

Our budget reflects wages and benefits for approximately 20 initial employees, growing as sales progress. The budget includes annual opportunities for employee wage increases and performance bonuses. In addition, since ongoing training and education is fundamental for success and safety in this newly legalized industry, our Chief Executive Officer has included a monthly budget for this line item.

We have assumed a progressive increase in sales revenue for the first 12 months of operation based on consumer trend market research by BDS Analytics. After the first 12 months of operation, we have assumed steadily growing revenues, including adjustments on the revenue side to reflect an 10.0% compound annual growth rate ("CAGR") for sales, which we believe is conservative given projections as high as 25% from reliable sources. We have also included a commensurate increase in expenses to reflect more sales associates and other service-related cost increases.

The sections that follow contain a more comprehensive breakdown of Embarc Fairfield's finances describing how we reached our revenue projections, a statement of financial health and a demonstration that there is sufficient capital in place to construct, operationalize and operate the business.

#### **Cost of Goods Sold**

Cost of Goods Sold includes product costs, employee compensation, and allocations to Embarc Fairfield's Community Investment Fund (detailed more thoroughly in Section 7), which is pledged by Embarc as 1% of total sales. Cost of Goods also includes the City of Fairfield's 6% cannabis tax as well as California Excise Tax, which is computed as 27% of product costs.

#### **Compensation of Employees**

Our budget reflects wages and benefits for approximately 20 initial employees, growing quickly as sales progress. Embarc is committed to living its values through action. One demonstration of that commitment is through our wages, which are some of the highest in the industry. While many of the state's largest operators pay between \$13 and \$25 per hour, Embarc's retail employees are paid between \$17 and nearly \$50 an hour, depending on the role and level of experience.

Embarc is committed to maintaining a sufficient number of employees possessing the skills and experience needed to ensure the success of all aspects of our retail operation. We have developed a formula through our existing operations that has been used to estimate our workforce needs for the first five years of operations to accommodate customer flow during peak days, weeks and hours. By Year 5 we plan to scale to 21 employees and 6 managers for a total of 27 positions, 100% of which we plan to hire locally. As detailed in this proposal, employees will receive a living wage and benefits. They will also be given the tools and resources to advance within the company while gaining invaluable skills that are applicable within this industry and beyond.

The budget includes annual opportunities for employee wage increases as well as performance bonuses as part of our store incentive programs. In addition, since ongoing training and education is fundamental for success and safety in this newly legalized industry, we have included a monthly budget for educational tools, trainings and other resources.

## Other Operating Expenses

- Safety and security include REDACTED per year, which contemplates full-time security as detailed in Section 5.
- Professional Fees of REDACTED per year include a budget for legal expenses as well as annual tax filing and financial audits.
- The advertising and promotion budget is calculated as ■■■ of revenue.
- Rent is estimated at REDACTED per year.
- Utilities are estimated at REDACTED per year.
- Repairs and maintenance are estimated at REDACTED per year.
- Custodial services are estimated at REDACTED per year.
- Insurance is estimated at REDACTED per year.
- Office supplies are estimated at REDACTED per year.
- Meals and entertainment are estimated at REDACTED per year.
- Vehicles are estimated at REDACTED per year, comprised of 5 vehicles at REDACTED per vehicle per month, or REDACTED per year.
- Employee Training is estimated at REDACTED per year.
- Uniforms are estimated at REDACTED per year.
- IT is estimated at REDACTED per year.
- Point of Sale equipment and infrastructure is estimated at REDACTED per year.

California Cannabis Business License fees are tied to projected revenues. We have estimated fees as the following:

- Year 1 – REDACTED
- Year 2 – REDACTED
- Year 3 – REDACTED
- Year 4 – REDACTED
- Year 5 – REDACTED

The City of Fairfield’s local Cannabis Business License costs \$9,302 annually – \$8,870 for retail and \$432 for delivery. Licensing costs for Year 1 budgeting includes \$23,389 which contemplates \$11,727 in application fees, \$2,360 in startup costs (background checks and Livescans) and \$9,302 in annual cannabis license costs.

## Conclusion

The foregoing budget and description contemplates construction, operation and maintenance, compensation of employees, equipment costs, and other operation costs. Financial analysis demonstrates that Embarc Fairfield is a viable business and we look forward to the opportunity to execute this model should be fortunate enough to be awarded a license to operate.

Please see Section 1.3 below for statement of financial health that demonstrates Embarc has sufficient capital in place to pay start-up costs and at least eight months of operating costs, as well as a description of the sources and uses of funds. Please see Section 1.4 below for a financial pro forma and revenue projections.

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### 1.3 Proof of capitalization in the form of documentation of cash or other liquid assets on hand, Letters of Credit, or other equivalent assets.

Per the City of Fairfield's "CCB Application Submittal Requirements" and due to spatial constraints, Embarc's proof of capitalization has been provided electronically as PDF File #4 and as an attachment labeled "PDF File #4" in the printed version submitted to the City on October 23rd.

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### 1.4. Financial pro forma for at least three years of operation.

Providing an accurate pro forma is critical to a City's ability to understand the true revenue potential from these businesses. Thus, it is imperative that these projections are based in reality rather than conjecture to attract attention. We have generated the following assumptions based on practical experience operating cannabis dispensaries as well as on market research trends from BDS Analytics. This ensures the figures provided are rooted in reality.

Given Council deliberation on the number of retail dispensaries to be permitted in the City of Fairfield, we anticipate that there will only be two dispensaries operating during the first year. We have engaged in conservative projections to account for the possibility of Council authorizing additional licensees in subsequent years.

## Revenue Projections

Revenue projections are based on projected demand for the region using standardized forecasting assumptions that have been borne over time. Additionally, we reviewed the revenue projections provided by the City's consultant, HDL, to cross reference our projections against their findings. The following validated assumptions have been incorporated into the financial forecasts for sales reflected in the Pro Forma:

### TOTAL PARTICIPATION

Reliable data indicates that the overall participation for medical and adult use for any given and eligible population is as follows:

#### MARKET PARTICIPATION:

According to market research, a conservative estimate for purchasing behavior is approximately

[REDACTED]

**SHARE OF MARKET:**

The proposed location will be one of two dispensaries in Fairfield. Thus, we estimate the dispensary will capture 50% of the total addressable market.

**MARKET SIZE**

The 5-mile radius surrounding Fairfield has approximately 123,306 residents. [REDACTED]

- [REDACTED]

[REDACTED]

**Revenue Calculations**

Addressable Market	Fairfield, CA	%
<b>Non-Medical Consumer Market</b>	[REDACTED]	[REDACTED]
<b>Addressable Non-Medical Consumer Market at 50.0% for Embarc</b>	[REDACTED]	[REDACTED]
<b>Medical Patient Market</b>	[REDACTED]	[REDACTED]
<b>Addressable Medical Patient Market at 50.0% for Embarc</b>	[REDACTED]	[REDACTED]
<b>Total Non-Medical Consumer &amp; Medical Patient Addressable Market</b>	[REDACTED]	[REDACTED]

REDACTED

Transactions per Year / Per Day	Fairfield, CA	
	Per Year	Per Day
Addressable Non-Medical Consumer Market at 50.0% for Embarc Transactions per Customer Per Period - Adult Use <b>Embarc Transactions per Period - Adult-Use</b>	<b>REDACTED</b>	
Addressable Medical Patient Market at 50.0% for Embarc (1) Transactions per Customer Per Period- Medical <b>Embarc Transactions per Period - Medical</b>		
<b>Transactions</b>		
Embarc Transactions per Period - Adult-Use		
Embarc Transactions per Period - Medical		
<b>Total Dispensary Transactions per Period</b>		
<b>Total Dispensary Transactions per Period</b>		
Average Transaction Value		
<b>Total Revenue at Maturity</b>		

Over the course of the 5-year Pro Forma, we project a conservative compound annual growth rate of 10.0% and an average transaction value of \$70.00, which is in line with market data.

**TOTAL ANNUAL REVENUE PROJECTIONS:**

Fairfield Embarc Pro-Forma Financial Statement	Year 1	Year 2	Year 3	Year 4	Year 5				
<b>Annual Revenue Projections</b>	<b>REDACTED</b>								
Average days during period									
Average ticket price (Retail)									
Average customers per day (Retail)									
<b>Retail Revenue</b>									
Average ticket price (Delivery)									
Average customers per day (Delivery)									
<b>Delivery Revenue</b>									
Average ticket price (Total)									
Average customers per day (Total)									
<b>Total Revenue</b>									
<i>Year-Over-Year Growth Rate</i>						10.0%	10.0%	10.0%	10.0%
<b>4 Year Compound Annual Growth Rate ("CAGR")</b>						<b>10.0%</b>			

\*Because of adult use cannabis legalization, many medical patients are not renewing their medical cannabis recommendations and are participating in the market as adult use consumers. However, they are purchasing with much greater frequency than average adult use consumers and are being identified as medical users for the purposes of this projection.

While the application only calls for a 3 year pro-forma, it is standard for our experienced finance team to produce an accurate 5 year pro-forma budget as reflected below that includes:

- Construction
- Operation
- Maintenance
- Compensation of employees
- Equipment costs
- Utility cost
- Other operation costs

## PROFORMA FINANCIALS – PROFIT & LOSS STATEMENT

Fairfield Embarc Pro-Forma Financial Statement	Pre-Open Year 0	Year 1	Year 2	Year 3	Year 4	Year 5
<b>Profit &amp; Loss</b>						
<b>Revenue</b>						
Retail	REDACTED					
Delivery						
<b>Total Revenue</b>						
<b>Cost of Goods Sold</b>						
Cost of Goods Sold (Products)	REDACTED					
Compensation of Employees						
Corporate Social Responsibility						
City Cannabis Tax						
Excise Tax						
<b>Total Cost of Goods Sold</b>						
<b>Gross Margin</b>						
<i>Gross Margin %</i>						
<b>Operating Expense</b>						
Compensation of Employees	REDACTED					
Safety and Security						
Professional fees						
Advertising and promotion						
Rent						
Utilities						
Repairs and Maintenance						
Custodian						
Insurance						
California Cannabis Business License						
Local Cannabis Business License						
Office supplies						
Meals and entertainment						
Vehicles						
Employee Training						
Uniforms						
IT						
Point of Sale						
<b>Total Operating Expense</b>						
<i>Total Operating Expense %</i>						
<b>EBITDA</b>						
<i>EBITDA %</i>						
Federal income tax	REDACTED					
State income tax						
Depreciation & Amortization						
<b>Total Interest, Tax, D&amp;A</b>						
<b>Net Income / (Loss)</b>						
<i>Net Income / (Loss) %</i>						

## 1.5. Fully describe hours of operation and opening and closing procedures.

### Hours of Operation

Embarc acknowledges that, per Section 10E.24(a) of the Fairfield Municipal Code, the commercial cannabis business may operate only during the hours specified in the commercial cannabis business permit issued by the City.

Per Section 10E.25(g), operating hours shall be limited to the hours of 6:00 am through 10:00 pm, 7 days a week, unless specified otherwise in the commercial cannabis business permit.

In consultation with the City, Embarc will seek the right to operate between the hours of 8 a.m. and 10 p.m. given many patients and caregivers prefer to shop early in the day. Embarc may seek to modify these hours seasonally or after commencing operations based on analysis of customer traffic data to better meet the needs of patients and consumers and would collaborate with the City about these needs should they arise.

### Opening and Closing Procedures

#### Opening Procedures

Embarc's opening and closing procedures have been developed by our security, operational and compliance teams to ensure the protection of public and employee health, safety and wellbeing. These policies have been tested through Embarc's existing operations and are thus a realistic model of functional best practices.

[Redacted]

#### ARRIVAL & EXTERIOR INSPECTION

[Redacted]

[Redacted]

#### ENTERING THE PREMISES AND DISARMING THE ALARM

[Redacted]

[Redacted]

[Redacted]



[REDACTED]

**PREPARING FOR TEAM ARRIVAL**

[REDACTED]

**OPENING SHIFT EMPLOYEES ARRIVE**

[REDACTED]

**PREPARING FOR THE DAY**

The opening shift team prepares the store by disinfecting all high-touch surfaces, dusting cases, cleaning all glass, cabinetry and displays, arranging store fixtures as necessary and setting up registers. Disinfection occurs in the restroom(s) and back of house during this time as well.

Technology, including point of sale systems, receipt printers, barcode scanners, music players and the shop ATM are powered on, systems are booted up, and manual checks occur to ensure no technology glitches. Additionally, the Manager or Lead Guide ensures all laptops and telephones used by the team have charged overnight and are in their respective areas prior to store opening.

[REDACTED]

[REDACTED]

[REDACTED]

Opening activities are all encapsulated in an Opening Checklist that is laminated and physically checked off by the team daily as each task is completed. This ensures all tasks are adequately addressed and allows the team to work together to achieve shared goals by dividing and conquering to maximize cooperation and efficiency.

#### MORNING HUDDLE

Once the Manager has completed all tasks in the secure room, he or she goes to the bulletin and white board area in the break room to confirm all notices are posted appropriately. The manager updates the "daily updates" whiteboard with relevant information. He or she also prepares for the morning meeting by reviewing notes left by the Closing Manager as well as the weekly morning meeting schedule.

Just before opening, the team conducts a morning huddle. This meeting is approximately ten minutes long and covers topics such as the staffing schedule for the day, the break schedule, and floor assignments (register, reception, sales floor, etc.). We also utilize this time to talk about new product education, specials for the day, or industry updates. These meeting topics are also added to a touch-down sheet that is reviewed with each employee as his or her shift starts throughout the day, so even if an employee has a mid-shift or afternoon shift, they are provided this information.

Once the meeting is complete, the Manager checks the shop voicemails and responds to any messages as needed. We have found that customers often leave messages asking for company information and/or stocking questions, and by committing to respond to every voicemail, we are building relationships and loyalty with customers.

#### TAKE YOUR POSITIONS

The team usually spends the final minutes doing any last-minute cleaning, playing favorite playlists, and chatting about new products and providing product reviews. This time is critical to information sharing, which is helpful when assisting customers navigate our product selection.

At opening time, security unlocks the front door and employees take their respective positions to begin welcoming patrons into the store.

### Closing Procedures

[Redacted]

[Redacted]

[Redacted]

[Redacted]

[Redacted]

### ACCOUNTING

[Redacted]

[Redacted] REDACTED [Redacted]

### CLEANING

[Redacted] the closing team is cleaning the shop. Floors are

swept and mopped, shelves are dusted, and glass is cleaned. All counters and high touch surfaces are disinfected and sanitized. All technology is powered down, including the ATM machine and the music system. Any restocking that needs to occur prior to the morning shift is authorized by the Manager and completed by staff.

#### INVENTORY

[REDACTED]

#### MANAGER COMMUNICATIONS

We have found that communication between our Managers and leadership is key to running a successful business. At the end of each day, the closing Manager sends an end of day email outlining a shift summary to ensure all Managers are apprised of relevant information. This email includes any staffing insights, new products, or sales trends they have observed throughout the day, as well as any reminders for the rest of the management team. With this daily communication, our management team is fully informed of notable instances that occur when they are not in the store.

#### SECURING THE PREMISES

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

BEING MINDFUL

[Redacted text block]

[Redacted text block]

1.6. Describe the day-to-day operations per license type:

Overview

Our operations plan is designed to comply with the Fairfield Municipal Code, and all state laws. It is a realistic model of operations developed through a collaborative process that leverages the expertise of our seasoned leadership team, industry specialists and existing cannabis operations.

The plan continues to be refined as it is informed by existing operations. That is the most critical component of compliance – it requires more than a compliance memo and audits; true compliance is predicated on a commitment to continue to innovate and refine to ensure best practices are easily implemented, maintained and become a lived value rather than simply a mandate.

State and Local Compliance

We will ensure that Embarc is operating in a manner compliant with all applicable state and local laws, including the Medical Cannabis Collective Laws, the Medical and Adult Use Cannabis Regulation and Safety Act, any subsequently enacted state law or regulatory, licensing or certification requirements, and any specific additional operating procedures or requirements which may be imposed by the City.

Operating a cannabis business is a privilege not a right, and strict adherence to all laws and regulations is a cornerstone of our ability to operate. Given this dynamic, we approach compliance through the ethos that we are only as strong as our weakest link, i.e. having the best standard operating procedures and compliance checklists in the world is meaningless if the team does not understand, implement, and live compliance through consistent action. That means conformance with all laws starts with meaningful ongoing education.

Our cannabis regulatory development experience has taught us that true compliance requires a combination of skills – lawyers and regulatory experts shaping the policies, procedures and checklists, as well as human resources and training professionals that translate technical language into practical tools to support daily operations. As such, Embarc maintains a robust team dedicated to ensuring ongoing compliance at every level of the organization, and leverages an ongoing feedback loop from the store team on what is working and where improvement is needed to continuously inform how we enhance our training, protocols, checklists and other compliance tools to be most effective.

Embarc employs the following strategies and tactics to maintain compliance:

## 1. A HOLISTIC APPROACH

Detailed standard operating procedures are developed by a six-person compliance team including the Chief Compliance Officer, Senior Vice President of Regulatory Affairs, Director of Compliance and members of the legal team. These standard operating procedures include topic-specific guidance as well as actionable documents for use in the stores based on operational needs. The most critical component of taking a holistic approach to compliance is understanding how to translate verbose legal mandates into actionable intelligence for our team.

Key components of this holistic approach include:

- A detailed compliance memo developed for each retail and delivery location specific to the unique needs of each business
- Standard Operating Procedures covering every aspect of retail and delivery operations, including such topics as opening and closing checklists, order intake checklists, order processing checklists and more
- Daily, weekly, quarterly and annual compliance checklists
- Consistent coordination between the compliance team and the store leadership team to provide additional tools and resources based on on-the-ground needs
- Ongoing compliance audits to identify any areas where confusion may occur or where additional resources must be allocated to maintain compliance
- In-store compliance training before every store opening and during ongoing team meetings throughout operations

Given the importance of compliance, Embarc does not take the results of compliance audits lightly. If any deficiency is identified, the deficiency will be logged, recorded, and remedied. Within 24 hours of any identified deficiency, the employee who conducted the audit will meet with the Chief Compliance Officer to discuss the circumstances of the deficiency, how it was remedied, and how it will be avoided in the future. If after this meeting the Chief Compliance Officer deems it necessary, a revised Standard Operating Procedure will be pushed to all stores effective immediately and an all-staff training on the SOP will occur during each employee's next scheduled shift.

Importantly, Embarc seeks to strike the balance between aggressively pursuing strict compliance with creating a safe space for the team to ask questions, suggest revisions, and otherwise feel that compliance is approachable rather than intimidating. For that reason, compliance is treated as an ongoing conversation.

## 2. RIGOROUS ONGOING EDUCATION

In order to effectively implement compliance protocols and maintain ongoing compliance given the stringent rules and regulations in place, compliance must be a lived value that is reinforced through consistency. Providing this consistency means implementing ongoing compliance education that keeps standard operating procedures top of mind and a lived value rather than an aspiration or a check box on a list of 'to dos.'

- **TRAIN THE TRAINER:**

Given the General Manager is ultimately responsible for the day-to-day activities and performance

within the store, Fairfield's General Manager will receive in-store training at one of Embarc's Bay Area locations prior to training the team and opening the store in Fairfield. Real world experience operating under Embarc's specific protocols and procedures is vital to living compliance rather than simply understanding it. Furthermore, Embarc's Chief Operating Officer, Vice President of Retail and managers from operating stores will attend and co-lead the new store orientation and training alongside the Fairfield General Manager to provide best practices based on practical experience. This breaks down barriers and facilitates information sharing among Embarc leadership and provides resources during training to improve the operationalization of the store.

- Week-long compliance training as part of the comprehensive two-week training prior to opening a new store.
- Ongoing compliance education, including but not limited to compliance quizzes and quarterly re-trainings.

### **3. THIRD PARTY COMPLIANCE SOFTWARE FOR SELF-AUDITING**

- Our use of compliance software and self-auditing tool Simplifya as an additional resource for store leadership and staff is a critical component of maintaining compliance. This software makes mandatory audits easy to use and integrated within our regulatory and compliance structure. Successful audits are incentivized through a compliance metric tied to bonus compensation.

This comprehensive approach has proven successful to date, as Embarc has received no state or local compliance violations for existing operations, and no violations across any cannabis business any employee has worked for during their tenure.

## **Compliance Through Design**

Embarc has approached the proposed floor plan, including the check in area, through the lens of customer flow, security and compliance, meaning the physical design and layout contribute significantly to the overall safety and compliance of the facility and daily operations. However, safety is achieved through a combination of thoughtful design and the appropriate use of human resources in ways that design alone cannot singularly manage. Rather, the key to preventing crime is creating sufficient time and distance factors coupled with removal of opportunities, collectively rendering the target unattractive or unavailable to offenders.

While the typical industry practice is to station a security guard (who usually is equipped with a key to the premises) outside the premises, Embarc's security team views this practice as not only detrimental to the store's public image, but more importantly, it creates the potential for hostage-taking and robbery.

Tasking guards with checking identification all but ensures guards will remain oblivious to approaching threats. Preoccupying guard hands, eyes and minds with age calculations, documents and door controls removes their perception and reaction time to a threat. Access control is a function best left to a properly designed, hardened environment and available technologies controlled by persons placed in protected positions, as you will see throughout the design of our store.

# REDACTED

## 1. GREETED

Guests enter, are welcomed, undergo identification verification, and are permitted to move into the waiting area.

## 2. INTRODUCED

Guests are then greeted by a Guide and escorted from the waiting area to sales area.

## 3. GUIDED

Guide takes guest through product selection, answering questions and providing individualized suggestions.

## 4. CHECKOUT

Guest selects products which are procured by a Guide and then purchased at a point-of-sale station.

## 5. EXIT

Guests are thanked for coming and exit through the secure exit area.

# REDACTED

1. Upon entering the secure screening area, a customer will be greeted while his or her identification is verified to ensure compliance with state law requiring that no underage person shall enter the commercial cannabis business premises. The receptionist will record the identification via a scanning feature on Blaze, Embarc's track-and-trace/point of sale software. Once all information has been verified, the customer will be permitted to enter the secure waiting area.





2. In the waiting area, a customer will be greeted by a sales associate (a "Guide") who will escort him or her into the retail area where the Guide will assist in product selection. During this process, the Guide will use an internal standardized consultation protocol to obtain information about the customer's consumption experience. This information is used by the Guide to tailor education, discussion and product suggestions based on each customer's unique experience level with cannabis. Guides are extensively trained to recommend low dose products that limit the psychoactive effects of cannabis to further ensure the highest levels of public health and safety for the community.



3. To ensure compliance and safety protocols, as well as to ensure the customer has ample access to a Guide to answer any questions about products, at least two employees will be physically present in the retail area at all times when individuals who are not employees of the licensed retailer are in the retail area. All sales of cannabis goods must take place within the retail area except for cannabis goods sold through delivery



4. Once the customer has selected products, the Guide will obtain the products and facilitate the transaction at a point of sale station. Guides will record the sale via the Blaze software system. Blaze will alert Guides if the customer has already exceeded their daily limit as defined by State law. If Blaze indicates that the customer has already exceeded his or her daily purchasing limit, the Guide will not sell additional product to the customer that day. Per 10E.25(a) of the Fairfield Code, all customers will also be required to show their identification and any necessary documentation at the point-of-sale stations at the time of purchase.

REDACTED

5. Currently, state law requires that a product either be in child-proof packaging or that it leave in a child-proof exit bag. That said, some products are only child-proof upon purchase and not resealable. For that reason, all of the products we sell will be placed in an opaque childproof exit bag before they are allowed to be carried out of the store. We will also remind customers to always store their cannabis products in the resealable and opaque child-proof bags to prevent accidental youth access. The easily identifiable exit bag allows security personnel to monitor customers exiting the building. Customers will not be permitted to loiter on the property.

## Licensing Requirements

Pursuant to California Business and Professions Code Section 26050, we will apply for a Type-10 license from the State upon approval of a retail and delivery dispensary. Embarc will also obtain the necessary cannabis tax permitting from the California Department of Tax and Fee Administration in accordance with California Bureau of Cannabis Control ("BCC") regulations.

## Best Practices

Embarc has implemented industry-leading best practices perfected over nearly two decades of collective operational experience of some of the state's most respected dispensaries, along with input from our team of advisors who have been responsible for more than 2,000 retail stores across the globe, and valuable lessons learned from successfully operating Embarc's retail store in South Lake Tahoe.

These practices are integrated into Embarc's Standard Operating Procedures by utilizing Simplifya, the foremost cannabis compliance software provider in the world. By leveraging the expertise of our industry-leading team and combining it with preeminent cannabis retail compliance software, we ensure every section of our Standard Operating Procedures are up to the highest standards of state and local regulatory compliance.

**Best practices and operating procedures are contained in our business plan, operating plan, employee handbooks, employee training program and numerous other resources. In total, there are over 450 pages of material specific to Embarc's best practices, policies and procedures. Given spatial constraints and in deference to the need for succinct application materials, we have included a detailed overview, summary, and description of how Embarc's best practices have been included into the standard operating procedures.**

Some of the key themes from this robust library of information are as follows:

- Educating consumers starts with educating employees
- Creating a safe and approachable environment is critical to facilitating communication with patients and consumers

- Provide first-time customers with a more in-depth education on dosage and direct them to products that match their experience level
- Provide all customers with a high-quality, unintimidating experience
- Rigorously enforce identification checks for all customers
- Educate customers on safe storage of their products at home
- Provide employees and customers regular updates on cannabis policy and safe usage
- Provide the City (e.g., Police Department) with regular updates on safety and operations
- Take all necessary steps to prevent diversion, theft, and loss of product
- Provide rapid responses to neighbors and community members to fully address comments and concerns
- Be more than a business in the community – approach each day with the desire to act as a true partner to the City and treat each customer as a friend or a neighbor

## Banking

Embarc is fully banked through a banking relationship with Salal Credit Union. Furthermore, we accept card payments.

**While many cannabis dispensaries are cash only – a liability, Embarc is committed to public health and safety through partnership with Posabit to provide fully compliant electronic payment solutions for customers.**

**Jon Baugher**  
Chief Revenue Officer, POSaBIT

REDACTED

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

## Safety and Security

While the Security Plan is too comprehensive to be included in the business plan, it is summarized in Section 5.

## Description of Standard Operating Procedures

Embarc will only serve customers who are within the licensed premises, or at a delivery address that meets the requirements of the Fairfield Municipal Code.

## VISITORS

Any person other than managers, staff, security personnel or customers who are inside the Embarc facility will sign in, wear a visitor badge, and be escorted on the site by a manager, or designee, at all times. Visitors may include:

- A contractor, vendor or service provider authorized by Embarc’s agents to be on the licensed premises
- Another licensee or that licensee’s agent(s)
- Government officials
- Tour groups, if applicable and as permitted by the Bureau

All visitors will be required to conspicuously wear a visitor badge during the entirety of their visit. Visitor badges will be numerically assigned and printed on a colored medium. Visitor badges will be audited daily by the Head of Security. In the event that a visitor badge is not recovered or is deemed missing, all visitor badges of that color will be destroyed and replaced with a new color.

Embarc has strict standard operating procedures governing the admittance of visitors. These procedures will be performed at all times when a visitor is seeking access to a limited-access area within the retail facility.

[REDACTED]

- [REDACTED]

[REDACTED]

Embarc and Embarc’s employees will report to the Bureau and local authorities any discovered plan or act by a visitor to:

- Commit theft, burglary, underage sales, diversion of cannabis or cannabis products or other crime related to Embarc’s operations
- Compromise the integrity of the statewide track-and-trace system
- Do something that results in serious bodily injury to anyone at Embarc’s facility or something that otherwise creates a material risk to public health and safety

Embarc employees are trained on the following standard operating procedures which provide clear, easy-to-implement steps to manage visitors:

[REDACTED]

Note: If a visitor refuses to vacate the premises, it should be considered an incident and handled in accordance with Embarc's incident response procedures.

**MARKETING AND ADVERTISEMENT PLACEMENT**

When engaging in the advertising and marketing of Embarc, Embarc will confirm that no advertising efforts:

- Contain any statement that is inconsistent with statements on the labeling
- Create a misleading impression, either directly or by omission
- Attract children
- Encourage those under the age of 21 years old to consume cannabis or cannabis products
- Create the impression that the cannabis originated in a specific place of origin unless the label of the advertised product bears the name of the place or origin

Per CA BPC 26152(g), prior to engaging in outdoor advertising, Embarc will use Google Earth or another topographic program to determine if the proposed outdoor location of the advertisement is over 1,000 feet from:

- Day care centers
- K-12 schools
- Playgrounds
- Youth centers

• Per CA BPC 26155(a), Embarc will verify that advertisements and signage inside Embarc's licensed premises are not visible by normal, unaided vision from a public right-of-way.

Per CA BPC 26154, Embarc will not include any untrue health-related statements or statements that create a misleading impression regarding the effects cannabis consumption has on health on the label of any

cannabis or cannabis product. Embarc acknowledges that any health-related statement must be supported by the totality of publicly available scientific evidence (including evidence from well-designed studies conducted in a manner which is consistent with generally recognized scientific procedures and principles), and for which there is significant scientific agreement among experts qualified by scientific training and experience to evaluate such claims.

Furthermore, per CA BPC 26154, Embarc will not publish or circulate advertising or marketing that contains untrue health-related statements or statements that create a misleading impression regarding the effects on health of cannabis consumption.

Embarc will not advertise free cannabis goods or giveaways of any type of products, including non-cannabis products.

Per CA BPC 26151(a)(1)-(3), Embarc will include its name and license number on all advertisements and marketing, including outdoor and internet advertisements.

Per CA BPC 26152(h), Embarc will not engage in advertising or marketing if its license has been suspended.

Prior to formally publishing or airing any advertising or marketing, Embarc's Director of Compliance will confirm that the advertisement is compliant with state laws and local ordinances. This confirmation will be provided on Embarc's internal "Advertising Compliance Approval Checklist" and a copy of this document will be maintained electronically and onsite the retail premises.

Embarc's best practices for this include obtaining letter(s) or other documentation proving accurate audience composition data from all individuals or organizations that advertise Embarc asserting that 71.6% of the audience of the advertising is 21 years of age or older. Maintain these letters such that they can be provided to the Bureau upon request. If the Bureau determines that audience composition data for advertising or marketing provided does not comply with the Bureau's advertising requirements, Embarc will immediately cease such advertisement.

Prior to any advertising or marketing involving direct, individualized communication or dialogue, Embarc must use age affirmation to verify that the recipient is 21 years of age or older.

Note: For the purposes of this SOP, and per CCR 16-42-1 5041(a) (2019) CCR 16-42-1 5041(b), direct, individualized communication or dialogue may occur through any form of communication, including in-person, telephone, physical mail, or electronic.

Embarc must use a method of age affirmation before having a potential customer added to a mailing list, subscribe, or otherwise consent to receiving direct, individualized communication or dialogue controlled by Embarc.

Note: Per state regulations, a method of age verification is not necessary for a communication if the licensee can verify that the licensee has previously had the intended recipient undergo a method of age affirmation and the licensee is reasonably certain that the communication will only be received by the intended recipient.

### **Signage and Notices.**

Embarc's signage will conform to the requirements of the City of Fairfield's Sign Ordinance, including, but not limited to, seeking the issuance of a City sign permit.

No signs will obstruct any entrance, exit, or window of Embarc. Each entrance 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.

Embarc's business identification signage will be utilized for identification only and will not contain any logos or information that identifies, advertises, or lists the services or the products offered. Embarc will not advertise by having a person holding a sign and advertising the business to passersby, whether such person is on the premises of the Embarc or elsewhere including, but not limited to, the public right-of-way.

Embarc will not use banners, flags, a-frames, inflatables or billboards, or other prohibited signs.

In accordance with State law, or as provided in the commercial cannabis business permit, Embarc will agree to 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.

### **MARKING CANNABIS GOODS AS ALCOHOLIC PRODUCTS**

Embarc will not sell or transport cannabis goods that are labeled as beer, wine, liquor, spirits, or any other term that may create a misleading impression that the product is an alcoholic beverage.

### **DISPLAY OF CANNABIS GOODS**

Cannabis goods for inspection and sale shall only be displayed in the retail area. Cannabis goods may be removed from their packaging and placed in containers to allow for customer inspection. The containers shall not be readily accessible to customers without assistance of a Guide. A container must be provided to the customer by the Guide, who will remain with the customer at all times while the container is being inspected by the customer. Cannabis goods removed from their packaging for display will not be sold, will not be consumed, and will be destroyed pursuant to BCC and City of Fairfield regulations.

### **CANNABIS GOODS FOR SALE**

Embarc will not make any cannabis goods available for sale or delivery unless:

- The goods were received from a licensed distributor or licensed microbusiness authorized to engage in distribution;
- Embarc has verified that the cannabis goods have not exceeded their best-by, sell-by, or expiration date if one is provided; t
- The cannabis goods have undergone laboratory testing as required by the BCC;
- The batch number of the cannabis or cannabis product is labeled on the package of cannabis goods and matches the batch number on the corresponding certificate of analysis for regulatory compliance testing;
- The packaging and labeling of the cannabis goods complies with Business and Professions Code Section 26120 and all applicable regulations as well as California Code of Regulations, Title 3, Division 8 and Title 17, Division 1, Chapter 13; and
- The cannabis goods comply with all applicable requirements found in state laws and applicable regulations.

### **PROHIBITION ON PACKAGING AND LABELING BY A RETAILER**

Embarc will not accept, possess, or sell cannabis goods that are not packaged. As allowable by law, this prohibition does not apply to the application of a barcode label tied to Embarc's point of sale system for the purposes of scanning product during checkout to streamline the process.

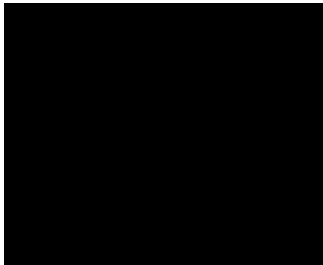
## CANNABIS GOODS PACKAGING AND EXIT PACKAGING

Exceeding state and local standards, all cannabis goods purchased by a customer will be placed in an opaque, resealable child-proof exit package prior to being handed to the customer. Additionally, for patients and consumers seeking an additional layer of security, Embarc will also have secure storage devices available for purchase.

Upon completion of a sale of cannabis or cannabis products to a patient, caregiver, or adult consumer, the Embarc Guide will:

- Verify the tamper-evident seal on the package of the cannabis or cannabis product is still intact and place the cannabis or cannabis products purchased by a patient, caregiver, or adult-consumer in a Bureau-approved exit package.
- Seal the exit package and affix the corresponding receipt to the package.
- Instruct the patron that the exit package may not be opened on the licensed premises.
- Release the exit package into the patron's physical control, ensuring as little physical contact with the patron as possible to eliminate chances of contamination during COVID-19.

The exit package will:



- Be designed or constructed to be significantly difficult for children under five years of age to open and not difficult for adults to use properly, as defined by 16 C.F.R. 1700.20
- Be opaque so that the cannabis goods cannot be seen from outside the packaging
- Have the ability to be resealable
- Be labeled in accordance with Bureau instruction and all other applicable state and local laws, regulations, ordinances, and other requirements

Embarc will similarly follow these policies and procedures when conducting deliveries.

## SALE OF NON-CANNABIS GOODS

In addition to compliant cannabis goods, Embarc will sell only approved cannabis accessories and Embarc branded merchandise. Per the Bureau, "branded" is defined as clothing, hats, pencils, pens, keychains, mugs, water bottles, beverage glasses, notepads, lanyards, cannabis accessories, or other types of merchandise approved by the Bureau with the name or logo of a commercial cannabis business licensed pursuant to the Act. Branded merchandise does not include items containing cannabis or any items that are considered food as defined by Health and Safety Code section 109935. Embarc will obtain approval from the Bureau for any goods deviating from this approved list prior to sale.

## FREE CANNABIS GOODS

Embarc will not provide free cannabis goods with the exception of providing compassionate access to medicinal cannabis patients in possession of an identification card who have difficulty accessing medicinal cannabis goods.



## **DAILY LIMITS**

Embarc will not sell more than the following amounts to a single adult use cannabis customer in a single day:

- One ounce (28.5 grams) of non-concentrated cannabis
- Eight grams of concentrated cannabis, included concentrated cannabis contained in cannabis products
- Six immature cannabis plants

Medical cannabis patients are limited to a maximum purchase of eight ounces of medicinal cannabis in a single day and 12 immature cannabis plants. If a medicinal cannabis consumer provides a valid physician's recommendation containing an amount greater than eight ounces, the consumer may purchase an amount of medicinal cannabis consistent with the recommendation.

The aforementioned limits will not be combined to allow a customer to purchase cannabis goods in excess of any of the limits.

By law, Embarc will only sell live, immature cannabis plants and cannabis seeds if all of the following requirements are met:

- The plant is not flowering
- The plant or seed originated from a nursery that holds a valid license from the Department of Food and Agriculture or a licensed microbusiness authorized to engage in cultivation
- A label is affixed to the plant or package containing any seeds which states "This product has not been tested pursuant to the Medicinal and Adult-Use Cannabis Regulation and Safety Act"

Embarc will not sell any other live plants and will not apply nor use any pesticide, nor cause any pesticide to be applied nor used, on live plants. Furthermore, Embarc will, in addition to cannabis goods, sell only cannabis accessories and licensee's branded merchandise.

## **CUSTOMER RETURN OF CANNABIS GOODS**

Embarc is permitted to accept customer returns of cannabis goods, so long as those goods were purchased from Embarc's retail facility. Cannabis goods abandoned at the licensed premises should also be treated as a return. Under no circumstances will Embarc ever resell cannabis goods that have been returned.

Returned cannabis goods, including those abandoned on-site, must be segregated, destroyed, and rendered into cannabis waste.

All returns will be investigated to ascertain the reason for the return and the customer's account will be notated. All returns must be processed by or under the supervision of a manager. Information gathered and entered into CCTT-Metric will include, but is not limited to:

- Name and type of the cannabis goods
- UID of the cannabis goods
- Amount of the cannabis goods, by weight or count
- Date and time of the transaction
- Name and license number of Embarc and other licensees involved in the transaction
- The reason for the return
- Any other information required to be documented by the Bureau

Store credit in exchange for returned cannabis goods will be offered on a case by case basis and with the approval of a Store Manager.

Embarc will ensure that all retail employees are trained on Embarc's chosen internal seed-to-sale tracking system, how to process a return, and the service level they are expected to meet during the experience. Embarc will also train its retail employees on criteria to be used when evaluating whether or not to accept a return, such as the return window, whether the customer has made numerous returns in the past, and the quality of the item(s) to be returned.

In the event that a customer is returning cannabis goods due to a product recall, the procedures outlined in Embarc's internal Product Recalls SOP will be followed.

## **TRACK AND TRACE SYSTEM**

Embarc 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.

Embarc 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.

The account manager shall attend and successfully complete all required track and trace system training, including any orientation and continuing education. 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 BCC, within five calendar days of license issuance.

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.

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.

The retail store shall monitor all compliance notifications from the track and trace system, and timely resolve the issues detailed in the compliance notification.

Embarc 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.

If Embarc is unable to resolve a compliance notification within three business days of receiving the notification, the store shall notify the BCC immediately, by submitting the Notification and Request Form, BCC-LIC-027.

Embarc 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.

## **TRACK AND TRACE REPORTING**

Embarc shall record in the track and trace system all commercial cannabis activity, including:

1. Packaging of cannabis goods.
2. Sale and transfer 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 state and local regulations, or by any other licensing authority

Embarc will record the following information 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, and total wholesale cost of the cannabis goods, as applicable.
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.

If there are any discrepancies between the type or quantity of cannabis goods specified in the shipping manifest and the type or quantity received by the licensee, Embarc shall record and document the discrepancy in the track and trace system and in any relevant business record. If cannabis goods are being destroyed or disposed of, the retail store shall record in the track and trace system the following additional information:

1. The name of the employee performing the destruction or disposal.
2. The reason for destruction and disposal.
3. The entity disposing of the cannabis waste.

Description for any adjustments made in the track and trace system, including, but not limited to:

1. Spoilage or fouling of the cannabis goods.
2. Any event resulting in damage, exposure, or compromise of the cannabis goods.

All transactions must be entered into the track and trace system within 24 hours of occurrence.

Embarc 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.

## **LOSS OF CONNECTIVITY**

If at any point Embarc loses connectivity to the track and trace system for any reason, the retail store shall prepare and maintain comprehensive records detailing all commercial cannabis activities that were conducted during the loss of connectivity.

Embarc shall notify the BCC immediately for any loss of connectivity, and shall not transport, receive, or deliver any cannabis goods until such time as connectivity is restored. Licensees shall submit such notices on

the Notification and Request Form, BCC- LIC-027.

Once connectivity has been restored, Embarc shall:

1. Within three calendar days, enter all commercial cannabis activity that occurred during the loss of connectivity into the track and trace system.
2. Document the cause for loss of connectivity, and the date and time for when connectivity to the track and trace system was lost and when it was restored.

## **TRACK AND TRACE SYSTEM RECONCILIATION**

In addition to other inventory reconciliation requirements, the retail store shall reconcile the physical inventory of cannabis goods at the licensed premises with the records in the track and trace database at least once every 30 calendar days. Per Embarc internal policies, full reconciliations must occur no less frequently than once every two weeks, with a rolling inventory reconciliation occurring daily for the first 90 days of operations.

If Embarc finds a discrepancy between its physical inventory and the track and trace system database, the store shall conduct an audit, and notify the BCC of any reportable activity.

## **RECORD RETENTION**

Embarc will keep all necessary books and records required to render a full account of all commercial cannabis operations conducted at Embarc's retail facility for the year to date and the seven years prior.

The Bureau, and other licensing authorities, may inspect the licensed premises and examine any records related to commercial cannabis activity owned or created by Embarc, and upon request, will be granted full access to inspect all facility records as necessary to perform official government functions and duties.

Required records maintained in CCTT-Metric, Embarc's internal seed-to-sale tracking system/point-of-sale system, and Embarc's secure document storage system are all considered to be maintained on the premises, provided that any records exclusively maintained in electronic format can be produced in a legible, hard copy format upon request. All records that must be maintained in hard copy format on-site will be copied and stored electronically as well to ensure no records are lost in the event of a disaster and are protected from debris, moisture, contamination, hazardous waste, fire, and theft.

Embarc's compliance efforts will be demonstrated through its organizational efforts. All hard copy records that are required to be maintained will be organized by subject. In addition, records will be organized by month and in chronological order. This will allow for ready and immediate access for any records by the licensing authority upon request.

Recordkeeping activities may be delegated as necessary. Embarc may elect to contract with a third party for record custodial or management services. All persons with recordkeeping responsibilities must be informed that a contract with such a service does not relieve Embarc of the recordkeeping responsibilities described here and in applicable state and local laws and regulations.

Embarc shall keep and maintain the following records related to commercial cannabis activity for at least seven years:

1. Financial records including, but not limited to, bank statements, sales invoices, receipts, tax records,

and all records required by the California Department of Tax and Fee Administration (formerly Board of Equalization) under title 18, California Code of Regulations, sections 1698 and 4901.

2. Personnel records, including each employee's full name, social security or individual taxpayer identification number, date employment begins, and date of termination of employment if applicable.
3. Training records including, but not limited to, the content of the training provided and the names of the employees that received the training.
4. Contracts with other licensees regarding commercial cannabis activity.
5. Permits, licenses, and other local authorizations to conduct Embarc's commercial cannabis activity.
6. Security records, except for surveillance recordings required pursuant to state guidelines.
7. Records relating to the composting or destruction of cannabis goods.
8. Documentation for data or information entered into the track and trace system.
9. All other documents prepared or executed by an owner or their employees or assignees in connection with the licensed commercial cannabis business.

All records are subject to review by the City of Fairfield, the BCC, as well as other governmental agencies any time Embarc is exercising the privileges of the license or at any other time as mutually agreed to by the BCC and the retail store. Prior notice by the Bureau BCC to review records is not necessary. The BCC may review records outside of Embarc's standard daily business hours.

## INVENTORY CONTROL

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

## STORAGE OF INVENTORY

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

Per Fairfield Municipal Code, only the quantity of cannabis and cannabis products necessary to meet the daily demand will be readily available for sale on-site in the retail sales area. [REDACTED]

[REDACTED]

Embarc will keep an accurate record of its inventory and use the Bureau's chosen statewide inventory tracking system, CCTTMetric, to ensure its inventories are identified and tracked throughout the supply chain or

otherwise disposed of. Furthermore, to ensure compliant and efficient inventory control, Embarc will use Blaze, its internal seed-to-sale tracking software in addition to CCTTMetric. This system will meet and accomplish the following, at minimum, in regard to retail operations, inventory tracking, and inventory management:

- The ability to connect with CCTT-Metric through an API
- Tracking products from the moment they are acquired to the moment they are sold or disposed of
- Documenting the form and types of cannabis goods maintained at the store on a daily basis
- Tracking inventory so that the oldest stock is sold first
- The ability to print comprehensive medicine labels
- Integrating and updating Embarc inventory logs, checklists, and SOPs
- The ability to provide for employee restricted inventory adjustment screens and printable reports
- Maintaining the confidentiality of all patient data and records

Embarc will have the ability to reconcile all on-premises and in-transit inventory records in CCTT-Metric and Embarc's internal seed-to-sale tracking system. Embarc's Retail Manager, under the supervision of the Inventory Compliance Manager, is responsible for completely and accurately entering all inventory data and accounting for all inventory tracking and management activities, including physical movement or destruction of cannabis goods, conducted at the facility.

Misstatements and omissions when entering data into CCTT-Metric are strictly prohibited. In the case that data is accidentally misstated or omitted, the Inventory Compliance Manager is responsible for correcting the errors and documenting all corrections.

Any misstatements or omissions may be considered a license violation affecting public safety and will be taken very seriously.

Embarc's tracking of inventory items will encompass all phases of the chain of custody, including:

- The transfer of custody from another licensee to Embarc
- Storing the cannabis goods on premises and moving the product as needed
- Selling cannabis goods to adult consumers, patients and caregivers

Shipping manifests will be used to track inventory for all incoming and outgoing shipments.

## **INVENTORY DOCUMENTATION**

Embarc shall maintain an accurate record of its inventory. Embarc shall provide the BCC and local regulators with the record of inventory immediately upon request.

The retail store shall keep a record of the following information for all cannabis goods the licensed retailer has in its inventory:

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

## **INVENTORY RECONCILIATION**

Embarc shall be able to account for all of its inventory. In conducting an inventory reconciliation, Embarc shall verify that the physical inventory is consistent with the records pertaining to inventory. The result of inventory reconciliation shall be retained in the retail store's records and shall be made available to the BCC and local law enforcement upon request. If the retail store identifies any evidence of theft, diversion, or loss, Embarc shall notify the BCC and local law enforcement.

If a significant discrepancy is discovered between the retail store's physical inventory and Embarc's inventory records, Embarc shall notify the BCC and local law enforcement.

The determination on whether a discrepancy in inventory is significant shall be made in accordance with the following:

1. A significant discrepancy in inventory means a difference in actual inventory compared to records pertaining to inventory of at least 3 percent of the dispensary's average monthly sales. Average monthly sales shall be calculated by taking a per month average of the total sales for the previous 6 months. If the retail store has not been in operation for at least 6 months, only the months in which Embarc was operating shall be used in determining average monthly sales.
2. The acquisition price shall be used to determine the value of cannabis goods in Embarc's inventory.

## **RETAILER PREMISES TO RETAILER PREMISES TRANSFER**

Embarc may arrange for the transfer of cannabis goods from one retail premises to another licensed retail premises if both retail licenses are held under the same ownership. Any movement of cannabis goods shall be properly entered into the state track and trace system

## **PRODUCT STORAGE AND RECALLS**

The strict use of our software to track products will allow Embarc to have a complete understanding of when a product was manufactured, when it arrived at the premises and how long it has been in stock. As indicated in the site plan, refrigerators will be installed for products that require temperature control. All other shelf-stable products will be stored at a constant temperature in the limited-access storage area to prevent deterioration.

While these measures are important to ensure the freshness and quality of a product, they are critical in the event of a product recall. Upon the issuance of a recall, Embarc will be able to immediately identify all affected inventory through METRC and Blaze in real time, allowing Embarc to place an immediate stop to the sale of potentially contaminated product and to conduct a thorough inventory review to ensure all recalled product is accounted for and properly addressed.

## **INVENTORY AND RECORDS**

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

Strict inventory records will be kept in accordance with Article 6 § 5048 of the BCC Regulations through METRC track and trace software. Additionally, to provide a redundant measure of transparency and to ensure total compliance, Embarc utilizes Blaze, an enterprise-quality retail management software serving the leading dispensaries in the United States. All inventory records will kept on-site electronically as well as stored in the cloud for a period of 7 years.

## **RECORD STORAGE**

As previously discussed, Embarc will use Blaze point of sale software to manage and store transaction information including records, reports, manifests, and any other documents generated by the business. Blaze is an integrated software platform that automatically enforces best practices with a focus on compliance and loss prevention.

The system utilizes an Application Programming Interface (API) to facilitate a direct online connection to METRC, the State's Track and Trace platform. Per state requirements, this data, including transaction information, patient records, reports, manifests and any other documents, are stored both physically and electronically in the cloud for a period of at least seven years.

## **REQUIREMENTS WHILE NOT OPEN FOR BUSINESS**

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

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### **1.6.1. Additional criteria for RETAIL applications only:**

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#### **1.6.1.a. Describe customer check-in procedures.**

Per state and local laws and regulations, no one is permitted to enter the retail sales area until his or her identification has been verified. This verification must confirm the person's age, identity, and validity of a medical recommendation, if one is provided. Specifically, per Fairfield Municipal Code Section 10.24E(g)(3) a sign will be posted clearly and legibly at the entrance to the store stating that no person under the age of 21 is permitted to enter the premises. Further, per Section 10.25E of the Fairfield Municipal Code, Embarc will utilize



a licensed and uniformed security guard to verify the age and all necessary documentation of each potential customer to ensure they are not under the age of 21 or the age of 18 if they are a medical cannabis patient.

Embarc will verify the age and all necessary documentation of each potential customer to ensure they are not under the age of 18 for medical purchases or are at least 21 years old for adult use purchases. Age will be verified through a double verification process using the latest technology for identification verification:

- Identification is verified via the point of sale system, which scans an identification card and automatically inputs information necessary for the verification of identification and compliance purposes
- Staff will also utilize the CAV-2000, a portable age verification device, that is used as a redundant layer of security

If the potential customer is 18-20 years old (and thus a medical patient), Embarc will confirm the customer's possession of a valid physician's recommendation and/or Medical Marijuana Card. Physician's recommendations will not be obtained or provided at our location. In the case of medical patients, access will be limited to individuals who are at least 18 years of age and have a valid physician's recommendation for medicinal cannabis. All medical cannabis patients will be verified using the following procedures, which exceed state requirements:

1. Upon entry, a medical patient will be asked to produce an acceptable form of identification for verification. Acceptable forms of identification include:
  - a. A document issued by a federal, state, county, or municipal government, or a political subdivision or agency thereof, including, but not limited to, a valid motor vehicle operator's license, that contains the name, date of birth, height, gender, and photo of the person;
  - b. A valid identification card issued to a member of the Armed Forces that includes the person's name, date of birth, and photo; or
  - c. A valid passport issued by the United States or by a foreign government.
2. Once the patient's identity is verified, they will be asked to produce a valid physician's recommendation or state issued medical cannabis identification card.
  - a. If the patient produces a physician's recommendation, the staff member will verify the following:
    - i. Staff will confirm the doctor's license is active and in good standing using the California Medical Board's online license verification program, BreEZe.
    - ii. Upon verification that the physician's license is in good standing and active, the staff member will utilize the online verification system provided by the doctor to verify that the medical recommendation is valid. If no online platform is available, the staff member will call the physician's office and manually verify the recommendation.
  - b. If the patient produces a state issued medical cannabis identification card, the staff member will utilize the official website administered by the California Department of Public Health to verify the patient's identification card:
    - i. The California Department of Public Health's Medical Marijuana Identification Card Program (MMICP) was established to create a state authorized Medical Marijuana Identification Card (MMIC), along with a web-based system for verification of MMICs issued. The MMICP web-based verification system allows law enforcement and the public to verify the validity of a qualified patient or primary caregiver's MMIC as approved to possess, grow, transport, and/or use medical marijuana within California. Each MMIC is assigned a nine-digit Unique User Identification Number

(UUID Number). By entering a UUID Number, you may verify the validity of an MMIC. An MMIC is considered VALID if the UUID Number was assigned to an individual and the card is active. An MMIC is considered INVALID if the UUID Number was not assigned to an individual or the card is expired. MMICP does not receive or retain any personally identifiable information.

3. Once the above procedures are complete the following outcomes are possible:
  - a. The patient is properly verified and allowed into the premises. Their information is entered into the Blaze Point of Sale system and their records are stored in a HIPAA compliant database to meet state guidelines for record retention.
  - b. The patient's verification fails and they are asked to promptly leave the premises and only to return with valid documentation.

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### 1.6.1.b. Identify location and procedures for receiving deliveries during business hours.

**REDACTED**

#### Location for Receiving Deliveries

[Redacted content]

#### Procedures for Receiving Deliveries During Business Hours

[Redacted content]

[Redacted text block]

[Redacted text block]

[Redacted text block]

[Redacted text block]

[Redacted text block]

[Redacted text block]

[Redacted text block]

[REDACTED]

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### 1.6.1.c. Identify the name of the Point-of-sale system to be used and the number of Point-of-Sale locations.

Embarc currently utilizes Blaze as its point-of-sale provider and per Section FMC 10E.24(c) will seek approval from the City Manager to utilize this point-of-sale in Fairfield. Blaze is an enterprise-quality retail management software, built using the most sophisticated security systems available to increase security and productivity and resulting in faster transaction times for patients and consumers.

In compliance with Fairfield Code Section 10E.24(c), the Blaze system tracks and reports on all aspects of our 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. We will ensure that the Blaze system is compatible with the City's record-keeping systems and can produce historical transactional data for review.

Blaze point of sale software manages and stores transaction information including records, reports, manifests, and any other documents generated by Embarc. Blaze is an integrated software platform that automatically enforces best practices with a focus on compliance and loss prevention. Unique features of the Blaze point-of-sale system include:

- Processes sales on a phone or desktop via the web or a downloadable POS iOS app, ensuring connectivity and portability for maximum flexibility
- Provides barcode integration support throughout the product life cycle, allowing for scanning a product into a purchase order, for an internal transfer, or for sale – ensuring a seamless inventory management process as a best practice for compliant inventory management
- Provides complete seed-to-sale tracking management in one platform, allowing seamless compliance throughout the supply chain and accurate inventory updates in real time
- Comprehensive, yet digestible, data reporting
- Complete compliance integration
- Seamless delivery integration, allowing managers access to real-time driver and transaction tracking

**Blaze is proud to be the chosen software partner for Embarc. Embarc's retail operations are best-in class, and the Embarc team stands apart for its deep understanding of regulations and strong commitment to ongoing compliance.**

**CHRIS VIOLAS**  
Founder and CEO, Blaze

The Blaze system utilizes an Application Programming Interface (API) to facilitate a direct online connection to METRC, the State's Track and Trace platform, and pushes all the sales data to METRC in real time. This enables Embarc's sales data from Blaze to be uploaded directly to METRC, reducing risk of diversion, loss and theft, while maintaining the integrity and safety of cannabis products as they move through the supply chain. Furthermore, Blaze allows Embarc to be in compliance with Fairfield Code Section 10E.22(a)(13), requiring commercial cannabis business to have an accounting software system in place to provide point-of-sale data as well as audit trails for both product and cash, where applicable.

## Number of and Location of Point of Sales

[REDACTED]

**REDACTED**

Point-of-sale stations are distributed evenly throughout the sales area and allow for proper social distancing. While the renderings do not depict transaction shields, Embarc will utilize transaction shields to protect our employees and customers.

[REDACTED]

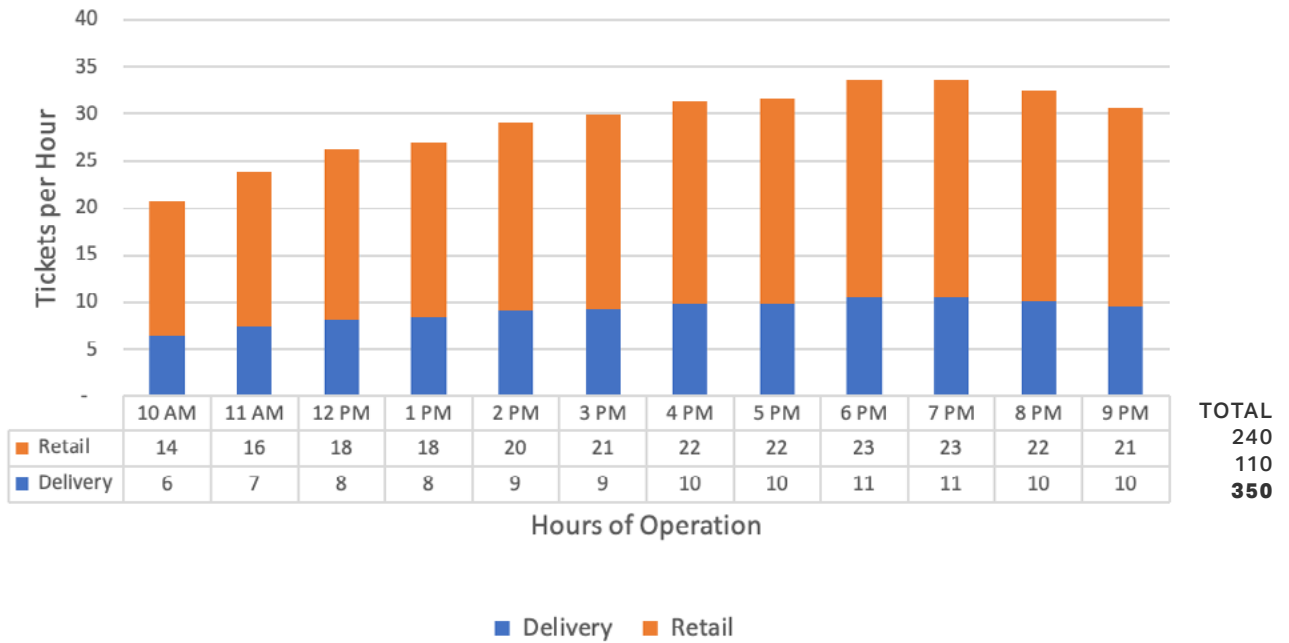
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### 1.6.1.d. Estimate the number of customers to be served per hour/day.

At maturity, we anticipate 350 customers per day when combining in-store sales and delivery. These figures contemplate sales between 10 am and 10 pm. This would increase if sales began earlier in the morning and solely depends on the agreed upon hours as stipulated by the City in the Commercial Cannabis Business Permit.

Given empirical evidence from our other operations it is certain that customer demand will not be consistent throughout the day and that there are periods with increased demand. As such, we have developed an average number of transactions based on time of day and demand that is based on real data from our other operations. We have taken a conservative approach to these numbers as we would rather under promise and over deliver.

### Projected Customers Per Hour (Delivery & Retail)



As presented above, it is clear that that peak hours are from 5pm-10pm and as such, staffing levels will be adjusted accordingly to properly manage this increase in volume.

### 1.6.1 e. Describe the proposed product line to be sold and estimate the percentage of sales of flower and manufactured products.

#### Product Curation Ethos

California has a rich history of cannabis cultivation and product innovation, with thousands of brands and hundreds of thousands of SKUs on the market. For most consumers, including many people who are new to cannabis or are re-entering the market for the first time in decades, this proliferation of brand and product optionality is overwhelming, leaving them uncertain where to start.

Embarc seeks to fill that void through our knowledgeable Guides that provide one-on-one attention to help customers navigate our curated product selection. Because every person metabolizes cannabis differently, it is important to find the appropriate product to meet an individual’s unique needs. Our guiding ethos is values-driven curation rather than vertical integration. We want our Guides motivated to find the best product for an individual based on his or her unique needs rather than incentivizing Guides to push our own products to create a double bottom line.

Our motivation is pure—we want what is best for each customer that walks through our door, and that often may require a specialty product or unique terpene profile only available from select cultivators. As such, the Embarc team serves as agnostic Guides in helping patients and consumers navigate our curated product selection. Embarc’s brand and product curation is driven by the following guiding principles:

## 1. UPLIFT RATHER THAN DOMINATE

For decades, cannabis has centered around community and communality, values that are important to maintain as an industry and within society. To that end, we believe in the power of prosperity through partnership, or the ability to uplift an entire ecosystem rather than centralize power in one company that seeks to dominate the supply chain. Partnering with small farmers, celebrating sustainable farming practices, and finding opportunities to amplify local, minority and female-owned brands is how we uplift one another and maintain the cannabis community and ecosystem. It also allows for shared prosperity rather than a monopoly.

## 2. SHARE VALUES, CULTIVATE CULTURE

As brands and products continue to come to market, consumers have more selection than ever before. This can be very overwhelming, leaving folks uncertain where to start. Embarc asks a few key questions when contemplating a brand partner for our shelves, because shared values are the cornerstone of cultivating culture within our companies, our communities, and the industry at large:

- 1) Does this brand have defined values?
- 2) Do those values align with our own?
- 3) Does the brand live its values?
- 4) Would our customers appreciate the opportunity to explore this new modality / strain / SKU?

## 3. DATA DRIVEN DECISION MAKING

While values are the first step in determining whether a brand or product is the right fit for our curated selection, data is the other critical component. For most dispensaries, inventory decisions are centralized via a designated buyer. Historically, that buyer has made decisions about brands and products based on which brands were coming to the shop and providing the most enticing deals. We believe consumers deserve better than that, and thus we have implemented extensive data analysis and customer feedback loops into our purchasing process.

In consultation with the VP of Retail, our buying and inventory management team uses on-going data analysis, consumer surveys, questionnaires, customer recommendations and re-requests, and predictive analytics to drive purchasing decisions. This ensures our shelves are stocked with what our customers want, not with whatever brand has provided discounted product to the buyer. This data and feedback loop are what ensures our curated selection is responsive to consumer behavior, purchasing patterns and preferences.

Our product selection is partially informed by our experience operating a successful cannabis retail store in South Lake Tahoe. We are constantly scrutinizing and analyzing which products our customers and patients are responding to and adjusting our product selection accordingly. We will use this knowledge to evolve our product selection based on the feedback and needs of our customers and patients in Fairfield. This localized approach ensures our curation is rooted in values, local preferences, sustainability, local sourcing (when available) and economic viability.

## Product Types

Our commitment to opportunities for underrepresented groups is manifested in our current product lines. Today, approximately 40% of the brands on Embarc's shelves are Black, Indigenous and People of Color (BIPOC), female, and/or LGBTQIA+ owned. We are on track to increase that number to nearly 60% by November. We not only support creating equity for underrepresented groups within all levels of our company but, also actively seek partnerships with other companies living these same values.



In addition to prioritizing small farms, local cultivators and manufacturers, and amplification of BIPOC, female and LGBTQIA+ owned brands, Embarc focuses on products that are non-psychoactive. Many of the products we will carry will not contain tetrahydrocannabinol, or "THC," the psychoactive substance found in many adult-use products. Instead, we will focus heavily on products that contain cannabidiol or "CBD," a non-psychoactive substance found in FDA-regulated products.

We will offer high-quality, consciously crafted cannabis products, including:

- Edibles
- Topicals
- Tinctures
- Sustainable flower
- Pre-rolls
- Concentrates
- Infused beverages
- Administering tools
- Accessories

We will help customers understand the health and wellness benefits of integrating cannabis into one's lifestyle rather than the traditional emphasis on getting high. While we will still carry traditional adult-use products, our Guides will be trained to advise customers on the availability of non-psychoactive products that may also provide the effects they are seeking.

Embarc will only conduct business with other State licensed cannabis businesses who can provide proof of their State license certificate. Our team members have established business relationships with the leading suppliers through their existing network cultivated over the past decade in the industry, including operating an Embarc dispensary in California. These partnerships ensure that if selected to operate in Fairfield, Embarc will consistently meet consumer demand for quality product without interruption.

## Brand Partners

True to our ethos, we view brands as true partners in delivering an exceptional product and experience to all patients and consumers. Selecting the best quality, lab-tested products is a given in this industry given State regulations, but at Embarc we are on a mission to support smaller cultivators and brands. We are thoughtful and intentional in the brands we select and want to highlight the best.

With so many cultivators in our State, not all cultivators have the resources of the larger companies. Embarc's goal is to create a shared platform for underrepresented cultivators to help drive awareness of their products through shelf space, cross promotions and brand highlights across our many channels. We balance these brands with more well-known cultivators and manufacturers to provide ample selection for customers.

A small sample of our brand partners include the following:

### **BESITO**

Minority Owned/Female Owned/LGBTQIA+

Besito is a womxn-founded and queer-led organization with a commitment to radical inclusiveness that goes beyond their core leadership and extends throughout their entire company. Besito is committed to ensuring their entire company and the companies they partner with make space for women, BIPOC, and the LGBTQIA+ community.

Besito has an ongoing commitment to serving the 77 million people in the U.S. whose criminal records restrict their access to basic freedoms such as access to housing, employment, education, and the right to vote. Like our team at Embarc, Besito is particularly conscious of the fact that our industry prospers off of a

plant that has led to the incarceration of thousands of individuals—disproportionately in communities of color.

In September of 2019, Besito launched a partnership with Equity First Alliance (EFA), a non-profit working towards repairing the harms caused by the War on Drugs. Since then, 1% of all Besito's profits have been donated to supporting the EFA's mission of automated expungement of cannabis-based convictions and more accessible health, employment, and legal resources for those who need them most. Their commitment to repairing the mistakes of the past and moving toward a better future make Besito a uniquely admirable brand in our space and one we are proud to support at Embarc.

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## **BROTHERLY LOVE**

Sustainable Farming / Combat Veteran Owned / Donates a portion of every sale

Brotherly Love is founded by two brothers, Steven and Charles Menken. While one brother went off to college and struggled to pay off student loan debt, Charles left home to serve in Afghanistan as a Marine. REDACTED

Their journeys reconverged after learning about cultivation and developing skills as biodynamic, regenerative farmers. Now successful, Brotherly Love is committed to giving back to social equality. For every pack sold, they donate \$0.25 to various California charities. We appreciate Charles' military service, the company's entrepreneurial attitude and the brothers' commitment to charitable causes. Brotherly Love aligns well with Embarc's ethos and we are proud to support them.

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## **EMERALD CUP SUPPLY CO. & ROSETTE WELLNESS**

Sustainable Farming

When you see the Emerald Cup logo on a jar of flower you know the buds inside were grown under the sun in the sacred soil of the Emerald Triangle's terroir. You know they were grown sustainably and eco-consciously.

Rosette Wellness is committed to providing the highest quality organic cannabis medicine for both humans and animals. Rather than focus solely on the bottom line, they pride themselves on providing non-intoxicating options while simultaneously striving to produce better patient outcomes. They are a loving, compassionate, respectful company that believes everyone deserves medical cannabis as an alternative or supplemental treatment for medical conditions.

Both the Emerald Cup Supply Co and Rosette Wellness are committed to diversity, social justice, and a love for our planet. Embarc plans to work with Rosette Wellness by partnering through compassionate care programs that donate tinctures to those who need it most.

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## **THC DESIGN**

Female Owned / Sustainable Farming / Donates a portion of all profits

When THC Design was founded – with just two people in two rooms – it had the singular goal of making the world a better place. Its founders believe that if everyone had access to THC Design cannabis, they could be

happier, more at peace, and live with less pain.

But, to truly make a positive impact, THC Design has made a commitment to giving back at the local level. From beach and waterway cleanups, feeding and housing the homeless, to supporting education and sports for underprivileged youths, it uses its resources to create real, tangible change.

THC Design also donates a portion of all profits to support best farming practices and sustainable agriculture as part of their efforts to protect the natural environment. Embarc is proud to support an organization like THC Design and partnering with its causes within our community.

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## **SF ROOTS**

Minority Owned / Equity Brand

SF Roots is one of the first social equity brands in San Francisco's Equity Program—a structured initiative designed to help level the playing field in the cannabis industry. Founded in 2014, SF Roots founder Morris Kelly believes in supporting the community by providing mentorship for other equity applicants who want to start a cannabis business. As Morris has stated, "SF Roots to me and my employees is a means of fighting for a place to be in the cannabis space and be here in the city despite gentrification."

Embarc shares the same commitment to initiatives that help lift the communities in which we are privileged to serve. By prioritizing shelf space for equity brands like SF Roots, we can also help level the playing field for communities that have been hurt most by the war on drugs.

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## **HERBL SOLUTIONS**

Embarc has partnered with HERBL Solutions as our primary distribution partner, allowing us access to their menu of licensed products and brands, and to provide transport and distribution services. Pursuant to State regulations, HERBL provides Embarc with documentation that the product shipments are compliant with packaging and labeling requirements, pass State testing standards, and were cultivated, manufactured and tested by state licensed cannabis businesses.

This information will also be recorded in the Track and Trace system, and our internal software, Blaze, which integrates with the State's system. Embarc has a detailed Standard Operating Procedure with a checklist to ensure the intake process is in full compliance with all State and local laws and regulations and has modified its intake procedures to reflect best practices during COVID-19. These modifications maintain full compliance with all laws and regulations and stipulate the process by which employees interact with the driver and the product to maximize health and safety.

Some of the products Embarc Fairfield would carry include:

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TOPICALS



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TINCTURES



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PRE-ROLLS



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FLOWER



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EDIBLES



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BEVERAGES



## Average or Expected Sales Amounts by Product Type

Adult use cannabis sales have been legal in California since January 1, 2018, with final regulations governing the industry put in place in 2019. Because Proposition 64 included provisions allowing for local control, approximately 60-70% of the State has not yet legalized local adult use cannabis sales. As a result, market research on consumption patterns and sales by category is still shifting rapidly.

The short window of legal adult use sales indicates that consumer behavior is evolving as new products and consumption methods gain prominence in the marketplace and additional jurisdictions begin permitting local sales. Because no adult use cannabis businesses are currently operating in Fairfield, there is no market data to estimate local sales by product category, and data indicates that a variety of factors dictate consumption behavior, including geography, accessibility, and the average age of the local population. However, we can extrapolate sales estimates by product type based on industry-wide data as well as data from our Tahoe location.

Historically, the traditional dispensary model has focused heavily on flower. However, Embarc's business model is focused on high-CBD, low-THC products and a variety of topicals, edibles and tinctures to meet the health and wellness needs of customers including our aging population. This model deviates from the traditional emphasis on 'getting high' and will require a highly knowledgeable staff focused on providing patient and consumer education on the variety of cannabis consumption methods available and their respective benefits.



Note: Industry average percentages are provided by BDS Analytics, a leading cannabis data and analytics firm.

We believe this category breakdown will be similar in Fairfield as our Guides are trained to educate consumers on the values of enrichment instead of the traditional focus on getting high. We have found that when consumers are educated, they often opt for products that are not formulated solely for their ability to get the consumer high which we believe is critical from a public health and safety perspective.

Embarc acknowledges that only the quantity of cannabis and cannabis products necessary to meet the daily demand will be readily available for sale on-site in the retail sales area. Any additional products will be stored

in secured, locked area to which customers, vendors, and visitors will not have access.

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1.6.1f If proposed, describe delivery service procedures, number of vehicles and product security during transportation.

### Fairfield Specific Delivery Procedures

[Redacted text block containing multiple paragraphs of information under the heading 'Fairfield Specific Delivery Procedures']

### General Delivery Procedures

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[REDACTED]

## Vehicle Standards

Vehicles used for the retail delivery of cannabis and related currency will:

- Be owned and registered to Embarc
- Be less than ten years old at all times during its service life
- Be insured through a commercial auto policy providing no less than \$1M in personal injury and property damage coverage per occurrence
- Be free of graphics or other markings indicating that the vehicle is associated with cannabis delivery
- Be equipped with an audible car alarm system configured to also cause flashing of vehicle headlamps and brake lamps upon activation
- Be equipped with a permanently mounted commercial grade safe dedicated to cannabis products
- Be equipped with a permanently mounted commercial grade drop safe dedicated to currency
- Be equipped with GPS tracking technology providing for real-time monitoring through a standard web browser. Proprietary software will not be required to access real-time monitoring. Access to GPS data will be restricted to management personnel. Managers will have unique logins and strong passwords incorporating letters, numbers and special characters. GPS will report location data no less frequently than every one minute. GPS data will be maintained for a period of no less than 90 days. Upon request, GPS data will be made available to regulatory agencies.

Testing of GPS systems for accuracy and reliability will be performed on a daily basis. Testing will be recorded by the Security Director. Devices experiencing technical difficulties relating to GPS operability or accuracy will not be used for cannabis delivery until such time as the GPS tracking system is restored to full functionality. Embarc will maintain a ledger of all vehicles used in delivery operations and will make such ledger available to the City of Fairfield upon request. The ledger will include, at minimum, the make, model, color and license plate/VIN information of each vehicle.

Per Section 10E.26 of the Fairfield Code, any technology platform, whether manned or unmanned, that facilitates, directs, or assist in the retail sale or delivery of cannabis at a location other than one permitted by the City is prohibited.

## Live Monitoring

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

## Customer Validation

Per Section 10E.26 of the Fairfield Code, Embarc will verify the age and necessary documentation of each customer to ensure that medical customers are at least 18 years of age. If the potential customer is 18 to 20 years old, Embarc will confirm the customer's possession of a valid physician's recommendation and/or Medical Marijuana Card. Physician recommendations will not be obtained or provided at the retail or delivery location.

Prior to scheduling of a delivery, customers will be required to remit evidence of identity/age that coincides with the residential address to which the delivery is being made. This may be by way of providing a government issued ID and a recurring bill or through credit card validation.

## Destination Validation

[REDACTED]

## Safe Haven Identification

[REDACTED]

## Number of Vehicles

In order to sufficiently meet anticipated delivery demand, Embarc anticipates securing five delivery vehicles.

[REDACTED]

## Vehicle Information Furnished to the City

Prior to commencing delivery operations, and prior to the use of any new car in delivery operations, Embarc will provide the City of Fairfield the following information for all vehicles that will be used to delivery cannabis or cannabis products:

- Proof of Ownership or a valid lease
- Year, make, and model, and color of the vehicle
- License plate number of the vehicle
- The Vehicle Identification Number
- Proof of Insurance

Embarc will notify the City in writing of any changes to this information within 30 calendar days of such change.

**Product Security During Transport**

[Redacted text block containing multiple paragraphs of information under the heading 'Product Security During Transport']

**Robbery Management**

[Redacted text block under the heading 'Robbery Management']

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**Auto Burglary Prevention**

[Redacted text block]

[Redacted text block]

**Auto Burglary Management**

[Redacted text block]

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### Auto Theft Prevention

[Redacted text block]

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### Auto Theft Management

[Redacted text block]

Given the City's mandated spatial restraints, the above business plan contains only direct responses to all prompts rather than a comprehensive overview of the business and its business plan. We welcome the opportunity to provide more detail on any component of the business and its proposed Fairfield operations, including compliance, standard operating procedures, etc.

# Section 2: Labor And Local Enterprise Plan

## Introduction

Embarc is committed to strong labor partnerships and to creating a workplace that aligns with our employee's values. Achieving this goal requires strong labor and employment practices throughout the lifecycle of the business, from construction through day-to-day management.

For pre-construction and construction, Embarc has retained a reputable Northern California contractor that has committed to employing union subcontractors for facility construction. For our workforce, Embarc has executed Labor Peace Agreements with the United Food and Commercial Workers Local 5 and Local 8—Golden State. for all of our existing and future dispensaries. We are actively negotiating a Collective Bargaining Agreement to unionize employees across all of our retail locations and have already signed an LPA for Fairfield to demonstrate our steadfast commitment to a unionized workforce.

**// We are writing in support of Embarc Fairfield's application for a Retail Dispensary in Fairfield. Embarc is committed to the development of local economic opportunities for residents, significant ongoing community benefits, and to true partnership with the City and its residents.**

**As detailed in their proposal, the Company has committed to 100% local hiring, a living wage, meaningful benefits and opportunities for advancement within the company. It is these commitments that ensure employment at Embarc will provide for local workers and their families, allowing the Company's workforce to be—and remain—truly local.**

**To demonstrate this commitment to their workforce, Embarc Fairfield has proactively executed a Labor Peace Agreement with us for their operations, and the Company is currently working with UFCW to secure a Collective Bargaining Agreement across all locations. This is indicative of the Company's values and just one of the reasons we fully support their application.**

**James Araby**  
Director of Strategic Campaigns  
United Food & Commercial Workers Union Local 5

This partnership with the United Food and Commercial Workers Union extends beyond just providing a living wage and meaningful benefits to our employees. It also drives workforce development, opportunities for ongoing education, community support and a commitment to equity through free community workshops and expungement clinics.

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## 2.1. Describe whether the CCB is committed to offering employees a living wage.

Embarc is committed to living its values through action. One meaningful demonstration of that commitment

is through our wages, which are among the highest in the industry. Embarc will continue to provide a competitive living wage as a base wage for hourly employees and a generous salary for management positions.

While many of the state's largest operators pay between \$15 and \$22.50 per hour, Embarc's current retail employees are paid between \$17 and nearly \$50 an hour for senior managers, depending on the role and level of experience. Embarc would offer these same industry-leading wages to its employees in Fairfield, which would be encapsulated in our agreement(s) with the UFCW.

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## 2.2. Briefly describe benefits provided to employees such as health care, vacation, and medical leave, to the degree they are offered as part of employment.

We understand that in today's world, employees need and value flexibility more than ever before. To the greatest extent possible, our benefits program and day-to-day operations are designed to provide every employee with the opportunity to maximize their employment and benefits.

### HEALTH, VISION AND DENTAL

All employees will be offered a competitive benefits package that allows them to choose from various health, vision and dental insurance programs to best meet their individual needs. Embarc contributes significantly to these programs to reduce out-of-pocket costs, including a health savings account.

### LEAVE

With the instability wrought by COVID-19, we recognize the need for flexibility now more than ever before. Employees are offered industry-leading paid time off, with accrual based on duration of employment and as many as twenty-five (25) days per year based on tenure.

Specific to COVID, any employee that has presented symptoms during the temperature and symptom screening at the beginning of his or her shift has immediately been sent home to be tested. Our employees have also been provided with two (2) weeks of paid time off to rest and recover.

Additional leave includes:

- Bereavement leave
- Jury duty and witness leave
- Time off for voting
- Family leave
- Pregnancy disability
- Victims of crime leave
- Domestic Violence, Sexual Assault or Stalking Leave and Accommodation
- Civil Air Patrol Leave
- Military Leave
- Military Spouse Leave
- Organ and Bone Marrow Donor Leave
- School and Child Care Activities Leave
- Volunteer Civil Service Personnel
- Sick leave
- Disability leave

### FREE COUNSELING

This year has been overwhelming for many, especially those serving as essential workers during this global pandemic. All employees are eligible for employer-paid mental health counseling from an independent healthcare professional.



## LIFE INSURANCE

Embarc offers 100% employer paid premium life insurance policies.

## EMPLOYEE STOCK OPTION PROGRAM (“ESOP”)

**We have set aside 10% of the company’s equity to provide every full-time employee a minimum of 10% of their annualized salary in stock options and grants.** While a few cannabis operators have allocated nominal stock to employees, we are not aware of any that have made such a meaningful contribution. This is a direct reflection of how we view the team—as partners in bringing this vision to life.

## FINANCIAL LITERACY

Embarc is invested in our employees’ futures. Research has shown that employees often do not contribute to retirement or participate in the stock market due to a lack of understanding. Embarc believes that providing financial education is part of a robust and well-rounded benefits program. This financial literacy education was developed by our Chief Financial Officer and is part of the employee training and on-boarding process, covering how stock options work and how to maximize their benefit, budgeting and saving, taxation, retirement planning and related financial concepts.

## TRANSPORTATION ASSISTANCE

While we will have ample parking, Embarc will provide staff with complimentary bus passes and will install bike racks to encourage non-vehicular commuting.

## EMBARC CARES: A FUND FOR TEAM MEMBERS IN NEED

Now more than ever, living our values means being a conscientious employer and supporting our employees inside and outside the four walls of our business. To that end, Embarc has established an Employee Assistance Program to provide emergency grants for employees in times of crisis.

The purpose of the fund is to assist team members in coping with unexpected hardships that place undue financial stress on them and/or their immediate family, either due to a qualified disaster or personal hardship. These awards are based on financial need and the severity of the disaster or emergency. Importantly, these are not loans that must be paid back but monetary grants we provide to address the economic impacts of the issue and help our team member feel stable and secure rather than overwhelmed.

Thus far Embarc has found that this grant program has made a meaningful impact on the lives of employees, creating a more open line of communication between the team and providing a tangible demonstration of the Company’s commitment to the wellbeing and lives of our Embarc team.

## ADDITIONAL BENEFITS INCLUDE, BUT ARE NOT LIMITED TO:

- Generous employee discounts
- Paid employee volunteerism program (detailed below in Section 7)
- Pet adoption stipend for local adoptions

## 2.3. Describe compensation to and opportunities for continuing education and employee training.

A well-trained workforce is vital to creating a unique, differentiated experience for customers and is thus key to a successful operation. Embarc provides our employees with ample opportunities for paid education and training:

- Upon hire, employees undergo a rigorous, paid two-week training immersion
- To maintain best-in-class product knowledge, employees receive daily, quarterly and annual paid products and customer service trainings
- Employees are provided paid opportunities to serve as mentors in educating new hires and for ongoing all-staff trainings. For example, in our Tahoe operation, multiple employees expressed interest in leading product education and terpene exploration classes. These employees were paid to work with the Embarc team to develop this curriculum and then paid to teach it to all employees, who were also paid for their time during the trainings.

But educational and training opportunities to broaden and sharpen our employees' skills is vital outside the shop as well. Our operating budget contemplates a significant monthly allocation for educational tools, trainings and other resources to enhance team members' experience in executing their core professional functions.

For example, in the past three months alone, Embarc team members have participated in educational courses provided by licensed or otherwise recognized third-party institutions on the following:

- Diversity and inclusion
- HR best practices
- Leadership
- Sales and customer service

**Embarc has afforded me many opportunities to learn and grow inside and outside of the shop. As a manager, it is important I continue to cultivate leadership skills that ensure I am the best leader I can be. Embarc recently provided me access to a leadership skills training that has given me new tools to effectively lead our team. I appreciate the opportunities I am offered to expand my knowledge through Embarc-led and third-party educational activities and resources and I'm proud of what I'm able to put into action in engaging our team in new ways.**

**Melissa S.**  
Manager, Embarc Tahoe

### WORKFORCE DEVELOPMENT PARTNERSHIPS

We recognize that not all employees join the team with all of the skills or training they need to succeed. In every community we seek to partner with local educational institutions, such as the community college, to

create meaningful workforce development partnerships. Focus areas for these partnerships include, but are not limited to, the following:

- Professional work habits
- Relationship development
- Identifying personal goals
- Overcoming obstacles on the job
- Transferable skills
- Employability and other soft skills

By working with these programs, we are able to support our employees' educational and professional development and aspirations. Whether employees come to us through the college program or not, they will be invited and encouraged to enter the work experience program. Students will earn work-experience credits while simultaneously earning a salary at Embarc Fairfield. This partnership fosters personal and professional growth with educational programs focused on valuable life and professional skills.

### **OPPORTUNITY LADDER**

The burgeoning legal cannabis industry represents an exciting opportunity to provide meaningful employment opportunities across the educational attainment and economic spectrum. Embarc welcomes the opportunity to ensure working at Embarc can provide a career and economic mobility opportunity rather than just a job. We achieve this by creating a deliberate opportunity ladder that recognizes barriers to entry and matriculation inherent in most hiring and operational practices and systematically works to eliminate them.

### **100% LOCAL HIRING**

As small business owners, we believe the health and welfare of Fairfield residents is rooted in the need for quality employment opportunities. We learned from Brian Hooker, Strategic Initiative Manager at the Workforce Development Board of Solano County and Embarc Fairfield Community Advisory Board member, that 60% of Solano County residents commute outside the County to work.

Embarc Fairfield has committed to 100% local hiring, which will provide gainful, meaningful employment opportunities for local Fairfield residents. This ensures that our team will reflect Embarc Fairfield's customer base and serve as a component of our overarching efforts to reflect, benefit and integrate into the community.

We will target our recruitment efforts first at those living within a five-mile radius of the store before opening the outreach up more broadly in an effort to attract a hyper-local team. When employees live in the same neighborhood where they work, they are more inclined to focus on positive neighborhood relations, community outreach, and volunteerism efforts as they are investing in their own neighborhood.

### **SOCIAL EQUITY IN HIRING**

Embarc's leadership team is incredibly diverse, with significant female, BIPOC and LGBTQIA+ representation across all aspects of the business. [REDACTED]

[REDACTED] In fact, every employee of Embarc – from the CEO to the newly hired retail sales associate, will be an owner of Embarc before the end of this year.

Because of our diverse experiences and leadership team, we understand that there are many barriers to opportunity that plague communities and believe our own experiences enhance our ability to be compassionate advocates for social justice issues. It is now recognized that inequitable enforcement of drug policies has been wielded as a tool to criminalize low income communities and communities of color by creating a generational cycle of disenfranchisement and imprisonment. The War on Drugs has left a legacy that continues to plague the victims of cannabis criminalization and future generations, driving racial inequalities throughout the criminal justice system with long lasting consequences.

We recognize that it is a privilege to operate a business in this industry and to maintain our freedom and opportunity while doing so. As a company that benefits from this privilege, we have a duty to continuously recognize and seek to address the impacts of the War on Drugs, as we all work toward a more equitable future.

While creating a more equitable future includes efforts such as expungement clinics and financial literacy workshops, it must also include competitive salaries and meaningful career opportunities across every aspect of the company. We seek to be thoughtful in our hiring practices and daily operations in order to provide more and better opportunities where others do not. This includes recruitment efforts in communities adversely impacted by the War on Drugs.

Rather than looking for traditional retail and/or cannabis experience, we will focus on hiring individuals with drive, interest and dedication to learning and growing within our company and then providing them the tools they need to succeed. We will partner with organizations actively involved in these communities to recruit employees and will provide additional ongoing job skills training to these individuals. We will hire individuals others may reject through our commitment to and support of 'ban the box' employment practices that provide opportunity to non-violent cannabis offenders and provide ongoing job training and employment skills beyond our regular training program for those who want additional assistance in order to thrive.

## **INCLUSIVE HIRING AND OPPORTUNITY LADDER FOR CAREER ADVANCEMENT**

Inclusivity is about more than who you hire; it also requires contemplating a variety of opportunity barriers and ongoing efforts to eliminate them.

Diversity throughout the company begins with recruiting and hiring diverse candidates. Embarc's recruiting and hiring efforts are overseen by a small business owned by a female of color. Her outreach prioritizes recruitment efforts through traditional and non-traditional forums, including direct outreach to female-centric and BIPOC professional networks and organizations.

**“ As a female owned small business, I am thrilled to work with the Embarc team on their recruiting efforts. Embarc embodies their values, including a focus on hiring women and people of color across every aspect of their business. Embarc is an example of the type of values-driven employer I'm excited to see in the cannabis industry.**

**EDITH VILLASEÑOR**  
Owner, Villa Flora Recruiting

Our outreach will occur through multiple platforms and across our workforce and social justice partners' channels, as well as through virtual job fairs, partnership with UFCW for hiring efforts, and through Facebook groups and other community networks. This outreach will be mobile optimized given technology barriers for some low-income individuals.

## **CAREER ADVANCEMENT**

Embarc will promote from within by matriculating employees from associate to management through ongoing training, quarterly performance reviews and annual meetings.

When submitting a job requisition form to Human Resources, Embarc employees are required to take an "Our Team First" approach. This approach requires Human Resources and the individual requesting a new position

be created (or a current position be filled) to discuss internal team members that could be appropriate for the role before any outside recruiting efforts are made. Jobs are posted in each retail store for a minimum of five days before being posted externally to ensure our staff is aware of new opportunities and able to pursue them if interested.

This is a collaborative and comprehensive process between Human Resources and the department leads seeking the role to be filled, designed to prioritize upward mobility from within. When an employee is identified as the right fit for the role, Human Resources engages that employee to determine his or her interest in the new role before undertaking any external recruiting practices.

## REGULAR PERFORMANCE REVIEWS

While most employers rely on an annual review process, Embarc performs quarterly performance reviews and further encourages employees and supervisors to discuss performance on a frequent, ongoing basis. Data indicates that employees often feel uncomfortable asking for performance feedback, but quarterly reviews eliminate that barrier and create a culture of ongoing communication about performance, opportunities for improvement, and upward mobility paths.

Consistency in communication also normalizes discussion of opportunity ladders and compensation which is vital to promoting the "Our Team First" policy in hiring. These reviews also provide opportunities for the manager and team member to explore areas where additional training or education could be helpful in promoting growth, and then creating a plan for how to meet those education and training needs.

## TUITION ASSISTANCE AND SCHOLARSHIP PROGRAM

We offer tuition assistance and a scholarship program for qualifying employees, as well as provide scholarships to local residents in coordination with local community colleges. For example, in South Lake Tahoe, Embarc not only provides scholarships for students from the LGBTQIA+ community, but also supports the student food bank to address food insecurity.

**“ We are grateful for Embarc’s commitment to supporting the students of Lake Tahoe Community College through scholarships and workforce development opportunities. These make a tangible impact in the lives of students.”**

**Professor Walter Morris, Ph.D.**

Board Member, Lake Tahoe Community College Foundation

## COMPASS: A MENTORSHIP PROGRAM TO BUILD OPPORTUNITY FROM WITHIN

Mentorship programs help to develop future leaders by teaching new skills and providing diverse experiences that create mobility for future roles at Embarc and beyond. It is also a meaningful way to welcome new team members into the fold and to facilitate relationships across stores and experience levels.

Embarc has implemented a mentorship program that pairs entry-level employees with more seasoned team members to cultivate passions and provide meaningful feedback on how to continue professional development and growth. This program is designed to break down barriers to entry, provide consistency in feedback and professional development, and help employees identify other areas of interest to promote matriculation. We understand that while someone may currently work as a Guide (sales associate), they may have larger

career ambitions at Embarc or beyond. We foster the development of our team internally, providing them with the tools, guidance, resources and skills necessary to be promoted into other leadership roles.

Upon hiring, employees are given the opportunity to apply for a mentor. Mentors are assigned based on the mentee's interests, skills, hobbies and desired growth trajectory. Subject areas for mentorship include:

- Buying and Sourcing
- Community Building
- Community Engagement
- Compliance
- Culture and Team Building
- Design
- Education
- Events/PR
- Finance
- Human Resources
- Inventory Control
- Marketing
- Merchandising
- Operations
- Sales
- Social Media

While our core business focus is retail, it takes a team with diverse skills and experiences to build and sustain an effective business model. By offering a mentorship program, we are investing in our employees as more than "just" retail associates—they are vital team members with the potential to learn and grow into all facets of the company, from store level management to corporate operations.

Furthermore, working at Embarc has the potential to be more than a job—we provide meaningful career opportunities with significant wages, benefits and opportunities for advancement in each store, in multi-store leadership positions, and company-wide.

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## **2.4. Describe the extent to which the CCB will be a locally managed enterprise whose owners and/or managers reside, own a commercial business, or operate a non-profit within the City of Fairfield, for at least one year prior to June 1, 2020.**

Embarc Fairfield is owned by Ron Turner, Lauren Carpenter, George Miller and Dustin Moore.

Ron Turner is a former Fairfield resident and Police Officer and current operator of the 100 Club of Solano & Yolo Counties, a nonprofit 501(c)(3) organization founded in 2016 and headquartered in Fairfield.

The purpose of the 100 Club of Solano & Yolo Counties is to provide immediate financial assistance to families of public safety officers, firefighters and first responders who are killed in the line of duty; to provide resources to enhance their safety and welfare; and to further the education of their children through scholarship funds.

Ron served as a Fairfield Police Officer for many years. Now Ron's son proudly represents the Fairfield community as a member of the Police Department, continuing the Turner legacy of committing to keep Fairfield residents safe.

In addition to the non-profit Ron operates within the City of Fairfield, he also maintains close ties to the Fairfield community through his years of political and community work; first as a Field District Representative for California Assemblywoman Susan Bonilla, and currently with California Senator Bill Dodd.

As not only an owner of Embarc Fairfield, but also the Head of Community Engagement and Chair of the Community Advisory Board, Ron will keep the best interests of the City at the forefront of Embarc’s operations.

**In addition to Ron’s role as the founder of a Fairfield-based non-profit organization for at least one year prior to June 1, 2020, one hundred percent (100%) of the employees, including management, will reside in Fairfield and will be given meaningful equity in the business, further deepening local ownership.**

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## 2.5. Describe the expected number of employees, title/position, and their respective responsibilities.

Embarc expects to hire the following number of employees prior to initiating operations:

Number	Role
1	General Manager
3	Store Managers
3	Store Leads
1	Inventory Specialist
12	Sales Associates (“Guides”)

In our ongoing commitment to compliance and per the Fairfield Municipal Code, Embarc will identify each prospective employee and submit for each the name, address, telephone number, title, primary responsibilities, and a valid government-issued form of identification, together with any other related information requested by the Chief of Police for the purpose of conducting mandatory background checks.

Below are brief overviews of the title and responsibilities for each role. Each employee receives a detailed job responsibilities memo outlining the day-to-day tasks and functions associated with his or her role as well as a key metrics document to guide his or her performance and facilitate performance reviews as part of the onboarding process.

### General Manager

The General Manager is responsible for overseeing all day-to-day operations, including managing store managers and staff across sales, inventory, community engagement, facilities, accounting, marketing, public relations and more. This role is responsible for successfully developing and implementing strategies to constantly improve the business through merchandise, inventory, expense control, human resources management, and operational cost management. Importantly, this role is also ultimately responsible for ensuring strict adherence to all state and local laws and regulations pertaining to cannabis and business operations. Critical functions of the General Manager role include, but are not limited to:

- Embody our core values, leading a team of Managers and Guides in a positive and respectful manner.
- Oversee all retail cannabis compliance as outlined by State and Local municipalities, in coordination with Embarc’s Compliance team.
- Ensure that each guest receives outstanding guest service by providing a guest friendly environment which includes greeting and acknowledging every guest, maintaining outstanding standards, solid product knowledge and all other components of guest service.



- Analyze and measure business trends; develop and implement plans to maximize sales and meet or exceed goals and objectives.
- Control shrink, expenses and payroll through active management of the business.
- Ensure appropriate merchandise stock levels, merchandise adjacencies and presentations; signing, and assortment in all departments; ensure selling floor is adequately stocked through coordination with inventory manager and specialist.
- Review trends and recommend and initiate changes for maximizing goals and objectives.
- Ensure compliance with all policies and procedures through regular store management and staff meetings, store walk-through and audits, etc.
- Continually evaluate and react to performance issues and actively recruit, inspire and train management candidates.
- Train and develop store management in all aspects of the business; direct and monitor training and development for all store personnel.
- Liaise with law enforcement, vendors, landlords, and local community members as needed and through the lens of being proactive rather than reactive to opportunities, needs and requests.

### **Store Manager**

Store Managers focus on customer satisfaction, daily operations and operational flow within the store. In addition, each manager is responsible for one of three focus areas: Sales & Community Outreach, Inventory & Purchasing, and Human Resources & Operations. Critical functions of the Store Manager role include, but are not limited to:

- Oversee staff and fulfill staffing needs for regular hours, as well as special events or high-traffic times.
- Maintain a compliant work environment through coordination with the General Manager on daily, weekly, quarterly and annual audits and spot checks.
- Maintain and motivate a positive sales team through communication, incentives, and evaluations.
- Confirm daily sales reports and cash receipts; ensure monies are deposited regularly, and reports are submitted as prescribed by company policies.
- Addresses customer needs and resolve issues, ensuring positive and long-term customer relationships.
- Plan, organize, and coordinate sales, marketing, and budgeting.
- Develop, oversee, and maximize retail budget and product inventory, purchasing, and sales.
- Ensure inventory data is correct by performing spot inventory counts and checks.
- Execute local employee volunteerism program with enthusiasm, inclusivity and sensitivity.
- Manage marketing efforts in coordination with Embarc's marketing team to provide insights on local opportunities.
- Maintain active lines of communication with community members, stakeholders and customers to ensure Embarc is a welcoming, approachable environment that is responsive to local needs.
- Liaise with law enforcement, vendors, landlords, and local community members as needed and through the lens of being proactive rather than reactive to opportunities, needs and requests.

### **Store Lead**

Store Leads support the Store Managers in ensuring that all daily operating procedures are performed as required while promoting a company image of excellence through a strong work ethic, leadership by example, and the consistent delivery of impeccable customer service and store visual presentation. This role will also maximize sales through the development and supervision of sales staff.



The Store Lead is responsible for ensuring transactions are carried out in compliance with all applicable laws and regulations. Critical functions of the Store Lead role include, but are not limited to:

- Implement operational rules, regulations, policies, and procedures.
- Supervise, manage, and direct the activities of the sales team (“Guides”).
- Implement company policies and ensure staff adheres to best practices.
- Manage and inspire staff to deliver the highest level of customer service and satisfaction.
- Ensure compliance with applicable local, state, and federal laws and regulations.
- Assist with customer service and ensure customer satisfaction.
- Maintain in-depth knowledge of all strains and products in store inventory as well as industry-wide product and trend knowledge.
- Assist in employee performance reviews.
- Assist in hiring and training new employees.

### **Inventory Specialist**

The Inventory Control Specialist will maintain the organization’s inventory by managing and supplying necessary items while maintaining accurate records of all procurements. Critical functions of the Inventory Specialist include, but are not limited to:

- Maintain consistent stock of inventory.
- Assess inventory reports and order patterns to identify items in need of recurring delivery.
- Provide inventory reports to purchasing and inventory control manager.
- Develop and maintain good working relationships with vendors.
- Maintain accurate daily records of goods received.
- Manage and maintain inventory system; facilitate upgrades to related database and/or software under the direction of the purchasing or inventory control manager.
- Conduct frequent spot and partial audits of physical inventory.
- Assist with weekly physical inventory audits.

### **Sales Associates (“Guides”)**

Sales Associates, or Guides, work closely with customers to determine their needs, answer their questions and recommend the right products. This role will promptly resolve customer issues and ensure maximum client satisfaction. Additionally, Sales Associate must maintain up to date knowledge of product features and maintain the store’s visual appearance in high standards. Critical functions of Sales Associates include, but are not limited to:

- Friendly check-in with customers while scanning IDs into the POS system.
- Ensure high levels of customer satisfaction through excellent sales service.
- Assess customers’ needs, provide assistance and information on product features.
- Welcome customers to the store and answer their queries.
- Follow and achieve department’s sales goals on a monthly, quarterly and annual basis.
- Maintain in-stock and presentable condition assigned areas.
- Actively seek out customers in store.
- Remain knowledgeable on products offered and discuss available options.
- Process POS (point of sale) purchases.
- Handle customer returns using the compliance protocol and SOP.
- Team up with co-workers to ensure proper customer service.

- Build productive, trusting relationships with customers.
- Comply with inventory control procedures.
- Maintain a neat and orderly work environment, including participation in the store cleaning and disinfecting protocols.

## EMPLOYEE TRAINING

Per 10E.24(k), Embarc acknowledges that the City Manager will have the discretion to require additional training should the City identify deficiencies or non-compliance issues with City or State Requirements.

Employees must be positioned to succeed through thorough initial training, ongoing training and education, and effective leadership at every level of the organization providing clear direction and guidance. Furthermore, it is critical that clear performance expectations are set and a pathway for upward mobility is created to inspire and motivate team members.

All employees receive two weeks of extensive training prior to opening the store with a focus on compliance, security, operational procedures and cannabis knowledge and product-specific expertise. Below is a short summary of the training process. We will gladly provide a more detailed overview if desired.

As frontline employees with direct customer interaction, it is imperative that our Guides receive superior product education and customer service training. Prior to any store opening, every Guide undergoes a rigorous two-week training. This training includes, but is not limited to, thoroughly understanding the following:

- Dispensing rules and regulations as promulgated by the city and state.
- Excellent customer service skills.
- Cannabis efficacy and the latest in efficacy research.
- Cannabis product information and selection assistance, including strain differences, terpene profiles, dosages, and consumption methods.
- Substance abuse prevention and recognizing signs of impairment.
- HIPAA, ADA, EEOC, and other federal, state, and local laws, regulations, ordinances and requirements related to the cannabis industry and cannabis consumption.

After completing the two-week initial training, Guides will be required to complete various weekly, quarterly, and annual trainings. These training sessions are developed by our highly experienced Vice President of Retail, Chief Operations Officer, and Chief Compliance Officer.

In addition to our ongoing in-house training, within six weeks of hire, all Guides will be required to complete the Cannabis Care Certification program developed by the nationally recognized Americans for Safe Access Foundation (the "ASA"). The mission of ASA is to ensure safe and legal access to cannabis for therapeutic use and research. The ASA Cannabis Care Certification program is designed to help individuals better understand the endocannabinoid system and cannabis therapeutics. By completing this program our Guides will have unparalleled knowledge into the interplay between cannabis consumption and the human body—knowledge that will play a pivotal role in educating our customers.

Finally, we leverage the educational tools and resources developed by the brands and cultivators themselves to provide detailed, product-specific information for every product on our shelves. These resources are available to the team 24/7 via Embarc's internal online classroom that houses all of our cannabis and brand education resources. Employees can access brand decks, education articles and quizzes on their own time,

as well as when they are assigned directly to them as part of our mandatory ongoing product, operations and compliance education program.

Below is a breakdown of the Embarc training schedule that our Guides receive upon hire. This training is designed to ensure all staff have a deep understanding of cannabis, health and wellness, and our company values and operations in order to comfortably and capably assist guests. This training also includes a significant focus on cannabis compliance with all state and local laws and regulations to ensure public health and safety.

After employees are hired and paperwork is complete, they undergo a two-week training consisting of three distinct tiers:

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Finally, REDACTED an employee begins independent shifts. They are then engaged in ongoing education and training, which may include weekly staff meetings where we bring in different vendors to train on new products, annual off-site visits to farms in the region to allow employees to experience the cultivation process, quarterly all-staff workshops and more.

We understand that Guide education is an ongoing process. REDACTED Additionally:

- Because the General Manager is ultimately responsible for the store's day-to-day activities and performance, REDACTED  
REDACTED Real world experience operating under Embarc's specific protocols and procedures is vital to successfully executing Embarc's vision for this store, as well as the ability to effectively educate and train the store team.
- Embarc managers from operating stores will attend and co-lead the new store orientation and training alongside the Fairfield General Manager to provide best practices based on current Embarc trainings. This breaks down barriers and facilitates information sharing among Embarc leadership across Northern California and provides resources during training to improve the operationalization of the store.
- REDACTED  
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  - The Lead Guide will be capable of answering even the most obscure and challenging inquiries from customers with unique needs and complications. A typical example occurred recently in our Tahoe store, where one of our Lead Guides assisted a customer who wished to purchase cannabis flower but was allergic to a very specific terpene found only in certain strains of cannabis. Using the Certificate of Analysis testing results, our Lead Guide was able to identify which flower options did not contain the terpene in question, and therefore was safe for the customer's consumption.
- Guides continue to receive product education, compliance and operational training throughout their tenure. This training includes ongoing education from our vendors and partners, product knowledge quizzes, weekly terpene profile discussions and more REDACTED  
REDACTED  
REDACTED This keeps learning fun and ensures the team continues to grow and evolve with the industry.

## Conclusion

As detailed throughout this section, Embarc is:

- 2.1 – Committed to offering employees a living wage through our partnership with UFCW and our demonstrated track record of industry-leading wages
- 2.2 – Demonstrating a commitment to employees through best-in-class benefits such as healthcare, vacation and medical leave, as well as going above and beyond by offering emergency relief, mentorship, free counseling and more
- 2.3 – Committed to ongoing education and training, both as paid opportunities through working at Embarc and via scholarships and grants to provide continuing education and develop job skills to benefit employees in their careers with Embarc or elsewhere
- 2.4 – The CCB is locally owned by Ron Turner, a former Fairfield Police Officer operating a Fairfield non-profit for more than a year prior to June 1, 2020
- 2.5 – Planning to hire approximately 20 employees with various responsibilities to ensure the business operates thoughtfully, sensitively and compliantly in Fairfield

# Section 3: Neighborhood Compatibility Plan

## Introduction

Embarc believes operating a cannabis business is a privilege and not a right and that a successful business model is predicated on the ability to consistently engage the community to ensure communication, transparency, integrity and collaboration. By putting the community first, Embarc ensures a positive relationship with the City of Fairfield, community leaders, and the neighborhood, ultimately allowing the company to participate in – and give back to – the community in meaningful ways.

This commitment is embodied in ways large and small, ranging from neighborhood specific engagement and volunteerism to empowering community members to provide feedback and direction on our operational model, including community-sensitive advertising and directing community investment funding.

We understand that cannabis businesses have an obligation to the health and wellbeing of our customers, the neighborhood and the broader community. It is a principal goal of Embarc to be a good corporate citizen in Fairfield. We believe this goal requires a direct relationship with not only City officials but also with residents, other vital stakeholders and public safety.

It is Embarc's intention to be a contributing, positive, and responsible force in the community, and we are committed to ensuring that our dispensary never poses a nuisance to our surrounding neighborhood. Below we describe the specific strategies, procedures, and equipment that will be used to proactively address and respond to complaints related to noise, light, odor, litter, as well as vehicle and pedestrian traffic.

Our dispensary will be maintained in accordance with the standards of the International Property Maintenance Code to ensure the licensed premises are safe, sanitary, and fit for occupation and use. We will proactively work with community members, neighborhood leaders, and local businesses to build a synergistic relationship based on respectful dialogue and ongoing approachability.

Our goal is to become an active and engaged supporter of the neighborhood while operating as a pristine example of regulatory compliance and corporate responsibility. Our team of experienced cannabis facility operators and retailers understand the important role our dispensary will play in the Fairfield community. As such, our Neighborhood Compatibility Plan is designed with the community in mind. We believe we have the expertise and sensitivity necessary to reach out to local leaders and residents, engage the community, and respond to their collective needs.

Based on our experience operating a successful and compliant retail and delivery operation in South Lake Tahoe, we understand the importance of a proactive approach in order to resolve any potential issues before they arise. That is why our General Manager, Managers, staff, and Head of Community Engagement will engage in positive neighborhood relations on an ongoing basis. Being available and accessible is vital to preventing annoyances from escalating to issues.

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### 3.1 Describe how the CCB will proactively address and respond to complaints related to noise, light, odor, litter, and, vehicle and pedestrian traffic.

## Overview

Embarc will voluntarily seek to have a Good Neighbor Policy included in our conditional use permit. We have drafted proposed policies but welcome the opportunity to discuss these further with the City should we be fortunate enough to be awarded a license. The intention of including such a policy as a condition of operations is to demonstrate the seriousness with which we approach complaint mitigation. The suggested policy has been detailed briefly below.

As a responsible cannabis operator, Embarc Fairfield must:

- Create a safe exterior environment through design and site management
  - Provide outside lighting in a manner that illuminates the outside street and sidewalk areas and adjacent parking as appropriate
  - Maintain the premises and adjacent sidewalk in good condition at all times
- Manage parking and traffic to negate impacts to surrounding areas
  - Prohibit double parking directly outside the premises
  - Prohibit loitering around the premises or in the parking lot
- Enforce appropriate customer behavior outside the facility and in adjacent areas
  - Prohibit loitering in or around the premises
  - Prohibit littering in or around the premises
  - Prohibit the consumption of cannabis products around the premises
- Post notices at all public entrances to and exits from the establishment that are clear, well-lit, prominently displayed and maintained
  - Direct patrons to leave the establishment and neighborhood peacefully and in an orderly fashion
  - Direct patrons to not litter or block driveways
  - Advise individuals of the prohibition on loitering
  - Provide the contact information for Embarc personnel responsible for community relations and issue mitigation
- Provide adequate and appropriate ventilation to ensure odor controls result in no emission of noxious odors
  - Advise individuals that smoking of cannabis is prohibited in public places
- Be a benefit to surrounding parcels
  - Maintain the premises in a clean and orderly fashion
  - Instruct security personnel to secure the premises within 50 feet of any public entrance and exit

## Resolving Concerns and Complaints

Embarc employs a protocol for addressing and responding to complaints related to its business, including any potential complaint concerning noise, light, odor, litter, and vehicle and pedestrian traffic. This protocol is critical to ensuring consistency in response and in providing the data we need to modify Standard Operating Procedures as needed to alleviate the likelihood of issue recurrence.

Embarc will implement comprehensive, responsible neighbor and nuisance mitigation strategies to alleviate any community concerns. Although we believe that our Head of Community Affairs will be able to prevent

these issues from arising by cultivating healthy and frequent communication with our neighbors, company policies will require that any staff member receiving a complaint report the concern to his or her Manager immediately.

We understand other potential impacts may arise from normal business operations which are not currently contemplated. Should that occur, we will work closely with community members, neighborhood leaders, and local businesses to document and resolve any issue. All necessary actions will be taken to resolve a complaint, and all records of complaints will be kept on-site. Should a complaint occur, employees will be required to adhere to the following written policies and procedures:

**STEP 1: DOCUMENT THE CONCERN OR COMPLAINT**

Any employee receiving a complaint will first document the concern on a standard company form. The employee will record as much information from the aggrieved individual as possible, including the source of concern and the length of time it has transpired. The employee will also ask for and record the individual's contact information for follow-up. Employees will be trained in de-escalation techniques to ensure the aggrieved individual understands we are sympathetic to his or her concerns and seek to address them immediately and transparently.

**STEP 2: IMMEDIATELY REPORT THE CONCERN OR COMPLAINT**

Employees will be trained and required to immediately report any concern or complaint to the General Manager and the Head of Community Engagement. The employee will scan and provide the form via email to both Ron Turner and the General Manager with the subject line "FOR IMMEDIATE ATTENTION." Employees are also encouraged to provide their suggested solutions and potential mitigation strategies as part of the email. Once emailed, the employee is also directed to speak with the General Manager in person, or a Manager if the General Manager is not available.

**STEP 3: DEVELOP AND EXECUTE A PLAN-OF-ACTION**

Next, the General Manager, Head of Community Engagement, and employee will develop and execute an action plan to resolve the issue. The plan will articulate, and Embarc will implement, a short-term solution to alleviate the complainant's concern as well as a long-term solution to prevent the issue from arising in the future. Embarc will incorporate any long-term solutions into our standard operating procedures to prevent the issue from reoccurring and employees will be trained on the new policy within one week of the solution being implemented.

**STEP 4: FOLLOW-UP WITH COMPLAINANT**

Our Head of Community Engagement will personally follow-up with the complainant to ensure his or her concern was adequately and efficiently resolved. During the conversation, the Head of Community Engagement will articulate what steps were taken to mitigate the concern and the protocols that were developed to prevent the issue from occurring again. Finally, the Head of Community Engagement will inquire if there are any additional concerns the aggrieved individual would like Embarc to rectify or if the issue was resolved to his or her satisfaction.

**STEP 5: DOCUMENT THE INCIDENT AND RESOLUTION**

Lastly, our Head of Community Engagement or designee will create a complaint report of the entire incident that documents the following:

- Concern, complaint, or grievance



- Reporting employee's information
- Contact information of the complainant
- Action plan and resolution
- Future protocols that were implemented to prevent the issue from reoccurring
- Follow-up conversation with the complainant and his or her disposition of the resolution
- Trainings that occurred as a result of the new standard operating procedures

Complaint reports will be distributed to ownership to ensure accountability and awareness. Embarc will keep all complaint reports for a minimum of five (5) years, unless otherwise required by law. Periodically, our Head of Community Engagement may audit these complaint reports to certify the concern was efficiently resolved and that the new protocols are effective.

## Noise Mitigation

Embarc is taking a number of precautions and implementing a variety of measures guaranteed to combat and mitigate excessive noise. Embarc will never produce excessive or unnecessary noises that would detrimentally impact the public health, comfort, safety, welfare or prosperity of the surrounding neighborhood and Fairfield community.

All noise producing activities, including but not limited to, construction, landscaping, and motor vehicle operation, will comply with all Fairfield noise sound ordinances. No sound production or reproduction systems inside the Facility will be maintained at a volume level higher than what is necessary for the convenient hearing of persons present, including shipping and receiving activities. We will prohibit horns or signal devices on any of our, or our employees' vehicles, except as a danger signal or to give warning. We will always ensure horns and signal devices are not sounding for an unnecessary or unreasonable period of time.

To minimize our impact on the neighborhood during build-out of our facility, construction activities will only occur with a special permit from the City, between reasonable or preapproved hours. The entire premises, including the parking lot, will be monitored under constant video surveillance and routinely patrolled by our security guards.

If any person or vehicle is identified as causing a disturbance or being excessively noisy, that individual will immediately be escorted off the premises and, if necessary, reported to law enforcement. We will ensure all motor vehicles on our premises, including motorcycles, adhere to appropriate sound level decibels. Motor vehicles exceeding these established limits will be asked to leave the premises by our security team. Our security guards will also work to ensure no motor vehicle on our premises is left idling for more than five minutes.

## Light

Embarc understands the community's desire for a safe and secure facility that blends seamlessly into the surrounding neighborhood, along with the ability to enjoy the night sky without obtrusive bright lights. The exterior of our dispensary, including the parking lot, will be adequately illuminated for security purposes while not posing a nuisance.

As detailed in our security plan and summarized here:

- Exterior lighting will be white light using LED lamps with full cutoff fixtures to limit glare and light trespass.

Color temperature will be between 2700K and 4100K with a color rendering index of 80 or higher and a light loss factor of .95 or better.

- Light poles will be no higher than 20'. Broken or damaged exterior lighting will be repaired or replaced within 48 hours of being noted.
- Entry drives, drive aisles, parking and bicycle parking will be illuminated to a maintained minimum of 1.5 foot candles per square foot of parking area at a 6:1 average to minimum ratio.
- Exterior walkways, alcoves and passageways will be illuminated to a maintained minimum of 1/3 foot candles per square foot of surface area at a 6:1 average to minimum ratio.
- Exterior lighting will be shielded or otherwise designed to avoid spill-over illumination to adjacent streets and properties.
- All mature landscaping will follow the two-foot, six-foot rule. All landscaping will be ground cover, two feet or less and lower tree canopies of mature trees will be above six feet. This increases natural surveillance and eliminates hiding areas within the landscaping.
- Tree canopies will not interfere with or block lighting to avoid creating shadows or areas of concealment. The landscaping plan will allow for proper illumination and visibility for surveillance cameras.

Should facility lighting give rise to a complaint, Embarc will work to develop a compliant lighting solution that accommodates neighborhood concerns without sacrificing security. Our General Manager will ensure that the electrical system and lighting comply with all applicable state and local laws, regulations, ordinances, and other requirements, are maintained in good repair, and do not present an electrical shock or fire hazard.

## Odor Mitigation

Through a combination of high-tech air scrubbing and carbon filtration systems, negative air pressure, and other odor mitigating techniques, we are employing industry-leading best practices to ensure that our odor mitigation design embraces regulatory compliance and nuisance mitigation.

Due to spatial constraints, please see Sections 3.3 through 3.5 below for a detailed Odor Mitigation Plan. This plan ensures that our retail facility serves as an environmental steward for the community and does not create a public nuisance.

Our Odor Mitigation Plan was created and refined through our teams' years of experience operating industry-leading cannabis facilities. As a result of this experience, we know that, if not properly treated, cannabis odors can pose security risks and create a public nuisance in the surrounding community. Such a condition is antithetical to our goal of being a contributing member and good steward of our community. Consequently, we will take all possible steps to treat odors before they become problematic, and proactively address any complaints of unpleasant or offensive odors arising from the facility.

As a component of our proposed Good Neighbor Policy, Embarc will be responsible for the development, implementation and maintenance of an Odor Management Plan. This includes maintenance of all records relating to odor management including system installation, maintenance, equipment malfunctions and

deviations from the plan. The General Manager will verify the effectiveness of the air quality management system weekly by physically inspecting the system by listening for the sound of the system, visually ensuring the lights are on and the system is functioning and verifying there is no odor. The General Manager will log that the system has been checked weekly in an odor control maintenance log.

In the event that Embarc receives an odor complaint, the General Manager will:

- Log the date, time, source, contact information and description of the complaint.
- Within 30 minutes, the General Manager will identify the source of the odor by physically inspecting the facility for any unpackaged cannabis product that may be emitting odor. This includes inspection of all areas of the retail premises including secure storage area and retail floor, or any other areas where cannabis products are featured or stored.
- Upon identification of the source of odor, the General Manager will dispose of the flower, or cannabis product, in a secure and air-tight, secure waste disposal area and log the disposal in the track and trace system as well as the odor control log.
- The General Manager will also physically inspect the odor control system, within 30 minutes of receiving an odor complaint, to ensure it is functioning properly.
- If the General Manager identifies that the odor control system is malfunctioning, the General Manager will immediately contact the manufacturer.
- The General Manager will determine if the issue can be addressed with the manufacturer over the telephone. If the malfunction cannot be resolved over the phone, the General Manager will schedule the first available appointment with the manufacturer to visit the retail facility to physically inspect the odor control system.
- If the odor control system cannot be fixed, the General Manager will immediately place an order for the first available replacement part or new system.
- The General Manager will immediately communicate the complaint and resolution to Embarc's executive management team via email within 2 hours.
- The General Manager will discuss the source of the odor complaint or issue and its resolution with the retail team at the next team meeting to develop and implement procedures to avoid a future odor complaint.

## Litter Control

We will utilize two primary methods for litter prevention and mitigation at our retail facility. The first method is providing ample waste receptacles for customers and staff. The second method is employee litter checks and hourly premises inspections.

In addition to these methods, we will adopt a strict no-littering policy for all employees and customers. Any employee who is discovered to be littering on the premises will first receive a written warning, followed by

increasingly serious disciplinary actions. We believe the best tool in the fight against littering is to give our patrons and employees ample places to properly dispose of their refuse.

In the public facing portions of our facility we will have multiple three-stream waste receptacles. These receptacles will allow customers to properly dispose of their non-cannabis waste in landfill, recycling, and compost compartments to streamline the disposal process. Similarly, Embarc will provide three-stream waste receptacles for non-cannabis waste in all back-of-house areas of our dispensary where only employees or authorized contractors will be present.

With ample access to proper receptacles, there will be no excuse for our employees to not dispose of their waste properly. All cannabis product waste will be disposed of in compliance with all applicable state and local laws, regulations, ordinances, and other requirements. In the event a neighbor or member of the community feels that litter is accumulating in or around our facility, our Head of Community Affairs, will immediately rectify the situation.

## **Vehicle and Pedestrian Traffic**

Our proposed store is located in a retail center with abundant common area parking, and a simple ingress and egress from the premises. In addition, we have considered vehicular turning movements in relation to traffic flow, proximity and relationship to intersections, adequacy of sight distances, location, and access of parking. In the event a member of the community is concerned with pedestrian or vehicular traffic, our Head of Community Engagement will immediately investigate the situation.

## **Loitering**

Per Section 10E.24(j) of the Fairfield Code, we will prohibit loitering outside the facility and will notify the Fairfield Police Department if anyone continues to loiter after all reasonable actions have been taken to remove the individual(s). Simply put, loitering will not be tolerated under any circumstances. All employees will receive training and implement protocols to reduce the risk of disruptive, nuisance behavior and negative impacts on neighbors. This includes ensuring that customers immediately exit the premises upon obtaining cannabis.

Security and staff will be responsible for controlling patrons' conduct on the property. This includes taking immediate action upon identification of a customer who is engaging in any inappropriate behavior, including but not limited to loitering, consumption of cannabis, tobacco or alcohol on-site, littering, graffiti, harassment, noise and/or illegal parking.

Security personnel will be aware of customers leaving the facility who are carrying the easily distinguishable child-proof exit bags and will monitor their exit from the premises. Because we will always have security personnel with visual access to both our security monitors and exterior, such personnel will be aware of any individuals on our property.

If any of our neighbors or members of the community feels that loitering on our premises is posing a nuisance to the community, we welcome them to reach out to our Head of Community Engagement, who will seek to rectify the situation immediately. Additional protocols will be implemented to adequately meet the community's needs.

Importantly, as detailed above, our security guards will also engage in periodic neighborhood sweeps, ensuring no littering, loitering or other negative impacts on the neighborhood. However, in the event a member of the community is concerned with loitering, our Head of Community Engagement, along with security personnel, will immediately rectify the situation.

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### **3.2. Describe how the CCB will be managed so as to avoid becoming a nuisance or having impacts on its neighbors and the surrounding community.**

#### **PREVENTION OF NEGATIVE IMPACTS ON NEIGHBORS AND SURROUNDING COMMUNITY**

The key to an effective response protocol is accessibility. Per Fairfield Municipal Code Section 10E.31(a), Embarc will provide to both the City and to all businesses and residences within 1,000 feet of the store—rather than the City mandated 100 feet—contact information for Embarc’s day-to-day supervisory/managerial personnel.

Additionally, we will provide the Police Chief with the name, telephone number (both landline and mobile, if available) of at least one 24-hour on-call designated emergency contact employee to respond to complaints and/or operating problems or concerns.

This contact information will also be readily available online and posted conspicuously on the exterior of the facility such that any passerby can access management staff with issues at any time.

Embarc will encourage neighbors to report any impact, real or perceived, that they experience in relation to Embarc’s operations. Thereafter, Embarc will dedicate all reasonable time and effort to resolving any such issue to the impacted neighbor’s satisfaction. This mitigation could include making a roaming security officer available as a means of addressing any nuisance activities perceived as attributable to Embarc’s business operations. Any such assigned security officer will be directed to mitigate the situation to the maximum limit permitted by the Private Security Services Act. Furthermore, Embarc will encourage neighboring residents to contact our personnel prior to contacting the City.

Depending on the nature of the issue and whether it is community or operationally based, the inquiry will be managed by Ron Turner, Embarc’s Head of Community Engagement, or Embarc Fairfield’s General Manager. In this capacity, Ron and/or the General Manager will be responsible for timely resolution of any community issues or concerns brought to our attention.

#### **COMMUNITY & NEIGHBORHOOD OUTREACH**

As local business owners, we appreciate the need for ongoing engagement and collaboration with the community at large and the neighborhood surrounding our facility. In addition to the extensive community benefits programs detailed in Section 7 – Community Relations Plan, we have also identified ongoing engagement strategies to ensure thoughtful integration of our proposed operations into the neighborhood.

Given that COVID-19 has made in person events and door-to-door canvassing potentially unsafe, we propose the following outreach and engagement efforts prior to opening the store:

**NEIGHBORING BUSINESS OUTREACH**

Embarc as well as the property owner have already conducted outreach to co-located businesses who have acknowledged and are supportive of the proposed use.

**OPEN HOUSES**

We will host at least three (3) open houses between the receipt of a Conditional Use Permit and the commencement of operations, designed to provide residents with the opportunity to meet our owners, ask questions about our proposed operations and get a better understanding of our vision. During these open houses, we will focus on impact mitigation and community benefits but will be available to answer any and all community questions and/or concerns. Having these direct engagement opportunities is important to addressing concerns related to cannabis operations.

Assuming COVID-19 conditions continue, at least some of the open houses will likely be undertaken virtually via Zoom or other similar platform. However, prior to opening the store, we will host at least one (1) in-person meeting (with a mandatory sign-up sheet to ensure proper capacity and social distancing can be maintained) in order to provide store tours to interested residents and business owners. These tours will be focused on those in the immediately surrounding neighborhood and are intended to provide an understanding of the myriad compliance and security measures in place governing operations. Based on our experience, this type of community outreach is essential to dispelling myths, falsehoods, inaccurate perceptions, and general unawareness of how legal, compliant cannabis dispensaries operate.

**INFORMATIONAL CANVASSING**

Should the City find it appropriate, Embarc is willing to canvass the neighborhood prior to the public comment period associated with the CCB permitting process in order to answer constituent questions. Should door-to-door canvassing be considered unsafe given COVID-19, we would be willing, instead, to send a mail piece providing Ron's direct phone number so that he could respond to queries. Doing so may help address comments and concerns prior to their being raised during the public comment period.

Once operational, our Head of Community Engagement and management team will host semi-annual "open listening sessions," where members of the community will be able to voice opinions, ask questions, and meet the Embarc team. Our goal for these sessions is to address any unforeseen concerns and to ensure we are fulfilling our obligations as a good neighbor.

**NEIGHBORHOOD SAFETY**

Increased safety surrounding the facility is a positive byproduct of the immense attention-to-detail given to our facility's security measures. Our presence in the neighborhood comes with patrolling security guards, an industry-leading surveillance system with coverage extending across the entirety of the interior and exterior of the facility and beyond, and advanced alarm systems with immediate access to local law enforcement. We are confident that the extreme importance placed on facility security and safety will result in a positive impact on the safety and wellbeing of our neighbors. In fact, other communities located near legal, compliant cannabis facilities have seen increased property values as a result of the enhanced security.

**NEIGHBORHOOD BEAUTIFICATION**

While engaging the neighborhood is critical, we also believe in the importance of rolling up our sleeves and engaging in ongoing neighborhood beautification efforts. As part of our paid employee volunteerism program, detailed further in Section 7, our staff will serve as a volunteer street team on beautification projects near the store. We will also seek to identify opportunities to partner with the Chamber of Commerce and/or

local business associations and non-profit organizations to assist on an ongoing basis, from helping to fund and paint crosswalks to picking up litter from the street. Based on feedback we have received during community outreach, we will also engage in beautification efforts targeted at cleaning up the encampments at the nearby creek.

**PARTNERSHIP WITH LOCAL LAW ENFORCEMENT**

As we have done in other cities and given Ron’s history as a former law enforcement officer in the City of Fairfield, Embarc will seek to form a positive, communicative dialogue with the police department. Embarc has reserved a seat on the Community Advisory Board for a representative from law enforcement to provide quarterly updates and insight into the business and its operations, but thought it inappropriate to conduct outreach about participation on the Community Advisory Board until after the conclusion of this process.

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### **3.3 Describe odor mitigation practices.**

Embarc is committed to mitigating and controlling any odors associated with our facility and will be responsive to the odor control requirements set forth in the applicable state and local regulations. Specifically, Embarc will exceed the requirements set forth in Fairfield Municipal Code Section 10E.24(h):

- Embarc utilizes odor control devices and techniques to ensure that odors from cannabis are not detectable off-site.
- Embarc provides a sufficient odor absorbing ventilation and exhaust system so that odor generated inside the commercial cannabis business that is distinctive to its operation is not detected outside of the facility, anywhere on adjacent property or public rights-of-way, on or about the exterior or interior common area walkways, hallways, breezeways, foyers, lobby areas, or any other areas available for use by common tenants or the visiting public, or within any other unit located inside the same building as the commercial cannabis business.
- Embarc will install and maintain the following equipment, or any other equipment which the City Manager determines is a more effective method or technology:
  - An exhaust air filtration system with odor control that prevents internal odors from being emitted externally;
  - An air system that creates negative air pressure between the commercial cannabis business’s interior and exterior, so that the odors generated inside the commercial cannabis business are not detectable on the outside of the commercial cannabis business.

Embarc’s odor mitigation practices are intended to serve the following purposes:

- To ensure that air circulation resulting from Embarc retail operations does not impact our employees’ health and welfare;
- To ensure that air circulation resulting from Embarc retail operations does not impact surrounding businesses and outdoor areas; and
- To ensure thoughtful operations that demonstrate a true commitment to the health and welfare of the City and its residents.



Through our leadership team's years of operating cannabis facilities across the country, and the lessons learned at Embarc Tahoe, we have developed industry-leading protocols and procedures to mitigate and eliminate any potentially offensive odors that could be detectable by the surrounding community.

Many of Embarc's odor mitigation practices overlap with its hygiene protocols. Embarc will train all employees to maintain a sanitary facility reinforced by anti-contamination standard operating procedures. Per Fairfield regulations, Embarc prohibits employees from consuming cannabis within or outside our licensed facility, and odor control devices such as carbon filtration technology will be utilized to minimize the chances of off-site detection of odors emanating from our facility. To further minimize or eliminate odors emitted to the surrounding community, no cannabis will be stored or displayed in an area accessible to the general public or stored overnight outside of the building.

Our Odor Mitigation Plan will be approved by the applicable City authorities prior to operation. The system will consist of an exhaust air filtration system utilizing multiple fans and active carbon filters to prevent internal odors from escaping the facility. Generally, this means exhaust air will be filtered through active carbon filtration and, where applicable, HEPA filters prior to exterior release. Carbon filters will be regularly inspected and recharged and/or replaced in accordance with usage and manufacturer specifications. Embarc will also perform self-inspections, encourage employee observation and reporting, and create response protocols to effectively address any odor complaints that may arise. It is our intention to resolve any complaints received from neighbors in a timely and satisfactory manner.

Our administrative controls have been field-tested and proven effective. They have been designed to ensure that no odors will be detectable outside of our facility. Our General Manager will ensure all odor-producing activities are isolated and mitigated and will perform routine audits to ensure that odor mitigation equipment, filters, and ventilation are working effectively and in good order. Each employee will be trained to ensure that all doors remain closed and odor-emitting activities are isolated. If an employee notices any equipment malfunction, he or she is required to immediately report the situation to the General Manager, who will develop a plan of action to repair or replace the equipment.

Please see Section 3.5 for more detail on all the odor control devices and techniques employed by Embarc to mitigate odors.

Odor mitigation practices are only as good as their implementation. Toward that end, Embarc's Odor Mitigation Plan seeks to be all-encompassing, focused not only on the mitigation of odors but also on the ongoing maintenance of best practices with clearly defined process ownership, community engagement and communications protocols. It is this level of detail that ensures effective ongoing odor management is achieved.

Embarc's odor management is broken down into the following components, further detailed below:

- 1. PHYSICAL INFRASTRUCTURE**
- 2. BEST PRACTICES**
- 3. COMMUNITY ENGAGEMENT AND RESPONSIVENESS**
- 4. INTERNAL PROCESS OWNERSHIP**

#### **PHYSICAL INFRASTRUCTURE**

Embarc's approach to retail design contemplates the importance of physical infrastructure necessary to mitigating odors. For more on the techniques and devices used to mitigate odor in our physical infrastructure plans, please see section 3.5.



## **BEST PRACTICES**

Embarc will employ industry-leading best practices to prevent odors from being generated and/or detected inside or outside the facility. Embarc will provide a sufficient odor absorbing ventilation and exhaust system so that odor generated inside the business that is distinctive to its operation is not detected anywhere outside of the facility. For more on the devices and techniques used in Embarc's odor mitigating best practices, please see section 3.5.

## **COMMUNITY ENGAGEMENT & RESPONSIVENESS**

In addition to physical infrastructure designed to mitigate odors, an important component of our odor control plan is community engagement and responsiveness. While our facility is designed to eliminate odors, we recognize that any new cannabis use, even if that use is not odor-generating, can result in questions and concerns from community leaders, residents and businesses. Thus, a critical component of our Odor Management Plan is a robust community responsiveness protocol designed to be proactive in addressing community questions and diligent in responding to concerns. For more information on our community engagement and responsiveness to community complaints regarding odor, please see section 3.1.

## **INTERNAL PROCESS OWNERSHIP**

Embarc's retail management structure ensures that there is at least one Manager on-site during all working hours. All Managers and staff are trained extensively on standard operating procedures, including the odor management protocols outlined in this proposal. Managers are responsible for ensuring any odor issues are resolved promptly and that the resolution is communicated effectively both internally and externally.

As part of operational training, the General Manager will train all employees on odor detection, mitigation, and reporting. Additionally, each new hire must complete an odor control training curriculum including both odor detection and de-escalation techniques for use in discussion with a community member that may raise a concern. The General Manager will organize a retraining on administrative and engineering activities for odor mitigation at least once a year or following any material change in odor mitigation equipment or policy.

Trainings will be conducted in person, using real world examples and hands-on learning activities. All employees will be trained on Embarc's specific activities for odor mitigation, including but not limited to:

- Employee responsibilities
- The importance of closing doors and windows
- Recordkeeping
- Employee observation and reporting

Additionally, the General Manager and other Managers will remain apprised of:

- System design
- Equipment cleaning
- Ensuring exhaust and filtration systems are running as required
- Equipment maintenance
- Equipment audits and checks

As part of the quarterly all-hands meetings, Embarc will engage in refresher courses to remind employees of best practices for odor mitigation. These refresher courses will be mandatory for all employees. During these trainings, the General Manager will stress that odor mitigation is each employee's responsibility.

Embarc will also emphasize the fact that we are members of the Fairfield community, and that each employee therefore has an obligation to mitigate odors and make a positive impact on the neighborhood. Embarc's employee training practices have been proven to be successful in our Tahoe store. Our hands-on experience operating this type of facility has taken the guesswork out of developing training protocols and allows us to utilize evidence-based training that has proven effective in various regulatory environments.

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### 3.4 Identify potential sources of odor.

As cannabis is legalized in states across the country, significant research is being undertaken to better understand odor intensity at each point in the cannabis supply chain. These findings are integral to ensuring thoughtful air quality management best practices are in place specific to each point along the chain.

One example of the research driving the development of best practices can be seen in the City of Denver's Public Health and Environment Guide to reducing the impact of cannabis operations on air quality. Per this Guide, odor generation is typically associated with the cultivation and manufacturing of cannabis, as both processes are odor intensive:

**|| The cannabis industry directly impacts air quality in two predominant operations; plant growth cultivation and Marijuana Infused Product (MIP) facilities. At cultivation facilities, the natural growth of cannabis plants and other processes emit terpenes which are VOCs known for their strong odors. At MIP [manufacturing] facilities, the evaporation of solvents and other processes in the production cycle result in Volatile Organic Compound (VOC) emissions. VOC's alone do not typically pose a direct threat to human health or the environment. However, they do contribute to ground-level ozone by chemically reacting with other types of pollution, specifically, nitrogen oxides (NOx) in the presence of sunlight. Ozone is an air pollutant that is harmful to human health and negatively impacts the environment, therefore it is important that the cannabis industry mitigate VOCs in their processes.**

**CITY OF DENVER**  
PUBLIC HEALTH AND ENVIRONMENT GUIDE

During cultivation, the growth of cannabis plants generates terpene emissions which are associated with a strong odor. After cannabis is cultivated, manufacturing facilities transform the raw plant into various products, including concentrating the oil and plant material. This process is also associated with a strong odor given it requires manipulation of the plant.

In California, State law requires that all products arrive at a retail establishment fully processed, tested, packaged and sealed in child resistant packaging. Because all products arrive at Embarc retail facilities in their final packaged form, there are virtually no odors associated with this license type.

Specifically, per State law, all packaging shall:

- Protect the product from contamination;
- Be tamper evident and sealed so the contents cannot be opened without destruction of the seal; and
- Be child resistant as stipulated by the California Department of Public Health Code Section 40415.

Our proposed dispensary will receive, store and sell packaged products in their final form. Consequently, it is highly improbable that any on-site product will emit a strong odor. Nevertheless, this section contains a comprehensive odor management plan designed to ensure odors are undetectable.

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### **3.5. Describe odor control devices and techniques employed to ensure that odors from cannabis are not detectable beyond the licensed premises.**

Odor control devices and techniques will be incorporated in all aspects of our facility to ensure cannabis odors are not detectable off-site. Embarc will provide a sufficient odor absorbing ventilation and exhaust system so that odor generated inside the property is not detected anywhere outside the facility, including the adjacent property or public rights of way, on or about the exterior or interior common area walkways, hallways, breezeways, foyers, lobby areas, or any other area available for use by common tenants or the visiting public, or within any other unit located inside the same building as Embarc Fairfield.

#### **Physical Infrastructure**

Examples of the physical infrastructure that has been contemplated in the development of a proposed odor plan for Embarc include, but are not limited to, the following:

1. Reduced path of travel for deliveries of bulk cannabis goods, i.e. a reduced path of travel for distributor(s) to transport products from the distributor's vehicle to the inventory room
2. Installation of weather stripping on all doors and windows to prevent odor leakage
3. A sufficiently sized inventory room to allow for all (appropriately packaged and self-contained) product to be unpacked from bulk boxes within the inventory room to ensure interaction with cannabis products at a high volume are self-contained

#### **Odor Mitigation Techniques**

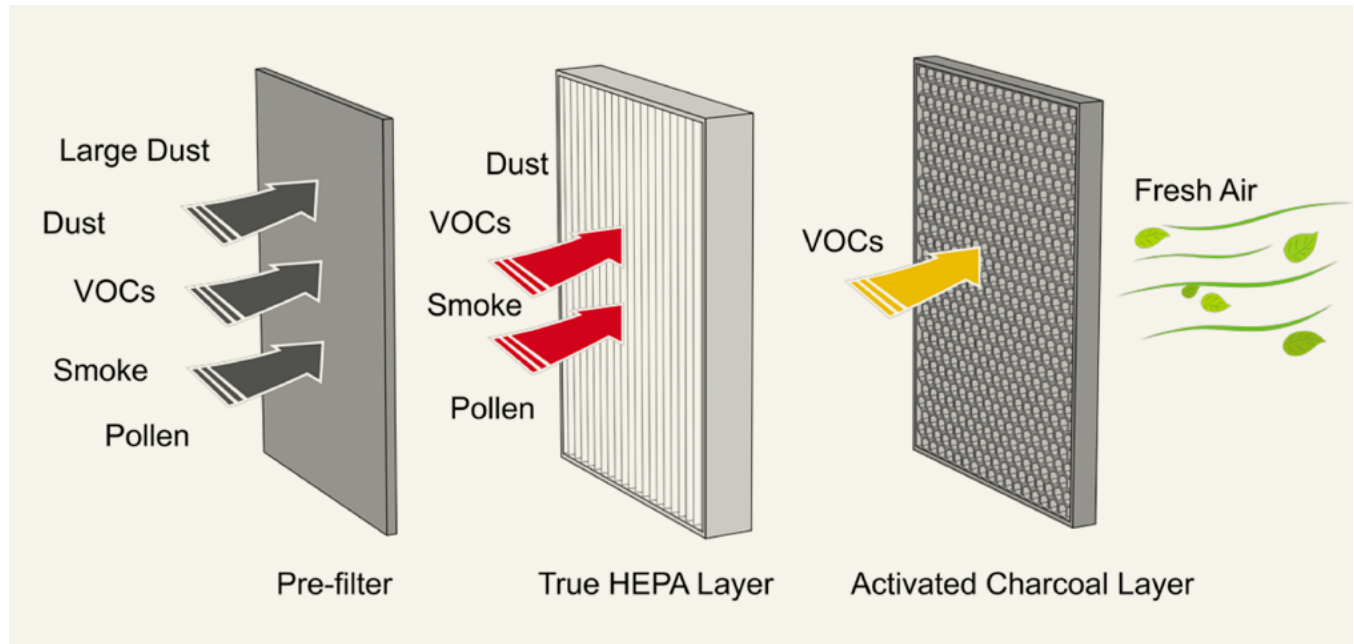
##### **No Odor-Producing Activities On-Site**

Embarc will not be conducting any cultivation, testing, packaging, extraction or distribution of cannabis and no noxious fumes or gases will be released.

##### **Carbon Charcoal Scrubber**

Embarc will use a carbon charcoal scrubber to remove contaminants and impurities using chemical absorption which will prevent odor from escaping the facility. Carbon charcoal scrubbers are an industry best practice for effectively neutralizing and mitigating odor from cannabis and other industries. Per the City of Denver best practices report:

**Carbon filtration is currently the best control technology for reducing VOC emissions from cannabis [facilities] ... These filters work by using an absorption process where porous carbon surfaces chemically attract and trap VOCs along with other gas phase contaminants. Depending on the filter system, carbon filtration can remove 50—98% of VOCs ... This improves public health and the environmental impacts of the facility.**



### Air Filtration and Negative Air Pressure

Our HVAC consultant will design our air system to maintain negative air pressure between the interior and exterior of the building. The HVAC consultant will follow industry standard procedures that are summarized here, based on a study conducted by the California Department of Health Services and the Lawrence Berkeley National Laboratory:

1. Maintain the interior as depressurized relative to the exterior of the building. Our pressure differentials will be between  $-5$  to  $-7$  Pa ( $-0.02$  to  $-0.03$  in. w.c.). Because of this, exhaust efficiencies of at least 90% will be achieved.
2. Air from the commercial cannabis sales area will be filtered and exhausted to the outside without recirculation to other occupied spaces.
3. Increasing the ventilation rate will diminish the concentration of contaminants in any air that happens to leak from the commercial cannabis sales floor to the other areas of the building.

We will work with our vendor, Pure N Natural Systems, to procure industry-leading technology to implement the negative air pressure system including the use of the Clean Leaf System. This system captures VOC's, odors and more. As the air flows through three stages of filtration, it is cleaned of odors.

### Biofiltration

As a component of Embarc's commitment to sustainability, we will utilize biofiltration as a component of our broader odor control plans, effectively enhancing odor control efforts. A recent NASA Clean Air Study identified biofiltration as a powerful tool in controlling odors. Through use of "living walls" and beneficial microbes, Embarc will be able to filter indoor pollutants and odors from the air in a completely sustainable way.

### In-Site Odor Neutralization

Embarc will utilize industry-leading odor neutralization gel to eliminate odors. Odor neutralizers are different than air fresheners as they are chemically compounded gels that bind to and absorb terpenes, thus eliminating the cannabis smell. By utilizing these products in the inventory room and sales floor, Embarc is adding another layer of odor mitigation.

### Ventilation System

Our facility will be equipped with a ventilation system to maintain air quality and prevent any cannabis odor from leaving the premises. The ventilation system is designed to control the facility's environment, taking into consideration the square footage, quantity of cannabis products on site, and any odor-emitting activities that occur. Every occupied space will be ventilated by natural or mechanical means in accordance with the International Mechanical Code, International Building Code, and National Fire Protection Association Code. As previously stated, odor control equipment utilized at the facility will include responsible ventilation design and activated carbon filtration technology.

- **VENTILATION INTAKE OPENING:** The location of air intake openings will comply with the International Mechanical Code. All intake fans will be equipped with UV and insect filters. Air intake openings that terminate outdoors will be protected with corrosion-resistant screens, louvers, or grilles. Openings in screens, louvers, and grilles screens will be sized in accordance with the International Mechanical Code and will be protected against local weather conditions. Outdoor air intake openings located in exterior walls will meet the provisions for exterior wall opening protective measures in accordance with the International Building Code.
- **OUTDOOR AIR:** The minimum outdoor airflow rate will be determined in accordance with the International Mechanical Code. Ventilation supply systems will be designed to deliver the required rate of outdoor airflow to the breathing zone within each occupied space.
- **AIR BALANCING:** The ventilation air distribution system will be provided with a means to adjust the system to achieve at least the minimum ventilation airflow rate, as required by the International Mechanical Code. Ventilation systems will be balanced by an approved method. Embarc will maintain air balancing reports in the Facility Maintenance Log.
- **NEGATIVE AIR PRESSURE:** As detailed above, negative air pressure will be maintained at all time inside the building. We will accomplish this by compartmentalizing the facility and by utilizing negative pressure airlocks. The airtight functionality will create pressure differentials that alleviate the permeation and spread of odors. Furthermore, doors and windows will remain closed at all times, except for the minimum time required to allow people to enter and exit the building.
- **EXHAUST OPENING PROTECTION:** Exhaust openings that terminate outdoors will be protected with corrosion-resistant screens, louvers, or grilles. Openings in screens, louvers, and grilles will be sized not less than a quarter inch (1/4") and not larger than half an inch (1/2"). Openings will be protected

against weather conditions. Outdoor openings located in exterior walls will meet the provisions for exterior wall opening protective measures in accordance with the International Building Code.

- **DUCT SYSTEMS:** The ducting systems used for the facility's heating, air-conditioning, ventilating, and exhaust systems will conform to the provisions of the International Mechanical Code and National Fire Protection Association Code 90A.

Ultimately, we commit to utilizing the best available technology, devices, and techniques to eliminate odors and to effectively maintaining these systems to maximize their efficacy.

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### 3.6. Describe all proposed system maintenance.

Because each location is different, there is no one-size-fits-all maintenance schedule for retail operations. Rather, a customized plan is created for each location by the Chief Operating Officer, Vice President of Retail Operations, onsite Manager, and construction team.

Chief Operating Officer Terri Gilles oversees system maintenance for Embarc, bringing years of operational experience at some of the premier cannabis retailers in the country. The operational excellence, including precise system maintenance protocols, exhibited at Embarc Tahoe is a testament to this team's ability to approach system maintenance proactively and efficiently.

In accordance with Section 10E.18(d) of the Fairfield Code, system maintenance includes ensuring the property is consistently provided with adequate electricity, sewerage, disposal, water, fire protection, and storm drainage for the intended business purpose. However, Embarc is further committed to ongoing preventative maintenance to ensure proper functionality of all operations as well as aesthetic management of the facility and surrounding area. We maintain proper facility management through the following processes:

- At the conclusion of a store buildout, the Chief Operating Officer and Vice President of Retail will schedule a building walkthrough with key members of the construction team to review all components of the facility as well as all warranty and maintenance information. This site inspection and transfer of warranty and other documentation is required of the general contractor before final payment is made and is kept in a binder on the premises.
- Upon finalizing the documentation and handover from the construction team, the Chief Operating Officer and Vice President of Retail will then meet with the local onsite Manager to review the binder in detail. During this meeting, the Chief Operating Officer, Vice President of Retail and on-site Manager review the binder in great detail to develop a comprehensive, preventative maintenance schedule. Items requiring maintenance plans include, but are not limited to:
  - HVAC System Maintenance
    - Odor Mitigation Infrastructure
    - Charcoal Filters
    - General PM Schedule
  - Smoke Detectors & Carbon Monoxide Alarms
  - Uninterrupted Power Sources (UPS) batteries for DVR and Network Server Systems

- Exterior Camera Cleaning
- Exterior Siding
- Roof Structures
- Landscaping
- Pest Control
- Plumbing Back Flow & Hydrojetting

During this meeting, the team also identifies all relevant contractors and service personnel and initiates contracts with them to ensure regular service. Embarc seeks to achieve 100% local service providers, and often utilizes the Chamber of Commerce membership guide as a starting point for identifying service providers locally. In fact, in order for any purchase order or service contract to be approved, the General Manager and/or on-site Manager must assure that the contractor or vendor is based in Solano County. Non-local service providers will only be utilized when the service is not available locally or where warranties dictate the use of a specific entity. Thus, our commitment to utilizing local service providers goes beyond an abstract sense of community.

While each store has different needs, examples of these types of contractors include, but are not limited to, the following:

- Landscaping and tree maintenance
- Deep cleaning and sanitation services
- Pest management
- Electricians
- HVAC Technicians
- Plumbing & Hydrojetting Services

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### 3.7. Describe the waste management plan.

#### Overview and Compliance with Laws and Regulations

While the City of Fairfield does not include regulations specific to waste management, Embarc strictly follows all regulations regarding waste promulgated by the Bureau of Cannabis Control (§ 5054 and § 5048) as such: Embarc will not dispose of cannabis goods, unless disposed of as cannabis waste, i.e., the cannabis has been made unusable and unrecognizable in the manner prescribed herein:

- Cannabis waste will be stored, managed, and disposed of in accordance with all applicable waste management laws, including, but not limited to, Division 30 of the Public Resources Code.
- Cannabis goods intended for disposal will remain on the licensed premises until rendered into cannabis waste. We will ensure that:
  1. Access to the cannabis goods is restricted to the licensee, its employees or agents; and
  2. Storage of the cannabis goods allocated for disposal is separate and distinct from other cannabis goods.



In order to be rendered as cannabis waste for proper disposal, including disposal as defined under Public Resources Code section 40192, cannabis goods will first be destroyed on the licensed premises. This includes, at a minimum, removing or separating the cannabis goods from any packaging or container and rendering it unrecognizable and unusable. This does not require vape cartridges to be emptied of cannabis oil prior to disposal, provided that the vape cartridge itself is unusable at the time of disposal.

Cannabis waste on the licensed premises will be secured in a receptacle or area that is restricted to the licensee, its employees, or an authorized waste hauler.

Embarc will report all cannabis waste activities, up to and including disposal, into the track and trace system, as follows:

If cannabis goods are being destroyed or disposed of, Embarc will 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 and disposal.
- C. The entity disposing of the cannabis waste.

## Waste Management Plan

Embarc has identified Gaiaca as its waste management partner for Fairfield. Gaiaca is CESCO, CAC, CMC, CDPH certified and is a leader in cannabis waste disposal as the nation's first fully licensed, compliant cannabis waste management company. Embarc has partnered with Gaiaca to develop a robust waste management plan that exceeds state and local regulations, which is briefly summarized here and detailed in our waste management plan (provided on request given spatial constraints for this submission).

Embarc anticipates generating only "non-hazardous cannabis waste" such as failed, returned, expired, or non-compliant cannabis products as well as retired cannabis product displays.

Embarc will purchase a secured cannabis waste receptacle, which will only be accessible by authorized personnel, the cannabis waste hauler and any regulatory agencies who need access. No access will be given to the public. The secure waste receptacle will be nonabsorbent, water-tight, vector resistant, durable, easily cleanable, galvanized metal or heavy plastic with tight fitting lids. The container will never be filled beyond the capacity that prevents complete closure of the lid.



Gaiaca will service the Embarc facility at a minimum of 1x per week, or on a schedule developed based on the amount of waste generated onsite to ensure effective waste management. Embarc staff and management will adjust its contract with Gaiaca to ensure the proper removal and storage of all cannabis waste. Prior to final disposal, all cannabis goods will be destroyed, including removing the product from any packaging and rendering it unrecognizable and unusable (BCC §5054.).

Waste containers will always be properly labeled with the type of waste accumulated and will be properly logged as part of Embarc's track and trace program. Containers will be identified with the following information: unique identification number ("UID") and tracking number, waste description, net weight, volume and date of origin. Additionally, any cannabis and/or product UIDs will be documented upon disposal.



Embarc Fairfield's General Manager will be responsible for creating and submitting a monthly waste management report, including the weight of the cannabis waste at collection point, date of collection, name and location of facility processing the cannabis waste and a copy of the processing facility/landfill/transfer station weight ticket. We will maintain complete records that can be provided to the Bureau of Cannabis Control and regulators upon request.

## Recycling

Embarc's waste management efforts also contemplate the importance of recycling, both to ensure items such as used vape pens are not readily accessible in trash cans and because it is the appropriate thing to do environmentally. As part of our waste management efforts, Embarc will maintain a locked, secured recycling vessel in the secure storage area to facilitate our vape pen recycling program. Customers are encouraged to recycle their old vaporizers and are provided a discount on their next purchase for every vaporizer they recycle with Embarc, whether it was purchased at Embarc or from another dispensary.

## Conclusion

Embarc has developed a comprehensive Neighborhood Compatibility Plan that effectively:

- 3.1 – Describes how the CCB will proactively address and respond to complaints related to noise, light, odor, litter, and, vehicle and pedestrian traffic.
- 3.2 – Describes how the CCB will be managed so as to avoid becoming a nuisance or having impacts on its neighbors and the surrounding community.
- 3.3 – Describes odor mitigation practices.
- 3.4 – Identifies potential sources of odor.
- 3.5 – Describes odor control devices and techniques employed to ensure that odors from cannabis are not detectable beyond the licensed premises.
- 3.6 – Describes all proposed system maintenance.
- 3.7 – Describes the waste management plan.

## Section 4: Safety Plan

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**4.1. The Safety Plan should consider all possible fire, medical, and hazardous situations, and shall be prepared and/or assessed by a professional fire prevention and suppression consultant. Complete policy/procedures manuals are not required with the initial application materials but may be requested by the City during the application evaluation process.**

The following safety plan was developed locally by David Hoover and Bret Tresidder of HYT Corporation. Mr. Hoover and Mr. Tresidder have an extensive and exemplary track record in the area of professional fire prevention and suppression. The following plan not only meets but exceeds the scoring criteria by considering fire, medical, and hazardous situations, is developed by a professional fire prevention and suppression consultant, and clearly identifies:

- Accident and incident reporting procedures
- Evacuation routes
- The location of fire extinguishers and other fire suppression equipment; and
- Procedures and training for all fire and life emergencies

Per the City of Fairfield's Application Procedures and Guidelines for a Commercial Cannabis Business Permit, below please find an abridged safety plan. Application prompts have been noted in bold. Extraneous information has been minimized given to spatial constraints.

### Consultant Biographies

Founded in 1996, HYT Corporation is a California Small Business firm specializing in fire protection engineering, consulting, and design. HYT Corporation's service delivery capabilities and experience include, but are not limited to, risk identification and assessment, water supply testing and analysis, fire protection and life safety system evaluation, business continuity evaluation, operations, maintenance, and administrative program review and development.



#### David W. Hoover

Mr. Hoover has over thirty-five years of experience in the areas of fire protection engineering, assessment, applications, and design. He specializes in the application of fire protection principles and regulatory code compliance concerns to special hazard occupancies and processes. Mr. Hoover has consulted with many types of occupancies and industries including refineries, chemical plants, universities, research laboratories, power plants, and manufacturing facilities.

At the request of the California State Fire Marshal, Mr. Hoover recently served on a special subcommittee to develop criteria for system design and installation parameters for the State's planned adoption of the fire sprinkler requirements for residential occupancies in the 2010 Building and Fire Codes.

Mr. Hoover has provided code consulting for permitting and occupancy, fire protection hazards analysis, and design services for new and existing plants, processing facilities, warehouses, manufacturing facilities, and laboratories. His experience includes code compliance assessments, development of fire protection and process safety criteria, fire protection design and consulting for facilities domestic and abroad. He is experienced in fire water supply and distribution systems, automatic sprinkler systems, deluge systems, fire detection and alarm systems, and special hazard suppression systems including foam, halon, bulk dry chemical, and CO2 systems. He has provided consulting services for application of hazardous materials requirements at the Federal, State, and local levels.

Mr. Hoover recently completed the design of the replacement fire alarm systems for all of the Buildings located at the Elmwood Correctional Facility located in Milpitas, California, Santa Clara County, EBMUD's high rise administration and building and six EBMUD facilities located at the Adeline Maintenance Center.

Mr. Hoover was previously employed as Manager, Fire Protection Services for Crawford & Company, an international engineering and consulting firm. Prior to that engagement, he was a supervising engineer with ABB Impell Corporation. Previous employment includes his services as a project engineer for Walter Kidde Fire Systems Operations. He functioned as a safety engineer for two Mobil Oil Corporation refineries (Augusta, KS and Torrance, CA). He also has over 7 years' experience as a paid and volunteer fire fighter/EMT.

**Bret B. Tresidder, P.E.** Mr. Tresidder has thirty-five years of fire protection systems design and assessment experience. His experience includes the design and or assessment of fire detection, alarm, and control systems, fire sprinklers for a broad range of hazards, pre-action systems, gaseous fire suppression systems, AFFF, and low and high expansion foam systems. He has performed fire protection systems assessments, designed fire detection, alarm, and suppression systems for research and laboratory facilities, chemicals plants, manufacturing facilities, warehouse and distribution facilities, mid- and high-rise buildings, and numerous other occupancies.

At the request of the California State Fire Marshal, Mr. Tresidder recently served on a special task force committee to correlate the State's planned adoption of the 2010 Building and Fire Codes with the various fire suppression standards developed by the National Fire Protection Association (NFPA). This multi-month effort resulted in numerous changes to the planned Codes.

Mr. Tresidder has handled a wide range of projects for diverse clients. These projects have involved both new construction and retrofit installations. Mr. Tresidder's

involvement goes from plan layout, specifications and hydraulic calculations to the application of codes and plan review. Currently, Mr. Tresidder is the fire protection engineer for the analysis and programmed replacement of the combination domestic and firewater distribution and supply system for the California Rehabilitation Center in Norco, California.

In addition to Mr. Tresidder's extensive fire protection design experience, he has recently provided expert witness and litigation assistance in civil actions regarding fire protection system designs and installations, constructability issues, and possible manufacturer's defect.

Mr. Tresidder served as a director of the Placer Hills Fire Protection District, providing fire and emergency response to several communities in Placer County. Mr. Tresidder previously served with the District as a volunteer firefighter and EMT with seven years of active duty.

Prior to joining HYT Corporation, Mr. Tresidder was a Fire Protection Engineer with Crawford & Company. Prior to that engagement, he was a Project Manager with Northstar Fire Protection Company.

## Scope

This document has been prepared in accordance with the City of Fairfield's Building and Fire Code Requirements for Cannabis Related Occupancies (dated April 22, 2020) which outlines the requirements for the permit application, plan review, approval, and inspection of cannabis related occupancies as well as Chapter 10E of the Fairfield Municipal Code related to commercial cannabis businesses. This document provides an overview of the Safety Plan for the planned Embarc space and also documents the fire protection and life safety features for the existing building and associated tenant space.

This report is based on Title 24 of the California Code of Regulations, Parts 2 and 9, 2019 California Building Code (CBC) and 2019 California Fire Code (CFC), respectively, as amended and adopted by the City of Fairfield. This document does not provide a complete listing of all possible Code requirements.

Embarc seeks to occupy a tenant suite within an existing building located at 180 Serrano Drive in Fairfield, California. The Building is one story in height, approximately 7,800 square feet in area and constructed as Type VB. Embarc seeks to occupy a single tenant space/suite (Suite A) comprising approximately 2,800 square feet in area. Embarc would occupy the space for cannabis retail purposes only.

## BUILDING/ PROPERTY INFORMATION

Assessors ID:	0028-171-300
Address:	180 Serrano Drive, Suite A Fairfield, CA 94533
Property Type:	Commercial Retail/Sales
Lot Size:	34,320sf
Closest Fire Hydrant:	150 feet north of facility on Serrano Drive
Construction	Type VB - The basic construction elements for the existing building are shown below for Type VB construction (utilizing the 2019 CBC).
Protection	Automatic Fire Sprinklers

No. of Stories	1
Occupancies	B, M & F1
Total Area	7,800 ft <sup>2</sup>
Use Area	2,800 ft <sup>2</sup>
Basic Allowable Area(1)	F1: 34, 000 ft <sup>2</sup> B & M: 36,000 ft <sup>2</sup> /floor
Height	1 - Story
Allowable Height	60 Ft./2-Stories
Year Built	2005
KNOX Access	Existing

Table Footnote:

1. CBC Section 506 permits increases in Allowable Building Area due to spatial separation, using CBC Equations 5-4 and 5-5. However, as the existing building is well below the Basic Allowable Area identified in CBC Table 506.2, no area increases are necessary. The F1- and B-Occupancies are shown as other tenant spaces exist/may exist within the same Building. The planned Embarc tenant space represents an M-Occupancy.

## Building Code Requirements (Fire Life Safety Related)

### ALLOWABLE AREA

The Building is well below the maximum allowable area permitted by CBC Section 506, Table 506.2 for the associated Occupancies, even without permissible Allowable Area increases.

### ALLOWABLE HEIGHT

The Building is well below the maximum allowable height and number of Stories permitted by CBC Section 504.

### OCCUPANCY CLASSIFICATION

In accordance with the City of Fairfield's Building and Fire Code Requirements for Cannabis Related Occupancies (dated April 22, 2020) and CBC Section 309, the Embarc tenant space is an M-Occupancy. CBC Section 309 defines M-Occupancies as mercantile group occupancies to include, among others, the use of a building or structure or a portion thereof for the display and sale of merchandise, and involves stocks of goods, wares or merchandise incidental to such purposes and accessible to the public.

### OCCUPANCY SEPARATION

CBC Table 508.4, Required Separation of Occupancies (Hours), identifies that there is no required separation between the Occupancies for the Building. Any future tenant improvements (e.g. new tenants in the Building) would require an additional review of this requirement. Any future fire rated assemblies would need to be provided in accordance with the applicable requirements of CBC Chapter 7.

### EXIT SYSTEMS

In accordance with the City of Fairfield's Building and Fire Code Requirements for Cannabis Related Occupancies (dated April 22, 2020) the Occupant Load for the Embarc tenant space has been developed using an occupant load factor of 100 square feet per person. The resultant Occupant Load has been calculated as 28 persons. In accordance with the City of Fairfield's Building and Fire Code Requirements for Cannabis Related Occupancies (dated April 22, 2020) and CBC Table 1006.2.1, a single exit is permitted, and provided, from the space.

In accordance with CBC Section 1005.3.2, the minimum exit width is calculated as 5.6-inches. CBC Section 1010.1.1 requires a minimum clear opening door width of 32- inches. Two sets of double-wide outward swinging doors (with both doors in both openings operable) are provided for the space and in accordance with the minimum Code requirements. Both exits discharge to the exterior and to a public way (the parking area provided for the Building). Exit signs will be provided to indicate the path(s) of exit travel and the exits. The exits and exit pathways will be illuminated at all times the space is occupied in accordance with the requirements of the City of Fairfield's Building and Fire Code Requirements for Cannabis Related Occupancies (dated April 22, 2020) and CBC Section 1008.

CBC Table 1006.2.1 and the City of Fairfield's Building and Fire Code Requirements for Cannabis Related Occupancies (dated April 22, 2020) limit the maximum travel distance to an exit in a building protected throughout by automatic fire sprinklers to 75 ft. The tenant space is approximately 54 ft. wide by 52 ft. 2 in. deep. As a result, the maximum permitted travel distance will not be exceeded. An Evacuation Plan has been developed to show the exit arrangement and paths of exit travel.

### **INTERIOR FINISHES**

As the Embarc tenant improvement project develops, the design will provide interior finishes based on the Occupancy. Interior wall and ceiling finishes shall have a flame spread index not greater than that specified in CBC Table 803.9 for the group and location designated. Interior wall and ceiling finish materials tested in accordance with NFPA 286 and meeting the acceptance criteria of CBC Section 803.1.2.1, may be used where a Class A classification in accordance with ASTM E 84 or UL 723 is required, in accordance with CBC Section 803.9.

### **ACCESSIBLE DESIGN**

As the Embarc tenant improvement project develops, the design will comply with the requirements identified in the City of Fairfield's Building and Fire Code Requirements for Cannabis Related Occupancies (dated April 22, 2020) and as required by the relevant Section of CBC Chapter 11B.

### **HAZARDOUS MATERIALS**

Hazardous materials (beyond that of normal household products and building utility services) are not anticipated for this facility. In the event that they are present, Embarc will develop and submit the necessary and required Hazardous Materials Inventory Statement (HMIS) in accordance with CFC Section 5001.5.2 and develop the necessary and appropriate safeguards (engineering and building systems) and policies and procedures for their storage and use.

### **AUTOMATIC FIRE SPRINKLER SYSTEMS**

The Building is equipped with an automatic fire sprinkler system conforming to the requirements of National Fire Protection Association (NFPA) 13, Standard for the Installation of Sprinklers. The nameplate data on the fire sprinkler riser indicates that the system was designed as Light Hazard, with a design area of 1,500 ft. The calculated fire sprinkler demand indicated is 300 gpm at 80 psi, with a 100 gpm hose allowance.

### **STANDPIPES**

In accordance with CBC Section 905.3, a standpipe is not required for the Building due to the building height as the highest walking surface is less than 30 ft above the lowest fire department access.

### **FIRE ALARM SYSTEM**

A Silent Knight SK-5208 fire alarm control communicator is provided for the Building. If the Embarc tenant improvement project moves forward, any required fire alarm system features would be provided in accordance with the requirements of CFC Section 907.2 and NFPA 72, National Fire Alarm and Signaling Code.

## **PORTABLE FIRE EXTINGUISHERS**

Portable fire extinguishers will be provided and located in accordance with the requirements of CFC Section 906 and NFPA 10, Standard for Portable Fire Extinguishers. Please see the site plan later in this document that identifies the specific location of all Portable Fire Extinguishers.

## **FIRE WATER SUPPLY**

CFC Section 507 requires an approved water supply capable of supplying the Required Fire Flow to all premises upon which facilities, buildings or portions of buildings are constructed. The total building area of 7,800 square feet must be used. In setting the requirements for Fire Flow, CFC Table BB105.1 requires a minimum flow of 1,500 gpm from a single fire hydrant. CFC Section 507.5.1 requires that the water supply be provided to within 400 ft to all portions of the building. As the Building currently exists, the fire water supply complies with these minimum requirements, as it is 150 feet north of the facility on Serrano Drive.

## **FIRE DEPARTMENT ACCESS**

Section 503.1.1 of the CFC requires that fire apparatus roads be provided for every facility, building, or portion of a building when any portion of the facility or any portion of an exterior wall of the first story of the building is located more than 150 feet from fire apparatus access as measured by an approved route along the exterior of the building or facility. The remainder of CFC Section 503 provides the requirements (specifications) for fire department access roads and other access features. Access is readily available via Serrano Drive (west) and Hamilton Drive and Parking (east and north). The Building complies with the minimum requirements for fire department access.

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### **4.1.1. Accident and incident reporting procedures.**

The reporting procedures for fire emergencies and medical emergencies are as follows.

#### **FIRE EMERGENCIES**

The intended use does not present a high risk of fire. In the case of a fire emergency at the facility, Embarc will employ the response procedure described below. This procedure will be overseen by the onsite manager and will be deployed verbally through face-to-face communication with employees and patrons.

In the case of a fire emergency, employees will be instructed to immediately call 9-1-1. In the case of a non-emergency (such as a broken fire sprinkler pipe, etc.), employees will be instructed to call Fairfield's non-emergency number at (707) 428-7300. These phone numbers will be posted at conspicuous and appropriate locations within the facility.

Employees will be instructed to notify the fire department as the first step in any fire emergency. Employees may attempt to suppress a fire ONLY if:

- The Fire Department has been notified.
- The fire is small and is not spreading to other areas.
- Escaping the area is possible by backing up to the nearest exit.
- Personnel are trained in the use of fire suppression equipment, e.g. a portable fire extinguisher.



Upon being notified about the fire emergency, occupants must:

- Leave the building using the designated escape routes.
- Assemble in the designated area (across the parking lot immediately outside the exits).
- Remain outside until the competent authority (Designated Official or designee) announces that it is safe to reenter.
- Assist all physically challenged employees in emergency evacuation.

The primary life safety strategy procedure for evacuating occupants during an emergency will include the training of staff through face-to-face contact with Embarc management relating to the identification of potential emergency scenarios associated with the operation, such as fire evacuation, civil disobedience, earthquake, and/or medical emergencies. This safety strategy will also include the directing of employees and customers away from the presented hazard and to the closest exit.

Customers and those in need of special assistance during an evacuation are of the highest priority and will be escorted to a safe location by staff. Once the building has been evacuated, management will confirm all the occupants of the building are accounted for with an employee headcount plus total number of customers onsite as indicated electronically within our point of sale software. A site plan has been developed identifying the occupancy assembly point, which will be located at the front of the building.

Fire hazards associated with normal use and occupancy of the premises may include the accumulation of ordinary combustible storage, such as office supplies, stock supplies, and products. The Building Owner is responsible for the inspections, maintenance and servicing of the fire protection systems, on the annual and 5-year schedule in accordance with California Title 19. Senior staff of Embarc will be responsible for ensuring that their activities do not compromise the proper operation of the fire protection systems (e.g. obstructed fire sprinklers, fire alarm appliances, etc.); that the exiting systems are not compromised by the business activities; and that proper housekeeping is in place to prevent and/or control fire hazards.

## **MEDICAL EMERGENCIES**

While not common, medical emergencies may arise from time to time requiring immediate attention from Embarc team members. In the case of medical emergency, the onsite Manager will communicate with employees verbally to provide direction. In this instance, employees will be instructed to immediately dial 9-1-1 and provide as many details as possible to both the operator and first responder(s).

In the case of a non-emergency medical incident, employees will be instructed to call Fairfield's non-emergency number at (707) 428-7300. Both the emergency and non-emergency phone numbers will be posted at appropriate locations within the facility and all managers and staff will receive ongoing training for how to respond calmly and efficiently in instances of medical emergency.

Depending upon the severity of the medical emergency, employees will be instructed to notify the emergency number prior to initiating assistance. This ensures adequate help is on the way. Additionally, and only after contacting the emergency number, employees may provide the following assistance, depending upon the severity of the medical emergency:

- Ask for individuals who may be trained in CPR and/or First Aid to provide the required assistance prior to the arrival of professional medical help. Only trained responders should provide first aid assistance. All Embarc managers will be provided a CPR course prior to the store opening.



- Do not move the victim unless the victim's location is unsafe.
- If personnel trained in First Aid are not available, at a minimum, attempt to provide the following assistance:
- If bleeding, apply firm pressure to the wound(s) to try and stop the bleeding. Take "universal precautions" to prevent contact with body fluids and exposure to blood borne pathogens (avoid contact with blood or other bodily fluids). "Universal precautions" include, but are not limited to, the following:
  - Avoid contact with bodily fluids such as blood, saliva, vomit, etc.
  - Wear protective coverings, such as gloves, face shield, splash glasses/goggles, etc.
  - If mouth-to-mouth is administered, use a sterile mouth piece.
  - Thoroughly wash your hands after contact.
  - In instances of choking, seek to clear the air passages using the Heimlich Maneuver.

In addition to these fire and medical emergency procedures, Embarc will employ a detailed Illness and Injury Prevention Program (IIPP) as well as COVID-19 public health and safety protocols that is available to the City of Fairfield upon request. The General Manager and all managers will receive safety training utilizing these resources prior to the new store employee training. The Managers are then responsible for training all employees and for utilizing daily, weekly, monthly, quarterly and annual meetings as opportunities for re-trainings. Records of these trainings including attendees and topics covered during the meetings must be maintained by the onsite Human Resources manager.

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#### **4.1.2. Evacuation routes and**

#### **4.1.3. The location of fire extinguishers and other fire suppression equipment.**

Below please find the site plan diagram including both evacuation routes and the location of fire extinguishers and other fire suppression equipment that meets or exceeds all local and state regulations.

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## 4.1.4 Procedures and training for all fire and medical emergencies.

Please note that to avoid redundancy, some procedures for fire and medical emergencies are listed above in Section 4.1.1 regarding accident and incident reporting procedures.

Employee training is paramount in all aspects of our business, but we place an extra emphasis on training related to fire and medical emergencies in order to provide a safe and healthy workplace for our employees and customers.

Embarc acknowledges that it bears the ultimate responsibility for training related to responses to fire and medical emergencies which is intrinsically linked to our safety and security plans. The management/ownership team will delegate these duties to a Security Director, as well as specific roles and responsibilities for the General Manager as outlined and identified in this document. In times of crisis, all employees must play a part in protecting public health and safety, which is why this training is mandatory for all employees.

The Security Director will ensure that all employees understand their respective roles and responsibilities including the chain of command (in the event of any incident). The Security Director will also train the General Manager on his or her duties in the case of fire, life or other security emergencies.

Employees at all levels will be trained to:

- Identify threats and vulnerabilities
- Implement mitigating strategies
- Understand when and why they could be targets, and
- How to respond accordingly

Staff will be tested no less than semi-annually regarding their knowledge of the premises' fire, life safety and security strategies. Development of policies and procedures will be ongoing during and after the initial planning process. The Chief Security Officer will continuously audit the plan as the business evolves and will ensure appropriate training of employees as new procedures are implemented. To demonstrate that the employee understands the content of training delivered, all employees will be required to undergo an assessment. Assessments will include, at minimum, a hands-on demonstration by the employee as it relates to security, life and fire safety policies or procedures included in the training.

Embarc will conduct quarterly drills at the premises to ensure that all employees understand how to respond to various emergencies or threats at the premises. Fire and life safety drills, and armed robbery and burglary discovery drills are examples of drills that may be conducted on the premises as part of comprehensive security training.

We employ both internal and external trainings related to fire, medical and security emergencies.

### **MANDATORY PERSONNEL TRAINING – EXTERNAL**

Externally, employees and managers participate in a 30-hour OSHA training course from an authorized OSHA Training Institute (OTI) Education Center. The course teaches safety awareness which helps in recognizing and reducing the risks of job site hazards.

This interactive training covers safety and health hazards workers may face on work sites. The course places emphasis on hazard identification, avoidance, control and prevention. Upon successful completion of the course, employees receive a 30-Hour Cal/OSHA General Industry Outreach course completion card. This course covers:

- Electrical Hazards
- Exposures to Airborne Contaminants
- Flammable Liquids and Gases
- Hazard Communication
- Hazardous Energy – Lockout/Tagout
- Heat Illness Prevention
- Injury and Illness Prevention Program
- Machine Hazards
- Personal Protective Equipment
- Point of Operation Hazards
- Pressure Vessels
- Prohibition of Smoking in the Workplace
- Repetitive Motion Injuries
- Sanitation and Pest Control
- Slips, Trips, Falls and Use of Ladders

### **MANDATORY PERSONNEL TRAINING – INTERNAL**

Internally, Embarc maintains an Emergency Action Plan that all employees are trained on for handling emergencies, including evacuating employees, providing emergency medical attention and reporting emergencies to employees and community agencies. A complete copy of this training is available upon request by the City of Fairfield. The plan includes:

- Means of reporting
- Evacuation procedures and emergency escape routes
- Procedures for critical operations
- Accounting of employees
- Rescue and medical duties
- Contact persons

Embarc thoroughly trains employees on this plan when they are hired or when there are changes to the plan. The plan is reviewed with employees during the:

- Initial plan development
- Initial assignment of employee to job
- Changes to plan or employee actions/responsibilities

Annual retraining including drills are conducted to practice evacuation and gathering in the assembly area and ongoing education and training is conducted on types of emergencies, courses of actions, functions and elements of the EAP, special hazards, and fire hazards and fire prevention plan.

General training includes:

- Roles and responsibilities
- Threats, hazards, protective actions
- Notification, warning, communications
- Location/use of emergency equipment
- Procedures
  - Emergency response



[REDACTED]

[REDACTED]

### MANAGING UNUSUAL OCCURRENCES

[REDACTED]

[REDACTED]

### BURGLARY/THEFT PREVENTION TRAINING

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

**EMPLOYEE PROTECTION**

[REDACTED]

[REDACTED]

[REDACTED]

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**RETAIL DELIVERY DRIVER SAFETY TRAINING**

Employees who will serve as retail delivery drivers will be required to, prior to starting work, complete a 6-hour online training course provided by OSHA. The OSHA Driver Safety Training for Cars, Vans and Small Trucks course includes the following learning objectives:

- Identifying traffic safety problems
- Analyze factors influencing driver performance
- Interpret traffic laws and procedures
- Contrast the use of alcohol and drugs and their effects on traffic safety
- Describe physical forces that influence driver control
- Recognize perceptual skills needed for driving
- Outline defensive driving strategies
- Recognize emergency driving procedures
- Categorize occupant restraint and protective equipment
- Evaluate special skills for difficult driving conditions
- Summarize backing basics

Following course completion, and prior to being authorized to drive in the course of employment, staff will undergo a commentary driving session with a manager. This practical exercise will allow the management to personally evaluate driver competency, efficacy of the above training, and will ultimately determine whether the employee will be subject to additional training, prohibition from driving roles or if the employee will be permitted to serve in a driving capacity.

Note: All documents related to training are available upon request by the City of Fairfield.

## City Engagement

Embarc welcomes the opportunity to solicit feedback from the Fire Department, Police Department and any other pertinent stakeholders in the implementation of this safety plan. As with all Embarc locations, Fairfield Police and Fire Departments will be invited to tour the facility prior to opening to ensure open communication, a clear understanding of Embarc's intended operations, and to facilitate introductions to Embarc Fairfield's General Manager and management staff.

This has proved tremendously valuable in South Lake Tahoe, where clear and open communication between Embarc and the Police Department has facilitated collaboration on a number of occasions including the use of Embarc captured security footage in the pursuit of an unrelated incident.

For these purposes, Chief Security Officer Matt Carroll will be the primary contact, with Head of Community Engagement and former Fairfield Police Officer Ron Turner also available at any time.

## Conclusion

This safety plan considers possible fire, medical, and hazardous situations, was prepared by a professional fire prevention and suppression consultant, and describes each of the following:

- Accident and incident reporting procedures
- Evacuation routes
- The location of fire extinguishers and other fire suppression equipment
- Procedures and training for all fire and medical emergencies

This is not our exhaustive plan but rather was designed to respond to the City's prompts. A more thorough plan can be provided later in the process or by request.



## Section 5: Security Plan

Given spatial constraints and the City's instructions that complete security plans may be provided later in the process, below please find an abridged summary of proposed security measures specific to the RFP prompts. These are excerpts from our comprehensive security plan, prepared by Matt Carroll, Embarc's Chief Security Officer. Embarc will gladly provide a complete copy of the security plan upon request.

Matt is a leading subject matter expert on cannabis security and has been contracted by cities in California to assist their police departments in the development and implementation of local regulations for commercial cannabis activities. His significant relevant expertise in cannabis security best practices serves as the foundation for Embarc's security plan and day-to-day operations.

Matt has served as Embarc's Head of Security for over two years and is an integral part of all security planning and operations for Embarc's existing cannabis business. A summation of Matt's credentials are as follows:

- A.A. Administration of Justice, Shasta College (1997)
- B.S. Criminal Justice, Sacramento State University (2000)
- P.O.S.T. Sacramento Sheriff's Training Center (1998)
- CPTED Practitioner, National Institute of Crime Prevention (2009)
- Crime Prevention Specialist, Sacramento Sheriff's Dept (1997-2001)
- Police Officer, Sacramento-Yolo Port District Police Dept (2001-2006)
- Co-Founder, Paladin Private Security, PPO15029 (2003-2019)
- Co-Founder, Sacramento Security Training Center TFF1511 (2015-Present)
- Co-Founder, Emissary Secure Transport (armored carrier) (2017-2019)
- Founder, Carroll Security Consulting, LLC (2016-Present)
  - Developed over 460 cannabis security plans to date
- Contributor, Cannabis Policy Enforcement Task Force, City of Sacramento (2017-Present)
- Cannabis Security Consultant, City of Dixon Police Department (2017-Present)
  - Conducts security plan reviews/scoring and applicant collaboration, and
  - Conducts periodic compliance-oriented site inspections of operator premises
- Cannabis Security Consultant, City of Benicia Police Department (2017-Present)
  - Assists in Policy Development
  - Conducts security plan reviews/scoring and applicant collaboration, and
  - Conducts periodic compliance-oriented site inspections of operator premises

Transparency and communication with the City and Police Department are critical to successful operations. As such, while we believe the following security measures demonstrate an unparalleled understanding of security and compliance based on Matt's significant relevant experience, we welcome the opportunity to partner with the Police Department to further detail our security plan components if desired.

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### 5.1. The Security Plan should consider all access control, inventory control, cash handling procedures, and shall be prepared and/or assessed by a professional security consultant

Below please find responses to the City's prompts, including detail on access control, inventory control and cash handling procedures.

It was prepared by a professional security consultant, as detailed above.

## Access Control

### Overview

All visitors, including regulators, vendors and customers, will be required to sign in/out and shall display a visitor badge at all times while on the premises.

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## CAV-2000 *SERIES* Magnetic Stripe ID/DL Reader



### Features:

- Reads all magnetic stripe ID/DL cards in the U.S. and Canada
- Simple one swipe operation
- Calculates and displays the AGE, name, and date of birth on the initial screen. Can scroll to view additional data such as address, gender, weight, etc.
- Expired ID's displayed with Expired message and double beep to alert user
- Graphic LCD with backlight
- Audio output in form of buzzer

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## Specific Access Control Procedures

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## Inventory control

### Overview

The Key to Embarc's inventory control methods are the following design features reflected on the premise diagram:

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## **TRANSACTIONAL SECURITY / TRACK AND TRACE**

The California Cannabis Track-and-Trace (CCTT) system will be used to record the inventory and movement of cannabis and cannabis products through the commercial cannabis supply chain.

This system is used by all state cannabis licensees, including those with licenses for cannabis cultivation, manufacturing, retail, distribution, testing labs, and microbusinesses. Embarc will employ CCTT-compliant software and related hardware in order to adhere to the transactional security requirements as described herein.

## **METRC OVERVIEW**

California's use of Franwell's CCTT-METRC software provides for the following regulatory features:

- Supports cannabis regulations with technology to prevent and monitor drug diversions
- Promotes public safety and patient product safety with traceability
- Addresses medical cannabis diversion from a state mandated position
- By the use of RFID (Radio Frequency Identification) technology combined with serialized item tracking, the system creates an "end to end" surveillance system where the municipality has real-time visibility at any given time into the inventory at all the locations (does not rely on audits for tracking)
- Central control of security through RFID secure tag ID
- Captures perpetual inventory quantities for each entity
- Provides an inspection process with the tools necessary to complete onsite validation of inventory with audit capability and anti-piracy safeguards
- Supports the auditing process from a series of exception reports
- The system maintains a secure reporting environment for each industry participant. Each participant can access their own data but no other participants' data. The regulator has access to all industry participants data
- The system provides for a real time digital transport manifest giving access to law enforcement enabling them to quickly discover illegal activity during transportation
- Tracks transfers between licensed premises
- Allows regulatory users to view all licensee activities captured in the system
- Creates audit trails and tools for assessing risk and channeling resources more efficiently (e.g. system notifications and reporting)
- Creates an industry database of analytical information to establish trends and benchmarks for cannabis production

- Allows criminal investigators to streamline field enforcement and compliance activities associated with licensees
- Provides aggregate data regarding cultivation, production, transportation and sales of cannabis within the regulated model
- Secure web hosted solution scaling to thousands of credentialed users

### METRC TRAINING

Training on use of the CCTT-METRC system is required by law for licensees. Upon submission of a State of California application for an annual license, the Bureau of Cannabis Control will send system-training registration information to Embarc. Once an annual license is approved and the license holder and/or designated account manager have completed the required CCTT-Metrc Account Manager New Business System Training, they will be able to access the CCTT-Metrc system. Annual licensees will not be allowed access to the CCTT-Metrc system until the required CCTT-Metrc Account Manager New Business System Training has been completed by the licensee or the designated account manager(s).



Training on the CCTT-METRC system can be accomplished through Franwell (provider for the State of California's CCTT system) or through the verified CCTT vendor selected by Embarc. Embarc will require that any of its managers or employees who will be involved in the transfer of cannabis have successfully completed the relevant training on the selected software application and the transactional/transportation security protocols described in this plan.

### PRODUCT SECURITY & LOSS REPORTING

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**PRODUCT STORAGE**

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**INVENTORY ACCOUNTING**

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**INFORMATION/RECORDS SECURITY**

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## INTERNAL THEFT & DIVERSION PREVENTION

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### **WHISTLEBLOWER PROTECTIONS**

Whereas internal theft is responsible for a substantial amount of diverted cannabis in California, and whereas employees are often in the best position to observe suspicious activity of co-workers, and whereas studies indicate anonymity being key to encouraging employees to report suspected theft by co-workers, Embarc will employ whistleblower protections and supporting procedures toward preventing diversion of cannabis. Embarc will maintain an anonymous reporting system through which employees or vendors may report suspicious activity on the part of co-workers. Embarc will implement and maintain a policy guaranteeing employees anonymity in the event that they bring a concern to the attention of management.

### **NOTIFICATION OF CONVICTIONS**

Embarc will ensure that the Bureau of Cannabis Control and the Fairfield Police Department are notified in writing of a criminal conviction of any owner, either by mail or electronic mail, within 48 hours of the conviction. The written notification to the Bureau will include the date of conviction, the court docket number, the name of the court in which the licensee was convicted, and the specific offense(s) for which the licensee was convicted.

Embarc will ensure that the Bureau of Cannabis Control and the Fairfield Police Department are notified in writing of a civil penalty or judgment rendered against the licensee or any owner in their individual capacity, either by mail or electronic mail, within 48 hours of delivery of the verdict or entry of judgment, whichever is sooner. The written notification will include the date of verdict or entry of judgment, the court docket number, the name of the court in which the matter was adjudicated, and a description of the civil penalty or judgment rendered against the licensee.

Embarc will ensure that the Bureau of Cannabis Control and the Fairfield Police Department are notified in writing of the revocation of a local license, permit, or other authorization, either by mail or electronic mail within 48 hours of receiving notice of the revocation. The written notification will include the name of the local agency involved, a written explanation of the proceeding or enforcement action, and the specific violation(s) that led to revocation.

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## **Cash Handling Procedures**

To avoid redundancy please see Section 5.3 – cash handling procedures below.

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### 5.1.1. Premises (Security) Diagram. Applicants shall submit a premises diagram (or site plan) which focuses on the proposed security measures and how they relate to the overall business. (This is identical to the state requirement for such a diagram contained in CCR Title 16, Division 42, § 5006. Premises Diagram).

The premises diagram that follows provides a comprehensive identification of those security measures applied to the business including thoughtful design, access control measures, natural surveillance, video monitoring, alarm monitoring, product/currency storage plans and a myriad of additional security measures.

Specifically, the diagram complies with both local and state laws and regulations and is:

- Accurate, dimensioned and to scale.
- Drawn to scale and clearly identifies property boundaries, entrances, exits, interior partitions, walls, rooms, windows and doorways. The activity in each room and the location of all cameras is identified in the diagram.
- Describes cannabis activity that will be conducted in each area of the premises including storage areas, batch sampling areas, loading/unloading of shipment areas, packaging and labeling areas, customer sales areas, training areas and employee break room areas. The diagram does not identify extraction areas, infusion areas, processing areas, and testing areas as those activities will not be conducted at a retail dispensary.
- Inclusive of limited-access areas, defined as areas in which cannabis goods are stored or held and only accessible to the permittee, or its employees or contractors and areas used for video surveillance monitoring and storage devices.

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5.1.2. Number and location of all video surveillance cameras.

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**SURVEILLANCE SYSTEM**

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**5.2. Identify the intrusion alarm and monitoring system including the name and contact information for the monitoring company (if the company has been selected).**

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**INTRUSION DETECTION SYSTEM**

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**5.3. Briefly describe cash handling procedures.**

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**5.4. Discuss whether the CCB will utilize the services of on-site security guards.**

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5.4.1. Number of guards.

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5.4.2. Hours guards will be on-site.

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5.4.3. Locations at which they will be positioned.

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5.4.4. Guards' roles and responsibilities.

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### Additional local requirements

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## Conclusion

The Security Plan considers all access control, inventory control and cash handling procedures. It has been prepared by one of the preeminent cannabis security experts in the state, reflecting learned experience and best practices from the development of nearly 500 cannabis security plans to date. Additionally, a detailed premises (security) diagram has been provided that meets all applicable requirements as stipulated in the RFP. The above content details the number and location of all video surveillance cameras, identifies the intrusion alarm and monitoring system including the name and contact information for the monitoring company, describes cash handling procedures, and discusses the number of guards, their onsite hours, locations in which they will be positioned and their roles and responsibilities. A complete security plan is available upon request by the City of Fairfield.

## Section 6: Location

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**6.1. The application shall include a thorough description of the proposed CCB location, including but not limited to the overall property, building, and floor plan.**

### Overview

As a team of experienced cannabis business operators partnered with a local owner with deep ties in Fairfield, we believe strongly in the importance of creating a thriving retail location for the community. This is why we have secured property at 180 Serrano Drive, Suite A, a discreet location which is ideally situated on a tree-lined road just off the busy Auto Mall Parkway in a retail outlet building on a 0.8 acre lot.

The property is newly constructed and properly zoned under the Fairfield Municipal Code as CR (Regional Commercial). The property is situated well outside the six hundred foot buffer zones for sensitive uses including schools, child care centers, and youth centers, as set forth in the Fairfield Municipal Code, as well as all sensitive uses listed on the City's "Sensitive Use 600-Ft. Buffer Location List."

Our team's practical experience entitling dozens of cannabis operations has proven that location selection is critical to the viability of a proposed cannabis business. As such, prior to finalizing site selection we undertake an extensive diligence process led by our local owner, executive leadership team, and feedback from Community Advisory Board members and other stakeholders.

The first step in our real estate diligence process is to generate citywide mapping to identify qualifying parcels. Our real estate team obtained a Fairfield parcel map and uploaded it into GIS mapping software to identify every eligible parcel in permissible zoning for commercial cannabis activity and overlays all sensitive use buffers to produce a complete list of compliant properties.

For these purposes, the diligence map produced a total of 74 compliant parcels in the City. We then identified which of the compliant properties were located furthest from sensitive uses, significantly narrowing the number of viable properties to six:

#### Four separate properties on or near North Texas Street:

- 150 Alaska Drive, which is just over 600 feet from Fairfield High School
- 1721, N. Texas Street, a local bar shuttered by COVID-19 that is less than 1,000 feet from a nearby sensitive use
- 1626 N. Texas Street, a suite in a multi-tenant retail center that is less than 1,000 feet from Anna Kyle Elementary School
- 1962 N. Texas Street, a former title loan facility in a busy shopping center, which had significant health and safety risks in the opinion of our Chief Security Officer and was located fewer than 1,000 feet from Mary Bird Childhood Education.

Generally, North Texas Street was an area with significant police activity, vulnerable homeless populations, and a significant number of schools and other sensitive uses, so we eliminated this area from our list.

**2470 MARTIN ROAD**

Martin Road is several hundred feet from the School District Office and directly abuts Uplift Family Services, a non-profit organization primarily serving youth suffering from trauma. We had concerns that this location meets the definition of a Youth Center as defined in Chapter 10E of the Fairfield Municipal Code because it is a private facility that is primarily used to host minors, thus creating concern about the appropriateness of this site. The property is also next to Paradise Valley. Finally, we did not believe the City would be enthused at the prospect of utilizing the onsite billboard for business identification given its highly visible nature.

**180 SERRANO DRIVE**

After extensive deliberation with our local owner and leadership team we ultimately selected 180 Serrano Drive. We believe it is the most optimal site for cannabis retail in the City of Fairfield for the following reasons:

- The parcel appears to be the furthest distance from a sensitive use when compared to the other 73 compliant and developed parcels
- The nearest sensitive use is over a half mile away from our site
- The site shares a rear boundary with a blank parcel ensuring no neighbors will be disturbed
- The other three sides are abutted by commercial uses
- All neighboring uses are compatible
- Embarc as well as the property owner have already conducted outreach to co-located businesses who have acknowledged and are supportive of the proposed use.

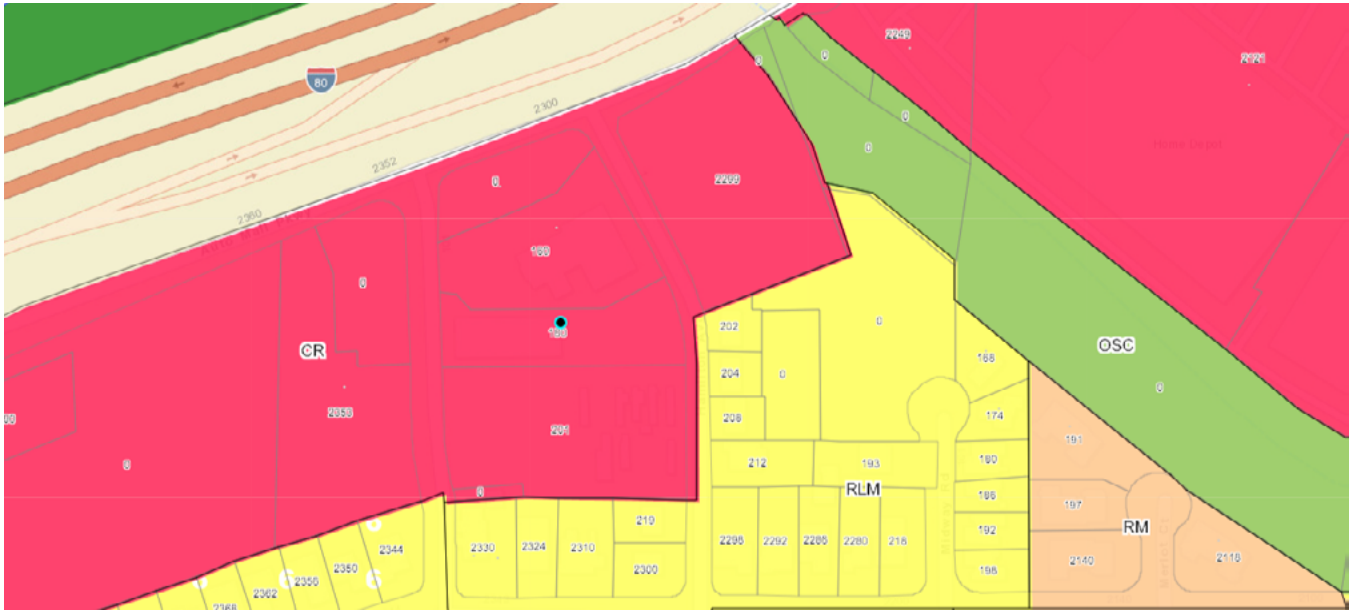
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## **6.1 The application shall include a thorough description of the proposed CCB location, including but not limited to the overall property, building, and floor plan.**

**Overall Property**

180 Serrano Drive is a discreet location that is ideally situated on a tree-lined road just off the busy Auto Mall Parkway in a retail outlet building on a 0.8 acre lot. It fully complies with Section 10E.18 of the Fairfield Municipal Code and:

- Is located in the allowable CR zoning designation and is not located on any commercial or industrial property within the area bounded by Travis Blvd., Pennsylvania Ave., and Gateway Blvd.
- Is not closer than six hundred (600) feet from a public or private school providing instruction in kindergarten or any grades 1 through 12; a child day care center; or a youth center. The distance measured is the horizontal distance measured in a straight line from the property line of the parcel with the sensitive use to the closest property line of the lot on which the cannabis business is located.
- Conforms with the City's general plan, any applicable specific plans, and design requirements.
- Complies with all applicable zoning and related development standards.
- Is constructed in a manner that minimizes odors to surrounding uses, and promotes quality design and construction, and consistency with the surrounding properties.
- Is adequate in size and shape to accommodate the yards, walls, fences, parking and loading facilities, landscaping and all items required for the development.
- Is served by highways adequate in width and improved as necessary to carry the kind and quantity of traffic such use will generate.
- Has adequate electricity, sewer, disposal, water, fire protection and storm drainage facilities for the intended purpose.



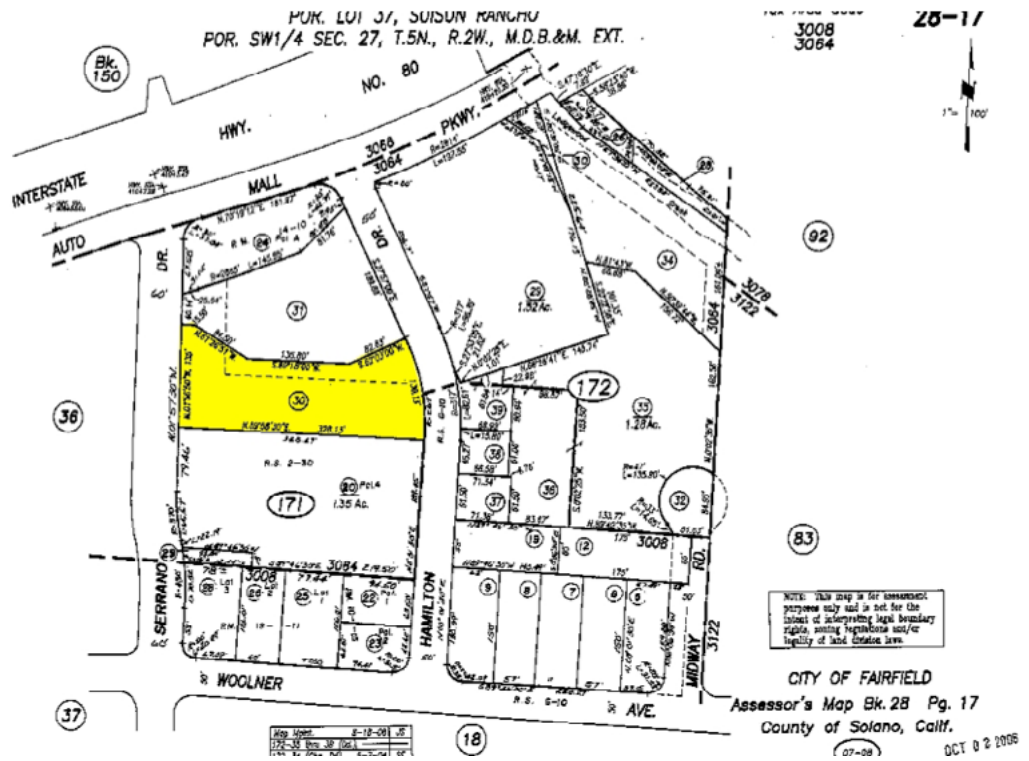
Zoning map highlighting the proposed property within the CR Zoning District

## Legal Description

The proposed commercial cannabis business property is situated at 180 Serrano Drive in the State of California, County of Solano, City of Fairfield, parcel number 0028-171-300, and described as follows:

A portion of the land referred to in the Grant Deed from Jaime Eberle to Peter C. Ederle recorded December 29, 1994, Document No. 1994-109561, Official Records of Solano County, more particularly described as follows:

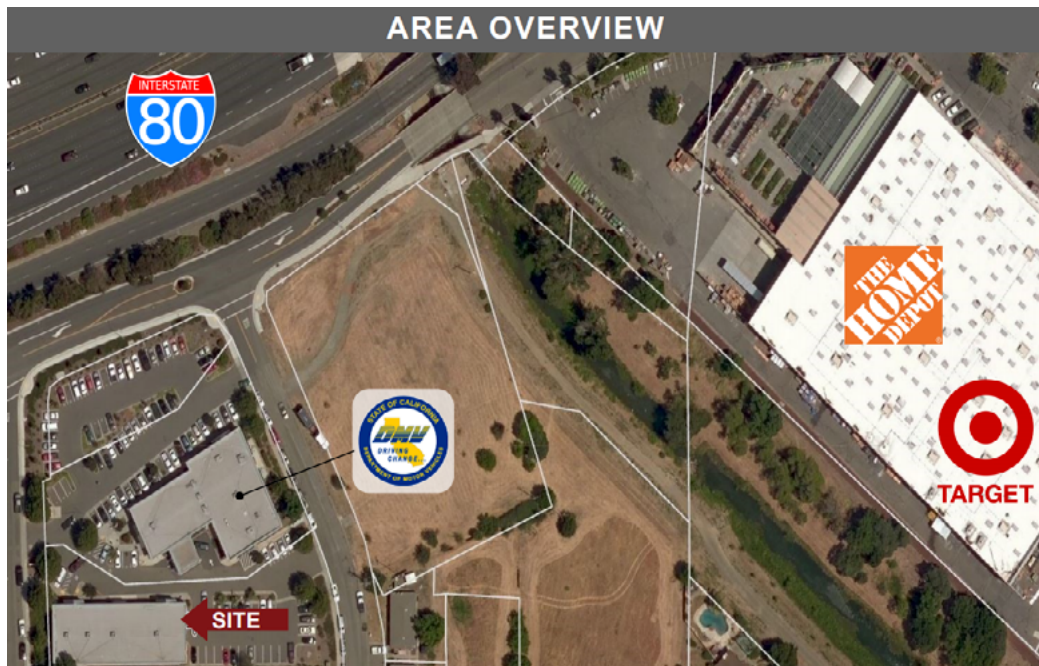
Commencing at the most Easterly corner of Parcel "B" as shown on the Parcel Map recorded October 27, 1977 in Book 14 of Parcel Maps, at Page 10, Solano County Records; thence from said point of the commencement South 40° 52' 40" West, 48.26 feet to a point on the Southerly line of Hamilton Drive; thence South 27° 57' 00" East along said Southerly line of Hamilton Drive, 189.88 feet to the point of beginning; thence leaving said point of beginning and continuing South 27° 57' 00" East along said Southerly line of Hamilton Drive, 6.50 feet; thence along the arc of a tangent curve to the right having a radius of 267 feet, the center of which bears North 62° 03' 00" East, through a central angle of 27° 55' 30", an arc distance of 130.13 feet; thence South 0° 01' 30" East, 0.67 foot; thence South 89° 18' 00" West, 328.13 feet to a point of the Easterly line of Serrano Drive; thence North 1° 56' 50" West, along said Easterly line of Serrano Drive, 135.00 feet; thence North 88° 03' 10" east, 15.50 feet; thence South 61° 26' 51" East, 84.50 Feet; thence North 89° 18' 00" East, 135.80 feet; thence North 62° 03' 00" East, 82.63 feet to the point of beginning.



**Adjacent Uses**

The adjacent units are currently a CalSmog Check Center and a Premier Insurance Services office, both of whom have been notified of our intended site use.

Across the parking lot from our proposed property location is the Fairfield DMV. Due to the extensive nature of our security plans (detailed further in Section 5), the DMV will benefit from Embarc's enhanced security measures.



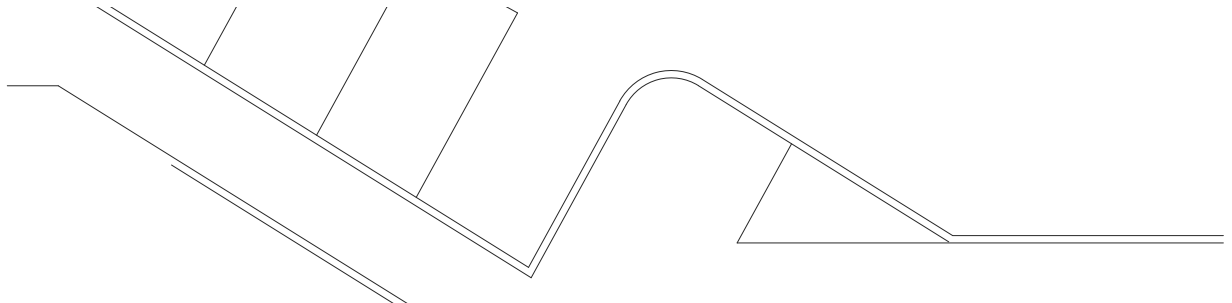


## Building Description

180 Serrano Drive is a newly constructed building and is roughly 7,740 square feet. The specific unit in which we are proposing to house our commercial cannabis business is comprised of 2,800 square feet and includes 14 designated parking spaces and is fully compliant with Fairfield Municipal Code parking standards. Furthermore, the business will clearly be served by highways adequate in width and improved upon in order to carry the kind and quantity of traffic generated by the business.

This building and lot are adequate in size and shape to accommodate the yards, walls, fences, parking and loading facilities, landscaping and all items required for further development.

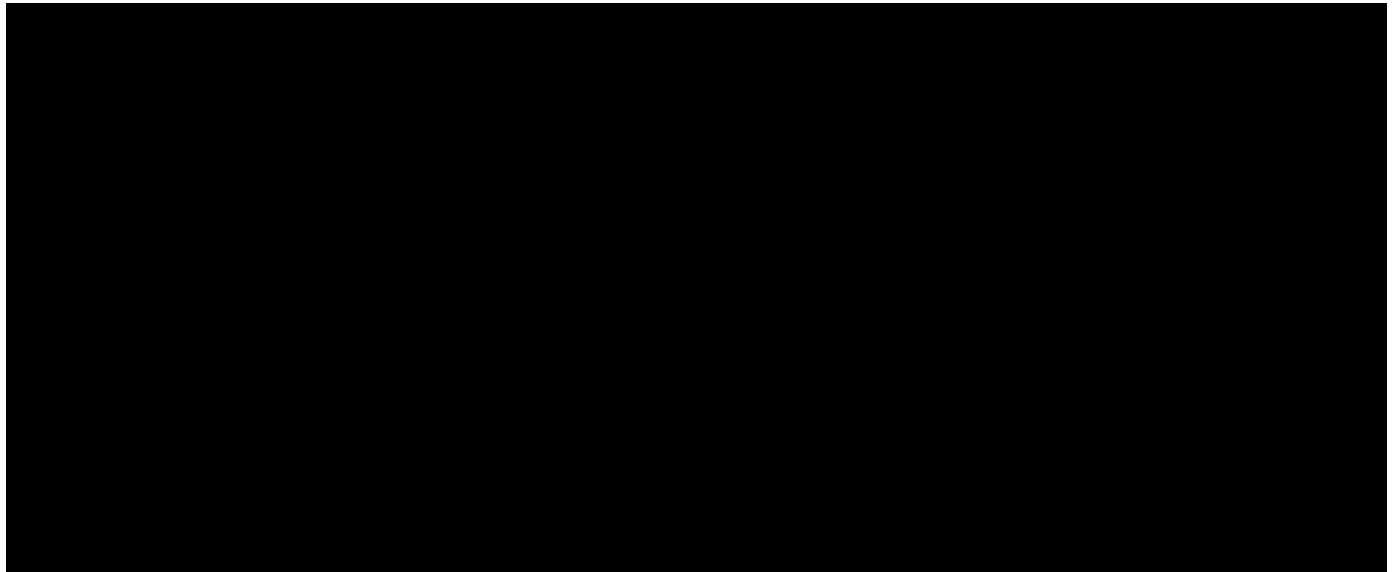
## Floor Plan



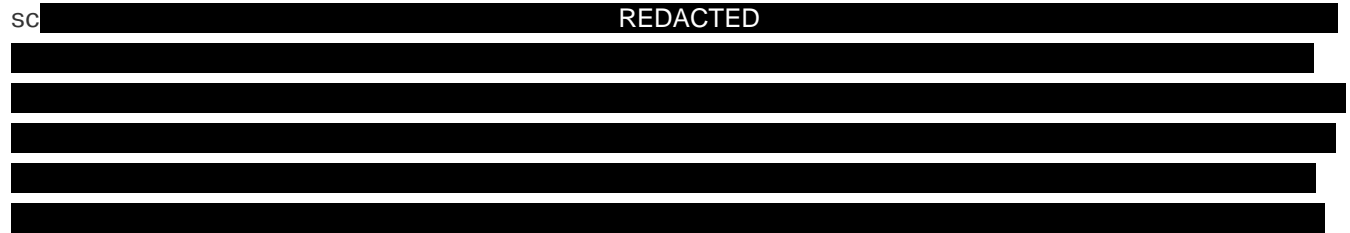
**REDACTED**

Our floor plan was developed in conjunction with our design and development team along with our Chief Security Officer, Matt Carroll. Matt has developed more than 460 commercial security plans and serves as a cannabis security consultant for the Benicia and Dixon police departments. Below please find a thorough description of the floor plan.

## ENTRY, LOBBIES, WAITING AREA AND EXIT



**1. Screening Lobby:** Upon approaching the premises, a potential patient or consumer enters a secure screening area. **REDACTED**



**WAITING AREA:** After identification verification is complete, a patient or customer is buzzed into the waiting area and either immediately granted access to the retail entry point or asked to wait to maintain appropriate social distancing protocols on the retail sales floor, depending on total occupancy at the time of arrival.

Maintaining the retail area in an uncongested manner is critical to effectively monitoring customers in the retail area. Controlling the number of customers in the retail area to no more than 2 per assigned retail employee will improve natural surveillance by staff and security and will ensure video surveillance footage is not hampered by crowding. To maintain a retail area 2:1 ratio, a waiting room is included in the design – providing a safe and comfortable place for overflow customers to wait their turn without creating unsightly and unsafe outdoor queueing.

**RETAIL EXIT:** Customers completing their business in the retail area will depart through a door redundant exit vestibule. The asynchronous doors will be electronically controlled and will prevent unscreened persons from the lobby from entering the retail area as others depart. Use of separate inbound and outbound paths to the retail room accomplish several security goals:

- **Territorial Reinforcement:** A designed flow is created with a distinct and unwavering path of travel for customers: lobby → waiting → retail → exit path → lobby. Any deviation from this logical and designed path will naturally garner attention and scrutiny from staff and security personnel.
- **True access control:** Access from the waiting area to the retail area is controlled by the security officer through electronic locks. Customers do not retreat through the retail entry door. In those retail locations with a single retail entry/exit door, operators effectively place control of the door into the

hands of their customers. In those cases, the design does not prevent an outbound customer from granting entry to an inbound intruder. A single entry/exit system is more easily overcome by co-conspirators who can work in concert to create a clear path from the lobby to the retail area. By keeping the retail entry strictly electronically controlled by a shielded security officer, opportunities for such manipulation of the design by offenders is mitigated.

REDACTED

RECEPTION, REGISTRATION AND SECURITY: T

The designed environment was developed in a manner that inherently deters and delays unauthorized access, theft, burglary and robbery from third parties, while simultaneously maximizing internal accountability to prevent diversion of cannabis goods and currency by employees. Key aspects of this thoughtful design include:

**ENTRANCES:** Two entrances, both visible from the adjacent public thoroughfare and public parking lots (natural surveillance); one entrance is dedicated to customers and the other to vendors (distributors) and retail delivery operations. This model delivers three key security advantages over those proposing a single access point:

- Current state regulations prohibit the sharing of a public/vendor entry point during business hours, restricting single-entrance operators to scheduling distribution activities in narrow time frames, often during hours of darkness, before or after business hours. Those hours are statistically most likely to incur a robbery attempt;
- Similarly, as currency transfers are necessary, the availability of a second access point enhances randomizing of transfers, allowing those transfers to occur during daylight and active periods of the day benefiting from natural users and natural surveillance in the area; and
- Retail delivery staff, who may handle thousands of dollars' worth of product when departing the premises, do not interface with the storefront retail portion of the business. Retail delivery drivers, who make multiple trips in to and out of the premises, enjoy heightened opportunities for product diversion by virtue of their duties. Where this employee group shares access to and through the storefront retail areas, opportunities for internal theft and diversion are maximized. Our design eliminates the cross-pollination of these work groups, keeping each segregated by design, reducing exposure and enhancing accountability.

#### DEDICATED LOADING AND VENDOR LOBBY

**DEDICATED LOADING AREA:** This premises diagram includes a reserved, private parking space immediately adjacent to the vendor lobby dedicated to loading. We will dedicate the space nearest the vendor lobby for vendor and delivery operations. This will reduce exposure during product and currency movements to and from the business.

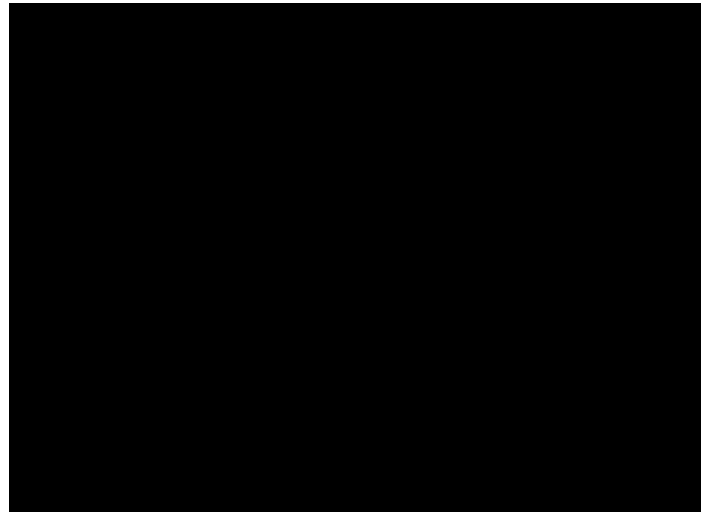
**VENDOR LOBBY:** Distributors, currency transporters, service vendors and delivery drivers will access the premises through the vendor lobby. A service window connects this receiving and waiting area from the delivery processing office which serves the reception needs for persons entering here. Staff will have electronic credentials granting access here while third parties will request access by way of a doorbell and intercom. Staff in the delivery processing office will be equipped with remote control over the lobby door to grant access to authorized third parties.

Notwithstanding needs to access the break room and restroom, delivery drivers will be restricted to the vendor and driver lobby. As regulations require delivery drivers to return to the premises if not managing orders for more than thirty minutes, a premise should have a staging area for these employees that does not grant these employees access to sensitive areas.

## RETAIL AREA

The retail area employs a horseshoe counter design, providing an enhanced ability for staff to naturally surveil customers in the retail area. This reduces any feelings of anonymity on the part of an offender. Similarly, this places staff where they naturally monitor one another—deterring internal theft opportunities.

Access behind the retail counter requires passage through a door on either end of the horseshoe counter, enhancing territorial reinforcement in the retail area while reducing exposure of product and currency behind the counters.



██████████ This model ensures the highest of protections against internal theft while also communicating to onlookers the high security and target hardening in place at this business.

The need for currency and product to be carried throughout corridors and rooms of the premises are eliminated with this model, further reducing opportunities for internal and external threats against these assets. All retail area product and currency transfers occur in an easily monitored, highly controlled, naturally and electronically surveilled environment.

**BACK OF HOUSE**

**DELIVERY PROCESSING:** Staff assigned here will manage online and phone orders for delivery and express pickup. Like their counterparts in the retail area, staff assigned here will not access the secure product storage room to fulfill their orders. A pass-through connecting this room to the product storage room will be used to move goods from the inventory manager to the delivery processing room. Locking cabinets in this room will be used to temporarily store exit-packaged goods awaiting pickup by the assigned delivery driver. Delivery drivers will not have access to this room and will receive orders and remit collected fees through the service window connecting this room to the driver lobby.

**REDACTED**

**PRODUCT STORAGE:** The product storage room does not share a wall with adjacent tenant spaces or the outside environment. It will be designed of hardened construction, heavily alarmed and surveilled and with an independent solid lid. An inventory manager will be assigned here and will be responsible for fulfilling retail area and delivery orders through door redundant pass through devices. This model maximizes accountability by limiting the product storage area to a single role in the business operations.

**MANAGEMENT OFFICE:** The management office is situated in a manner that allows the general manager to conduct employment interviews and to manage other third parties in a controlled manner. Applicants and vendors with appointments will be received in the vendor lobby and escorted through benign areas (staff corridors) to the management office. Nowhere along this path of travel will third parties have access to unsecured product or currency.

**VAULT AND RECORDS:**

The exterior wall is of block concrete construction. All other walls will be of reinforced construction including a solid lid.

**COMMON STAFF AREAS:** The break room, staff corridor and restrooms will be accessible to all employees. To maximize accountability and to reduce opportunities for theft and diversion, employees assigned to store-front retail operations will not have electronic access credentials to the delivery side of the house. Similarly, those assigned to delivery processing will not have electronic access credentials to the retail area.

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**6.2. The application shall include at least one (1) photograph of the building frontage or street view of the vacant parcel.**



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Exterior photo of 180 Serrano, Drive Suite A, Fairfield, CA 94533

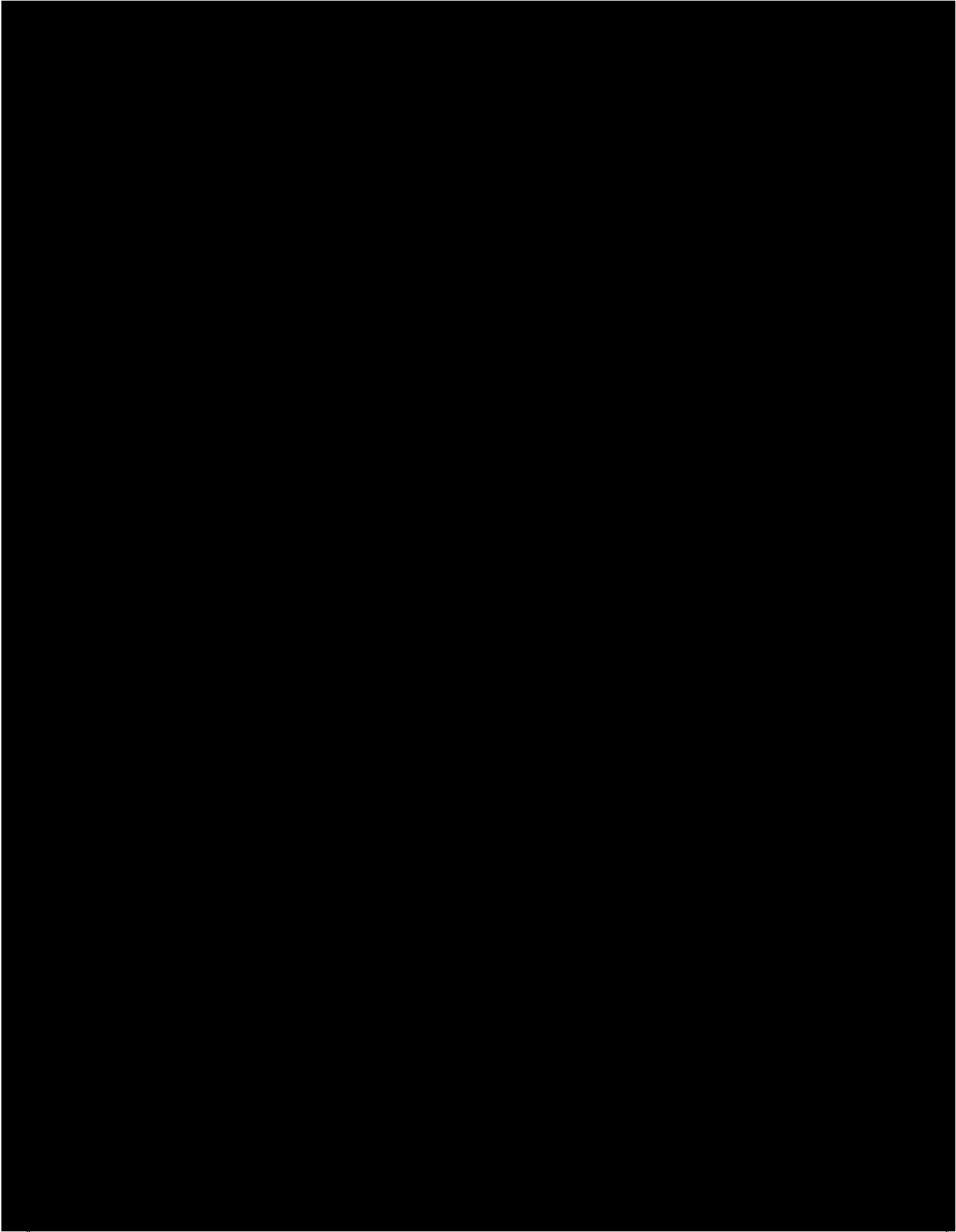
NOTE: The tree will be trimmed to provide for natural surveillance into the lobby and to prevent obstruction of lighting. The canopy will not extend below six feet.

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**6.3. Premises (Site) Diagram for each proposed location. In addition to the Premises (Security) Diagram, applicants shall submit a premises/ site diagram that focuses on the overall property and building. This diagram should show the parcel and adjoining or neighboring buildings that may be affected by the CCB.**

**6.3.1. A Premise (Site) Diagram must be accurate, dimensioned and to-scale (minimum scale of 1/4"). The diagram shall provide a detailed description of all available/shared parking spaces, driveway locations, and auxiliary buildings on the parcel. (Blueprints and engineering site plans are not required to be submitted with the initial application but may be requested by the City during the application evaluation process. Security features are not required for this section.)**

The following Premises Diagram and Floor Plan focus on the overall property and building. The diagrams show the parcel and adjoining or neighboring buildings that may be affected by the CCB. The diagram provides a detailed description of all available and shared parking spaces, driveway locations, and auxiliary buildings on the parcel.



# REDACTED



## Section 7: Community Relations Plan

### Introduction

We understand that while cannabis has existed within communities for decades, legal, regulated cannabis is still an emerging market. As such, communities are grappling with how to best integrate commercial cannabis activities into existing neighborhoods, balancing the economic opportunity this industry represents with a desire to protect public health, safety and neighborhood integrity.

Embarc believes operating a cannabis business is a privilege and not a right. A successful business model is thus predicated on the ability to consistently engage the community and the City with integrity and through transparency and collaboration. Given this commitment to Fairfield, we will operate a business that provides meaningful ongoing benefits, integrates sensitively into the community, and serves as the type of partner the community can be proud of and will value.

Embarc's Community Relations Plan, summarized below, is intended to be a living, breathing document that encompasses the company's core values and priorities for ongoing community engagement. It was developed with and will continue to evolve over time through collaboration with our Community Advisory Board.

### Community Advisory Board

Embarc is the first cannabis operator of its kind to implement a Community Advisory Board (the "Board") in each community where it operates wherein the Board has total control over where community investment and engagement is directed in perpetuity. It is this group that will work collaboratively to lead Embarc's execution of a youth drug education and prevention effort that aligns with the Fairfield community's values.

The primary goals of the Community Advisory Board are to work collaboratively with Embarc leadership to finalize and implement the community relations plan and to ensure safe, transparent and community-oriented cannabis operations. The Board will also serve as an important representative of Embarc within the community, providing a number of valuable educational and awareness services. We believe an informed and involved Community Advisory Board is just another example of our presence and engagement in the Fairfield community.

**Given my deep connection to the Fairfield community, and our organization's ongoing desire to engage in youth education efforts, I am thrilled to participate in Embarc's Community Advisory Board. This is an important opportunity to lead the charge on youth drug prevention.**

**The Fairfield community deserves cannabis operators with a proven track record of ongoing community engagement and support. Embarc has demonstrated through action that it can be that partner to the City of Fairfield. I encourage the City to select them to move forward with local operations and look forward to sitting on the Community Advisory Board to play a meaningful role in Embarc's community benefits.**

**Teresa Courtemanche**  
The Matt Garcia Foundation

Primary duties of the Community Advisory Board include, but are not limited to:

- Development and implementation of the community relations plan
- Identifying and/or creating opportunities to help enhance and promote community input, engagement, education and awareness
- Reviewing operational policies and procedures to identify opportunities for community and neighborhood engagement
- Assisting in building community trust through the identification of community priorities, values and needs
- Assessing opportunities for financial contributions and determining the best allocation of community funding
- Identifying opportunities for collaboration with local businesses and stakeholders
- Providing input on planned education and awareness programs
- Reviewing marketing plans and advertisements

Fairfield’s Community Advisory Board is comprised of the following individuals. We welcome the opportunity to also include a participant from city government and public safety but thought it inappropriate to reach out to such representatives prior to receiving a permit.

COMMUNITY ADVISORY BOARD		
Law Enforcement	Ron Turner	Chairperson, Embarc Founder, The 100 Club of Solano & Yolo Counties
Business	Debi Tavey	President and Chief Executive Officer, Fairfield-Suisun Chamber of Commerce
Education & Faith-Based	David Isom	Trustee, Fairfield-Suisun Unified School District Senior Pastor, St. Stephen Christian Methodist Episcopal Church
Youth & Community	Teresa Courtemanche	Board President, The Matt Garcia Foundation
Youth & Education	Elease Cheek	President, Solano County Black Chamber of Commerce Vice President, Solano County Office of Education, Trustee (D5) City of Vallejo Representative, Solano County Commission for Women and Girls
Community Health	Ruth Forney	Board Member, Solano County Community Healthcare
Workforce Development	Brian Hooker	External Affairs Manager, Workforce Development Board of Solano County
Homelessness & Faith-Based	Sam Morris	Pastor, BayNorth Church of Christ

Unlike most other operators in the cannabis industry that attempt to apply their brand and values onto a community using a top-down approach, Embarc seeks to meet the needs of the community from the bottom up – as represented by the fact that our Chairperson and local owner grew up in Fairfield, served as a police

officer in Fairfield and currently operates a non-profit in Fairfield and is thus engrained within the fabric of this community.

Given these deep local roots, we have spoken with many local business owners, residents, education and faith-based community leaders, non-profit organizations and community organizers about the future of local commercial cannabis activities. In these discussions, one thing is always clear—an operator that understands the unique needs and dynamics of this community and who will meaningfully invest in, and integrate with, Fairfield is a necessity. We believe Embarc is that partner.

## Community Relations Plan

### Executive Summary

While Section 10.E.31 of the Fairfield Municipal Code sets the minimum standards for community relations by a commercial cannabis business, Embarc will far exceed these minimum standards as articulated below. The Fairfield Municipal Code identifies requirements of commercial cannabis community relations plans, noted in bold below.

**10E.31.(a). Each commercial cannabis business shall provide to the City, and to all businesses and residences located within 100 feet of the business, the name, telephone number, and email address of a community relations representative to whom notice of problems associated with the commercial cannabis business can be provided.**

As articulated in Section 3 – Neighborhood Compatibility Plan, Embarc will provide to the City and to all businesses and residences within 1,0000 feet of the business the name, telephone number, and email address of a community relations representative to whom notice of problems associated with the commercial cannabis business can be provided. Further, this information will be posted conspicuously on the exterior of our facility as well as on our website and Chamber of Commerce member listing. Additionally, contact information will be provided at all Open Houses and pre and post-opening outreach as we welcome the opportunity to communicate with businesses, residents and stakeholders, and neighbors community wide.

10E.31.(b). During the first year of operations following receipt of a permit, the owner, manager, and community relations representative from each commercial cannabis business shall attend meetings with the City Manager, and other interested parties as deemed appropriate by the City Manager, to discuss the costs, benefits, and other community issues arising as a result of implementation of this Chapter. After the first year of operation, the owner, manager, and community relations representative from each commercial cannabis business shall meet with the City Manager upon reasonable request.

Embarc is enthused at the prospect of ongoing communication and collaboration with the City Manager and other interested parties as deemed appropriate by the City Manager to discuss costs, benefits, and other community issues. Furthermore, we welcome the opportunity for consistent engagement with City leadership through participation in our Community Advisory Board.

The Community Advisory Board will meet quarterly to provide feedback on Embarc's operational model including community outreach, community funding, advertising and marketing efforts and more. While the City would likely opt not to be a voting member of the Board, this is an opportunity for a City representative to remain apprised of, and provide feedback on, Embarc's operations and philanthropic execution.

**10E.31.(c). Each commercial cannabis business shall develop a City-approved public outreach and educational program for youth organizations and educational institutions that outlines the risks of youth addiction to cannabis, and that identifies resources available to youth related to drugs and drug addiction. Prior to commencing operations, the permittee shall enter into a community relations agreement with the City setting forth the terms and conditions under which the permittee shall implement its community relations program.**

Embarc is committed to the execution of a thoughtful, community oriented youth education and drug prevention program. Our experience has taught us that the best youth prevention plan in the world is meaningless without community buy in. As such, we are proud to be partnering with the strong community voices represented on our Community Advisory Board to develop and implement a youth education and prevention program designed and implemented by this community for this community.

We celebrate the groups and organizations already leading the charge on youth engagement and believe they are the most impactful stakeholders in an educational endeavor – that is why we are so proud to be partnering with The Matt Garcia Foundation on this initiative. Matt Garcia’s dream was to engage with youth, getting them on the right path and preventing violence. We believe the Foundation carrying on his vision and legacy is the perfect partner given our aligned vision and know that it is through coalescing these diverse voices that we can develop and implement a program that is embraced by this community.

## Program Overview

The National Institute on Drug Abuse developed *A Research Based Guide for Parents, Educators, and Community Leaders for Preventing Drug Use in Children and Adolescents*<sup>1</sup>, an internationally recognized analysis of how to develop and implement effective youth drug prevention campaigns. This comprehensive guide contains significant science-based research to guide the development and implementation of effective youth education and drug prevention efforts, including the following, and serves as the foundation for Embarc’s proposed program:

- Prevention programs should be tailored to address risks specific to population or audience characteristics, such as age, gender, and ethnicity, to improve program effectiveness (Oetting et al. 1997).
- Prevention programs aimed at general populations at key transition points, such as the transition to middle school, can produce beneficial effects even among high-risk families and children. Such interventions do not single out risk populations and, therefore, reduce labeling and promote bonding to school and community (Botvin et al. 1995; Dishion et al. 2002).
- Community prevention programs reaching populations in multiple settings—for example, schools, clubs, faith-based organizations, and the media—are most effective when they present consistent, community-wide messages in each setting (Chou et al. 1998).
- Community prevention programs that combine two or more effective programs, such as family-based and school-based programs, can be more effective than a single program alone (Battistich et al. 1997).
- Prevention programs are most effective when they employ interactive techniques, such as peer discussion groups and parent role-playing, that allow for active involvement in learning about drug abuse and reinforcing skills (Botvin et al. 1995).

[https://www.drugabuse.gov/sites/default/files/redbook\\_0.pdf](https://www.drugabuse.gov/sites/default/files/redbook_0.pdf)

- Prevention programs should include teacher training on good classroom management practices, such as rewarding appropriate student behavior. Such techniques help to foster students' positive behavior, achievement, academic motivation, and school bonding (Ialongo et al. 2001).
- When communities adapt programs to match their needs, community norms, or differing cultural requirements, they should retain core elements of the original research-based intervention (Spoth et al. 2002b), which include:
  - Structure (how the program is organized and constructed);
  - Content (the information, skills, and strategies of the program); and
  - Delivery (how the program is adapted, implemented, and evaluated).

Based on this significant body of research, it is clear that the most effective program:

- Targets youth with age-appropriate content at various stages in their maturation;
- Utilizes multiple learning formats including interactive content;
- Involves multiple parties including teachers, parents, faith-based organizations and more to provide multiple access points for information; and
- Benefits from hyper-localism, as long as the program remains rooted in structure, content and delivery.

As such, our campaign is designed with these best practices in mind.

## **STRUCTURE**

Research has proven that the most effective youth education and drug prevention programs utilize two or more effective programs rather than any single program alone. For example, an effective school-based curriculum is more successful when coupled with at-home and technological components. Thus, Embarc will implement a multicomponent program that takes a holistic approach to youth engagement:

- Paid media campaigns with general anti-drug education messaging targeted to all youth
- Digital coursework and media campaigns targeted to middle and high school students
- Educational programming for use as an in-school program, with a toolkit for teachers and/or a program coordinator
- Educational resources for parents and guardians, faith-based communities, youth activities leaders (such as coaches) and the community at large

Creating a multicomponent program will ensure that youth education and prevention efforts engage youth across multiple channels, in many forums, and on a consistent basis in order to maximize efficacy.

## **CONTENT**

Our Community Advisory Board members have committed to working collaboratively to implement an education and engagement effort for Fairfield youth. In each of our discussions with these individuals to date, one thing has become abundantly clear: the D.A.R.E. campaign is viewed as antiquated and misaligned with the needs and realities of educating today's youth. By utilizing the State's innovative "Let's Talk" campaign, we can leverage the best science available while tailoring our program specifically to Fairfield. We are committed to funding the execution of a more modern, community-sensitive program to achieve these goals.

Per the National Institute on Drug Abuse, content includes the information, skills development and methods of a drug prevention program.

- **INFORMATION:** While science-based facts and data are critical components of this program, it cannot utilize data alone. The most effective programs also utilize skills development and dynamic methods to increase efficacy.
- **SKILLS DEVELOPMENT:** While learning about the dangers of drugs is paramount to an education campaign, it must be bolstered by skills-based training such as communication, interpersonal skills, and self-confidence in decision making. This must also include modules for parents/guardians and other adults that play important roles in the lives of youth to support the development of these vital skills throughout childhood.
- **METHODS:** Methods center around the mechanisms by which the program will be implemented and measured. These include, but will not be limited to:
  - Paid media (billboards, digital ads, social media ads)
  - Earned media
  - In-school curriculum
  - Online modules
  - Peer-to-peer engagement exercises
  - Resources for adults (parents/guardians, teachers, coaches, pastors, etc.)

## DELIVERY

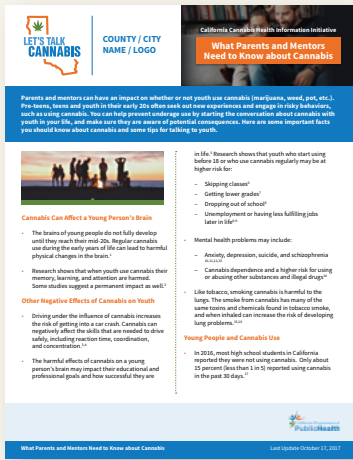
Per the National Institute on Drug Abuse, effective program delivery must contemplate program selection and implementation:

- **PROGRAM SELECTION**

When our team members led the development of Proposition 64, the initiative to legalize adult use cannabis in California, they knew youth prevention and education were paramount to maximizing public health and safety within communities. As such, and with intentionality, our team ensured that Proposition 64 would provide the resources and direction necessary to educate youth on the risks associated with cannabis use.

Proposition 64 included the development of a state-sponsored educational campaign, entitled "Let's Talk." This campaign has developed curriculum specifically targeted to communities, parents, and youth. We will use this program, developed with a science-based approach by some of the brightest minds in California, as the foundation for our Fairfield-specific curriculum. However, we will continue to refine the program and will work closely with the Department of Public Health, our Community Advisory Board and local electeds to ensure this program is the best fit for the Fairfield community.

- Utilize the "Let's Talk" campaign that members of our team helped to develop
- Refine our existing material with science and data-based curriculum that outlines the risks of youth addiction to cannabis
- Provide resources to combat youth drug addiction
- Provide substantial volunteer efforts to implement this program



• PROGRAM IMPLEMENTATION

As stated above, we believe an effective youth education effort is predicated on development and implementation by the community for the community. As such, we will finalize and implement this program with significant guidance and direction from key community leaders on our Community Advisory Board, including School District Trustee David Isom, Vice President and District 5 Trustee for the Solano County Office of Education Elise Cheek, Matt Garcia Foundation President Teresa Courtemanche, and leading voices from the faith-based community and local non-profits.

We believe this is an opportunity to engage the School District, City of Fairfield, and non-profit leaders in a holistic campaign targeted at youth, parents and the community-at-large and would provide grants to our partners for effective execution. It is critical that neither Embarc, nor any cannabis operator, be perceived as the “face” of this program, which is why our community partners and their existing networks are so important.

- Once finalized, Embarc will then provide grants to our community partners, including The Matt Garcia Foundation, for implementation of the program.
- We would welcome the opportunity to partner on in-school implementation with the School District and other relevant stakeholders.

Implementation of our education campaign will take a variety of forms – online given the current educational climate, in-person as youth are able to re-enter traditional classroom settings, and through education efforts also targeted at informing, educating and engaging parents/guardians and other vital adult stakeholders about how to navigate tough conversations with youth.

FUNDING

Embarc will fund the curriculum and ongoing education program in the following ways:

1. First, through a one-time allocation of \$50,000 specifically allocated to securing the right curriculum and infrastructure necessary for execution; and
2. Next, through ongoing program funding via our Community Investment Fund, as detailed below.



Community Investment Fund: Embarc will allocate the following to a Community Investment Fund, generating significant, ongoing funding for community organizations:

- 1% of gross receipts
- 1% of the sales of our in-house brand
- We will seek 1% of sales from the brands we carry
- Commit to recruiting other cannabis businesses in the City to make the same pledge through the Cannabis Subcommittee at the Chamber (detailed later in this section)

One hundred percent (100%) of these funds will be allocated by the Community Advisory Board to local organizations and partners, ensuring that we prevent divestment by ensuring all of the benefits generated from operating a local business remain local. Priorities for this funding include a sustained youth drug education and prevention campaign as well as holistic approaches to implementation of this community benefit.

Over the first 24 months alone, this could generate over \$250,000 from Embarc. Should we have success creating a coalition with the other cannabis businesses, this could generate well over \$500,000 in direct funding for a public outreach and educational program for youth organizations and educational institutions that outlines the risks of youth addiction to cannabis, and that identifies resources available to youth related to drugs and drug addiction.

### IMPLEMENTATION TIMELINE

We propose the following timeline for program implementation:

DATE	DELIVERABLE
February 2021	Anticipated Date for City Council Selection
February 2021	First Community Advisory Board (CAB) Meeting <ul style="list-style-type: none"> <li>• Detail objectives</li> <li>• Discuss curriculum</li> <li>• CAB feedback:                             <ul style="list-style-type: none"> <li>Program goals</li> <li>Curriculum priorities</li> <li>Other partners</li> </ul> </li> </ul>
March 2021	Embarc takes feedback from first meeting, develops full curriculum and implementation timeline
April 2021	Second Community Advisory Board (CAB) Meeting <ul style="list-style-type: none"> <li>• Review full curriculum</li> <li>• Review implementation timeline</li> <li>• Discuss resource allocation</li> <li>• Discuss implementation partnerships</li> <li>• Approve next steps</li> </ul>
May 2021	Embarc takes feedback from second meeting; finalizes curriculum, initiates strategic partnerships to prepare for rollout



DATE	DELIVERABLE
June 2021	Embarc marketing team develops non-branded campaign assets for campaign use across paid media channels for approval by CAB
July 2021	Third Community Advisory Board (CAB) Meeting <ul style="list-style-type: none"> <li>• Review and approve campaign assets</li> <li>• Review and approve paid media budget</li> <li>• Review and approve partnership grants</li> </ul>
August 2021	Back to School – Program Launch

## Additional Plan Components

While the focus of this plan is on the creation of a community-driven youth education and prevention campaign, Embarc takes a holistic approach to community integration. As such, these efforts will be bolstered by additional community benefits. Given spatial constraints, these have been briefly outlined below.

- **DIRECT SUPPORT FOR THE CITY**

While highly unlikely, if for some reason the cannabis tax is not successful in November Embarc will nevertheless commit to paying 6% in cannabis taxes to the City of Fairfield through a public benefit and/or development agreement. Furthermore, to demonstrate our commitment to this community and our financial preparedness to undertake this project, we are happy to work with City Staff and/or the City Attorney to pre-pay \$100,000 toward our first year of taxes.

- **NEIGHBORHOOD BEAUTIFICATION**

We will work with The Matt Garcia Foundation to collaborate on ongoing neighborhood beautification efforts in the areas surrounding our location. As part of our paid volunteerism program our employees will commit to community cleanups each month. This volunteerism will also include the creation of a 'Street Team' focused specifically on organizing and implementing ongoing revitalization efforts.

- **EMPLOYER-PAID VOLUNTEERISM**

There are few things that feel better than doing a good deed, except maybe doing it with your peers while getting paid. Embarc is committed to providing a rewarding and positive workplace that encourages employees to give back to the community. Partnering our workforce with community organizations will allow the development of a culture of volunteerism among our employees.

Embarc employees will be afforded paid time off to participate in local community support activities and programs, up to 40 hours per year, through our volunteerism program. These opportunities for engagement provide employees with tools for professional development by exposing them to a variety of local organizations. In addition, investment in employees reduces turnover and improves workplace performance.

Research shows that the best way to achieve employee participation is to provide structured volunteer opportunities. Embarc will provide our employees with opportunities to work with our community partners and also allow team members to suggest and organize additional activities with their co-workers. Our goal is to achieve over 90% employee participation rate in this program. These opportunities help employees:

- **LEARN NEW SKILLS**

- Gain project management experience
- Grow personal and professional networks
- Create a positive presence in our community
- Participate in off-site team building with purpose

- **EXECUTIVE TEAM VOLUNTEERISM**

Our team represents the coming together of more than 350 years of relevant business experience, including principals in three of Sacramento's top lobbying, government affairs and public affairs firms. As part of our volunteerism commitment, we will provide more than just store-level employee volunteerism, although that is a critical component of our overarching company ethos and believe it is important for team building and community investment.

Embarc will also donate significant, ongoing government affairs and public affairs expertise and support from leading firm principals and founders to drive ongoing efforts to bolster the City's strategic goals and priorities at the state level, specifically targeted at working collaboratively with our non-profit partners in the pursuit of state grant funding for the youth education and prevention campaign. This volunteerism has the potential to make a far more significant economic impact than Embarc – or any cannabis operator – is able to achieve alone and demonstrates our willingness to act as a partner in achieving the Fairfield community's goals.

- **COMMUNITY EDUCATION**

In addition to education targeting parents and guardians regarding how to engage in discussions regarding drug use with youth, we will also host monthly educational panels, informational workshops and non-profit partnership events as part of an ongoing engagement effort. Education is critical in demystifying cannabis and breaking down the barriers and stigma that prevent many from feeling comfortable asking questions about appropriate use.

- **SENIOR OUTREACH**

Seniors are one of the fastest growing consumer demographics for cannabis but they are also the most likely to be susceptible to cannabis' long lasting stigma. Given this dynamic, it is important to create an atmosphere that makes seniors in the community feel as though they are a part of, and welcome at, Embarc. Employing seniors within the store and as our Seniors Outreach and Educational Advisor are critical in breaking down that barrier.

In recognition of the tremendous medical benefits cannabis can provide this demographic, Embarc is committed to ongoing education and engagement with Fairfield's senior community to dispel the myths, eliminate the stigma and provide education (without a sales pitch) to help seniors navigate this new normal. We will explore opportunities to partner with senior citizens' groups and organizations to provide monthly free education workshops on CBD, THC, medical cannabis, dosing, and more, led by our Seniors Outreach and Educational Advisor and members of our team who are over the age of 50. Topics will include cannabis basics, cannabis and pain, cannabis and sleep, and more. In recognition of fixed incomes, we will also provide a discount to senior citizens on all products.

- **CREATION OF A CANNABIS SUBCOMMITTEE AT THE FAIRFIELD-SUISUN CHAMBER OF COMMERCE**

When implementing a new industry—and particularly when that industry is cannabis—we believe the

community will benefit from having unified businesses that work together to achieve common, community-oriented goals.

We have met with the Fairfield-Suisun Chamber of Commerce and committed to the creation of a cannabis subcommittee that would include a representative from each legal cannabis business. Through this Subcommittee, we will facilitate ongoing working relationships and positive collaboration among the legal and compliant cannabis operators, and educate and engage other businesses through the Chamber's existing membership base.

- **WORKFORCE DEVELOPMENT**

Embarc establishes workforce development partnerships with the local community college in every community where we operate. These workforce development programs are designed to achieve multiple goals: to provide opportunity to leverage the skills and experience of our team to assist the community college with programs; to provide real world work experience for those over the age of 21; and to provide additional resources available to our team members to promote advancement.

- **SCHOLARSHIP PROGRAM**

Embarc supports equity scholarship programs and scholarships for underrepresented groups and will continue this track record in Fairfield. In South Lake Tahoe, Embarc provides scholarships through the Lake Tahoe Community College for LGBTQIA+ students and for the equity food bank, which feeds students meeting certain household income requirements.

- **FINANCIAL LITERACY COMMUNITY WORKSHOPS**

We will offer (virtually until in-person is prudent) financial literacy workshops for the general public, providing access to seasoned financial executives that can assist low income community members with issues such as budgeting, money management and building and repairing credit. This workshop leverages the financial literacy curriculum developed by the National Financial Educators Council, a proven model. We will seek to sponsor these with our community partners, providing this as a resource to their networks.

- **LOCAL BUSINESS PARTNERSHIPS**

Embarc will do its part to support working families by keeping dollars local, thereby growing the Fairfield economy. This support drives local tax revenues which in turn supports our tax base and vital local services. It is our intention to obtain goods and retain services from locally licensed small businesses, including but not limited to those listed below. Chamber of Commerce membership will provide a great network of local business contacts for these and other vital components of keeping our dollars local.

- Construction services
- Landscaping services
- Maintenance and janitorial services
- Ongoing IT services
- Security services
- Misc. professional services
- Local artisan goods and products
- Most importantly—our employees

In addition to hiring local employees, partnering with local vendors and relying on local goods and services, Embarc will also create meaningful partnerships with local businesses to cross promote and market their goods and services. Such opportunities span a variety of businesses, ranging from health and wellness (yoga instruction, outdoor gear, etc.) to restaurants, coffee shops, and entertainment. By solidifying promotional partnerships, our operations can help to drive additional customers to these businesses.

These partnerships are not just promises made but actual mandates we implement at the store level. In order for any Purchase Order or Service Contract to be approved, the General Manager must check a box that the contractor or vendor is based in Solano County. If they are proposing to use a non-local service provider, they must explain the reasoning for why they have selected an entity from outside the County to seek approval.

• **COMPASSIONATE USE**

Cannabis is recognized as an important medical treatment option for many medical conditions ranging from seizures, to PTSD, to cancer. To help meet the medical needs of some patients who are otherwise unable to afford cannabis, Embarc will offer reduced and no-cost medicine to low income and seriously ill patients as well as provide the support these patients need to maneuver the health impacts and side effects of their illnesses and medical regimens. This program will be operated in accordance with regulations set forth by the Bureau of Cannabis Control. Patients who want to receive benefits from this program must provide evidence of:

- Residency verification
- Medical need
- Financial need

We believe patients should have access to affordable medicine that benefits their health and quality of life. We are proud to offer a compassionate use program providing low-cost and no cost medicine.

• **SOCIAL EQUITY**

History has proven that inequitable enforcement of drug policies has been wielded as a tool to criminalize low income communities and communities of color by creating a generational cycle of disenfranchisement and imprisonment. The War on Drugs has left a legacy in communities that continues to plague the victims of cannabis criminalization and future generations, driving inequalities that can have lifelong consequences.

We recognize that it is a privilege to operate a business in this industry and to maintain our freedom and opportunity while doing so. As a company that benefits from this privilege, we have a duty to continuously recognize and seek to address the impacts of the War on Drugs, hoping that through meaningful participation we can collectively work toward a more equitable future.

We are proud of our commitment to social equity as a core tenant of our company—it is woven into the fabric of our team's collective efforts. This commitment to social equity, particularly in recognizing and seeking to address the impacts of the War on Drugs, began half a decade ago when Chief Compliance Officer Dustin Moore was engaged to assist in the drafting and passage of Proposition 64.

Proposition 64 represents one of the largest systematic efforts in history to address the wrongs of the War on Drugs on low-income communities and communities of color. The measure was co-authored by the Drug Policy Alliance, an organization seeking to promote new drug policy grounded in science, compassion, health, and human rights.

Proposition 64 enacted meaningful sentencing reform to expunge records for cannabis offenses and to provide significant funding for communities most harmed. This funding has already resulted in nearly \$30 million in local grant disbursements to date and is on track to issue more than \$100 million by 2023. These grants have supported job placement, mental health treatment, system navigation services and legal services to address barriers to re-entry in communities throughout California.

Since its founding, and in that same spirit, Embarc has committed to a social equity plan that continues to evolve as additional opportunities to participate in the global civil rights movement emerge. These commitments go beyond just financial contributions to organizations in the space, although that is a critical component of ongoing support. Equally important is our commitment to strong social equity ownership opportunities, both in our company which has social equity ownership and through partnership with social equity owned brands. Furthermore, our commitments center around workforce development, economic inclusion, expungements and wraparound services, and inclusivity in opportunity. We will gladly provide a copy of our social equity plan upon request.

## Demonstrated Track Record

During the ordinance development process, and in our discussions with myriad community groups, stakeholders and elected leaders to inform the development of this community relations plan, a common refrain was the City's desire that, if an existing operator is selected, it must be able to demonstrate a track record of follow through on commitments to the community. Thus, after outlining our commitment to Fairfield, we felt it was prudent to outline a brief summary of Embarc's demonstrated track record in South Lake Tahoe, where our community outreach and social equity efforts have already made tangible, lasting impact.

We are proud to serve as a partner to the City, local non-profit organizations, and residents in a variety of ways. To illustrate our delivery on this commitment, our conditions of operation with the City of South Lake Tahoe include:

- Embarc is providing the City 6% of its gross receipts as a voluntary community public benefit.
- Embarc has created a voluntary Community Investment Fund that receives ongoing funding from sales to support public safety programs. Embarc continues to seek community benefits funds from key partners, requesting that they donate 1% of their sales to this fund.
- Embarc is funding its portion of the Public Safety Impact Mitigation Fee as prescribed by the City to provide for dedicated policing of marijuana businesses and to address marijuana-related community impacts.
- Embarc partnered with local non-profit organizations to provide ongoing financial support. Priorities for funding are determined in conjunction with the local Community Advisory Board (see further detail below).
- Embarc engaged a local Community Advisory Board comprised of residents and other key stakeholders to assist the company in making strategic decisions on issues ranging from non-profit partners to education campaigns.
- Embarc maintains a compassionate use program intended to provide low-cost and/or no-cost cannabis (in compliance with all pertinent laws and regulations) for low income and seriously ill patients.

- Embarc maintains a paid employee volunteerism program covering up to 40 hours per year to ensure employees are active members of the community.
- Embarc is keeping dollars local by utilizing local goods and services where feasible and practical. Embarc has and will continue to develop local business partnerships for cross-marketing and promotion.
- Embarc's owners will continue to support local non-profits both professionally and personally.

## Embarc is delivering on these commitments:

### TO CITY LEADERSHIP

**I am the Financial Services Manager for the City of South Lake Tahoe and can confirm that Embarc Tahoe LLC is currently in good standing with their Community Public Benefit Fee.**

**Olga Tikhomirova**  
Financial Services Manager

**We deserve cannabis operators that will put us first, engaging with the neighborhood, contributing to civic and community causes, and generally creating a business that not only does no harm, but actively seeks to do good in our community. Embarc is this partner. The company's leadership team has been steadfast in their commitment to operating a compliant cannabis dispensary that appropriately educates and engages with their customers, the neighborhood and the community-at-large.**

**Jason Collin**  
Mayor of South Lake Tahoe

### TO NON-PROFIT PARTNERS

**The Advisory Board comprised of local community organizations, including our Drug Free Coalition, holds Embarc accountable to our community, while also advising them on how to distribute their business donations. Embarc is committed to philanthropy and in the short time they have been open, have already donated thousands of dollars to local non-profits. I feel strongly that businesses permitted to retail cannabis must conform to the highest standards of ethics and business practices, and be willing to work with and support local nonprofits and youth organizations. In Embarc you will find a business that exemplifies those standards, and provides meaningful support and engagement with the local community.**

**Jude Wood**  
Executive Director of Boys and Girls Club of Lake Tahoe

**We are grateful for Embarc's commitment to supporting the students of Lake Tahoe Community College through scholarships and workforce development opportunities. These make a tangible impact in the lives of students.**

**Professor Walter Morris, Ph.D.**  
Board Member, Lake Tahoe Community College Foundation

## TO OUR EMPLOYEES

**As a longtime local resident of South Lake, I am proud to work for a company that has made giving back to our community the core of our business model.**

Amber D.

**I am proud to be part of a team that wholeheartedly embraces strong female leadership and diversity across every aspect of the organization, from who we hire to what brands we put on our shelves. Embarc has created a space where I feel comfortable being my authentic self. What more could you ask for? This is a dream realized.**

Jacie M.

## TO PATIENTS AND CONSUMERS



**Sharleen M.**  
Castro Valley, CA  
127 friends  
4 reviews

★★★★★ 8/24/2020

Stopped by Embarc last weekend during my stay in Tahoe and I'm sooo happy they opened! They're brand new and the \*chefs kiss\* to South Lake Tahoe. Chris was our budtender and gave us all the best recommendations! Super friendly and knowledgeable of their product. Will definitely be back during my next stay.

And during this pandemic everything was clean and sanitized. They only allow a certain amount of people inside, marked queues, all employees wore masks and hand sanitizer every where.



**Andrea C.**  
Sacramento, CA  
2 friends  
3 reviews

★★★★★ 7/28/2020

Amazing location-so easy to find! Amazing energy in the store with such a friendly staff! So careful about check in and sanitation. Crazy clean storefront! The pricing was great, I always love fun deals, and the best part-AMAZING PRODUCT! I highly recommend! Definitely will be back!



**Rachael D.**  
South Lake Tahoe, CA  
316 friends  
6 reviews  
2 photos

★★★★★ 8/15/2020

Very friendly staff and knowledgeable. They definitely take the time to help out their customers and find the best fit product for their needs.

Will go back as a local



**Tamra T.**  
South Lake Tahoe, CA  
150 friends  
3 reviews

★★★★★ 7/10/2020

Had a great first experience at this new business. Was greeted by Matt who was awesome and helped out inside by Olivia. She was amazing, so very sweet, and extremely helpful. I will definitely be coming back for the great products and the friendly staff.



## TO BRAND PARTNERS

**// We are thrilled to work with Embarc as our retail partner in South Lake. The Embarc team is passionate and educational with patients and customers and lives their values by amplifying small brands and cultivators.**

**Todd**  
Founder of Highrize

**// Embarc is a wonderful retail partner to VetCBD. They have worked with our team to donate a portion of sales to the Humane Society of Truckee-Tahoe, demonstrating their commitment to giving back.**

**Destiny**  
VetCBD

## TO THE FINANCIAL INSTITUTION PROVIDING US BANKING SERVICES

**// Embarc's business model is predicated on being a committed community partner that serves as a model business that the community can stand behind. Embarc prioritizes transparency, accountability and integrity in all that they do. This is vital for us in providing banking services in such as nascent industry, and it is vital for the communities, landlords and non-profit organizations that they partner with to execute their vision.**

**Robert Starkey**  
Salal Credit Union

**It is this demonstrated track record of giving back to the community in real, meaningful ways that we seek to bring to the City of Fairfield.**

### Conclusion

This community relations plan is the result of significant ongoing engagement with the Fairfield community to identify the best partners for the development and execution of a youth drug education and prevention effort. Rather than develop such a program in a vacuum, or implement a generic campaign, we thought it best to empower key community stakeholders in the development of a program by Fairfield for Fairfield.

This plan also briefly highlights other key components of how Embarc will seek to integrate into, and benefit, Fairfield. While not an exhaustive list, it is intended to illustrate the many ways in which we believe we can serve as partners in community betterment.

It builds on our existing track record from current operations, as well as our team's track record of philanthropy. Embarc and its team members have a tremendous track record of support for the following organizations:





October 20, 2020

Dear City of Fairfield Selection Committee, Staff and Elected Leaders,

As many of you know, the Matt Garcia Foundation was established to carry out the legacy of my son, Matt Garcia. We are dedicated to the work and efforts that Matt started and hope that we can inspire others to be the change in this world we live in, just as Matt inspired us.

Matt was a great young leader and inspiration to all who knew him. Matt was only 22 years old... but, he lived more in those short years than many adults can even imagine. He led by inspiration, with integrity and ambition.

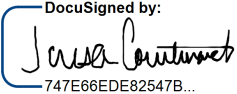
Matt's dream involved supporting the youth and creating places for them to go and things for them to do; changing a culture of violence and crime in the city through youth involvement. By uniting a community, all people will have a sense of belonging and responsibility to the city of Fairfield. Matt's life was cut short, but his legacy, work and heart live on through our efforts.

As the city contemplates cannabis operators, it is imperative that it selects those operators most intrinsic to the values of this community and most committed – through meaningful partnerships and demonstrative action – to Fairfield. After speaking with the Embarc team, I believe they are that partner.

Given my deep connection to the Fairfield community, and our organization's ongoing desire to engage in youth education efforts, I am thrilled to participate in Embarc's Community Advisory Board. This is an important opportunity to lead the charge on youth drug prevention.

The Fairfield community deserves cannabis operators with a proven track record of ongoing community engagement and support. Embarc has demonstrated through action that it can be that partner to the City of Fairfield. I encourage the City to select them to move forward with local operations and look forward to sitting on the Community Advisory Board to play a meaningful role in Embarc's community benefits.

Sincerely,

DocuSigned by:  
  
747E66EDE82547B...

Teresa Courtemanche  
Board President, The Matt Garcia Foundation

October 19, 2020

To Whom It May Concern:

As the landlord for 180 Serrano Drive in Fairfield, I am writing in support of Embarc Fairfield's application to operate a retail dispensary at 180 Serrano Drive, Suite A in Fairfield.

I am impressed with Embarc's commitment to meeting and exceeding all public health, safety and security measures to ensure their business responsibly integrates into our neighborhood and the greater Fairfield community.

Additionally, I am enthused at the prospect of a responsible, compliant local operator that will dedicate time and resources to beautification of the parcel and surrounding areas.

I am grateful that local owner Ron Turner – a former Fairfield Police Officer – will be available should I have any questions or concerns.

After learning more about their stellar leadership team, partnerships with local organizations, and willingness to donate a percentage of profits to a fund directly investing in the Fairfield community, I am very supportive of their efforts to operate a local cannabis business.

Furthermore, I have spoken with the two other tenants currently within 180 Serrano Drive, CalSmog Check Center and Premier Insurance Services, to inform them of this intended use.

Sincerely,

Jimmy Rong  
Property Owner, 180 Serrano Drive

A handwritten signature in black ink, appearing to be 'JR', written in a cursive style with a long horizontal stroke extending to the right.



**John Nunes**  
President

**Jack Landes**  
Secretary - Treasurer

**Main Office:**  
**United Food & Commercial  
Workers Union, Local 5**  
28870 Mission Blvd.  
Hayward, CA 94544  
(510) 889-0870  
Fax: (510) 889-6415  
Toll Free: (877) 655-FIVE  
[www.ufcw5.org](http://www.ufcw5.org)

240 South Market Street  
San Jose, CA 95113-2382  
(408) 998-0428  
Fax: (408) 971-8355

208 Miller Avenue  
So. San Francisco, CA 94080  
(650) 871-5730  
Fax: (650) 871-3590

4121 Alhambra Ave.  
Martinez, CA 94553  
(925) 228-8800  
Fax: (925) 228-8355

1145 North Main St.  
Salinas, CA 93906  
(831) 757-3094  
Fax: (831) 757-9115

323 Geary Street, Room 709  
San Francisco, CA 94102  
(415) 693-0143  
Fax: (415) 693-9352

85 Galli Drive, Suite H  
Novato, CA 94949  
(415) 883-6833  
Fax: (415) 883-1043

840 E Street, Suite 8  
Eureka, CA 95501  
(707) 442-1751  
Fax: (707) 442-9572

October 13, 2020

Dear City of Fairfield Selection Committee, Staff and Council Members,

The United Food and Commercial Workers (UFCW) Local 5 represents a highly diverse group of more than 30,000 hardworking men and women in Northern California. We speak in a clear, progressive and unified voice to ensure our members receive fair wages, ample benefits and maintain a healthy work-life balance.

We are strong advocates for workers in diverse industries including California's burgeoning legal cannabis industry. As this industry grows, it is imperative that workers are treated fairly – provided a living wage, good benefits and a supportive working environment where employees can thrive.

We are writing in support of Embarc Fairfield's application for a Retail Dispensary in Fairfield. Embarc is committed to the development of local economic opportunities for residents, significant ongoing community benefits, and to true partnership with the City and its residents.

As detailed in their proposal, the Company has committed to 100% local hiring, a living wage, meaningful benefits and opportunities for advancement within the company. It is these commitments that ensure employment at Embarc will provide for local workers and their families, allowing the Company's workforce to be – and remain – truly local.

To demonstrate this commitment to their workforce, Embarc Fairfield has proactively executed a Labor Peace Agreement with us for their operations, and the Company is currently working with UFCW to secure a Collective Bargaining Agreement across all locations. This is indicative of the Company's values and just one of the reasons we fully support their application.

Furthermore, Embarc has:

- An unparalleled leadership team with extensive cannabis operating experience
- A proven track record on compliance and navigating the regulated market
- Meaningful community relationships and a commitment to thoughtful operations
- Professionalism and integrity

We urge you to support their application for a retail dispensary in Fairfield. They have been a strong partner to UFCW and will bring that same level of partnership to the City.

Sincerely,

James Araby  
Director of Strategic Campaigns  
United Food & Commercial Workers Union Local 5

July 17th, 2020

To Interested Parties,

Salal Credit Union is a Seattle based full-service financial institution that specializes in working with licensed cannabis businesses. Salal is one of the largest credit unions in WA state, with about \$800 million in deposits.

The name Salal comes from a beautiful, sturdy evergreen plant found abundantly in the Pacific Northwest. The plant was once an essential food source for indigenous people and was valued for its healing properties. We felt the name Salal would be a tribute to the beautiful place we call home. To us, it symbolizes strength, stability, and healing. Taking care of our members and giving them a stress-free banking experience is our top priority.

Sometimes it seems that no industry requires this stress-free banking experience more than legal cannabis operators seeking to engage in legitimate banking. We understand that for the industry to grow increasingly legitimate, it requires a legitimate financial partner. We seek to fill that void and take great pride in providing this service to legal, state and locally licensed cannabis companies.

Embarc was one of the first members we onboarded in California. Measuring their team's extensive regulatory expertise, political and community building experience, and commitment to operating compliant cannabis dispensaries we felt any risks were well mitigated. The Embarc team has sincerely been a pleasure to work with.

Embarc's business model is predicated on being a committed community partner that serves as a model business that the community can stand behind. Embarc prioritizes transparency, accountability and integrity in all that they do. This is vital for us in providing banking services in such a nascent industry, and it is vital for the communities, landlords and non-profit organizations that they partner with to execute their vision.

Sincerely,



**Robert Starkey**  
Business Banking Sales Manager

*The sincerest compliment is your referral.*

P: 206.639.3893 • 800.562.5515  
[RStarkey@SalalCU.org](mailto:RStarkey@SalalCU.org) • [SalalCU.org](http://SalalCU.org)

**SALAL**   
BUSINESS SERVICES

**Subject:** FW: Your HdL Companies receipt [REDACTED]  
**Date:** Thursday, October 22, 2020 at 11:32:59 AM Pacific Daylight Time  
**From:** Lauren Carpenter  
**To:** Dustin Moore

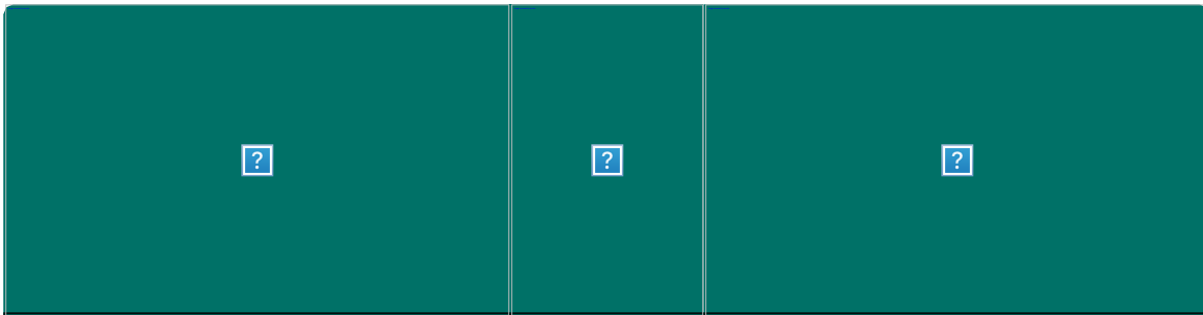
---

**From:** Ron Turner <[REDACTED]>  
**Date:** Thursday, October 22, 2020 at 11:32 AM  
**To:** Lauren Carpenter <Lauren@goembarc.com>  
**Subject:** Fwd: Your HdL Companies receipt [REDACTED]

Sent from my iPhone

Begin forwarded message:

**From:** HdL Companies <receipts+acct\_1FXG5eDfttf40VZQ@stripe.com>  
**Date:** October 22, 2020 at 11:06:57 AM PDT  
**To:** [REDACTED]  
**Subject:** Your HdL Companies receipt [REDACTED]  
**Reply-To:** HdL Companies <support@hdlcompanies.com>



## Receipt from HdL Companies

Receipt [REDACTED]

AMOUNT PAID

[REDACTED]

DATE PAID

October 22, 2020

PAYMENT METHOD

[REDACTED]

### SUMMARY

Order Details: Fairfield gov services - 1 pcs. - Ronald Turner

[REDACTED]

Amount paid

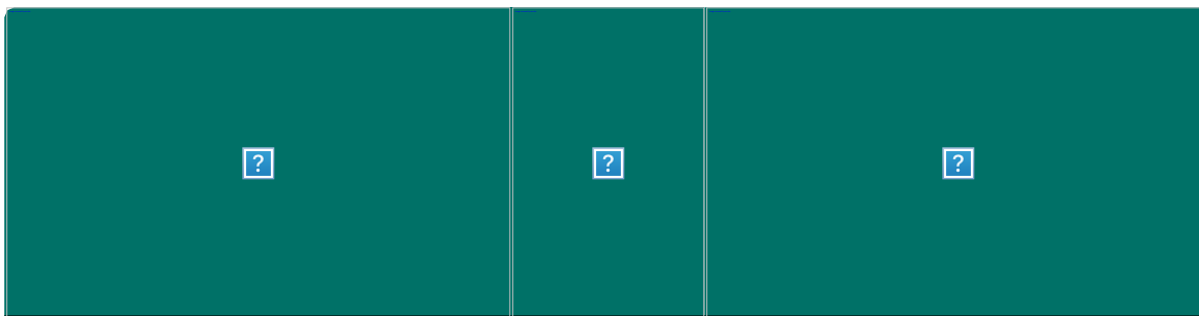
[REDACTED]



**Subject:** FW: Your HdL Companies receipt **REDACTED**  
**Date:** Wednesday, October 21, 2020 at 3:32:36 PM Pacific Daylight Time  
**From:** Lauren Carpenter  
**To:** Dustin Moore

---

**From:** HdL Companies <receipts+acct\_1FXG5eDfTtf40VZQ@stripe.com>  
**Reply-To:** HdL Companies <support@hdlcompanies.com>  
**Date:** Tuesday, October 20, 2020 at 11:33 PM  
**To:** Lauren Carpenter <Lauren@goembarc.com>  
**Subject:** Your HdL Companies receipt **REDACTED**



## Receipt from HdL Companies

Receipt # **REDACTED**

**AMOUNT PAID**

**REDACTED**

**DATE PAID**

October 20, 2020

**PAYMENT METHOD**

**REDACTED**

### SUMMARY

Order Details: Fairfield gov services - 1 pcs. - Lauren Carpenter

**REDACTED**

**Amount paid**

**REDACTED**

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If you have any questions, contact us at [support@hdlcompanies.com](mailto:support@hdlcompanies.com) or call at [+1 909-861-4335](tel:+19098614335).

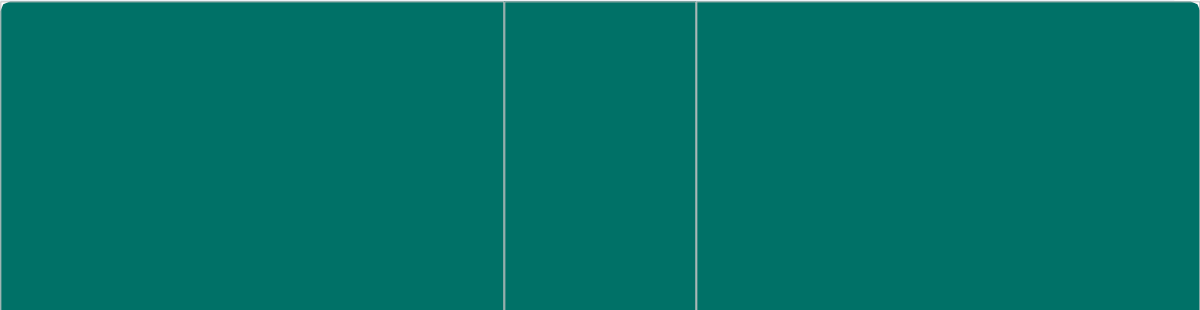
---

**Subject:** Fwd: Your HdL Companies receipt **REDACTED**  
**Date:** Thursday, October 22, 2020 at 5:03:43 AM Pacific Daylight Time  
**From:** George Miller  
**To:** Dustin Moore, Lauren Carpenter

Sincerely,  
George  
Sent from my iPhone

Begin forwarded message:

**From:** HdL Companies <receipts+acct\_1FXG5eDfTtf40VZQ@stripe.com>  
**Date:** October 21, 2020 at 12:24:03 PM EDT  
**To:** George Miller <george@millercespedes.com>  
**Subject:** Your HdL Companies receipt **REDACTED**  
**Reply-To:** HdL Companies <support@hdlcompanies.com>



**Receipt from HdL Companies**

Receipt **REDACTED**

AMOUNT PAID	DATE PAID	PAYMENT METHOD
<b>REDACTED</b>	October 21, 2020	<b>REDACTED</b>

**SUMMARY**

Order Details: Fairfield gov services - 1 pcs. - **REDACTED**  
George Miller IV

---

**Amount paid** **REDACTED**

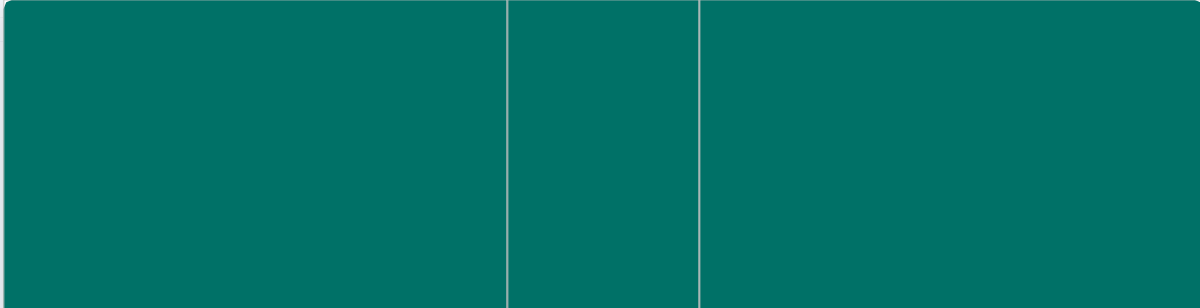


**Subject:** Your HdL Companies receipt **REDACTED**

**Date:** Tuesday, October 20, 2020 at 11:33:57 PM Pacific Daylight Time

**From:** HdL Companies

**To:** Dustin Moore



## Receipt from HdL Companies

Receipt **REDACTED**

**AMOUNT PAID**

**REDACTED**

**DATE PAID**

October 20, 2020

**PAYMENT METHOD**

**REDACTED**

### SUMMARY

Order Details: Fairfield gov services - 1 pcs. - Dustin Moore

**REDACTED**

**Amount paid**

**REDACTED**

If you have any questions, contact us at [support@hdlcompanies.com](mailto:support@hdlcompanies.com) or call at +1 909-861-4335.

Something wrong with the email? [View it in your browser.](#)

You're receiving this email because you made a purchase at [HdL Companies](#), which partners with [Stripe](#) to provide invoicing and payment processing.



October 20, 2020

City of Fairfield  
Planning Division  
1000 Webster Street  
Fairfield, CA 94533  
Attn: Selection Committee Members

Responsible and Compliant Retail Fairfield LLC dba Embarc Fairfield  
180 Serrano Drive, Ste. A  
Fairfield, CA 94533

**Re: Statement of Financial Health for Embarc Fairfield**

To Whom it May Concern:

We are pleased to provide this statement of financial health for Responsible and Compliant Retail Fairfield LLC (dba “Embarc Fairfield”) to satisfy the requirement stipulated in the Cannabis Business Permit and Application Guidelines. In order to fully satisfy this requirement, enclosed please find:

1. Financial Statement: Pro Forma Profit & Loss, Balance Sheet and Cash Flow Statements
2. Balance Sheet: Displaying Assets and Liabilities
3. Proof of Capitalization: Verification of Deposit Account and Funding Commitment Letter

Please note that Embarc Fairfield is a newly formed entity for the purposes of this venture and thus the entity does not yet have a tax return that can be provided as part of this application.

However, Embarc is able to attest to its financial health and ability to finance and operate the proposed business through Embarc’s relationship with a capital partner, Sandra P. Schlemm, as demonstrated through the attached proof of capitalization and verification of deposit account.

Sandra P. Schlemm is a high net worth individual with decades of investing experience and has provided a Proof of Funding of not less than **REDACTED** in support of Embarc’s Proposal. Ms. Schlemm has provided the option to secure additional funding as necessary or appropriate. This funding is available from liquid assets held by Ms. Schlemm, proof of which is attached in support of this application.



Ms. Schlemm's commitment to provide this funding ensures that Embarc has the financial resources necessary in order to develop, open and run the business over the next year. We are pleased with the partnership between Embarc and Ms. Schlemm, which provides confidence in Embarc's financial health and ability to finance and operate the proposed business in Fairfield.

The attached Financial Statement and supporting documentation indicates that Embarc has more than **REDACTED** to fund construction, operation, and maintenance, compensation of employees, equipment costs, utility cost, and other operation costs.

Further, the budget and associated proof of capitalization demonstrates sufficient capital in place for over 8 months of operating costs which far exceeds the required 3 months stipulated by the City. It is our expectation based on current operations that the project will generate positive cash flow within 90 days of opening.

Sincerely,

DocuSigned by:

*Dan Staszak*

18613ED0A3C9473...

Dan Staszak

Chief Financial Officer

## Financial Statement: Proforma Profit & Loss Statement

Fairfield Embarc Pro-Forma Financial Statement	Pre-Open Year 0	Year 1	Year 2	Year 3	Year 4	Year 5
<b>Profit &amp; Loss</b>						
<b>Revenue</b>						
Retail						
Delivery						
<b>Total Revenue</b>						
<b>Cost of Goods Sold</b>						
Cost of Goods Sold (Products)						
Compensation of Employees						
Corporate Social Responsibility						
City Cannabis Tax						
Excise Tax						
<b>Total Cost of Goods Sold</b>						
<b>Gross Margin</b>						
<i>Gross Margin %</i>						
<b>Operating Expense</b>						
Compensation of Employees						
Safety and Security						
Professional fees						
Advertising and promotion						
Rent						
Utilities						
Repairs and Maintenance						
Custodian						
Insurance						
California Cannabis Business License						
Local Cannabis Business License						
Office supplies						
Meals and entertainment						
Vehicles						
Employee Training						
Uniforms						
IT						
Point of Sale						
<b>Total Operating Expense</b>						
<i>Total Operating Expense %</i>						
<b>EBITDA</b>						
<i>EBITDA %</i>						
Federal income tax						
State income tax						
Depreciation & Amortization						
<b>Total Interest, Tax, D&amp;A</b>						
<b>Net Income / (Loss)</b>						
<i>Net Income / (Loss) %</i>						

REDACTED

## Financial Statement: Proforma Balance Sheet & Cash Flow Statement

Fairfield Embarc Pro-Forma Financial Statement	Pre-Open Year 0	Year 1	Year 2	Year 3	Year 4	Year 5
<b>Balance Sheet</b>						
<u>Current Assets</u>						
Cash						
ATM						
Inventory						
Accounts Receivable						
Prepaid City of Fairfield Tax						
<b>Total Current Assets</b>						
<u>Fixed Assets</u>						
Equipment						
Leasehold Improvements						
Accumulated Depreciation						
Other Fixed Assets						
<b>Total Fixed Assets</b>						
<u>Non Current Assets</u>						
Loans to Members/Member Businesses						
Security Deposits						
Other Non-Current Assets						
<b>Total Non-Current Assets</b>						
<b>Total Assets</b>						
<u>Current Liabilities</u>						
Accounts Payable						
<b>Total Current Liabilities</b>						
<u>Non-Current Liabilities</u>						
Loan from Embarc						
Acquisition Seller Notes						
Convertible Note Payable						
<b>Total Non-Current Liabilities</b>						
<u>Shareholder Equity</u>						
Retained Earnings						
Net Income						
<b>Total Equity</b>						
<b>Total Liabilities &amp; Shareholder Equity</b>						
<b>Cash Flow</b>						
<u>Cash Flow From Operations</u>						
<b>Net Ordinary Income</b>						
<i>Adjust:</i>						
Depreciation/Amortization						
Increase/(Decrease) in Payables						
Decrease/(Increase) in Inventory						
Decrease/(Increase) in Other Assets						
Change in Other Current Liabilities						
<b>Cash Flow from Operations</b>						
<u>Cash Flow From Investing</u>						
Disposal/(Purchase) of Fixed Assets						
Changes In Other Non-Current Assets						
<b>Cash Flow from Investments</b>						
<u>Cash Flow From Financing</u>						
Increase/(Decrease) in Loan to/from Embarc						
<b>Cash Flow From Financing</b>						
<b>Net Cash Flow</b>						

REDACTED

Balance Sheet: Displaying Assets & Liabilities

EMBARC FAIRFIELD LLC

BALANCE SHEET

OCTOBER 20, 2020

ASSETS:

CURRENT ASSETS

Cash

REDACTED

**TOTAL CURRENT ASSETS**

FIXED ASSETS

Leasehold Improvements

-

Equipment

-

Other Fixed Assets

-

**TOTAL FIXED ASSETS**

-

**TOTAL ASSETS**

REDACTED

LIABILITIES & SHAREHOLDERS' EQUITY:

CURRENT LIABILITIES

Accounts Payable

\$ -

Other Liabilities

-

**TOTAL CURRENT LIABILITIES**

-

NON CURRENT LIABILITIES

Loan from Embarc / Sandra P Schlemm

REDACTED

**TOTAL NON CURRENT LIABILITES**

**TOTAL LIABILITIES**

REDACTED

SHAREHOLDER EQUITY

Retained Earnings

-

Paid-in Capital

-

**TOTAL SHAREHOLDERS EQUITY**

-

**TOTAL LIABILITIES & SHAREHOLDERS' EQUITY**

REDACTED

# STIFEL

September 17, 2020

Sandra Schlemm

**REDACTED**

Re: Sandra Schlemm Household Lead Account Number **REDACTED** Information Request for City of Fairfield

Dear Ms. Schlemm:

Please accept this letter as verification that you had assets in your accounts held with Stifel as of September 16, 2020, in excess of **REDACTED**

This value will increase or decrease with market fluctuations and due to deposits and withdrawals from the account. Net proceeds that are payable at the time of liquidation will be reduced by the amount of brokerage fees. You have the privilege to withdraw money or liquidate securities at the then current market value at any time.

Sincerely,



**Thomas Liquori**  
*Vice President*  
**(212) 328-1012**

Sandra Page Schlemm

**REDACTED**

September 20, 2020

City of Fairfield  
Planning Division  
1000 Webster Street  
Fairfield, CA 94533  
Attn: Selection Committee Members

**RE: Responsible and Compliant Retail Fairfield, LLC, DBA Embarc Fairfield**

Dear City of Fairfield Selection Committee Members,

I am pleased to present this proof of funding letter in support of Embarc Fairfield's application for a retail cannabis dispensary in Fairfield.

I believe strongly in Embarc's application and am pleased to support this venture. The funding required will be provided as necessary in order to develop and operate Embarc's vision for a retail cannabis business in Fairfield.

My confidence in Embarc's application is based upon experience with their operating team.

I am committed to the success of Embarc's retail cannabis dispensary and have included verification for proof of funding for **REDACTED** Please see attached "Verification of Deposit."

Very Truly Yours,

DocuSigned by:  
*Sandra P Schlemm*  
A1A0F6926FD24F6...

Sandra P. Schlemm





# CITY OF FAIRFIELD

Founded 1856

Incorporated December 12, 1903

## COMMUNITY DEVELOPMENT DEPARTMENT

Home of  
Travis Air Force Base

### COUNCIL

Mayor  
Harry T. Price  
707 428 7395  
Vice-Mayor  
Pam Berlani  
707 429 6298  
Councilmembers  
707 429 6298

Catherine Moy

Chuck Timm

Rick Vaccaro

•••

City Manager  
Stefan T. Chalwin  
707 428 7400

•••

City Attorney  
Gregory W. Stepanicich  
707 428 7419

•••

City Clerk  
Karen L. Rees  
707 428 7384

•••

City Treasurer  
Arvinda Krishnan  
707 428 7036

### DEPARTMENTS

City Manager's Office  
707 428 7400

•••

Community Development  
707 428 7461

•••

Finance  
707 428 7036

•••

Fire  
707 428 7375

•••

Human Resources  
707 428 7394

•••

Parks & Recreation  
707 428 7465

•••

Police  
707 428 7362

•••

Public Works  
707 428 7485

September 11, 2020

Dustin Moore  
1201 K Street, Suite 290  
Sacramento, CA 95814

**Re: Zoning Letter for 180 Serrano Dr., Fairfield, CA 94533, ZL2020-022**

Dear Mr. Moore:

In response to your request for zoning information for cannabis permitting at the above referenced property, I trust that you will find the following information useful:

- The current zoning classification for the subject property is CR (Regional Commercial).
- Commercial cannabis - retail is a permitted use in the CR zone subject to the requirements of the Fairfield Municipal Code (FMC) Chapter 10E.
- The City has not identified any sensitive uses, as defined in FMC Section 10E.18 (c), within 600 feet of the subject property at the time of this writing.

All information was obtained from public records, which may be inspected during regular business hours. For further information regarding zoning requirements, the entire Zoning Ordinance can be reviewed at the City website, [www.fairfield.ca.gov](http://www.fairfield.ca.gov).

Please contact me at 707-428-7450 or [akreimeier@fairfield.ca.gov](mailto:akreimeier@fairfield.ca.gov) with any questions or concerns.

Sincerely,

AMY KREIMEIER  
Senior Planner

# **RETAIL LEASE**

between

**Jimmy Rong  
As Landlord**

and

**Embarc, LLC  
As Tenant**

for

**180 Serrano Drive, Suite A  
Fairfield, California**

**PREAMBLE**

9/4/2020

This Lease is entered into and made effective on September \_\_\_, 2020 by and between Jimmy Rong, (“Landlord”), and Embarc, LLC, a California Limited Liability Company (“Tenant”).

Landlord, for and in consideration of the rent to be paid by Tenant and of the covenants and provisions to be kept and performed by Tenant under this Lease, hereby Leases to Tenant a portion of the property located at 180 Serrano Drive, Fairfield, California, 94553 known as Suite A, together with no fewer than 14 dedicated parking spaces in the adjoining paved parking area (“collectively the “Premises”). The entire property together with the entire adjoining paved parking area is referred to as “the Improvements.”

For purposes of calculating rent, CAM and NNN charges, the parties agree that the size of the demised premises shall be set at 2,800 rentable square feet, plus the adjoining 14 dedicated parking spaces.

**ARTICLE 1  
TERM OF LEASE**

Original Term

Section 1.01. This Lease shall be for a term of ten (10) years, commencing at 12:01 a.m. on the “Commencement Date” as defined herein, and ending ten (10) years after such Commencement Date (the “Original Term”), unless terminated earlier pursuant to the provisions of this Lease.

Commencement Date

Section 1.02. The Commencement Date shall be the date the City of Fairfield has issued to Embarc LLC, or its assignee or designee, a Commercial Cannabis Business License to operate a medicinal and adult-use retail storefront with delivery services at the Premises.

The Landlord and Tenant agree to enter into a commencement date memorandum confirming the exact Commencement Date and Expiration Date of the Lease.

Contingencies

Section 1.03. Until the condition listed in Section 1.02, have been satisfied (the “Pre-Cannabis Entitlement Termination”), Tenant shall have the right to terminate this Lease, for any reason or no reason at all, as determined by Tenant in its sole and absolute discretion. In the event that Tenant exercises its Pre-Cannabis Entitlement Termination right, Landlord shall refund to Tenant, the Security Deposit, without deduction or offset. Tenant shall, upon execution of this

Lease, promptly make all required applications for governmental approvals and thereafter undertake all activities reasonably required to obtain the governmental approvals. Upon termination pursuant to this Section, neither party shall have further rights or obligations under the Lease.

#### Tenant's Obligations re Licensing

Section 1.04. (a) During the term of the Lease, Tenant covenants and agrees that it shall apply for all final permits, authorizations and approvals necessary in connection with the Permitted Use, including, without limitation, the regulatory permits and/or licenses from (i) the City of Fairfield (the "City"), (ii) the State of California (the "State"), or (iii) any other applicable governmental or regulatory authority, in connection with Tenant's Permitted Use, including, without limitation, the regulatory permit and State retailer license, as determined by Tenant in its sole and absolute discretion (any of the foregoing in (i) through (iii) collectively, referred to herein as the "Licenses," and each individually, a "License").

(b) During the term of the Lease, Landlord covenants and agrees that it shall, within the parameters of applicable law, in good faith and in a manner that is commercially reasonable, cooperate with Tenant to perform all lawful acts to timely process and execute any and all of Tenant's applications, authorizations, consents or other documents in connection with the City and State or in connection with the Tenant's Licenses, to the extent the same require Landlord's consent, approval, execution, or acknowledgment.

#### Extended Term

Section 1.05. In the event Tenant is not in default under this Lease when the Original Term ends, Tenant shall have the option and right to extend such Original Term for a period of five (5) years (the "Extended Term"), commencing on expiration of the Original Term. If Tenant elects to extend the term of this Lease, Tenant must give Landlord written notice of such election not less than six (6) months before expiration of the Original Term. Such written notice shall be deemed effective on delivery to Landlord in accordance with the provisions of Section 11.04. During the Extended Term of this Lease, if any, Landlord and Tenant shall be bound by all of the obligations, covenants, and agreements of this Lease. The rent for such extended term shall be in accordance with Section 2.01, below. After the expiration of such Extended Term option period, Tenant shall have no right to further extend the period of this Lease. References throughout this Lease to the Term of this Lease shall include both the Original Term and any Extended Term, unless otherwise indicated.

#### Holding Over

Section 1.06. In the event Tenant holds over after expiration or termination of this Lease without the written consent of Landlord, Tenant shall pay as Base Rent for each month (or any part thereof) of holdover tenancy an amount equal to 150% the Base Rent which Tenant was obligated to pay for the month immediately preceding the end of the Term. No holding over by Tenant after the Term shall operate to extend the Term. In the event of any unauthorized holding

over, Tenant shall indemnify Landlord against all claims for damages by any other tenant to whom Landlord may have Leased all or any part of the premises upon the termination of this Lease. Any holding over with the written consent of Landlord shall constitute a Lease from month to month on the same terms and conditions as provided herein or as otherwise provided in such writing.

**ARTICLE 2  
RENT AND COMMISSIONS**

Basic Monthly Rent

Section 2.01. Regardless of the actual Commencement Date, Tenant agrees to pay to Landlord a fixed minimum rental for the use and occupancy of the Premises (the "Basic Monthly Rent"), of [REDACTED] per square foot per month plus a pro rata share of CAM and NNN charges beginning January 1, 2021.

The Basic Monthly Rent during the Extended Term, if any, shall include an annual increase of 2% plus CAM and NNN charges.

The parties intend that this Lease shall be absolutely triple net (NNN) to Landlord and that Tenant shall pay all costs and expenses relating to the premises and the business conducted therein as expressly provided in the Lease.

Rent Payment

Section 2.02. Tenant shall pay Basic Monthly Rent within five (5) days of the first day of each calendar month during the Term hereof, without any reduction, abatement, counterclaim or setoff.

Late Charges

Section 2.03. Tenant hereby acknowledges that late payment by Tenant of rent will cause Landlord to incur cost not contemplated by this Lease, the exact amount of which will be extremely difficult to ascertain. Such costs include, but are not limited to, processing and accounting charges, and late charges which may be imposed upon Landlord by any lender. Accordingly, if any Rent shall not be received by Landlord within five (5) business days after such amount shall be due, then, without any requirement for notice to Tenant, Tenant shall pay to Landlord a one-time late charge equal to five percent (5%) for each overdue amount. The parties hereby agree that such late charge represents a fair and reasonable estimate of costs Landlord will incur by reason of such late payment. Acceptance of such late charge by Landlord shall in no event constitute a waiver of Tenant's default or breach with respect to such overdue amount, nor prevent the exercise of any of the other rights and remedies granted hereunder. In the event that a late charge is payable hereunder, whether or not collected, for three (3) consecutive installments of Base Rent, then notwithstanding any provision of the Lease to the contrary, Base Rent shall, at Landlord's option, become due and payable quarterly in advance.

Security Deposit

Section 2.04. Upon execution of this Lease Tenant shall pay Landlord an amount of [REDACTED] representing the First and Last Month's rent as a security deposit. No part of the Security Deposit shall be considered to be held in trust, to bear interest or to be prepayment of any monies to be paid by Tenant under the Lease.

**ARTICLE 3  
USE OF PREMISES**

Permitted Use

Section 3.01. During the term of this Lease (including the Original Term and Extended Term, if any), the Premises shall be used for the primary purpose of general business use, which includes but is not limited to an adult-use and medicinal cannabis storefront retailer with delivery services; however, Tenant shall be allowed to use the premises for any other legally allowed use as may be approved in writing by the Landlord and by the City of Fairfield.

Insurance Hazards

Section 3.02. Tenant shall not commit, permit, or cause or allow the commission of any acts on the Premises, nor use or permit the use of the Premises in any manner that will increase the existing rates for or cause the cancellation of any fire, liability, or other insurance policy insuring the Premises or the improvements on the Premises (except with respect to the Permitted Use, which the Landlord and Tenant hereby acknowledge is currently illegal under federal law). Tenant shall use commercially reasonable efforts to, at its own cost and expense, comply with any and all requirements of Landlord's insurance carriers, as necessary, for the continued renewal at reasonable rates of fire and liability insurance policies on the Premises and the improvements on the Premises.

Waste or Nuisance

Section 3.03. Tenant shall not commit or permit the commission by others of any waste on the Premises. Tenant shall not maintain, commit, or permit the maintenance or commission of any nuisance as defined in Civil Code Section 3479 on the Premises. Tenant shall not use or permit the use of the Premises for any unlawful purpose (except with respect to the Permitted Use, which the Landlord and Tenant hereby acknowledge is currently illegal under federal law). As used in this Lease, any nuisance as defined in Civil Code Section 3479 shall expressly exclude cannabis, cannabis products or any related products used in the normal course of business for a cannabis storefront retailer with delivery services.

### Compliance with Laws

Section 3.04. Tenant shall at Tenant's own cost and expense, comply with applicable statutes, ordinances, regulations, and requirements of governmental entities, both federal and state and county or municipal, relating to Tenant's use and occupancy of the Premises, whether such statutes, ordinances, regulations, and requirements are now in force or are subsequently enacted. Notwithstanding anything herein or in the Lease to the contrary, Landlord acknowledges that Tenant's Permitted Use is, at the time of the execution of this Lease, noncompliant with federal law, and Landlord agrees that such violation shall not cause Tenant to forfeit the Premises or otherwise be in default or breach of this Lease. Except to the extent expressly allocated to Tenant within this Lease, Landlord shall be responsible for making any disability access improvements to the parking lot and portions of the common areas of the building that are in Tenant's path of travel to the Premises and are required by applicable laws with respect to disability access.

## **ARTICLE 4 TAXES AND UTILITIES**

### Utilities

Section 4.01. Tenant shall pay its prorated share, based on the amount the square footage of the demised Premises bears in relation to the total square footage of the Improvements, all charges for the furnishing of gas, water, sewer, electricity, telephone service, garbage pickup and disposal, and for other public utilities (collectively "Utilities") during the term of this Lease. All such charges shall be paid by Tenant directly to the Landlord. In the event any of the Utilities are separately metered for the demised Premises, Tenant shall pay the provider of the service directly as said charges become due and payable but in any event before delinquency.

### Personal Property Taxes

Section 4.02. Tenant shall pay before they become delinquent all taxes, assessments, and other charges levied or imposed by any governmental entity on the furniture, trade fixtures, appliances, and other personal property placed by Tenant in, on, or about the Premises including, without limiting the generality of the other terms used in this section, any shelves, counters, vaults, vault doors, wall safes, partitions, fixtures, machinery, plant equipment, office equipment, television or radio antennas, and communication equipment brought on the Premises by Tenant.

### Real Property Taxes

Section 4.03. All real property taxes and assessments levied or assessed against the demised Premises by any governmental entity, including any special assessments imposed on or against the Premises for the construction or improvement of public works in, on, or about the Premises, shall be paid, before they become delinquent, by Landlord, and Tenant shall reimburse Landlord for all taxes and assessments provided hereunder within 30 days after Tenant receives a copy of the property tax and assessment notices.

**ARTICLE 5  
ALTERATIONS AND REPAIRS**

Tenant Improvements

Section 5.01. Landlord agrees to deliver the premises in good and satisfactory working order, including all plumbing, ADA-compliant men's and women's rest rooms and fixtures, electrical, lighting, ceiling tiles, HVAC system, the driveway and parking areas.

Maintenance by Landlord

Section 5.02. Landlord shall, at its own cost and expense, maintain in good condition and repair the structural elements of the building. For purposes of this section, "structural elements" shall mean the exterior roof, exterior walls (except show window glass), structural supports, and foundation of the building.

Notwithstanding anything in this Section to the contrary, Tenant shall promptly reimburse Landlord for the full cost of any repairs made pursuant to this Section required because of the negligence or other fault, other than normal and proper use, of Tenant or its employees or agents or subtenants, if any.

Maintenance by Tenant

Section 5.03. Except as otherwise expressly provided in Section 5.02 of this Lease, Tenant shall at its own cost and expense keep and maintain all portions of the demised Premises in good order and repair and in as safe and clean a condition as they were when received by Tenant from Landlord, reasonable wear and tear expected. Tenant's obligation to repair shall specifically include necessary repairs to the heating, ventilation, and air conditioning systems, interior walls, floor coverings, ceilings, painting and maintenance of exterior walls, and the interior and exterior portions of all doors.

The rent and any other amount due or payable to the Landlord hereunder shall be paid to Landlord absolutely net of all costs and expenses. The provisions for payment of increases in operating and tax costs by means of periodic payment of Tenant's share of such costs are intended to pass on to Tenant and to reimburse Landlord for all increases in the costs and expenses of the nature payable by Tenant hereunder. All rent and any other amount due or payable to Landlord shall be deemed duly made only when payment in full is received by Landlord on or before the due dates specified in this Lease. Landlord may, however, accept and apply to its account any payment made by Tenant not in accordance with the foregoing sentence, notwithstanding any notations or purported limitations contained on such payment, check, draft or other such payment. Landlord's acceptance of any such payment shall not in any manner waive or impair Landlord's right to assert a default on the part of Tenant or to object to said payment of rent and to require any proper correction in accordance with the terms of this Lease.



### Replacement

Section 5.04. Subject to Tenant's indemnification of Landlord as set forth in Article 6 below, and without relieving Tenant of liability resulting from Tenant's failure to exercise and perform good maintenance practices, if an item described in Section 5.03 above cannot be repaired other than at a cost which is in excess of 50% of the cost of replacing such item, then such item shall be replaced by Landlord, and the cost thereof shall be prorated between the parties and Tenant shall only be obligated to pay, each month during the remainder of the term of this Lease on the date on which Base Rent is due, an amount equal to the product of multiplying the cost of such replacement by a fraction, the numerator of which is one, and the denominator of which is 144 (i.e., 1/144th of the cost per month).

### Alterations and Liens

Section 5.05. Tenant shall not make or permit any other person to make any alterations to the Premises or to any Improvements on the Premises without the written consent of Landlord. Landlord shall not unreasonably withhold such consent. Tenant shall keep the Premises free and clear from any and all liens, claims, and demands for work performed, materials furnished, or operations which are conducted on the Premises at the instance or request of Tenant. Furthermore, any and all alterations, additions, improvements, and fixtures, except furniture and trade fixtures, made or placed in or on the Premises by Tenant or any other person shall, on expiration or early termination of this Lease, become the property of Landlord and shall remain on the Premises. Landlord shall have the option, however, on expiration or termination of this Lease, of requiring Tenant, at Tenant's sole cost and expense, to remove any or all such alterations, additions, improvements, or fixtures from the Premises. Tenant will remove all unsecured fixtures associated with the functioning of its Permitted Use.

### Inspection by Landlord

Section 5.06. Subject to Tenant's obligations under applicable law in connection with the Permitted Use, Tenant shall permit Landlord or Landlord's agents, representatives, or employees to enter the Premises at all reasonable times for the purpose of inspecting the Premises to determine whether Tenant is complying with the terms of this Lease, for the purpose of doing other lawful acts that may be necessary to protect Landlord's interest in the Premises, or for the purpose of performing Landlord's duties under this Lease, including but not limited to Landlord's repair duties under Section 5.02 hereunder.

### Surrender of Premises

Section 5.07. On expiration or earlier termination of this Lease, Tenant shall promptly surrender and deliver the Premises to Landlord in as good condition as they were as of the Commencement Date of this Lease, excluding reasonable wear and tear, and excluding repairs required to be made by Landlord under this Lease.

**ARTICLE 6  
INDEMNITY AND INSURANCE**

Hold-Harmless Clause

Section 6.01. Tenant agrees to protect, indemnify, and save Landlord harmless from and against any and all liability to third parties resulting from Tenant's occupation and use of the demised Premises, specifically including, without limitation, any claim, liability, loss, or damage arising by reason of:

(a) The death or injury of any person or persons, including Tenant personnel or any person who is an employee or agent of Tenant, or by reason of the damage to or destruction of any property, including property owned by Tenant or by any person who is an employee or agent of Tenant, and caused by the Tenant or by an agent, contractor, employee, servant, subtenant, or concessionaire of Tenant on the demised Premises;

(b) Any work performed on the demised Premises or materials furnished to the demised Premises at the instance or request of Tenant or of any agent or employee of Tenant; and,

(c) Tenant's failure to perform any provision of this Lease.

Public Liability and Property Damage Insurance

Section 6.02. Tenant shall, at its own cost and expense, procure and maintain during the entire term of this Lease public liability insurance and property damage insurance policy or policies issued by an insurance company(s) rated A-/VIII or higher by A.M. Best, which policy or policies shall insure Landlord against loss or liability caused by or connected with Tenant's occupation and use of the Premises under this Lease in the amounts not less than:

(a) \$1,000,000 for injury or death of one person and, subject to that limitation for the injury or death of one person, of not less and \$1,000,000 for injury to or death of two or more persons as a result of any one accident or incident; and,

(b) \$300,000 for damage to or destruction of any property of others.

The insurance required under this Section shall be issued by a responsible insurance company or companies authorized to do business in California and shall be in a form reasonably satisfactory to Landlord. Tenant shall with 30 days of the date of this Lease, deposit with Landlord a certificate showing that insurance to be in full force and effect.

If Tenant fails to obtain such insurance Landlord may do so on Tenant's behalf, and tenant shall reimburse Landlord for the premiums paid by Landlord for maintaining the insurance required by this Section. Reimbursement shall be made by Tenant within 30 days after Tenant receives a copy of the premium notice.

Tenant's obligation to pay insurance costs shall be prorated for any partial year at the commencement and at the expiration or termination of the term.

#### Tenant's Personal Property

Section 6.03. Tenant shall, during the full term of this Lease and any renewals or extensions thereof, maintain at Tenant's own cost and expense an insurance policy issued by a reputable company authorized to conduct insurance business in California insuring for Tenant's full insurable value all fixtures and equipment and, to the extent possible, all property which is, at any time during the term of this Lease, in or on the demised Premises against damage or destruction by fire, theft, or the elements.

#### Cancellation Requirements

Section 6.04. Each of the insurance policies mentioned in Sections 6.02 and 6.03 hereof shall be in a form reasonably satisfactory to Landlord and shall carry an endorsement that, before changing or canceling any policy, the issuing insurance company shall give Landlord at least 30 days' prior written notice. Duplicate originals or certificates of all such insurance policies shall be delivered to Landlord.

#### Fire and Extended Coverage Insurance

Section 6.05. Landlord at its cost shall maintain the building and other improvements in which the Premises are located a policy of standard fire and extended coverage insurance, with vandalism and malicious mischief endorsements, to the extent of at least full replacement value.

Such policy shall also cover plate glass, boiler and machinery insurance on all boilers, air-conditioning equipment, and other pressure vessels and systems located in, on, or about the Premises. If any of these items and the damage that may be caused by them are not covered by the standard fire and extended coverage insurance referred to in this paragraph, Landlord shall obtain boiler and machinery insurance which shall have limits of not less than \$100,000 per occurrence.

#### Hazardous Substances

Section 6.06. Landlord warrants that at the inception of Tenant's occupancy under this Lease that there will be no hazardous substances on the premises. The term "hazardous substance" shall mean any product or substance, the presence of which, either by itself or in combination with other materials, is either potentially injurious to public health, safety or welfare, the environment or the Premises, or is regulated or monitored by any governmental authority. Hazardous substances shall include but not be limited to hydrocarbons, petroleum, gasoline and/or crude oil, or any products or byproducts thereof. As used in this Lease, Hazardous Substances shall expressly exclude cannabis, cannabis products or any related products used in the normal course of business for a cannabis storefront retailer with delivery services. Tenant shall not engage in any

activity in or about the Premises which constitutes a use of hazardous substances without the express written consent of Landlord and without timely compliance at Tenant's expense for all applicable requirements. If Tenant knows or has reasonable cause to believe that a hazardous substance has come to be located on the Premises, Tenant shall immediately give written notice of such fact to Landlord. Tenant shall not cause or permit any hazardous substance to be spilled or released in or on the Premises, including through the plumbing or sewer system, and shall promptly at Tenant's expense comply with all requirements under applicable law for the cleanup of any contamination caused by hazardous substances.

**ARTICLE 7**  
**SIGNS AND TRADE FIXTURES**

Installation and Removal of Trade Fixtures

Section 7.01. Tenant shall have the right at any time and from time to time during the term of this Lease, at Tenant's sole cost and expense, to install and affix in, to, or on the Premises any items, herein called "trade fixtures," which Tenant may, in Tenant's sole discretion, deem advisable. Any and all trade fixtures which can be removed without structural damage to the Premises or any building or improvements on the Premises shall, subject to Section 7.02 of this Lease, remain the property of the Tenant and may be removed by Tenant at any time before the expiration or earlier termination of this Lease, provided Tenant repairs any damage caused by such removal.

Unremoved Trade Fixtures

Section 7.02. Any trade fixtures which are not removed from the Premises by Tenant within 60 days after the expiration or earlier termination of this Lease, regardless of cause, shall be deemed abandoned by Tenant and shall automatically become the property of Landlord as owner of the real property to which they are affixed.

Signs

Section 7.03. Subject to the remainder of this Section, Tenant may erect, maintain, permit, and from time to time remove any signs in or about the Premises that Tenant may deem necessary or desirable, at Tenant's sole expense, provided that any signs erected or maintained by Tenant must comply with all requirements of the City of Fairfield or of any other governmental authority with jurisdiction. In this regard, Tenant agrees to install identification and other signage in accordance with the ordinances of the City of Fairfield and only with Landlord's prior approval, which shall not be unreasonably withheld.

**ARTICLE 8**  
**DESTRUCTION OF PREMISES**

Landlord's Obligation to Repair Damage to Building

If at any time during the Original Term of this Lease or the Extended Term, if any, the Premises is damaged or destroyed by any cause, and is unusable, Lessee shall have the right to terminate the lease.

## **ARTICLE 9 CONDEMNATION**

### Total Condemnation

Section 9.01. If at any time during the term of this Lease, title and possession of all of the Premises is taken under the power of eminent domain by any public or quasi-public agency or entity, this Lease shall terminate as of 12:01 A.M. of the date actual physical possession of the Premises is taken by the agency or entity exercising the power of eminent domain, and both Landlord and Tenant shall thereafter be released from all obligations under this Lease.

### Termination Option for Partial Condemnation

Section 9.02. If at any time during the term of this Lease, title and possession of only a portion of the Premises is taken under the power of eminent domain by any public or quasi-public agency or entity, including if eminent domain reduces the number of available, dedicated parking spots to a number less than required by the City of Fairfield code(s), Tenant may, at Tenant's option, terminate this Lease. If Tenant elects to exercise the option granted under this section, Tenant shall give Landlord at least 60 days prior written notice within 30 days after Tenant received notice of the taking that designates the precise area of the Premises to be taken. This Lease shall terminate as of the date specified for termination in Tenant's notice, or on the date actual physical possession of the Premises is taken by the public or quasi-public agency or entity, whichever date is earlier.

### Partial Condemnation Without Termination

Section 9.03. If Tenant fails to exercise the option described in Section 9.02 of this Lease or if the portion of the Premises taken under the power of eminent domain is insufficient to give rise to the option described in Section 9.02 of this Lease:

(a) This Lease shall terminate as to the portion of the Premises taken by eminent domain as of 12:01 A.M. of the day actual physical possession of that portion of the Premises is taken by the agency or entity exercising the power of eminent domain (the "date of taking");

(b) The Basic Monthly Rent specified in Section 2.01 of this Lease shall, after the date of taking, be reduced by an amount that bears the same ratio to the minimum rent specified in Section 2.01 of this Lease as the square footage ground area of the portion of the Premises taken under the power of eminent domain bears to the total square footage ground area of the Premises as of the date of this Lease; and,

(c) Landlord, at Landlord's own cost and expense, shall remodel and reconstruct the Building remaining on the portion of the Premises not taken by eminent domain into a single efficient architectural unit as soon after the taking, or before, as can be reasonably done; provided, however, that the Basic Monthly Rent shall not be abated or reduced, except as provided in subsection (b) of this section, during remodeling and reconstruction

**ARTICLE 10**  
**DEFAULT, ASSIGNMENT, AND TERMINATION**

Restriction Against Subletting or Assignment

Section 10.01. Tenant shall not encumber, assign, sublet, or otherwise transfer this Lease, any right or interest in this Lease, or any right or interest in the Premises or any of the improvements that may now or hereafter be constructed or installed on the Premises without first obtaining the express written consent of Landlord, which consent will not be unreasonably withheld. Tenant shall not allow any other person, other than Tenant's agents, servants, and employees, to occupy the Premises or any part of the Premises without the prior written consent of Landlord. An assignment, transfer, or subletting without the prior written consent of Landlord, whether voluntary or involuntary, by operation of law or otherwise, is void and shall, at the option of Landlord, terminate this Lease. Notwithstanding anything to the contrary in Article 10 of the Lease, Tenant shall have the right to assign or sublease the Premises to its assignee or designee. Landlord shall have the unconditional right to assign this Lease under the same terms and conditions contained herein.

Default Defined

Section 10.02. The occurrence of any of the following shall constitute a material default and breach of this Lease by Tenant:

(a) Any failure by Tenant to pay the rent or to make any other payment required to be made by Tenant under this Lease (when that failure continues for 10 business days after written notice of the failure is given by Landlord to Tenant).

(b) The abandonment or unauthorized vacating of the Premises by Tenant.

(c) A failure by Tenant to observe and perform any other provision of this Lease to be observed or performed by Tenant, when that failure continues for 20 business days after written notice of Tenant's failure is given by Landlord to Tenant; provided, however, that if the nature of that default is such that it cannot reasonably be cured within a 30 day period, Tenant shall not be deemed to be in default if Tenant commences the necessary cure within the 30-day period and thereafter diligently prosecutes it to completion.

(d) The making by Tenant of any general assignment for the benefit of creditors; the filing by or against Tenant of a petition to have Tenant adjudged a bankrupt or of a petition for reorganization or arrangement under any law relating to bankruptcy (unless, in the case of a petition filed

against Tenant, it is dismissed within 60 days); the appointment of a trustee or receiver to take possessions of substantially all of Tenant's assets located at the Premises or of Tenant's interest in this Lease, when possession is not restored to Tenant within 30 days; or the attachment, execution, or other judicial seizure of substantially all of Tenant's assets located at the Premises or of Tenant's interest in this Lease, when that seizure is not discharged within 30 days.

The notices provided for in subsections (a) through (c) of this Section 10.02 are not intended to replace, but rather are in addition to, any required statutory notices for unlawful detainer proceedings under Code of Civil Procedure Section 1161 et seq.

#### Termination of Lease by Landlord and Recovery of Damages

Section 10.03. In the event of any default by Tenant under this Lease, in addition to any other remedies available to Landlord at law or in equity, Landlord shall have the right to terminate this Lease and terminate all rights of Tenant hereunder by giving written notice of such termination. No act of Landlord shall be construed as terminating this Lease except written notice given by Landlord to Tenant advising Tenant that Landlord elects to terminate the Lease. In the event Landlord elects to terminate this Lease, Landlord may recover from Tenant:

(a) Any unpaid rent that had been earned at the time of termination of the Lease

(b) Any other amount necessary to compensate Landlord for all detriment proximately caused by Tenant's failure to perform its obligations under this Lease.

The term "Rent" as used in this Lease shall mean the Basic Monthly Rent and all other sums required to be paid by Tenant pursuant to the terms of this Lease.

#### Landlord's Right to Continue Lease in Effect After Breach

Section 10.04. (a) If Tenant breaches this Lease and abandons the Premises before the natural expiration of the term of this Lease, Landlord may continue this Lease in effect by not terminating Tenant's right to possession of the Premises, in which event Landlord shall be entitled to enforce all its rights and remedies under this Lease, including the right to recover the rent specified in this Lease as it becomes due. For as long as Landlord does not terminate this Lease in such a situation, Tenant shall have the right to assign or sublease the Premises with the Landlord's prior written consent, and Landlord shall not unreasonably withhold such consent.

(b) No act of Landlord, including but not limited to Landlord's entry on the Premises, efforts to relet the Premises, or maintenance of the Premises, shall be construed as an election to terminate this Lease, unless a written notice of that intention is given to Tenant or unless the termination of this Lease is decreed by a court of competent jurisdiction.

#### Landlord's Right to Relief

Section 10.05. In the event Tenant breaches this Lease, Landlord may enter on and relet the Premises or any part of the Premises to a third party or third parties for any commercially rea-

sonable term or rental and shall have the right to make alterations and repairs to the Premises. Tenant shall be liable for all of Landlord's costs in repairing any damages caused by Tenant and for the reasonable costs incurred by Landlord in locating a new tenant. In the event Landlord relets the Premises, Tenant shall pay all rent due under and at the times specified in this Lease, less any amount or amounts actually received by Landlord from the reletting.

Landlord's Right to Cure Tenant Defaults

Section 10.06. If, after receipt of any of the notices provided for in Section 10.02, Tenant breaches or fails to perform any of the covenants or provisions of this Lease within applicable time periods, Landlord may, but shall not be required to, cure Tenant's breach. Any sum, expended by Landlord therefor, shall be reimbursed by Tenant to Landlord with the next due rent payment under this Lease.

Cumulative Remedies

Section 10.07. The remedies granted to Landlord in this Article shall not be exclusive but shall be cumulative and shall be in addition to all remedies now or hereafter allowed by law or provided in this Lease.

Waiver of Breach

Section 10.08. The waiver by Landlord of any breach by Tenant of any of the provisions of this Lease shall not constitute a continuing waiver of any subsequent breach by Tenant, either of the same or of another provision of this Lease.

Termination for Change in Law

Section 10.09. In the event that (i) Tenant's Permitted Use of the Premises becomes unlawful due to a change in applicable requirements or local law, (ii) Tenant's licenses are terminated or there is a change in status that prevents Tenant's operations in the Premises, or (iii) either Tenant or Landlord receives a cease and desist letter from the U.S. Department of Justice, the City of Fairfield or any other governmental entity declaring Tenant's Permitted Use is in violation of law and requiring that Tenant cease operations as a commercial cannabis and delivery business or otherwise threatening legal action against Tenant or Landlord, then either party may terminate this Lease upon thirty-days written notice. In such event, Tenant shall vacate the Premises as soon as is reasonably practicable and, in any event, not later than sixty (60) days after Tenant or Landlord delivers such termination notice. Upon such termination, (i) Landlord shall return the Security Deposit in accordance with applicable law; and (ii) neither party shall otherwise have any further obligations to the other, except that Tenant must return the Premises to the state and condition in which they were received.

Termination for Landlord's Failure to Deliver Premises



Section 10.10. In the event Landlord fails to deliver the Premises on the Commencement Date, unless extended by mutual agreement of the parties, Tenant shall have the right to terminate this Lease and to the return of any and all Security Deposits or other monies paid to Landlord.

## **ARTICLE 11 DISPUTE RESOLUTION**

Section 11.01. (a) Except for a request for injunctive relief or other provisional remedy which may be sought from a court, any dispute, controversy, or claim arising out of or relating to this Lease, or the breach of this Lease, including any claim based on contract, tort, or statute, and including any controversy about whether a claim is subject to mediation or arbitration (“Dispute”), shall be resolved in accordance with the procedures set forth in this Article 11.

(b) The parties agree to endeavor to settle the Dispute in an amicable manner by mediation administered by the Judicial Arbitration and Mediation Services (“JAMS”) under the then existing JAMS mediation rules, or such other mediation service as the parties agree, before resorting to arbitration. The parties agree that they will participate in the mediation in good faith and that they will share equally in its costs. If for any reason, the Dispute is not settled by mediation within ninety (90) days (or such other period that the parties may agree to in writing) after a party elects to proceed by mediation (commencing upon the date a party delivers notice to the other party of its intention to proceed to mediation), any unresolved Dispute shall be settled by arbitration as contemplated under Section 11.01(c).

(c) Any Dispute not otherwise resolved by mediation shall be solely and finally settled by arbitration in accordance with the then-existing Comprehensive Arbitration Rules and Procedures of JAMS (the “JAMS Rules”), and judgement on the award rendered by the arbitrator may be entered in any court having jurisdiction thereof. There shall be one neutral arbitrator with prior and substantial experience in the issues of the Dispute, including commercial cannabis operations, and shall be mutually agreed upon by the parties within sixty (60) days after a written request for arbitration by a party is delivered to the other.

(d) Any mediation or arbitration shall be held in Sacramento, California, or such other location that the parties may agree to in writing.

Section 11.02. If any litigation or arbitration is commenced between the parties to this Lease, the party prevailing in that litigation or arbitration shall be entitled to, in addition to any other relief that may be granted in the litigation or arbitration, a reasonable sum as and for its attorneys’ fees in that litigation or arbitration that are determined by the court or arbitration or in a separate action brought for that purpose. The term “prevailing party” shall include a party that substantially obtains or defeats the relief sought or where the other party abandons its claim or defense.

**ARTICLE 12  
MISCELLANEOUS**

Force Majeure – Unavoidable Delays

Section 12.01. If the performance of any act required by this Lease to be performed by either Landlord or Tenant is prevented or delayed by reason of an act of God, a pandemic impacting the United States and/or California in particular, terrorist attack, strike, lockout, labor troubles, inability to secure materials, or restrictive governmental laws or regulations, or any other cause except financial inability that is not the fault of the party required to perform the act, the time for performance of the act will be extended for a period equivalent to the period of delay, and performance of the act during the period of delay will be excused. However, nothing contained in this section shall excuse the prompt payment of rent by Tenant as required by this Lease or the performance of any act rendered difficult solely because of the financial condition of the party required to perform the act.

Notices

Section 12.02. Except as otherwise expressly provided by law, any and all notices or other communications required or permitted by this Lease or by law to be served on or given to either party to this Lease shall be in writing and shall be deemed duly served and given when: (1) personally delivered to the party to whom they are directed; or, when deposited in the United States mail, first-class postage prepaid; or, sent my email to the following:

To Tenant:

Dustin Moore, Embarc LLC,

[REDACTED]  
[REDACTED]

Email: [REDACTED]

To Landlord:

Jimmy Rong

[REDACTED]  
[REDACTED]

Email: [REDACTED]

Either party, may change notice address for the purpose of this section by giving written notice of that change to the other party in the manner provided in this section.

Binding on Heirs and Successors

Section 12.03. This Lease shall be binding on and shall inure to the benefit of the heirs, executors, administrators, successors, and assigns of Landlord and Tenant, but nothing in this section

shall be construed as a consent by Landlord to any assignment of this Lease or any interest therein by Tenant except as provided in Section 10.01 hereunder.

Partial Invalidity

Section 12.04. If any provision of this Lease is held by a court of competent jurisdiction to be either invalid, void, or unenforceable, the remaining provisions of this Lease shall remain in full force and effect unimpaired by the holding.

Sole and Only Agreement

Section 12.05. This instrument constitutes the sole and only fully, final, and complete agreement between Landlord and Tenant respecting the Premises, the leasing of the Premises to Tenant, and the Lease term created under this Lease, and this instrument correctly sets forth the obligations of Landlord and Tenant to each other as of its date. Any agreements or representations respecting the Premises or their leasing by Landlord to Tenant not expressly set forth in this instrument are null and void. All prior negotiations between the parties are subsumed into this Lease to the extent they have been agreed to, and if not agreed to by the parties such negotiations are not contained in the terms and conditions of this Lease. This Lease may not be extended, amended, modified, altered, or changed, except in a writing signed by Landlord and Tenant.

Time of Essence

Section 12.06. Time is expressly declared to be of the essence in this Lease.

Counterparts/Signatures

Section 12.07. Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be deemed an original, but all such counterparts together shall constitute one and the same instrument. This Agreement may also be executed by facsimile or electronic (including .pdf) signatures, which shall be as effective as original signatures.

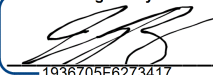
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LANDLORD:

Jimmy Rong

Dated: 9/4/2020

DocuSigned by:  
  
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Jimmy Rong

TENANT:

Embarc LLC, a California Limited  
Liability Company

Dated: 9/4/2020

DocuSigned by:  
  
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Dustin Moore, Managing Member