

ON DECK DELIVERY, LLC

1000 S Leslie Street
La Habra, CA 90631

July 7, 2022

City Council
City of La Habra
110 E La Habra Blvd
La Habra, CA 90631

RE: Appeal of Planning Commission Decision to Deny On Deck Delivery, LLC's Request for Conditional Use Permit and Recommendation for Development Agreement

Dear Hon. Mayor and Council Members:

This letter shall serve as On Deck Delivery, LLC's ("On Deck") formal notice of appeal of the Planning Commission's unsubstantiated and improper decision to deny On Deck's conditional use permit ("CUP") to operate a cannabis delivery service at 1000 S Leslie Street, Suite D, La Habra, CA 90631 ("Premises") on June 27, 2022 and the related refusal to recommend the Development Agreement ("DA") to the Council for approval.

I. INTRODUCTION

On Deck Delivery is owned and operated by Anthony DeSimone, the owner of Canna America, LLC ("Canna America"), one of the City of La Habra's ("The City") three (3) LICENSED distributors. On Deck will be located directly next door to Canna America, LLC in Building 3, Suite D of 1000 S Leslie St, La Habra, CA 90631. On Deck received a score of 99.6% on its application for this process. See attached Exhibit A.

On Deck shares La Habra's vision and values. "La Habra is a community where we know and care for our neighbors, actively participate in events, shop at our local businesses, have built an environment of low-rise buildings, and walk to our parks, schools and business districts." ***La Habra General Plan 1-1***. We strongly believe that On Deck and its local owner Anthony "Tony" DeSimone embody the spirit of La Habra perfectly.

Raised in La Habra, where his mom taught at local schools, Tony is passionate about reinvesting in his local community. Bringing his businesses to La Habra is just one way that Tony gives back to his neighbors.

On Deck will always operate the non-storefront retail delivery business in a manner that avoids creating community nuisance and negative community impacts. Sonya Lui even commented that during their tour, City staff noticed what a, "tight ship," Canna America runs, in addition to the fact that there have been no calls for service since Canna America has been operating in the City.

Since the business is not open to the public, many of the concerns related to community integration are not present. For example, the location of the Premises is not visible from the street or even to passers by on foot. The slope of the Premises further creates a physical barrier, as described above.

Notwithstanding, confusion as to what the actual activity to occur on the Premises set in from the onset at the Planning Commission hearing on June 27, 2022. There were questions of staff about expansion of distribution activities, storefront retail activities, and semi trucks coming in and out and various other strange comments, making it clear that the commissioners did not fully grasp the nature of retail non-storefront (delivery only) cannabis activities. Rather it seemed the commissioners and the public both thought that storefront retail was being discussed. Given the comments and voting that took place, it seems the Planning Commission came to understand the difference after the second project came for hearing.

When we discussed the matter with staff, Ms. Lui confirmed that she too was baffled by the Planning Commission's decision to deny On Deck's conditional use permit and grant the other three, stating that she could only

Because On Deck is owned by Anthony "Tony" DeSimone, the same owner as Canna America, LLC, a licensed distributor in the City of La Habra, we have already had the privilege of meeting with the City's staff to ensure that our business location is such that there will be no negative impacts to the surrounding community. In fact, we are co-located on the same Premises as the building owner, who would certainly not permit a disruption of his business by any of the cannabis activities on the Premises, On Deck or Canna America.

Tony DeSimone takes a hands-on approach to operations and will be on site regularly. Tony's businesses are a family affair; he works closely with his parents and siblings, who are all either past or current residents of La Habra. The DeSimone's deep roots in the community are the ultimate incentive to ensure On Deck will operate without creating a nuisance or negatively impacting the community.

This was all explained to the Planning Commission at the hearing on June 27, 2022. Not a single question was asked by the Commissioner Manley, who voted to deny the CUP; only questions related to the Development Agreement were asked by Commissioner Surich related to taxes and community benefits. Not a single objector was able to point to a specific instance of issues with Canna America. Rather the On Deck fell victim to the personal biases against cannabis harbored by certain surrounding businesses, not residents, and two of the Planning Commissioners. Objectors' complaints related to their uninformed perceptions about cannabis generally, claiming some connection between the cars that burn out on Jaime Street as a result of a new auto body shop on the street and pot smoking allegedly taking place on their cul-de-sac, which is not attributable to On Deck or Canna America.

II. GROUNDS AND PROCEDURE FOR APPEAL

A. Appellate Procedure for Denial of Cannabis CUP

La Habra Municipal Code §18.22.105.A sets forth the process for filing an appeal of the Planning Commission's Denial of On Deck's conditional use permit:

Within ten calendar days after the date of a decision of the community and economic development director or designee(s) and or the planning commission to revoke, suspend or deny a permit, or to add conditions to a permit, an aggrieved party may appeal such action by filing a written appeal with the city clerk setting forth the reasons why the decision was not proper. . .At the time of filing the appellant shall pay the designated appeal fee, established by resolution of the city council from time to time.

B. Hearing Procedure

La Habra Municipal Code §18.22.105.B establishes the framework for the appeal and the hearing process. It requires that the clerk set the matter for hearing before the City Council within 45 days. We respectfully request that the Clerk set the matter for hearing as soon as possible.

La Habra Municipal Code §18.22.105.B also establishes that the standard of review on appeal is de novo and that the applicant may submit any information relevant to the appeal. On Deck respectfully requests that the Council take into account the staff findings and recommendations for approval of the conditional use permit as well as the application submitted on behalf of On Deck, which scored a 99.6% in the merit based evaluation process of the application. The staff report is attached hereto as Exhibit B and the application is attached hereto as Exhibit C, both of which are incorporated herein by way of this reference.

III. ON DECK'S CONDITIONAL USE PERMIT SHOULD BE GRANTED

The analysis provided by staff at the Planning Commission meeting confirmed that On Deck's requested conditional use permit should have been granted. The Conditional Use Permit (CUP) process and requirements are located in La Habra Municipal Code §18.66.070C. In order to approve a CUP, the Planning Commission must make the following findings:

1. The granting of such conditional use permit will not be detrimental to the public welfare and will not unreasonably interfere with the use, possession and enjoyment of surrounding and adjacent properties and will not impair the character of the zone in which it is to be located.
2. The subject site is physically suitable for the type of land use being proposed.

3. The use is conditionally permitted within the subject zone and complies with the intent of all applicable provisions of this title.

4. The granting of this conditional use permit is consistent with the comprehensive general plan. (Ord. 1719 § 1, 2010)

Based on the application submitted by On Deck, Staff addressed each of these findings and requirements in its analysis presented to the Planning Commission as set forth below, a true and correct copy of the Staff report is attached hereto as Exhibit B and incorporated herein by way of reference as well:

The following is taken directly from the staff report, which is attached hereto as Exhibit B and incorporated herein by way of this reference.

1. The granting of the CUP will not be detrimental to the public welfare and will not unreasonably interfere with the use, possession and enjoyment of surrounding and adjacent properties and will not impair the character of the zone in which it is to be located.

On April 2, 2018, the City Council of La Habra adopted Chapter 18.22 "Commercial Cannabis Activity" (LHMC) with regulations that permit cannabis distribution facilities subject to a CUP within the M-1, M-1 PUD, and PCI zones. On December 21, 2020, the City Council adopted Ordinance No. 1827 amending Chapter 18.22 (LHMC) allowing cannabis non-storefront retail facilities, to be operated in strict compliance with the Cannabis Laws allowed by the California Bureau of Cannabis Control per a Type 9 Non-Storefront Retailer (Delivery Only) License under certain conditions and provisions. The subject property is already developed with light industrial uses and an existing cannabis distribution business in the adjacent industrial suite. The proposed cannabis business will be pre-dominantly surrounded by other light industrial uses to the north, east, and west. The properties to the south will be separated from the subject site due to a grade difference of approximately 20 feet, thereby providing an adequate buffer from the Kaiser medical office building and planned and existing commercial development to the south.

During the first year, the proposed business will have 12 employees. The applicant expects to hire three sales associates/dispatchers and three inventory/fulfillment specialists, which will utilize six on-site parking spaces. It is also initially expected that delivery drivers will utilize an additional six on-site parking spaces. Conditions of approval have been placed on the use pursuant to the standards set forth in Chapter 18.22 (LHMC). These conditions were created to ensure that the use would not cause any detriment to existing uses within the surrounding area. Conditions include the installation and maintenance of a high-quality security system, implementation of specified security measures, implementation of adequate inventory control, the use of an odor-controlling ventilation system, and the prohibition of consumption of cannabis products on-

site. Therefore, the approval of the use will not be detrimental to the public welfare and will not impair the character of the zone where the proposed cannabis business is located.

2. The subject site is physically suitable for the type of land use being proposed.

No physical changes are proposed to the site. The proposed improvements include interior tenant improvements only. The proposed use is basically a delivery service. The only additional traffic is generated by the delivery drivers coming and going throughout the day, which is comparable to the existing industrial activity whereby vehicles are already coming to the site at different times throughout the day. Therefore, the site is physically suitable for the type of land use proposed.

3 The use is conditionally permitted within the subject zone and complies with the intent of all applicable provisions.

Chapter 18.22 of the La Habra Municipal Code allows for non-storefront retail cannabis businesses within the M-1 Zone with the approval of a Conditional Use Permit, granted by the Planning Commission. After reviewing CUP 22-07, staff determined that the proposed non-storefront retail cannabis business operations conforms with the development standards and requirements of the M-1 Zone.

4. The granting of the CUP is consistent with the General Plan.

The projects implement Policies LU 11.1 (Diversity of Uses) and ED 1.1 (Consumer Demand) of the General Plan 2035.

The General Plan establishes land uses designations for properties throughout the city. Zoning is utilized as a tool to implement the General Plan. The General Plan Land Use Designation for this site is Light Industrial, which envisions business park or industrial uses. The property is zoned Light Manufacturing, which is consistent with the General Plan. These zoning standards were utilized when the current industrial complex was developed. Additionally, this zone allows for the proposed use with approval of a Conditional Use Permit. Therefore, the use will be consistent with the General Plan if the Commission approved the CUP.

A. There is no valid reason for the Planning Commission to deny On Deck's request for a conditional use permit.

The City of La Habra's residents voted that all cannabis delivery activities should be located in the M-1, M-1 (PUD), and PC-I zones, with certain buffers around them for sensitive uses; the Premises is located in the M1 zone. The laws require all cannabis businesses to adhere to the general plan and zoning code, as well as significant other conditions necessary for the business to operate such as security

planning, community benefits and contributions and business planning. Viability of any property for commercial cannabis activities was confirmed as a “Step 1” before an application could even be submitted.

The City Council directed staff to put together a merit-based approval process, not a process which relies primarily on the unsubstantiated accusations of a handful of individuals with personal biases against cannabis in general. The City spent significant resources in hiring HdL to oversee the merit-based process. It seems nonsensical that a planning commission could strike down the will of the voters, and the expensive process designed by the City to ensure a fair and merit based process, all in order to substitute its own personal biases against cannabis for that of the voters, the Council and HdL.

B. The Approval of our CUP is Consistent with the General Plan

The Premises is located along the east side of Leslie Street, north of Imperial Highway as shown on the map attached hereto as Exhibit D. The General Plan land use designation for the site is Light Industrial. The Premises is within the Light Manufacturing (M-1) Zone, which implements the General Plan Light Industrial land use designation.

The project implements Policies LU 11.1 (Diversity of Uses) and ED 1.1 (Consumer Demand) of the General Plan 2035, as explained in the Staff report.

More specifically, in line with La Habra’s Land Use Policy 1.1, development and utilization of the Premises further the City’s goal of redirecting growth away from residential neighborhoods onto underutilized parcels along La Habra’s arterial corridors and industrial districts. General Plan LU 1.1.

In addition, as set forth in On Deck’s application at page173, In developing a sustainable future, On Deck will support the City of La Habra in creating and maintaining a healthy environment, contributing significant tax revenues as part of La Habra’s strong economy and enhancing the social wellbeing of La Habra’s residents by engaging with the community as described below. Having On Deck located within the City of La Habra will further the City’s Economic Development Goal within the Industrial districts, which seeks to ensure a diversity of districts accommodating light industrial uses are developed that provide a variety of job opportunities for La Habra’s residents, reducing their need to commute to other communities, while not unduly impacting the residential environment. As our local hiring section describes, our goal will be to staff our facility with 100% La Habra residents. ***La Habra General Plan - LU 16.1.***

The General Plan establishes land uses designations for properties throughout the city. Zoning is utilized as a tool to implement the General Plan. The General Plan Land Use Designation for this site is Light Industrial, which envisions business park or industrial uses. The Premises is zoned Light Manufacturing, which is consistent with the General Plan. These zoning standards were utilized when the current industrial complex was developed. Additionally, this zone allows for the proposed use with approval of a Conditional Use Permit. Therefore, the use will be consistent with the General Plan if the Commission approved the CUP.

C. Parking is Adequate and there has been No Increase in Crime

As reflected on the site plan, which is attached hereto as Exhibit E, it is easy to see the numerous parking spaces available for use by On Deck Delivery. There will be no issue with parking. As explained during the planning commission hearing and in this appeal, the number of trips to and from the Premises will be limited each day and there will be a maximum of six drivers on site each day. As such, parking and traffic will not be an issue.

Similarly, there have not been any calls for service and there has been no increase in crime in connection with Canna America's operations, and none is expected when On Deck commences operations.

IV. PUBLIC COMMENT OBJECTING TO ON DECK'S DELIVERY OPERATIONS WERE BASED ON IMPROPER AND INACCURATE BIASES AND UNSUBSTANTIATED SPECULATION

All objectors confirmed that they did not know that that Canna America was there, demonstrating DeSimone's ability to conduct Cannabis Businesses without disrupting the local community. This is important because it shows what kind of operator On Deck will be.

Moreover, DeSimone made significant efforts to take local business concerns into account, including sending out a letter inviting objectors to tour the facility. See the attached Exhibit F, which is a copy of the letter, without the attachments, to each of the objectors present at the planning commission hearing on June 27, 2022.

Notably, the proponents of the other three projects were given the opportunity to respond to objectors in real time, whereas On Deck's representative was given a total of 3 minutes to rebut the statements of all objectors, who spoke for approximately 15 -20 minutes, at one time. Being able to respond directly, rather than through staff, or at the end, would have likely enabled the planning commission to better understand the context of non-storefront delivery activities from the outset, which they seem to have done after having time to reflect on the projects as the meeting went on.

A. Confusion about Location/Cannabis Business

James Turner, who lives at 421 E Parkwood Avenue, based his objections on the proximity of On Deck to his home. He referred to the location of the Non-Storefront Retail as "in [his] backyard," which was clearly regarding the Commercial Cannabis Businesses seeking a permit to operate at 441 E Imperial Hwy, which is only about 600 feet from his home whereas 1000 Leslie Ave, Suite D is about 1,400 feet away from his home.

The individual at 940 Jaime also stated that he was 2 doors down from On Deck, which is patently false. Since a map was provided to the planning commission, On Deck respected the Chair's request that our

response not be repetitive. Nevertheless, a map reflecting the objectors' business locations is attached hereto as Exhibit D and incorporated herein by way of this reference.

B. Confusion about Impact to Local Traffic Congestion

Planning Manager, Sonya Lui, stated that On Deck anticipated anywhere from 100 to 150 deliveries per day, which was interpreted by the Planning Commissioners and many of the Objectors as 160 vehicle trips per day, which is not accurate.

Per our application and agreement, On Deck will have 6 on-site employees and 6 delivery drivers daily. Our 6 delivery drivers may complete over 100 deliveries in a single day, but this does not mean that each delivery requires the driver to return to the facility. Our delivery drivers will likely make multiple deliveries before returning to the facility to restock.

Pursuant to the Department of Cannabis Control Regulation § 15418(a), A licensed retailer's delivery employee shall not carry cannabis goods in the delivery vehicle with a value in excess of \$5,000 at any time. The value of cannabis goods carried in the delivery vehicle for which a delivery order was not received and processed by the licensed retailer prior to the delivery employee departing from the licensed premises may not exceed \$3,000. Moreover, Assembly Bill 1014 is making its way through Sacramento, which would allow delivery drivers to carry up to \$10,000 in product at a time, further limiting the number of trips to/from the Premises.

**V. COMMISSIONERS MANLEY AND BERNIER DENIED ON DECK'S
CONDITIONAL USE PERMIT BECAUSE OF CONFUSION AND/OR
PERSONAL BIAS**

The public decided that it wanted cannabis activities in the within M-1, M-1 (PUD) and PC-I zones of the city. Measure W passed with 67.5% voter support. In denying our CUP, the Planning Commission acted with bias and substituted its personal beliefs and biases for that of the voters.

We believe that the Planning Commission denied our CUP because Commissioner Manley was confused about the process. Commissioner Manley voted no because he is opposed to cannabis and substituted his personal views rather than the will of the voters.

Of the four Non-Storefront Retail Cannabis Businesses requesting permits from the Planning Commission at the June 27, 2022, hearing, DeSimone is the only true La Habra Resident.

VI. CONCLUSION

The decision of the Planning Commission to deny On Deck's request for a Conditional User Permit to operate a non-storefront retail delivery service after scoring 99.6% on the application was unsubstantiated and clearly in error. The commissioners voting against the project did so out of personal bias or lack of understanding. Which of these is unclear since only one commissioner stated her opposition to cannabis generally, while Commissioner Manly had no questions or comments during the entirety of the discussion with On Deck's representative. There is absolutely no reason Commissioner Manley should have voted against On Deck's project, an in favor of the others.

The City Council chose to employ a merit based process, it should follow this objective approach and overturn the Planning Commission's denial of the CUP and Development Agreement.

Respectfully Submitted,

Anthony DeSimone
Manager
On Deck Delivery, LLC

Exhibit A: 99.6% Score on Application



City of La Habra

"A Caring Community"

PLANNING DIVISION

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September 14, 2021

Mr. Anthony De Simone
On Deck Delivery, LLC
9385 Randall Avenue
La Habra, CA 90631

Via Email: OnDeckLH@gmail.com

Re: Notification of Scores for Application for Non-Storefront Retail Cannabis Business and Interview Appointment

Dear Applicant,

Congratulations! Your application for non-storefront retail cannabis has passed the internal review process and received a score of **99.6%**. The scoring matrix that was used to evaluate your application, which was prepared by the City's cannabis consultant, is available upon request.

Your application will proceed to the next phase (Interview and Second Ranking). The in-person interview for your business is scheduled for the following date and time:

Date: Wednesday, September 29, 2021
Time: 9:30 am
Location: City Hall, 110 East La Habra Boulevard, La Habra, CA 90631
Room: Atrium A

Interview times have been assigned by the City of La Habra and cannot be changed or selected by applicants.

While preparing for the interview, please keep in mind the following:

- Your interview will last no more than forty-five (45) minutes. Please check in at the reception desk at least 5 minutes prior to your scheduled interview time.
- You will be limited to a maximum of 3 principals. Participation in the interview process is limited to those individuals listed as owners/corporate officers on the Cannabis Business Permit Application.
- There will not be time for you to conduct a presentation and no additional material will be accepted.

- The interview phase of the evaluation and selection process is an opportunity for the Cannabis Review Board to question the business principals and to discuss observations and concerns developed during the application review. Please be prepared to answer questions regarding:
 - Business Plan
 - Security Plan
 - Safety Plan
 - Community Benefits
 - Environmental Plan
 - Location
 - Operation History

- Interviews may not be recorded in any manner.

Please let me know if you have any questions. I can be reached at 562) 383-4128 or cschaefer@lahabracca.gov.

Sincerely,



Chris Schaefer, AICP
Senior Planner

Exhibit B: Staff Report



City of
LA HABRA

Planning Commission Report

Item No. 1.

MEETING DATE: June 27, 2022

TO: PLANNING COMMISSION

FROM: SUSAN KIM, DIRECTOR OF COMMUNITY & ECONOMIC DEVELOPMENT
By:

SUBJECT: DULY NOTICED PUBLIC HEARING TO CONSIDER A REQUEST FOR CONDITIONAL USE PERMIT 22-07 FOR A NON-STOREFRONT RETAIL CANNABIS BUSINESS AT 1000 SOUTH LESLIE STREET, SUITE D, AND MAKE A RECOMMENDATION TO THE CITY COUNCIL OF THE CITY OF LA HABRA REGARDING THE RELATED DEVELOPMENT AGREEMENT 22-02

CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA):

This project was reviewed pursuant to the guidelines of the California Environmental Quality Act (CEQA) and determined to be Categorical Exempt pursuant to 14 CCR Section 15060(c)(2) and 15061(b)(3) because it can be seen with certainty that there is no possibility that the project will have a significant impact on the environment.

RECOMMENDATION:

That the Planning Commission approve:

Conditional Use Permit

A RESOLUTION OF THE PLANNING COMMISSION OF THE CITY OF LA HABRA APPROVING CONDITIONAL USE PERMIT 22-07 FOR A NON-STOREFRONT RETAIL CANNABIS BUSINESS AT 1000 SOUTH LESLIE STREET, SUITE D, MAKING THE APPROPRIATE FINDINGS, AS PER THE APPROVED PLANS AND SUBJECT TO CONDITIONS.

Development Agreement

A RESOLUTION OF THE PLANNING COMMISSION OF THE CITY OF LA HABRA RECOMMENDING THAT THE CITY COUNCIL ADOPT AN ORDINANCE APPROVING DEVELOPMENT AGREEMENT 22-02 BETWEEN THE CITY OF LA HABRA AND ON DECK DELIVERY, LLC, FOR A NON-STOREFRONT RETAIL CANNABIS BUSINESS AT 1000 SOUTH LESLIE STREET, SUITE D, AS PER ATTACHMENT "A".

DISCUSSION:

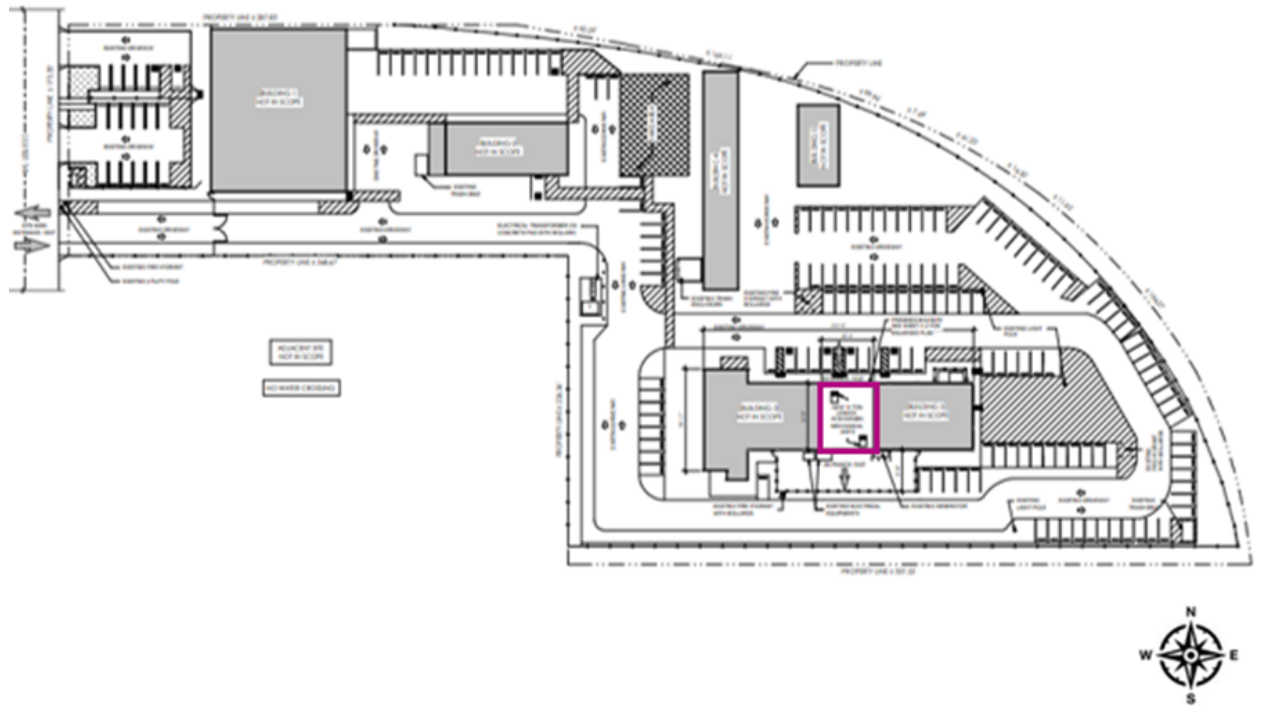
The Applicant, On Deck Delivery, LLC, is requesting approval of a Conditional Use Permit (CUP) and a Development Agreement (DA) to operate a non-storefront retail cannabis business on a property that currently serves various industrial uses and an active cannabis distribution business known as "Canna America." In this case, the applicant proposes to occupy a portion Building No. 3, which is adjacent to Canna America. It should be noted that the applicant is also the business operator of Canna America. Canna America has been in operation for over a year with no negative impacts to the subject site or surrounding area.

The property is located along the east side of Leslie Street, north of Imperial Highway as shown on Exhibit 1. The General Plan land use designation for the site is Light Industrial. The property is within the Light Manufacturing (M-1) Zone, which implements the General Plan Light Industrial land use designation.

EXHIBIT 1

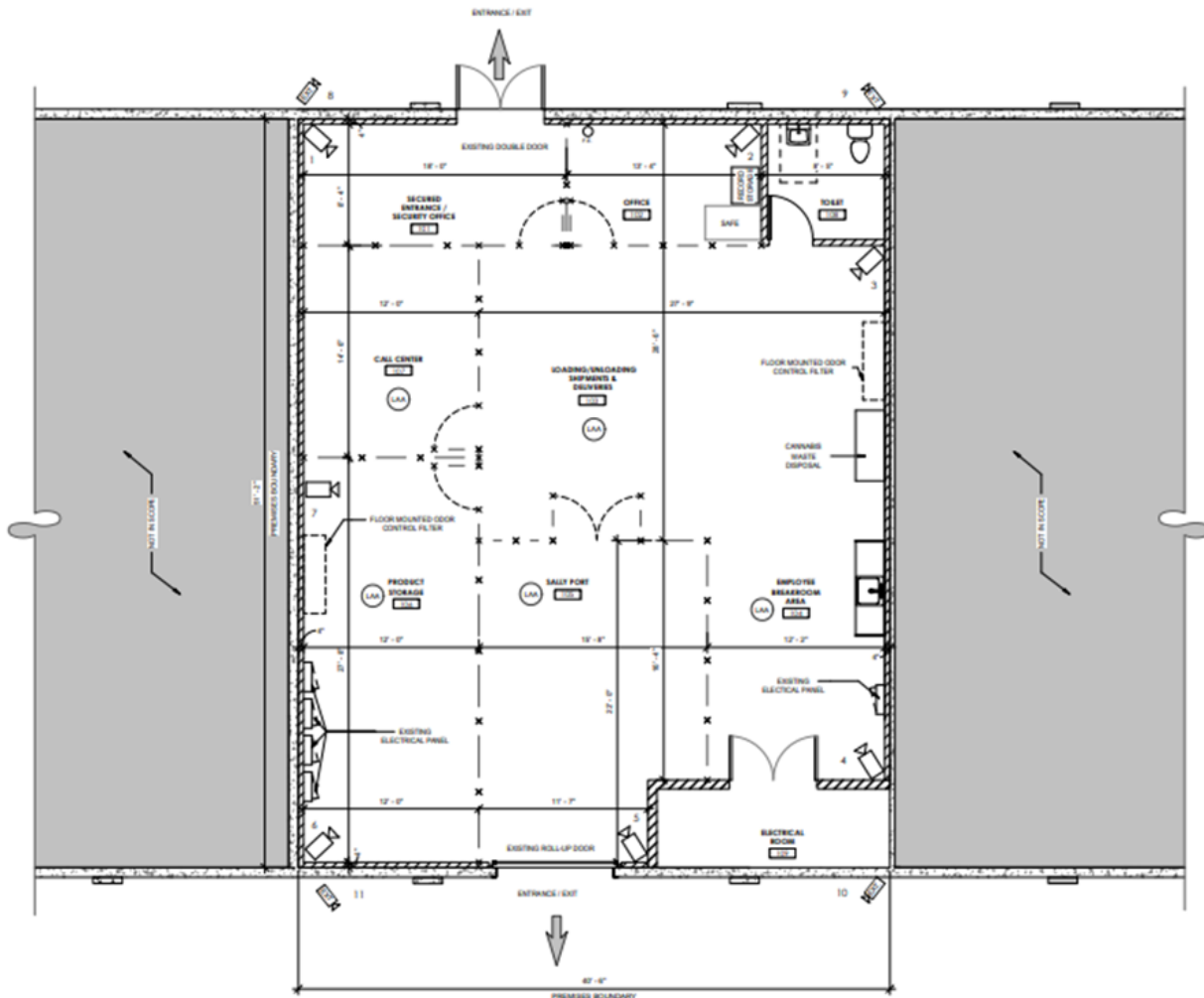
Building No. 3, as shown on the above exhibit, is where the proposed non-storefront cannabis business will be locating. Building No. 3 is situated within the southeastern portion of the property which has no visibility from Leslie Street and very limited visibility from Imperial Highway. An existing slope provides a physical barrier and buffer to the Kaiser medical office building and proposed commercial development, which includes a Taco Bell (constructed), a second drive-through restaurant, a Hallmark Store and La Quinta Inn (in Plan Check) at a lower elevation to the south.

EXHIBIT 2



The business will occupy approximately 2,032 square feet of space within Building 3 as shown on Exhibit 3 below. Floor area is reserved for a call center, office space, employee break room area, unisex restroom and secured product storage area. A sally port will be constructed to allow delivery vehicles access into the building while enabling certain areas to maintain restricted access. This floor plan was intentionally designed for safety and security which is similar to other sensitive facilities such as police stations, detention facilities, or power plants. No changes are proposed to the building exterior.

EXHIBIT 3



On Deck Delivery, LLC will offer home delivery of cannabis products distributed by Canna America or else, purchased from another licensed distributor. Products will include cannabis, pre-rolls concentrates, edibles, drinks, tinctures and topicals. All cannabis products will be stored in a secured storage area. The facility will be staffed with up to 20 employees working in various shifts. Staff will include an armed guard, dispatchers, drivers, inventory control and handling personnel, and managers. All loading and unloading of vehicles will occur in the secured loading area within the building and all delivery vehicles will be outfitted with secure lock boxes and GPS tracking devices. The delivery vehicles will be the personal vehicles of the delivery staff and will be covered by the business' insurance and safety requirements. According to the applicant, the last delivery order will be accepted before 9:30 pm. No vehicles will be stored on-site overnight. An armed guard will be required to be on-site at all times when cannabis products are being stored in the facility. The applicant has requested to operate the business from 8:00 a.m. to 10:00 p.m., seven days a week. It is anticipated that some employees will arrive at 7:30 am to perform opening procedures and at the end of the business day, stay until 10:30 pm to perform closing procedures.

Since this is a non-storefront cannabis business that will not be open to the public, it is anticipated that there will be minimal disruption to the surrounding area. The proposed business is primarily surrounded by other light industrial uses. The closest residential area is located over 950 feet away on the south side of Imperial Highway. As part of the On Deck Delivery business plan, the business operator will serve as a community liaison and direct contact for City residents, staff and law enforcement. The business operator intends to take proactive measures to reduce or eliminate nuisances

including, but not limited to noise, odor, lighting, loitering, vehicle and pedestrian traffic, etc.

BACKGROUND

Non-storefront retail cannabis businesses are permitted in La Habra, subject to the approval of a CUP and a DA, as a result of the following:

- On November 8, 2016, the electorate of the State of California approved Proposition 64 (“Prop 64”) which enacted the Adult Use of Marijuana Act (“AUMA”) which allows adults 21 and over to use, possess, and cultivate limited amounts of marijuana, and creates a state licensing and regulatory scheme for marijuana businesses serving the recreational market. It also allows local jurisdictions to prohibit outdoor cultivation of marijuana for personal use, to regulate indoor cultivation of marijuana for personal use, and to prohibit all nonmedical and recreational marijuana businesses from locating and operating within their jurisdictions.
- On April 16, 2018, the City added new regulations to the zoning code that allow for the establishment of commercial cannabis activity.
- On November 3, 2020, Measure W was approved by the La Habra voters, which allowed a maximum of four non-storefront retail cannabis operations.
- On December 21, 2020, the City Council adopted the zoning requirements in Chapter 18.22 of the LHMC (see Attachment 7) that are necessary to regulate cannabis non-storefront retail facilities, in compliance with the Cannabis Laws allowed by the California Bureau of Cannabis Control per a Type 9 Non-Storefront Retailer (Delivery Only) License. Chapter 18.22 permits the use, subject to the approval of a CUP and DA.

To ensure the enforcement of zoning requirements and all permit regulations, the City established a cannabis review board consisting of the City Manager, Director of Community and Economic Development, Police Chief, Finance Director, and Director of Public Works, or their respective designee, to review the credentials of businesses requesting to establish commercial cannabis activities. The Police Chief or designee is also tasked with conducting a background check of any applicant seeking a conditional use permit, including the applicant’s agents and those who have an interest in the marijuana business. Once the cannabis review board determines that a prospective applicant has met the minimum criteria, the applicant can formally apply for a CUP and DA.

In keeping with the City's requirements, the City opened an application period of 45-days. The application period began on May 14, 2021 and ended on June 30, 2021. A professional consultant with cannabis expertise was hired by the City to evaluate all applications and forward to the cannabis review board those applications that met the minimum scoring requirements. The cannabis review board determined which applicants would be allowed to apply for a CUP and DA. In this case, the cannabis review board determined that the business known as On Deck Delivery, LLC met the minimum criteria and therefore, allowed them to submit their request for approval of CUP 22-07 and DA 22-02.

ANALYSIS

Pursuant to Section 18.22.080C (LHMC), prior to commencing operation of a commercial cannabis activity, all persons shall obtain a CUP from the City for all parcels of real property (or portion thereof) upon which the commercial cannabis activity will operate. Approval of a CUP enables specific conditions to be added which will help ensure the proposed cannabis business will be compatible with the surrounding area. The subject CUP shall also be in compliance with Section 18.22.060 (LHMC) which requires the applicant to enter into a negotiated Development Agreement (DA) with the City.

Conditional Use Permit

The Conditional Use Permit (CUP) process and requirements are located in Section 18.66.070C (LHMC). In order to approve a CUP, the Planning Commission must make the following findings:

1. The granting of the CUP will not be detrimental to the public welfare and will not unreasonably interfere with the use, possession and enjoyment of surrounding and adjacent properties and will not impair the character of the zone in which it is to be located.

On April 2, 2018, the City Council of La Habra adopted Chapter 18.22 “Commercial Cannabis Activity” (LHMC) with regulations that permit cannabis distribution facilities subject to a CUP within the M-1, M-1 PUD, and PCI zones. On December 21, 2020, the City Council adopted Ordinance No. 1827 amending Chapter 18.22 (LHMC) allowing cannabis non-storefront retail facilities, to be operated in strict compliance with the Cannabis Laws allowed by the California Bureau of Cannabis Control per a Type 9 Non-Storefront Retailer (Delivery Only) License under certain conditions and provisions. The subject property is already developed with light industrial uses and an existing cannabis distribution business in the adjacent industrial suite. The proposed cannabis business will be pre-dominantly surrounded by other light industrial uses to the north, east, and west. The properties to the south will be separated from the subject site due to a grade difference of approximately 20 feet, thereby providing an adequate buffer from the Kaiser medical office building and planned and existing commercial development to the south.

During the first year, the proposed business will have 12 employees. The applicant expects to hire three sales associates/dispatchers and three inventory/fulfillment specialists, which will utilize six on-site parking spaces. It is also initially expected that delivery drivers will utilize an additional six on-site parking spaces. Conditions of approval have been placed on the use pursuant to the standards set forth in Chapter 18.22 (LHMC). These conditions were created to ensure that the use would not cause any detriment to existing uses within the surrounding area. Conditions include the installation and maintenance of a high-quality security system, implementation of specified security measures, implementation of adequate inventory control, the use of an odor-controlling ventilation system, and the prohibition of consumption of cannabis products on-site. Therefore, the approval of the use will not be detrimental to the public welfare and will not impair the character of the zone where the proposed cannabis business is located.

2. The subject site is physically suitable for the type of land use being proposed.

No physical changes are proposed to the site. The proposed improvements include interior tenant improvements only. The proposed use is basically a delivery service. The only additional traffic is generated by the delivery drivers coming and going throughout the day, which is comparable to the existing industrial activity whereby vehicles are already coming to the site at different times throughout the day. Therefore, the site is physically suitable for the type of land use proposed.

3. The use is conditionally permitted within the subject zone and complies with the intent of all applicable provisions.

Chapter 18.22 of the La Habra Municipal Code allows for non-storefront retail cannabis businesses within the M-1 Zone with the approval of a Conditional Use Permit, granted by the Planning Commission. After reviewing CUP 22-07, staff determined that the proposed non-storefront retail cannabis business operations conforms with the development standards and requirements of the M-1 Zone.

4. The granting of the CUP is consistent with the General Plan.

The projects implement Policies LU 11.1 (Diversity of Uses) and ED 1.1 (Consumer Demand) of the General Plan 2035.

The General Plan establishes land uses designations for properties throughout the city. Zoning is utilized as a tool to implement the General Plan. The General Plan Land Use Designation for this site is Light Industrial, which envisions business park or industrial uses. The property is zoned Light Manufacturing, which is consistent with the General Plan. These zoning standards were utilized when the current industrial complex was developed. Additionally, this zone allows for the proposed use with approval of a Conditional Use Permit. Therefore, the use will be consistent with the General Plan if the Commission approved the CUP.

Development Agreement

Pursuant to Section 18.22.060 (LHMC), qualified applicants for a commercial non-storefront cannabis facility permitted by this chapter must enter into a negotiated DA with the city. The purpose of the DA is to provide the applicant with surety that their entitlements will remain as approved in the event that the city requirements change in the future. In exchange for this surety, the applicant agrees to provide community benefits.

A DA is considered a binding contract once executed. California Government Code Section 65864 through 65869.5 established the regulations for development agreements. This includes the requirement that the DA is approved by Ordinance. Ordinances can only be approved by the City Council. However, the Government code requires the Planning Commission to review the proposed DA and make a recommendation to the City Council.

The proposed DA requires an annual payment to the City for reimbursement of the cost of anticipated City services needed to manage the proposed cannabis business which may include public safety, fire and rescue, public works, engineering, and code enforcement services. Also, the agreement requires the business to provide community benefits by way of contributions to local charitable organizations.

In this case, the business is required to contribute to the City 0.5% on all gross receipts attributable to the site from that quarter (the "Community Benefit Payment") for the term of the DA. The Community Benefits Payment shall be placed within an account held by the City and distributed to the Community through a grant process as established and administered by the Director of Community Services. The Community Benefit Payments shall be paid to the City no later than within 15 days after the end of each quarter (March 31, June 30, September 30, and December 31) beginning on the date the facility begins operations. The first quarter payment will be made within 15 days after the end of the quarter following the date the facility begins operations and each quarter thereafter for the term of this DA.

The DA also has provisions requiring City approval of any changes to the business operations. Again, as noted above, an approved DA is required before the CUP becomes valid. The DA and CUP are only valid for this specific operator.

Should a new business entity request to take over the operations at this location, they would need to go through the application process described earlier in this report. The attached draft DA has been reviewed by the City Attorney's Office for compliance with applicable laws and has also been reviewed by the applicant's legal council. The terms and conditions have been agreed to by the applicant.

Summary

The operation of a non-storefront cannabis retail business will occur within an existing industrial building surrounded by other light industrial uses. The operation itself, is consistent with light industrial type businesses, which are typical for the M-1 and PC-I zones. The business operator will be required to obtain a Type 9 Non-storefront Retailer (Delivery Only) Cannabis License from the State and comply with all of their requirements. In addition, the City and State of California have implemented extensive requirements to ensure that the business will be operated in an acceptable manner.

Therefore, based on these facts, it is recommended that the Planning Commission approve Conditional Use Permit 22-07 for a non-storefront retail cannabis business and that it recommend that the City Council adopt an ordinance approving Development Agreement 22-02 for the property at 1000 South Leslie Street, Suite D, subject to the findings and conditions in the attached resolutions.

FISCAL IMPACT/SOURCE OF FUNDING:

The Applicant provided a \$30,000.00 deposit to cover the staff time and application fees associated with this request. Any unused money will be returned to the Applicant at the completion of the process.

NATIONAL POLLUTANT DISCHARGE ELIMINATION SYSTEM (NPDES):

The Applicant's proposal has been reviewed pursuant to the requirements of the City's National Pollutant Discharge Elimination System (NPDES) Municipal Permit, the Local Implementation Plan (LIP), and the Model Water Quality Management Plan (WQMP), Section 7.2. Since no disturbance of soil will occur, this project is exempted by the Water Quality Ordinance from the preparation of a WQMP.

GENERAL PLAN RELEVANCE:

The project implements Policies LU 11.1 (Diversity of Uses), ED 1.1 Consumer Demand of the General Plan 2035.

Attachments

1. Vicinity Map
 2. Resolution- CUP22-07
 3. Resolution- DA 22-02
 4. Resolution - DA 22-02 - Att A
 5. Project Plans
 7. Chapter 18.22 - La Habra Municipal Code
 8. Legal Notice
-

Exhibit C: On Deck Delivery Application

**Security, Safety and Financial Plans Redacted

Exhibit F: Letters to Objectors
*attachment is same as Exhibit C

ON DECK



**Non-Storefront Retail Commercial
Cannabis Permit Application**



ON DECK

*Non-Storefront Retail Commercial
Cannabis Permit Application*



CANNABIS BUSINESS PERMIT APPLICATION

APPLICANT(S): It is your responsibility to check with the Planning Division regarding any land use questions for your proposed location prior to starting this process. In addition, be aware that failure of any owner(s)/corporate officer(s) to pass the Live Scan background process will automatically disqualify this application. This Application form along with all items identified in the "Cannabis Business Permit Submittal Checklist" and within the "Step-by- Step Guide-Cannabis Business Permit Application" must be submitted as part of this application.

Application Fee: \$30,000.00 Deposit (Any unspent application fee will be returned to the applicant.)

SECTION 1- PERMIT TYPE (PLEASE CHECK TYPE OF PERMIT YOU ARE REQUESTING)

Check One: Cannabis Distributor Cannabis Testing Facility Cannabis Non-Storefront Retail Facility

Circle One: Adult-Use Medical **Both**

SECTION 2 - PROPOSED LOCATION AND PROPERTY OWNER INFORMATION

Property Address: 1000 S Leslie Street, Building 3, Suite D

Assessor's Parcel Number: 019-111-67

Does this location currently have a Conditional Use Permit (CUP) allowing the type of use you are requesting? (Please check appropriate box)

Yes No CUP #: 18-23 and 15-09 Resolution #: 19-15 and 15-50

Does the property comply with all current zoning development standards/conditions of approval?

Yes No

If no, explain: _____

Property Owner: Max Hoskins

Mailing Address: 239 1st Street, Huntington Beach, CA 92648

City: La Habra State: CA Zip Code: 92648

Phone #: 949-412-6291 Fax #: _____

E-mail: _____

OFFICE USE ONLY

Application Received By: _____ Date: _____

Application Determined Complete By: _____ Date: _____

Application #: _____

Fee Amount Paid: _____ Method of Payment: _____

SECTION 3 - APPLICANT INFORMATION

Business Name: On Deck Delivery, LLC
 DBA: On Deck and ODD

Business Structure (Please check appropriate box below):

- Sole Proprietor Limited Partnership (LP)
 Corporation General Partnership (GP)
 Limited Liability Company (LLC) Other

Business Contact Information:

Last Name, First Name: De Simone, Anthony
 Name: On Deck Delivery, LLC
 Mailing Address: [REDACTED]
 City: La Habra State: CA Zip Code: 90631
 Phone #: 562-217-7105 Fax #: _____
 E-mail: OnDeckLH@gmail.com Business Relationship: owner

Agent for Service Contact Information:

Last Name, First Name: Cisneros, Dana
 Relationship to Business: Attorney (outside counsel)
 Mailing Address: 505 S Villa Real Drive, Suite 100
 City: Anaheim Hills State: CA Zip Code: 92807
 Phone #: 714-676-9035 Fax #: 949-258-9332
 E-mail: dana@cannabiscorplaw.com Business Relationship: attorney

SECTION 4 - AFFIRMATION

PLEASE READ CAREFULLY:

I understand that as defined by Title 18, Chapter 18.22 of the La Habra Municipal Code (LHMC). I am deemed the responsible party for any violation(s) of the LHMC that may arise at the proposed facility location.

I understand and acknowledge that the operation of this Cannabis facility must adhere to all the requirements of Title 18, Chapter 18.22 of the LHMC and all other applicable state and local laws and all regulations promulgated thereunder and affirm that this business will be operated in compliance with applicable state and local law and all regulations promulgated thereunder. I understand and acknowledge that any permit issued based on false or misleading statements provided in this application will be deemed invalid and subject to revocation.

In addition, 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 in the attached exhibits present the data and information required for this initial evaluation to the best of my ability, and that the facts, statements, and information presented are true and correct to the best of my knowledge and belief. I understand that a misrepresentation of fact is cause for rejection of this application, denial of the permit, or revocation of a permit issued.

In addition, I understand that the filing of this application grants the City of La Habra permission to reproduce submitted materials, including but not limited to, plans, exhibits, and photographs, for distribution to staff, Commission, Board, and City Council Members, and other Agencies in order 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 La Habra Municipal Code and State law.

I declare under PENALTY OF PERJURY under the laws of the State of California that the foregoing statements are true and correct.

Signatures – Property Owner and Applicant must provide notarized signatures.

Applicant

Print Name: Anthony DeSimone, Manager of On Deck Delivery, LLC

Signature: Date: 6/18/21

Property Owner

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

Print Name: Max Hoskins

Signature: Date: 6/18/21

SECTION 4 - AFFIRMATION (continued) APPLICANT NOTARIZATION

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 Orange) ss.

On June 18, 2021, before me, Gene Hacker, Notary Public, personally appeared Anthony De Simon, 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 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 law of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature of Notary Public



MY COMMISSION EXPIRES: Sept 10, 2021

SECTION 4 - AFFIRMATION (continued) PROPERTY OWNER NOTARIZATION

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.

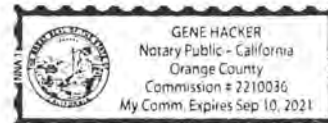
State of California)
County of Orange) ss.

On Jun 18, 2021, before me, Gene Hacker, Notary Public, personally appeared Max Hoskins, 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 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 law of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature of Notary Public



MY COMMISSION EXPIRES: Sept 10, 2021

ADDITIONAL INFORMATION

Please provide the following for each owner and financial interest holder as those terms are defined in 17 CCR 40102(a) & (b) (attach additional sheets if necessary):

Last Name, First Name: there are no individuals who qualify as financial interest holders

Mailing Address: _____

City: _____ State: _____ Zip Code: _____

Phone #: _____ Fax #: _____

Specify the amount of interest in the business (Percentage Ownership): _____

Last Name, First Name: _____

Mailing Address: _____

City: _____ State: _____ Zip Code: _____

Phone #: _____ Fax #: _____

Specify the amount of interest in the business (Percentage Ownership): _____

Last Name, First Name: _____

Mailing Address: _____

City: _____ State: _____ Zip Code: _____

Phone #: _____ Fax #: _____

Specify the amount of interest in the business (Percentage Ownership): _____

Last Name, First Name: _____

Mailing Address: _____

City: _____ State: _____ Zip Code: _____

Phone #: _____ Fax #: _____

Specify the amount of interest in the business (Percentage Ownership): _____

ADDITIONAL INFORMATION

List all factitious business names that the applicant is operating under, including the address where each business is located.

On Deck Delivery - 1000 S Leslie Street, Building 3, Suite D, La Habra, CA 90631 (operations to commence once licensed)
On Deck - 1000 S Leslie Street, Building 3, Suite D, La Habra, CA 90631 (operations to commence once licensed)
ODD - On Deck Delivery - 1000 S Leslie Street, Building 3, Suite D, La Habra, CA 90631 (operations to commence once licensed)
***we will likely use a combination of these names

Has the applicant or any of its owners ever been the subject of any administrative action, including but not limited to suspension, denial, or revocation of a cannabis business license/permit? If so, please explain and provide a contact person from the local governmental agency for verification purposes.

No.

Is the applicant or any of its owners currently involved in a CCB Application process in any other jurisdiction? If so, where?

No.

List the names and addresses of the closest schools (Kindergarten through 12th grade), daycare centers, youth centers and parks (a minimum 0.6 acres in size).

Las Lomas Elementary School: 301 W. Las Lomas Dr. La Habra, CA 90631 (2,640 feet)
La Habra Child Development Center: 401 S Euclid St, La Habra, CA 90631 (3,700 feet)
Orange County Youth Center: 4411 E Whittier Blvd., La Habra, CA 90631 (1.35 miles)
Las Lomas Park: 835-859 S Euclid St, La Habra, CA 90631 (2,220 feet)



Section A:

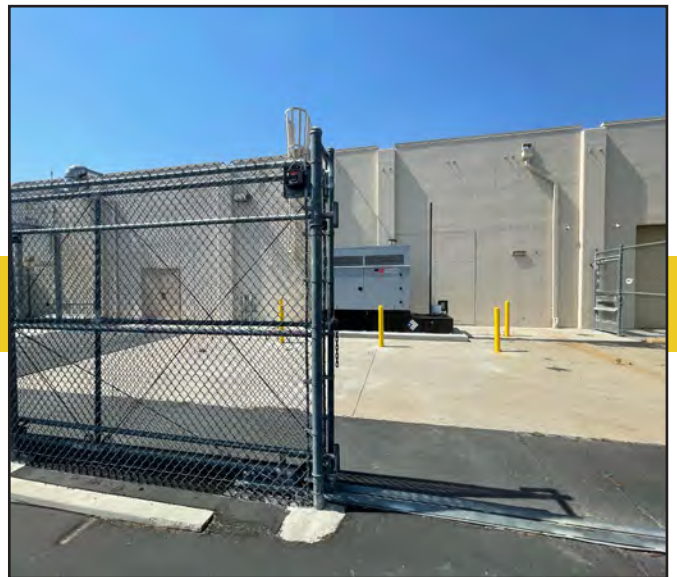
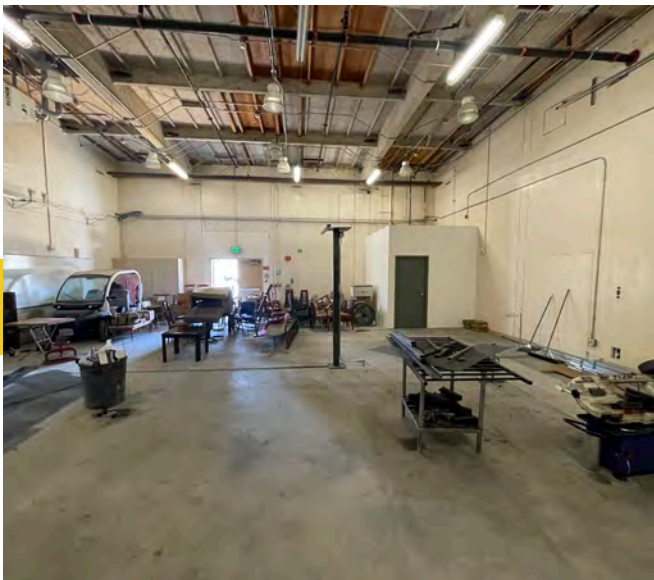
Proposed Location

Section A:

Proposed Location

On Deck Delivery is owned and operated by Anthony DeSimone, the owner of Canna America, LLC, one of the City of La Habra's ("The city") three (3) licensed distributors. On Deck will be located directly next door to Canna America, LLC in Building 3, Suite D of 1000 S Leslie St, La Habra, CA 90631.

On Deck shares La Habra's vision and values. "La Habra is a community where we know and care for our neighbors, actively participate in events, shop at our local businesses, have built an environment of low-rise buildings, and walk to our parks, schools and business districts." La Habra General Plan 1-1. We strongly believe that On Deck and its local owner Anthony "Tony" DeSimone embody the spirit of La Habra perfectly. Raised in La Habra, where his mom taught at local schools, Tony is passionate about reinvesting in his local community. Bringing his businesses to La Habra is just one way that Tony gives back to his neighbors.



1. NEIGHBORHOOD DESCRIPTION

The Property is located along the east side of Leslie Street, north of Imperial Highway with the common address of 1000 S. Leslie Street, La Habra, CA 90631 and assigned Assessor Parcel Number 019-111-67 ("Property"). The proposed non-storefront retail delivery operations will occur entirely within Building 3, Suite D ("Premises"). In line with La Habra's Land Use Policy 1.1, development and utilization of the Premises further the City's goal of redirecting growth away from residential neighborhoods onto underutilized parcels along La Habra's arterial corridors and industrial districts. General Plan LU 1.1.

Site Map



The Property, approximately 5.1 acres in size and improved with five (5) light industrial buildings. The Property was used as a warehouse facility between the years of 1964 and 2015, and was later a satellite campus for the Fullerton College District. The current owner, Max Hoskins, purchased the Property on June 24, 2015, and has utilized a portion of the Property for his equipment rental business, which was approved via Conditional Use Permit 15-09. The equipment business is operated out of Building 1 and the Property owner has leased out the remaining spaces to various light industrial uses, including On Deck's sister company Canna America, LLC, a licensed cannabis distributor (CUP 18-23 and DA 18-02). *LHMC § 18.22.080.B.*

The proposed cannabis non-storefront retail delivery business will be located in Building 3, located at the southeastern portion of the Property. *See plans on pages 12-14.* The business

will occupy approximately 2,032 square feet of space in the center of the building. *LHMC § 18.22.080.C.4.* A sally port will be constructed within the middle area of the Premises so vehicles can back into the building while keeping the secured area closed off. This process is similar to what occurs at sensitive facilities such as police stations, detention facilities, and power plants.

The operation of the business consists of purchasing cannabis goods (cannabis, prerolls, concentrates, edibles, drinks, tinctures and topicals) from licensed distributors or directly through cultivation and manufacturing suppliers who either arrange for self-distribution or who require transportation and distributor services that can be arranged through Canna America, LLC. The facility will be staffed with between five (5) to twenty (20) individuals. In line with the Bureau of Cannabis Control Regulations, On Deck will

operate between the hours of 8:00 am and 10:00 pm. The the last delivery order accepted before 9:30 pm to ensure all delivery drivers return to On Deck’s facility by 10:00 pm. *LHMC § 18.22.080.C.9.* Some employees will arrive at 7:30 am to perform opening procedures, while others will remain until 10:30 to perform closing procedures.

On Deck proposes to operate a cannabis non-storefront retail delivery facility within a light industrial area within an M-1 zoned designation. The use itself is comparable to a warehouse -operation since it is not open to the public and thus will not generate any traffic above what is expected for these types of operations in this zone. *LHMC § 18.22.030.D.3.i.iii.*

On Deck is prepared to immediately commence tenant improvements to ensure the use will not unreasonably interfere with any surrounding or adjacent properties or detriment the public welfare.

To guarantee this, On Deck will immediately:

- Install and maintain a high-quality security system and an odor-controlling ventilation system.
- Implement specified security measures, including exemplary inventory control measures. *LHMC § 18.22.080.C.10; LHMC § 18.22.080.C.14.*
- Proactively prohibit the consumption of cannabis products on-site through signage and employee training. *LHMC § 18.22.080.C.7.*

This Property is physically suitable for this type of land use and is compatible with the surrounding neighborhood. It is developed with light industrial buildings and is surrounded by light industrial uses on the north, east, and west sides. The existing slope provides a physical barrier and buffer to the Kaiser medical office building and

proposed commercial center at a lower elevation to the south.

Cannabis use is conditionally permitted by the Zoning Code in M-1 zones. The General Plan allows a variety of light industrial uses in the industrial land use designation such as warehouse and wholesale businesses. As previously described, this business is typical of a warehouse or wholesale operation in this zone.

The proposed use can be approved through a Conditional Use Permit, subject to compliance with all code requirements. Our proposed project meets code requirements and is consistent with the General Plan.

2. SENSITIVE USES

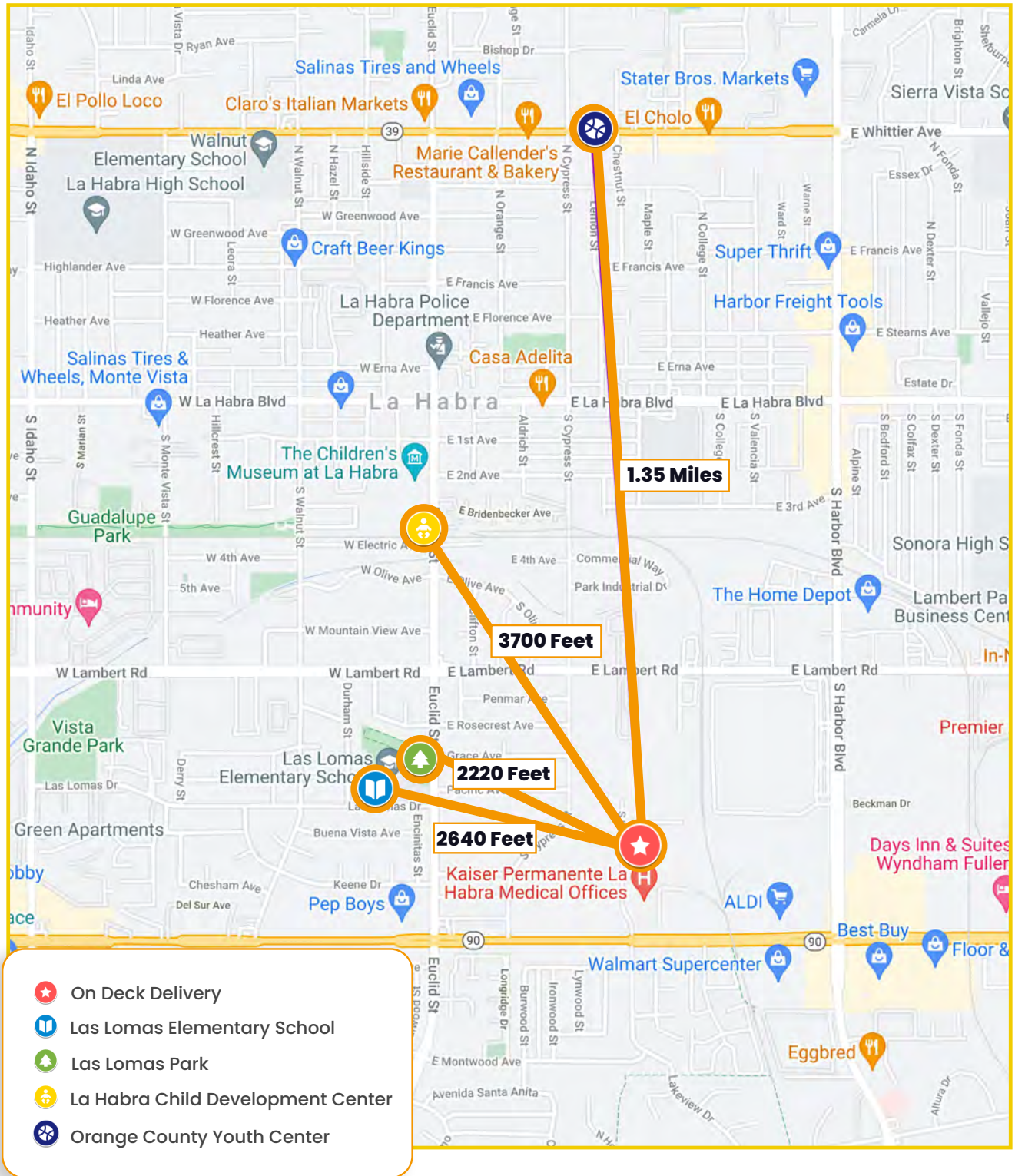
On Deck is located well outside the sensitive use buffers established by *LHMC § 18.22.080.A.* The closest school is 2,000 feet away; the closest daycare center is 2,000 feet away, and the closest youth center is 1.35 miles (or more than 7,100 feet away). (See [Sensitive Uses Map](#) on page 13)

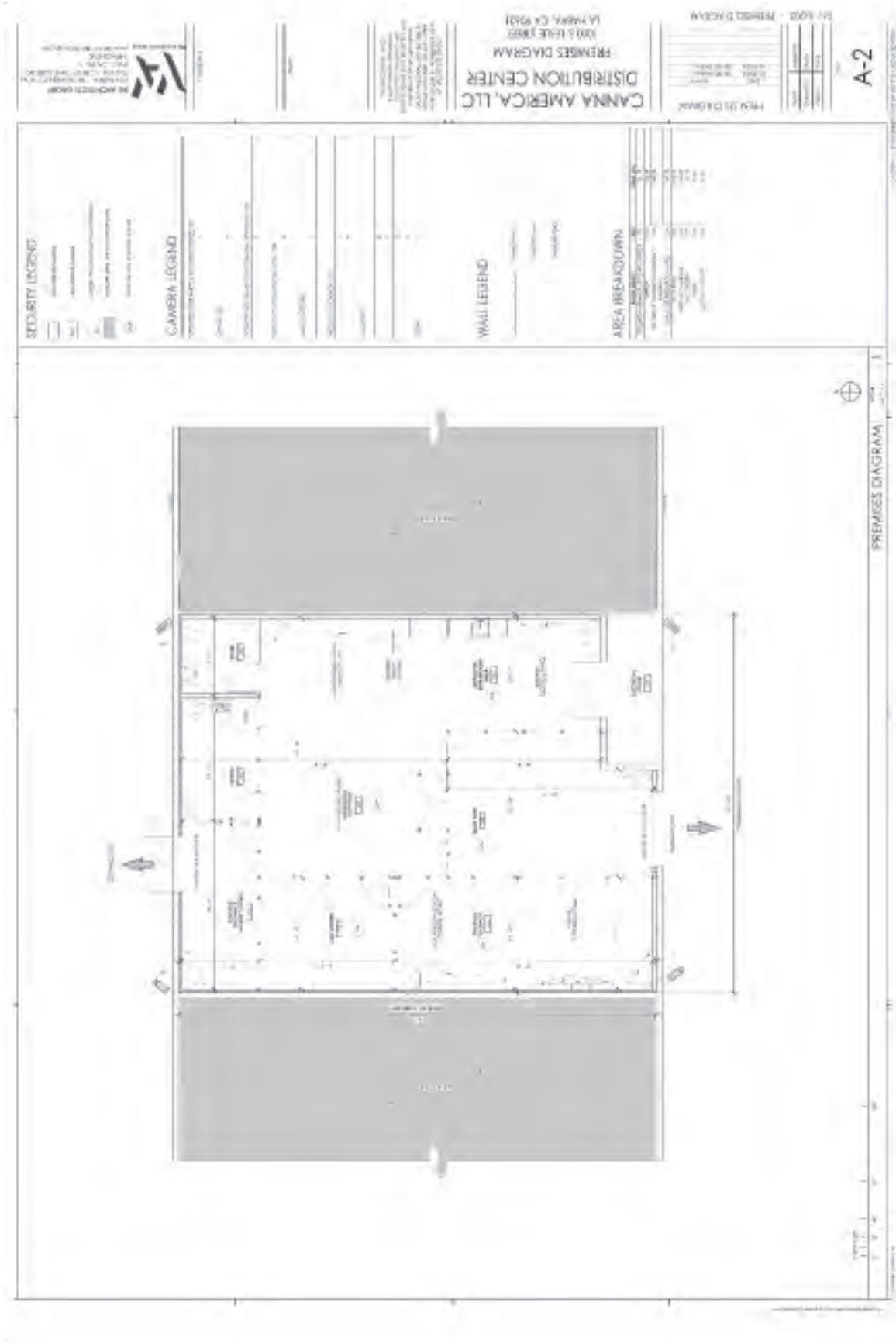
3. ZONING AND LOCATIONAL REQUIREMENTS PER LHMC § 18.22

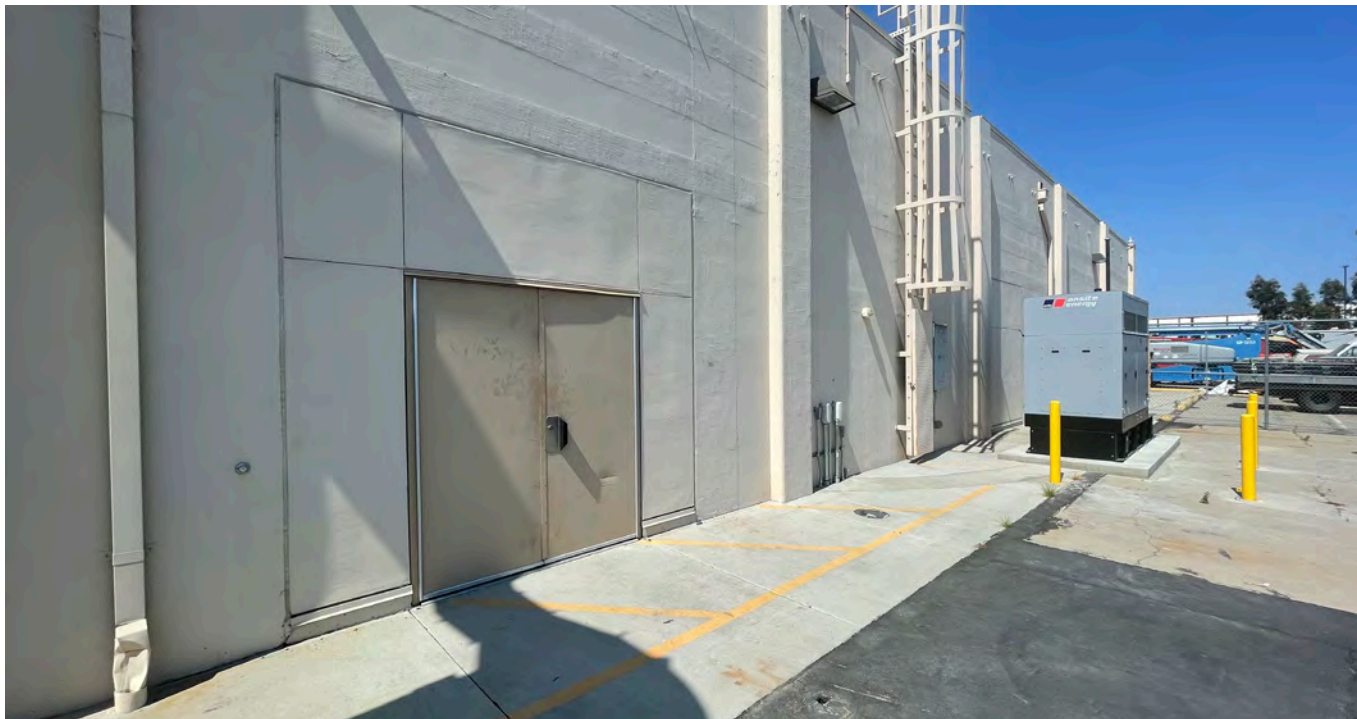
The General Plan land use designation for the site is Light Industrial. The Property is zoned M-1 (Light Manufacturing), which is consistent with the General Plan.

Chapter 18.22 “Commercial Cannabis Activity” provides City regulations pertaining to the permitted types of cannabis businesses, as well as requirements to apply for and operate a non-storefront retail delivery facility. Per Chapter 18.22, cannabis non-storefront retail delivery facilities are permitted with a Conditional Use Permit and Development Agreement in the M-1, M-1 (PUD), and PC-I zones, subject to distance requirements from schools, day care centers, youth centers, or public parks. *LHMC § 18.22.080.C.*

Sensitive Uses Map







4. NEIGHBORHOOD COMPATIBILITY PLAN

a. On Deck Will Avoid Creating a Nuisance or Other Negative Community Impact

On Deck will always operate the non-storefront retail delivery business in a manner that avoids creating community nuisance and negative community impacts. On Deck will operate the non-storefront retail delivery facility in such a way so as to not adversely affect the health or safety of the nearby property owners and business operators by creating odor, dust, glare, heat, noise, smoke, traffic, vibration, or other impacts, and shall not be hazardous due to use or storage of materials, processes, products, or wastes. *LHMC §18.22.080.C.8.*

Since the business is not open to the public, many of the concerns related to community integration are not present. For example, the location of the Premises is not visible from the street or even to



passers by on foot. The slope of the Property further creates a physical barrier, as described above.

Because On Deck is owned by Anthony "Tony" DeSimone, the same owner as Canna America, LLC, a licensed distributor in the City of La Habra, we have already had the privilege of meeting with the City's staff to ensure that our business location is such that there will be no negative impacts to the surrounding community. In fact, we are co-located on the same Property as the

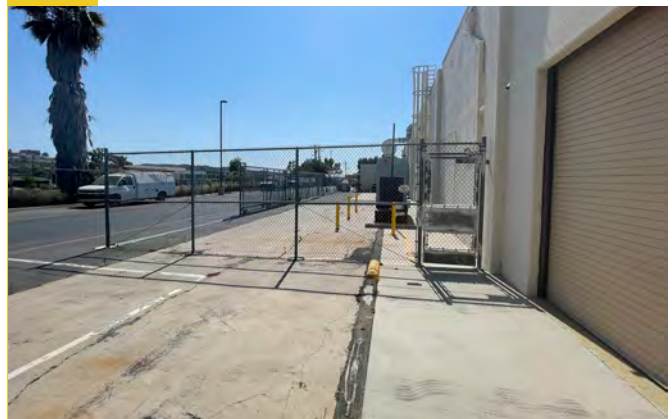
building owner, who would certainly not permit a disruption of his business by any of the cannabis activities on the Property, On Deck or Canna America.

Tony DeSimone takes a hands-on approach to operations and will be on site regularly. Tony's businesses are a family affair; he works closely with his parents and siblings, who are all either past or current residents of La Habra. The DeSimones' deep roots in the community are the ultimate incentive to ensure On Deck will operate without creating a nuisance or negatively impacting the community.

On DeckIn truth, the likelihood of any disruption to neighbors or the neighborhood is remote. As discussed above, the Premises is located in the middle of an industrial/manufacturing area and the main access street, Leslie St has no outlet and only service industrial facilities, meaning industrial-related traffic will be limited. All commercial neighbors are located a significant distance from the Premises, and we are bounded by the Hoskins equipment yard to the south. There are essentially no residential neighbors, with the nearest residential area located over 950 ft away and on the other side of the Imperial Highway.

Notwithstanding, to address any issues with nuisance or related complaints, Tony will serve as the community liaison and direct contact for City residents, staff and law enforcement. During our last process with the City of La Habra, we were under the impression that the City would prefer businesses remain somewhat unrecognizable so as to not invite public interactions and to ensure security. *LHMC § 18.22.080.C.15*. If the City has changed its position, On Deck will engage in significant community outreach, send mailers to surrounding businesses within a 300-to-600-foot radius, which does not include any residential lots. Similarly, since the business is not open to the public, we will follow the City's direction as to whether we should put Mr. DeSimone's contact information on the door to the Premises so that

he is easily reachable to anyone who may have a complaint or concern.



b. On Deck Will take Proactive Measures to Reduce or Eliminate Quality of Life Complaints

Noise

On Deck's non-storefront retail delivery activities will not create a noise nuisance. First, we intend to purchase low emission, hybrid or electric vehicles, such as the Toyota Prius or the Nissan Leaf, which are notoriously silent vehicles. In fact, the Prius is so quiet, that in 2010, Toyota installed a noise maker to provide better notice to passing pedestrians. Other than the delivery drivers coming in and out of the Property, all of our operations will be entirely indoors. If music is played for staff indoors, we will ensure that it is at a reasonable level, and we will never use outdoor speakers. The entire purpose of a discrete delivery service is to remain discrete and not draw attention to our operations, the Premises, Property or our delivery drivers.

Since we are in an industrial area, there are common equipment and large vehicle noises throughout the Property and the surrounding properties. As such, we anticipate On Deck will be one of the quieter occupants in the area.

Odor Complaints

Similarly, due to our location in an industrial area and neighboring an existing cannabis distribution facility, we do not anticipate odor complaints. The odor-controlling ventilation system will ensure odors will not be detected outside the premises or in any adjacent property. *LHMC § 18.22.080.C.12.* (see [Air Quality Plan](#) on page 20 for more)

Lighting

Lighting on the Premises will be installed and maintained to ensure that all security cameras are sufficiently illuminated to render clear images and recordings. *LHMC § 18.22.080.C.6.a.* The address on the building will be illuminated during the hours of darkness to ensure visibility from the right of way; there are no streets that face the numbers on the building. The address number "1000" will be

displayed on both sides of the building because our staff enters from one side and delivery drivers enter from another.

The entrances of the Premises will be illuminated during evening hours as required by the Chief of Police to assure security cameras have the proper lighting to function. The Premises does not have any exterior windows. *LHMC § 18.22.080.C.6.h.* At all times, On Deck shall comply with the City's lighting standards regarding fixture type, wattage, illumination levels, shielding, etcetera, and shall secure the necessary lighting approvals and permits as needed from the chief building official. *LHMC § 18.22.080.C.6.i.*

Lighting will not be excessive and will be installed so that the illumination is directed toward the building and shielded from being directed outward from the building.

Loitering

Since the business is not open to the public and located behind gates and fencing, there is no reason for third parties to loiter. Any person who is not supposed to be on the Property or near the Premises will be asked to leave by our security officers. If the individual does not leave, security will contact law enforcement if necessary. *LHMC § 18.22.080.C.6.c.*

Additionally, signage will be displayed, such as the sign below to discourage loitering, trespassing, and soliciting:



Traffic

On Deck does not anticipate any impact on surrounding traffic conditions. The number of trips per day by our delivery drivers would be similar to the number of trips created by Hoskins Equipment rental. Even if we had one vehicle leave the premises every 15 minutes, given the relatively low amount of traffic on the surrounding streets, it would not have an impact on the surrounding community or businesses.

Additionally, if AB1014 makes it out of committee, the amount of cannabis a licensed delivery driver is authorized to carry will increase significantly from \$5,000 to \$15,000 with \$10,000 of product not having been ordered versus the existing \$3,000 limit, which would further reduce the number of trips our delivery drivers make.

Safety and Security Measures

A detailed Security Policy and Procedure document has been prepared for this project and is located at page _____. The full document will serve as the overall security strategy for the business if a license is granted. This executive summary of the plan that follows, was prepared in order to comply with the La Habra page limits.

This Safety Plan is located at page ___ of this Application. This Plan incorporates the applicable provisions contained in Chapter 4, sections 404-407 of the California Fire Code (“CFC”), 2019 edition as required by the City of La Habra Fire Department, and the City of La Habra Municipal Code (“LHMC”).



This plan takes into consideration possible fire, medical and hazardous situations, including:

- Emergency preparedness requirements.
- Fire safety and evacuation plans.
- Emergency evacuation drills.
- Employee training and response procedures; and
- Hazard communication requirements.

To ensure compliance with the CFC and incorporation of best practices, all of the policies and procedures herein follow the CFC, and the code sections referenced refer to sections of the CFC, unless specified in the LHMC.

Participation in Community Service and City Sponsored Programs

In furtherance of our proactive approach to prevent becoming a nuisance to the community, we will also engage completely with the community by participating in community service projects and City events. If the City needs sponsorships, we are happy to assist, to the extent it is practical.

Through Canna America, we have already been working with Kelly Fujio, Director of Community Services for the City of La Habra. Some of the community organizations we have supported to date include:

- La Habra Meals on Wheels
- La Habra Lions Club
- La Habra Community Resource Care Center
- American Legion

Membership in La Habra Chamber of Commerce

Once approved as one of the four (4) applicants authorized to engage in non-storefront retail activities, On Deck will join Canna America as a member of the La Habra Chamber of Commerce. *LHMC § 18.22.090*. The La Habra Chamber of Commerce has already been a tremendous support network for On Deck's sister company, Canna America, and we have no doubt they will be equally supportive of On Deck.

Through partnerships and relationships with other local businesses, On Deck will be an integral part of the La Habra community. As further detailed in our **Local Sourcing Section** on page ###, we will use the services of local businesses such as Salinas Tire & Wheels, All Tune & Lube, Autopedic Body Center, Lightning Express Wash, Board & Brew, Ricardo's El Ranchito and University Printing.

Complaints & Community Liaison

Anthony DeSimone will serve as On Deck's on-site manager and community liaison. Given his deep ties to his hometown, the City of La Habra can rest assured that he will take all feedback and complaints seriously. On Deck strongly believes that given its operational controls and compliance, that they will rarely receive complaints from the community or customers.

In the unlikely event a complaint is received, On Deck will take the following actions:

- Record the complaint and all pertinent details, including the contact information of person making the complaint
- Investigate the complaint to determine the source of the issue or document further details about an issue
- Record results of the investigation
- Remedy the issues giving rise to the complaint (i.e. change out the filter on the HVAC system, replace lights)
- Meet with staff to provide additional direction or revise SOPs
- Discipline or terminate any staff found to be in violation of company policy or caused the issue giving rise to the complaint.

5. Air Quality Plan

The health and safety of our employees and surrounding community neighborhood are of paramount importance to On Deck.

To prevent any negative air quality impact, On Deck will ensure sufficient odor absorbing ventilation and exhaust systems so that odor outside the premises is not detected on any adjacent property, 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 or on the same Property.

Notwithstanding, cannabis facilities have the potential to produce odors due to the release of terpenes in the surrounding environment when a cannabis is exposed to the air. Terpenes are naturally occurring oils produced by the trichome glands of a cannabis plant, similar to the pinene or "pine" scent from a pine tree or the linalool that gives lavender its distinguishing aroma or the limonene in citrus fruits we all know so well.

WHAT YOU SMELL = HOW YOU'LL FEEL						IDENTIFYING COMMON CANNABIS TERPENES					
TERPENE:	ALPHA-PINENE BETA-PINENE	MYRCENE	LIMONENE	ACARYOPHYLLENE	LINALOOL						
	PINE	MUSKY, EARTHY, CITRUS HINTS	CITRUS	SPICY, WOODY, PEPPERY, CLOVE	FLORAL, CANDY, CITRUS						
FOUND IN	Pine, Dill, Parsley, Basil, Rosemary	Mango, Thyme, Lemongrass, Hops	Juniper, Rosemary, Fruit Rinds, Peppermint,	Black Pepper, Clove, Cotton	Lavender						
	Alertness, Euphoria, Creativity, Memory Retention	"Couchlock", Sedation, Relaxation, Body High	Elevated Mood, Stress Relief	No noted effects	Anxiety Relief, Sedation						
	Asthma, Antiseptic	Antioxidant, Pain, Muscle Tension, Sleeplessness, Anti-Carcinogenic	Gallstones, Gastroprotective, Heartburn, Anti-fungal, Depression	Gastroprotective, Anti-inflammatory, Arthritis, Ulcers	Anti-anxiety, Anti-convulsant, Anti-depressant, Anti-acne						
	Jack Herer, Trainwreck, Bubba Kush, Chem Dawg, Super Silver Haze	Pure Kush, El Nino, Himalayan Gold, Skunk #1, White Widow	OG Kush, Super Lemon Haze, Jack the Ripper, Lemon Skunk	Big Bang, Damn Sour, Great White Shark, Ice Dream	G-13, Lavender, Amnesia Haze, LA Confidential						

Made by MarijuanaPackaging.com. Information courtesy of Leafly.com

Accordingly, On Deck designed its non-storefront retail delivery premises to prevent odor emissions to outside the facility and will construct the same to ensure that all orders generated by On Deck’s non-storefront retail activities are contained on the Premises. To mitigate the aroma and odors naturally caused by the cannabis plant, On Deck will implement best in class odor mitigation systems, including air scrubbers, negative pressure system, carbon filtration and HVAC purification systems. We will change our filtration system filters at least once every 3-6 months, which is industry standard for cultivation,(a much more odor intensive activity), to ensure no odors are emitted to the surrounding areas.

However, because we are not open to the public and all cannabis goods must be delivered to our facility in their prepackaged, post-testing form, there will only be a limited about of open and

exposed cannabis in our facility when vendors may come to show us the quality of the products that they would like us to carry.

Importantly, the odor control and mitigation plan and details below are substantially similar to the odor ventilation plan submitted on behalf of Canna America, LLC, and has already been approved by the Chief Building Inspector.

Designed to Prevent Odors from Emanating Outside

The Premises is designed to prevent cannabis odors from being detected outside the building, anywhere on adjacent Property or public rights-of-way, on or about the exterior or interior common areas that are available for use by common tenants or the visiting public, or within other units or spaces attached to the same building.

Physical Attributes to Mitigate Odor Control

Our Property is especially well suited to avoid potential impacts to the surrounding community. First, our Premises is located in a building controlled by the same owner, Anthony DeSimone, who operates a distribution facility next door. All other businesses on the Property are located in separately sealed buildings. Additionally, the Property is bounded by Leslie and Imperial Highway, thus eliminating any likelihood that odors would impact our residential community neighbors. In fact, the closest residential zone to our Premises and Property is located approximately 950 feet away, across Imperial Highway to the south and across Euclid to the west; there are no residential properties even remotely adjacent to the north or east of the Property.



Air Circulation Equipment and HVAC System

On Deck will be utilizing a professionally-installed heating, ventilation, and air conditioning (HVAC) system to maintain odor control and air quality. The HVAC system provides the ventilation, humidity, and temperature control necessary to maintain the quality of cannabis goods for sale at the non-storefront retail delivery facility. On Deck’s ventilation systems will consist of the most effective odor control technology available and will include automated and manual controls to ensure that facility ventilation and air quality are effectively controlled.

All air intakes will be equipped with high-efficiency particulate absorber (HEPA) filters to remove dust, pollen, and small particulates, as well as activated charcoal filters to remove or neutralize pollutants and microbial contaminants. Filters will be changed regularly based on the manufacturer’s recommendations and in accordance with the applicable standards.

The HVAC system will be installed and maintained to provide a safe, comfortable, and hygienic environment for employee, visitors, and vendors. The HVAC system will be operated continuously during working hours. During non-working



Size (Tons)	8.5 Ton
Efficiency	Standard
Model Number	KGB/KCB 10254B
Blower Type	CAV
Net Cooling Capacity (Btu/h)	97,000
Cooling Stages	2
Nominal Supply Air (cfm)	2,000
EER	11.2 (KC) 11.0 (KG)
I.E.E.R.	12.9 (KC) 12.7 (KG)
Gas Heat Sizes (kBtu/h) (Up to stages)	130(2), 180(2), 240(2)
Electric Heat Sizes (kW)	7.5, 15, 22.5, 30, 45
Blower Motor Size (HP)	2, 3, 5
Weight- Shipping (lbs.) G/E	1,023
Weight- Shipping (lbs.) E/E	975
Cabinet Size - H x W x L (in.)	47 x 61 x 102
Fiber (Quantity/Size)	(4) 20 x 25 x 2
Sound (dBA)	88

hours, the HVAC system will continue to provide appropriate environmental controls, including regulating proper temperature and humidity levels to maintain the quality of the cannabis goods, and to provide effective odor control. Procedures for testing and adjusting HVAC systems and controls will be established in accordance with the manufacturer's specifications and applicable standards. Initially, Anthony DeSimone will maintain the HVAC systems in accordance with the manufacturers' designated procedures; once management and staff are hired, this task will be assigned to a manager. Inspection and maintenance of the HVAC system will occur as often as recommended by the installer.

Policies to Prevent Impacts to Employees and Surrounding Businesses

No Smoking On Site Mitigates Odor

On Deck prohibits the consumption of cannabis (including smoking) within the vicinity of our Property boundaries. Signage inside and outside the non-storefront retail facility put employees, vendors, and visitors on notice of our no-smoking and no-consumption policy. Our on-site security will ensure that the premises remains free from those consuming or attempting to consume cannabis in any form, including smoking, onsite.

Recordkeeping Practices for Odor Control

Carbon filtration or other odor control system purchase records, performed maintenance tracking, documentation and notification of malfunctions, scheduled and performed training sessions, and monitoring of air quality controls will be maintained with the books and records of On Deck on the Premises.

1. Caring Neighbor Policy

Born and raised in La Habra, Anthony DeSimone knows what it means to be an active member of "La Habra – a Caring Community." Mr. DeSimone

has always been an active community member and has been a member of the La Habra Chamber of Commerce since 2019. Canna America has already donated ten thousand dollars (\$10,000) to local organizations and has engaged in over 306 hours of community service in the City of La Habra. On Deck is also committed to supporting community organizations, as described in greater detail in our Community Benefits Plan.

Building Restoration and Maintenance

On Deck's owner Anthony DeSimone has already invested over \$500,000 in restoring and updating the Premises. Additionally, due to Canna America's distribution application, the property owner finally complied with its conditions of approval after several years because of the efforts expended by Mr. DeSimone to ensure the Property is 100% compliant. *LHMC § 18.22.080.C.2.*

Anthony DeSimone has always had the strong desire to operate a delivery service in La Habra and has been holding the Premises for the last three years. The Premises is relatively secure. However, if we should ever find graffiti or vandalism on or about the Property, we will immediately report it to law enforcement, and, once documented, we will clean the entire area. Security and staff will routinely inspect the exterior of the Premises and the parking lot to ensure litter and debris is immediately removed. *LHMC § 18.22.100.A.*

No Smoking Onsite



Lease removed for privacy and confidentiality



Section B:

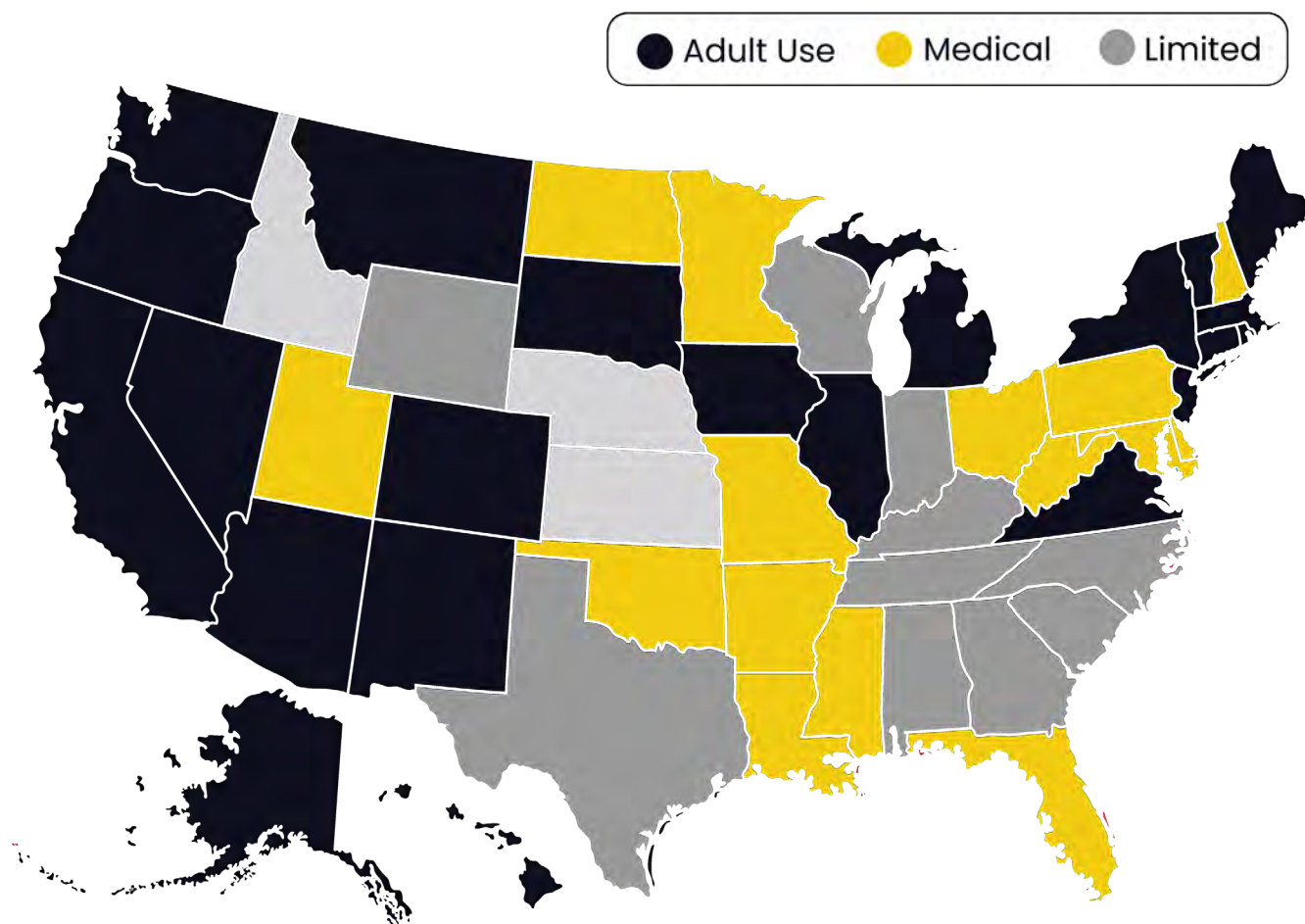
Business Plan

Section B:

Business Plan

1. MARKETING STRATEGIES

According to Gallup, 91% of all Americans now support federal cannabis legalization and regulation according to a Pew Research Center Poll released in April 2021. That is to say, most Americans believe cannabis should be legal. Idaho, Nebraska, and Kansas are the only three remaining states in the United States that do not have some form of cannabis legalization or criminalization.



United States Market

According to New Frontier Data, following the 2020 elections, 70% of the U.S. population now lives in a state that with access to legal cannabis; that number goes up to 97% when considering states who have also decriminalized cannabis use and allow for low-THC, CBD rich products to be lawfully sold. Federal legalization is obviously on the horizon. California commands a whopping 20% of the total market share of all commercial cannabis is activities.

Entering the market at this point in time assures On Deck and the City will be in a strong position to build infrastructure and supply consumers with safe and legal cannabis products. By 2024, it is estimated that every US state, Washington D.C., and two territories will have active adult-use markets. This illustrates the rising acceptance of cannabis nationwide and highlights the industry’s immense potential for future growth.

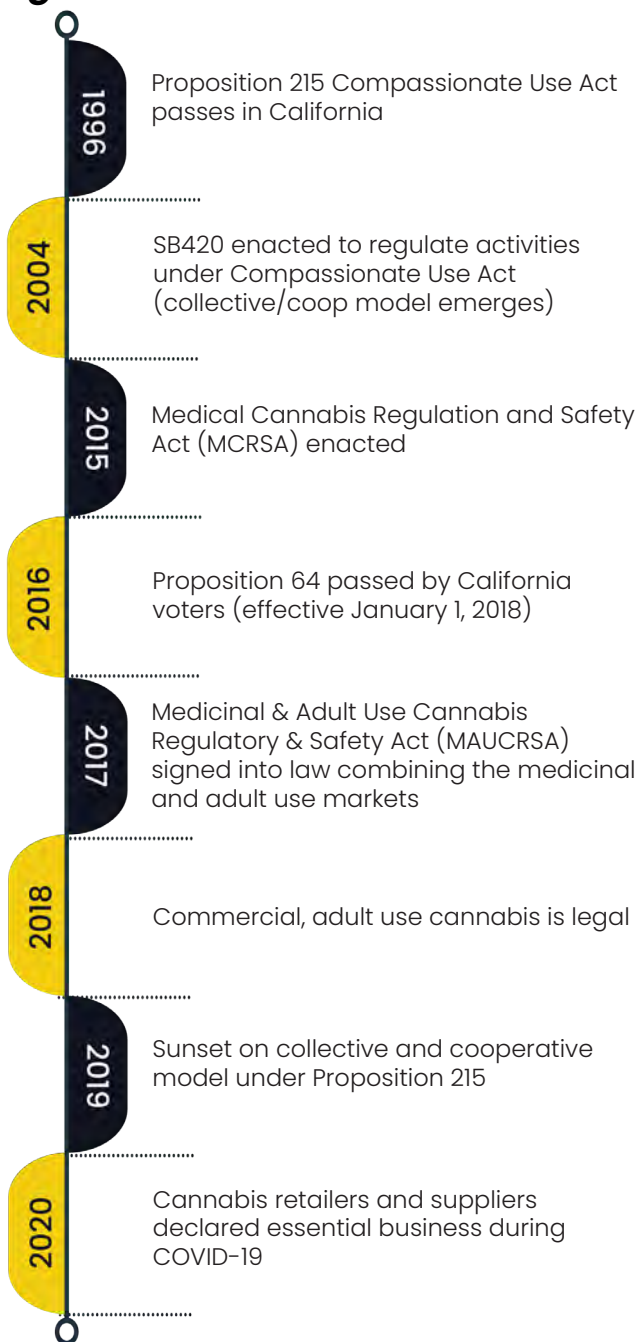
California Cannabis Market Analysis

Under the legal, regulatory framework created by Proposition 64 (passed November 8, 2016, effective January 1, 2018), each of the State’s 482 cities and 58 counties have the ability to tailor cannabis regulations and activities conducted within their jurisdictional boundaries. To date, only about one-third (1 \ 3) of all California cities have authorized commercial cannabis retail activities in some way.

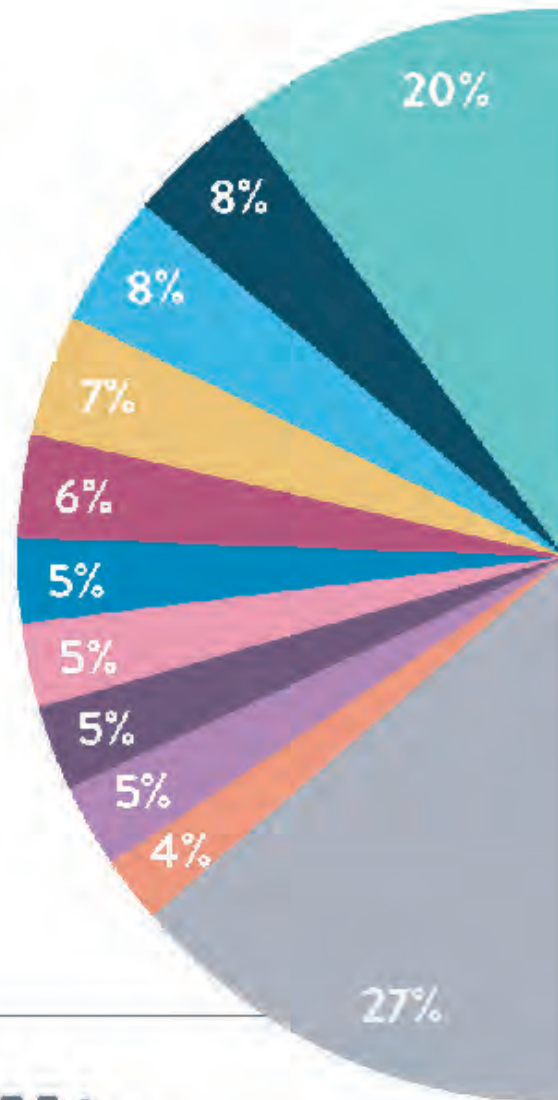
Here in Southern California, of our 210 cities spanning 7 counties, only 55 cities and 2 counties have authorized commercial cannabis retail in some fashion, with 7 of those allowing for delivery only. That number shrinks even more in Orange County where only 3 of the 34 incorporated cities, La Habra, Stanton, and Santa Ana, have authorized cannabis retail activities. Of the 30 retail facilities permitted in Santa Ana, only 23 are operational, and Stanton has yet to finalize their permitting process.

California recently released revised cannabis tax revenue figures, in turn reflecting significantly higher revenues than previously reported. California saw \$9.2 billion in revenue in its first 2.5 years of adult-use legalization. By 2025, New Frontier Data estimates that the California-regulated commercial cannabis industry will reach \$8.2 billion annually .

History of Legalization and Regulation in California.



Legal Market Share by 2025



\$41.5 billion

2025 EST. TOTAL U.S. LEGAL MARKET*

Note: "Rest of Legal States Combined" includes annual revenue projections for 27 states with operating legal cannabis markets. All share calculations are based on combined legal sales in both existing medical and adult-use markets.

Source: New Frontier Data

Plants Over Pills: An Opportunity for Compassion and Collaborative Marketing

For example, we noticed that very few cannabis retailers take advantage of SB34, the Dennis Peron and Brownie Mary Act enacted in 2019, effective January 1, 2020. This Act allows suppliers to designate specific cannabis goods to be donated to patients in need, including Veterans, who present a valid physician's recommendation letter. Originally, the California Legislature sought to require a state-issued Medical Marijuana Identification Card ("MMIC"). However, several nonprofit organizations lobbied the State to expand these donation programs to those who have physician recommendations but not MMICs to ensure access to donations for veterans in fear of losing VA benefits or gun rights.

We will also offer a 10% discount to medicinal patients who order from On Deck. And, because On Deck strongly believes in honoring those who put their lives on the line for our liberties, we will extend the medicinal discount program to all veterans who present proof of military status.

With so few legal recreational/medicinal cannabis retail or delivery options in the area, we anticipate also serving residents of nearby communities like Buena Park, Fullerton, Brea, La Habra Heights, and Whittier. In 2018, Orange County welcomed over 50 million tourists, and with astounding numbers like this, it is highly likely tourists in the area will also stop in to On Deck!

Target Market

On Deck's target market includes medicinal patients over 18 years old and adult use consumers over 21. Approximately 76% of Corona's 60,000 residents are over the age of 18, with more than 12% of all residents being over the age of 65. Surrounding cities of Anaheim, Yorba Linda Buena Park, Fullerton, Brea, La Habra Heights, and Whittier do not yet permit the legal sale of cannabis. Our non-storefront retail delivery service in La Habra will fill this void.

We are also keenly aware of the increase in demand for cannabis over the past year. Based on a survey of more than 4,600 consumers, in a report published by New Frontier Data in April 2021, it is clear that cannabis consumption greatly increased over the past 2.5 years, with 44% of consumers now preferring cannabis over alcohol. It is estimated that 80% of all retail revenue comes for 20% return clientele. Therefore, we will also devote significant resources to ensuring customer loyalty, such as loyalty programs, special events, first opportunity to purchase high demand products and other opportunities to ensure customers return to On Deck.

Marketing Strategy Overview

Despite an increasing reliance on digital marketing, Facebook, Instagram, and Google do not allow cannabis brands to promote their businesses or use targeted marketing and SEO, even in states like California where cannabis is legal. Therefore, we.W

Print marketing is In California, any advertising or marketing placed on TV, radio, print and online can only be displayed where at least 71.6 percent of the audience is reasonably expected to be 21 years of age or older. 16 CCR §5040(a)(1). Our marketing strategy targets digital, print and in person outlets to ensure a broad, inclusive marketing strategy. Like the other businesses owned and operated by our principals, we expect On Deck to become a household name in short order.

Billboards and Signage

All outdoor signs will comport with the Outdoor Advertising Act. Additionally, we may take out billboard space on local freeways that do not cross a state border, such as California State Routes 39, 72, and 90, which travel within the proximity of La Habra, and California State Routes 19, 37, 55, 57, 60, 71, 91 and 142. Because of the recent ruling in *Farmer v. BCC et al.* (January 2021) we will not advertise by use of billboards on the 15 freeway. Our license number will be displayed on all outdoor signage. We will also comply with any regulations, rules, laws, or ordinances adopted by the City of La Habra in this regard.

Social Media

Today's social media platforms are a hotbed of marketing content. Although we cannot pay to promote On Deck, organically posting on Facebook, Instagram, TikTok, LinkedIn, Clubhouse and Snap Chat are just some of the ways we can reach our target customer base. We will also align with influencers who have the same goals and passion for helping people as us. We will list our license number on all platforms and all posts to ensure compliance with 16 CCR §§5039 et seq.

To ensure that our advertising placements are displayed only to persons over 21 years or older, we will include age restricted viewing on our social media platforms. We commit to adult focused marketing and will not advertise products, merchandise or accessories that can be construed as appealing to minors.

Sponsorships and Events

As highlighted in our Community Benefits section, On Deck will be a strong supporter of the local community. We will continue to sponsor local events and local organizations.

We will also be sure to participate in city-sponsored events, lending financial support as well as volunteer time. We believe strongly that the residents of Corona need to see us out in the open, doing good works. The stigma associated

with cannabis has been prevalent for far too long and we intend to show, rather than tell, our community just how supportive we are. In turn, this leads to consumer trust and word of mouth marketing opportunities. To that end, we will use sponsorships and events to create strong brand recognition.

Direct Digital Marketing: Emails, Newsletters and Text Messages

With today's reliance on digital communications, On Deck will ask patrons and those who visit our store, website, third party advertising platforms (Leafly, WeedMaps, Nug, etc.) and social media profiles to voluntarily sign up for texts, emails, and newsletters. We do this to comply with the Telephone Consumer Protection Act (TCPA) and the FCC laws and regulations. A number of cannabis operators have recently been sued for violating the TCPA by sending unsolicited text messages.

2. OWNERSHIP: ANTHONY DESIMONE: 100% OWNER, 100% LA HABRA RAISED

Anthony "Tony" Desimone is a third generation La Habra resident with a passion for cannabis, best practice operations and economic investment in his community. Tony is a graduate of California State University, Fullerton where he received his bachelor's degree in business finance.

As a professional in the emerging cannabis industry, Tony has operated compliant businesses under appropriate Prop. 215 and California Attorney General guidelines for more than five years. As such, he retains access to more than 10,000 patients/customers who consented to receive text communications from his former business.

Tony was an early pioneer in seeking municipal licensing for his compliant operations, and in 2016 he received his first municipal permit for cannabis operations from the City of Rancho Mirage.

Tony is a hands-on cannabis business owner. He does not sit idly by while others operate his businesses, but instead plays an integral role in the success of each company he owns. Specifically, on a day-to-day basis, Tony oversees operations, interacts directly with local and state government officials, handles all internal logistics including all purchase ordering, oversees compliance and works directly with compliance counsel, and focuses on business development. He is also the Metrc account manager at both of his licensed locations and has completed cannabis specific Cal OSHA training required by California law and regulations. These credentials will expedite the State annual licensing component for On Deck, as these accolades are able to cross-certify all businesses owned by a credentialed owner.

In addition to focusing on the compliant operations of his cannabis businesses, Tony has played an engaged role in Angeles Emeralds, a cannabis public affairs organization dedicated to finding common ground and interacting with state, county, municipal and public employees towards the development of industry best practices and sensible regulations. Tony anticipated the need for this clarity as he worked with industry peers to pass Prop. 64 during the November 2016 election cycle. Since that time, he has been working to establish a home base of operations for his further investments and entrepreneurial goals.

Tony brings the experience of planning, executing, and implementing a cannabis community relations program to the On Deck team. Past programs have included public participation in city council and chamber meetings, interaction with city staff and participation in other important community events.



3. Business Organization Documents

On Deck's **Articles of Organization** are located below and the **Statement of Information** is on page 38. The **Operating Agreement** for On Deck is on page 87.



California Secretary of State
Electronic Filing



LLC Registration – Articles of Organization

Entity Name: On Deck Delivery LLC

Entity (File) Number: 202116910393
File Date: 06/16/2021
Entity Type: Domestic LLC
Jurisdiction: California

Detailed Filing Information

1. Entity Name: On Deck Delivery LLC

2. Business Addresses:
 - a. Initial Street Address of Designated Office in California: 1000 S Leslie Street, Suite D
LA HABRA, California 90631
United States

 - b. Initial Mailing Address: 1000 S Leslie Street, Suite D
LA HABRA, California 90631
United States

3. Agent for Service of Process: Dana L Cisneros
505 South Villa Real Drive, Suite 100
Anaheim California 92807
United States

4. Management Structure: One Manager

5. Purpose Statement: The purpose of the limited liability company is to engage in any lawful act or activity for which a limited liability company may be organized under the California Revised Uniform Limited Liability Company Act.

Electronic Signature:

The organizer affirms the information contained herein is true and correct.

Organizer: Dana Leigh Cisneros, Esq.

Certificate Verification Number: 2WUJQF
Use bizfile.sos.ca.gov to verify the certified copy.

Use bizfile.sos.ca.gov for online filings, searches, business records, and resources.

Statement of Information

Secretary of State Statement of Information (Limited Liability Company)	LLC-12	21-D11673	FILED	
<p>IMPORTANT — Read instructions before completing this form.</p> <p>Filing Fee — \$20.00</p> <p>Copy Fees — First page \$1.00, each attachment page \$0.50; Certification Fee - \$5.00 plus copy fees</p>		In the office of the Secretary of State of the State of California JUN 22, 2021		
This Space For Office Use Only				
1. Limited Liability Company Name (Enter the exact name of the LLC. If you registered in California using an alternate name, see instructions.) ON DECK DELIVERY LLC				
2. 12-Digit Secretary of State File Number 202116910393		3. State, Foreign Country or Place of Organization (only if formed outside of California) CALIFORNIA		
4. Business Addresses				
a. Street Address of Principal Office — Do not list a P.O. Box 1000 S Leslie Street, Suite D		City (no abbreviations) La Habra	State CA	Zip Code 90631
b. Mailing Address of LLC, if different than item 4a 407 W IMPERIAL HWY, SUITE 196		City (no abbreviations) BREA	State CA	Zip Code 92821
c. Street Address of California Office, if Item 4a is not in California — Do not list a P.O. Box 1000 S Leslie Street, Suite D		City (no abbreviations) La Habra	State CA	Zip Code 90631
5. Manager(s) or Member(s) <small>If no managers have been appointed or elected, provide the name and address of each member. At least one name and address must be listed. If the manager/member is an individual, complete Items 5a and 5c (leave Item 5b blank). If the manager/member is an entity, complete Items 5b and 5c (leave Item 5a blank). Note: The LLC cannot serve as its own manager or member. If the LLC has additional managers/members, enter the name(s) and addresses on Form LLC-12A (see instructions).</small>				
a. First Name, if an individual — Do not complete Item 5b Anthony		Middle Name	Last Name DeSimone	Suffix onder
b. Entity Name — Do not complete Item 5a				
c. Address 407 W IMPERIAL HWY, SUITE 196		City (no abbreviations) BREA	State CA	Zip Code 92821
6. Service of Process (Must provide either Individual OR Corporation.)				
INDIVIDUAL — Complete Items 6a and 6b only. Must include agent's full name and California street address.				
a. California Agent's First Name (if agent is not a corporation) Dana		Middle Name L	Last Name Cisneros	Suffix Esq
b. Street Address (if agent is not a corporation) — Do not enter a P.O. Box 505 S Villa Real Drive, Suite 100		City (no abbreviations) Anaheim Hills	State CA	Zip Code 92807
CORPORATION — Complete Item 6c only. Only include the name of the registered agent Corporation.				
c. California Registered Corporate Agent's Name (if agent is a corporation) — Do not complete Item 6a or 6b.				
7. Type of Business				
a. Describe the type of business or services of the Limited Liability Company delivery				
B. Chief Executive Officer, if elected or appointed				
a. First Name Anthony		Middle Name	Last Name De Simone	Suffix
b. Address 407 W IMPERIAL HWY, SUITE 196		City (no abbreviations) BREA	State CA	Zip Code 92821
9. The information contained herein, including any attachments, is true and correct.				
06/22/2021 <small>Date</small>	Dana Leigh Cisneros Esq. <small>Type or Print Name of Person Completing the Form</small>	Attorney <small>Title</small>	_____ <small>Signature</small>	
Return Address (Optional) (For communication from the Secretary of State related to this document, or if purchasing a copy of the filed document enter the name of a person or company and the mailing address. This information will become public when filed. SEE INSTRUCTIONS BEFORE COMPLETING.)				
Name: _____ Company: _____ Address: _____ City/State/Zip: _____				
LLC-12 (REV 01/2017)		Page 1 of 1		
		2017 California Secretary of State www.sos.ca.gov/business/be		

4. Finances

Construction Budget and Timeline



INVOICE #1646

Reed Construction

1057 E Imperial Hwy, Suite 254, Placentia, CA 92870
 License # 957315
 714-888-2816

DATE

BILL TO

On Deck Delivery

1000 S Leslie St, Building 3, Suite D, La Habra CA, 90631

PHONE

FOR

Commerical Cannabis Delivery
 Tenant Improvements

Details	AMOUNT
Epoxy Floors (Clean, Paint, Seal Floors)	\$10,000.00
Electrical (Outfits General electrical fed back to Generator Bay lighting	\$20,000.00
Frame out, Insulate , Dry wall, Paint the perimeter wall per title 24	\$10,000.00
Fences/Gates/Roll up Door	\$10,000.00
Hvac	\$40,000.00
Sink for break room plumbing MISC	\$10,000.00
TOTAL	\$100,000.00

installation vendor to install wiring. This bid doesn't not reflect permits, licenses or changes. One year warranty on all work. Time frame for completion 2-4 months.



If you have any questions concerning this invoice, use the following contact information:

Bryan Reed Owner Reed Construction 714-888-2816

THANK YOU FOR YOUR BUSINESS!

Pages 41-46 include sensitive financial information and have been removed

More specifically, our operating expenses and overhead were determined using the following assumptions and data:

- *Merchant Fees calculations assume an average 3% credit card processing fees actually charged by Dama Financial and we assume that 15% of sales will be paid by credit card.*
- *Security was developed by obtaining quotes from vendors for camera/facility monitoring.*
- *The monthly rental payments as per sublease attached at page  .*
- *Utilities are included with the rent per the sublease and master lease (see page ).*
- *Office supplies, internet and phone, dues and subscriptions, bank charges, meals and entertainment, professional services expenses were developed by analyzing the data of non-storefront delivery retail facility located in California. In addition, we applied 2% long terms growth rate in order to account for inflationary increases.*
- *Marketing expenses were developed based on the planned marketing budget. In order to ensure that our projected marketing spend is reasonable and sufficient, we analyzed the data of United States publicly traded cannabis companies on Canadian Stock Exchange (“CSE”). Based on the inspection of the data as published on SEDAR, the database for financial statements of publicly traded companies, we*

noted that the marketing costs as percentage of revenue come out to 1%-11% of revenues. We noted that our projected spend of 5% is consistent with average marketing expense in the industry. In addition, we analyzed the marketing spend in relation to our dataset of non-storefront delivery services, and we noted that it is line with the average.

- *Payroll expenses were developed based on 6 delivery drivers at \$16 per hour, 3 phone sales associates/dispatchers at \$20 per hour and 3 inventory fulfillment specialists at \$20 per hour each day. The specific labor cost calculations are summarized in Figure 7 below. In line with our labor plan and local hiring practices, we determined that On Deck will offer full time employment whenever possible so that more employees are able to live a comfortable lifestyle and qualify for our 75% benefit contribution. We also anticipate a 3% growth rate in wages to remain a competitive employer of choice.*
- *The expected hourly rates were developed by reviewing the standard industry hourly rates as determined by examining Indeed, ZipRecruiter and Glassdoor for each position and increasing those rates by a small percentage to start, with the ability to earn more after 90 days (approximately 20% over industry standard).*
- *Payroll taxes are developed by applying rate of 23.5% to payroll costs. The 23.5% payroll tax rate is based on federal and state payroll*

tax rates as published by IRS and State of California.

- *Workers' compensation is based on rates provided by vendors.*
- *General insurance cost is based on the quote obtained from a vendor.*
- *Licensing costs are based on the application requirements.*

Staffing Plan: Projected Labor Needs and Costs

In order to determine the staffing needs for the non-storefront delivery retail facility, we calculated the actual hourly needs and adjusted shift times to create as many full time shifts as possible. Below is a sample of our scheduling needs on a daily basis:

- *Phone Sales Associates/Dispatchers: 3 employees, 8 hour shifts*
- *7:30am to 5:00 pm, with a half hour*

lunch at 12:30 pm; and two paid 10 minute breaks

- *2:00 pm to 10:30 pm, with a half hour lunch at 6:30 pm; and two paid 10 minute breaks*
- *Delivery Drivers: 6 drivers, 8 hour shifts*
- *8:00 am to 5:30 pm, with a half hour lunch within the first 5 hour to be determined based on delivery volume; and two paid 10 minute breaks (1 driver)*
- *1:30 pm to 10:00 pm, with a half hour lunch within the first 5 hour to be determined based on delivery volume; and two paid 10 minute breaks (2 drivers)*
- *Inventory and Fulfillment Associates: 3 employees, 8 hour shifts*
- *7:00am to 4:30 pm, with a half hour lunch at 12:00 pm; and two paid 10 minute breaks*
- *1:30 pm to 10:00 pm, with a half hour lunch at 7:00 pm; and two paid 10 minute breaks*



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Note that the above table includes headcount, not full-time-equivalent, to allow for meals, breaks, vacation, and sick time for key employees and 5 day work weeks maximum per employee.

Tax Strategies

Income taxes were developed based on our tax strategy, which consists of application of IRC 280E and our legal entity selection. Due to IRC 280E, cannabis companies are only allowed to deduct cost of goods for federal tax purposes. Cost of goods sold is defined by IRS regulation 1-471-II. As part of our tax strategy, we plan to conduct payroll activity time studies and storage/production square footage studies in order to document and support our allocations of indirect costs and overhead into inventorial costs and thus cost of

goods sold.

Our tax strategy also includes entity selection. We are operating as an LLC; however, for tax purposes, we plan to elect C Corp taxation via form 8832 due to liability purposes. This would result in a C Corp tax rate of 21% and 8.84% for federal and state tax rates, respectively.

Profitability: Putting it All Together in Our 5-year Pro Forma (4.b)

Based on the analysis outlined in the preceding sections, we anticipate that On Deck Delivery will be profitable in Year 1, and that profits will continue to increase at a steady rate.


Figure 8 is a comprehensive twelve-month Pro

Pages 50-66 include sensitive financial information and have been removed

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5. DAILY OPERATIONS

a. Number of Employees

On Deck will initially hire 3 Sales Associates/Dispatchers, 6 Delivery Drivers and 3 Inventory/Fulfillment Specialists. The specific staffing projections, shifts, rate of pay and benefits are discussed on page . Each year, we anticipate adding additional staff to support our operations. Due to On Deck's mobile, online and third party platform ordering capabilities, we anticipate hiring more delivery drivers before adding other staff. Tony will serve as the Manager until On Deck is profitable and retains a general manager and other managerial level employees.

b. Third Party Vendors and Consultants

All commercial cannabis retailers must accept cannabis goods exclusively from licensed distributors. Thus, all vendors of goods sold will be with or through a licensed distributor. Thankfully, Canna America is owned and operated by Tony DeSimone, and is located right next door. Canna America is able source products from anywhere in California.



Dana Cisneros

For our legal and compliance needs, On Deck has retained the Cannabis Corporate Law Firm, founded by **Dana Cisneros, Esq.** who has continued to work with the City on behalf of Canna America and maintains a strong relationship with staff. Dana Leigh Cisneros, Esq. has practiced law for more than a decade, focusing on business and real estate law, representing a wide variety of individuals and companies throughout California. Mrs. Cisneros is also an experienced and aggressive business litigator with a proven track record of success both inside and outside the courtroom. Mrs. Cisneros prides herself on a strong commitment to maintaining the highest level of professional responsibility and ethical standards. Mrs. Cisneros opened the Cannabis Corporate Law Firm to meet the unique needs of the commercial cannabis community with an eye toward diversity, compliance and legality from the outset to further her clients' interests and avoid complicated legal and criminal issues in this complex, highly regulated industry. Her knowledge and experience in structuring business entities, conducting due diligence and handling complicated transactions ensure that

the cannabis industry maintains integrity as it continues to grow and evolve. The Cannabis Corporate Law Firm represents cannabis operators with a variety of licensing needs, including associated land use and compliance matters. Mrs. Cisneros is a member of the Minority Cannabis Business Association (MCBA) where she has been an honored to participate in drafting both local and state level model policies. She is also an active member of the International Cannabis Bar Association (INCBA), OCNorml, CalNorml and its Legal Committee, Drug Policy Alliance and the California Bar Association as well as several local bar associations throughout Southern California. Mrs. Cisneros also formerly serves on the California Cannabis Industry Association's Diversity, Inclusion and Social Equity (DISE) Committee as a contributing author of the Committee's white paper on resigning the term "black market."

Mrs. Cisneros has delivered nearly twenty presentations on cannabis legal issues in the past three years and is a contributing author with Mg Magazine.



Abraham Finberg

On Deck has also retained Abraham Finberg, CPA to provide financial advice and prepare taxes. **Abraham Finberg**, MBA, CPA, is Founder and Owner of 420CPA, serving businesses in the cannabis industry since 2009. Abraham is the go-to tax and accounting expert for cannabis business owners. As a tax expert who makes it his mission to “fight the war on taxes” for his clients, Abraham is passionate about solving thorny and troublesome tax issues that are constantly coming up in cannabis businesses.

Abraham was a Los Angeles board member of Americans for Safe Access in 2011. Serving the cannabis industry is a family affair as Abraham’s wife, Loren Brauner, served as President and formed the first Brownie Mary Los Angeles County Club through their association with Americans for Safe Access.

Abraham has successfully represented various clients in IRS and Board of Equalization tax compliance audits and prepared and reviewed corporation, partnership and individual tax returns. He currently serves as Auditor for the 63D RD U.S. Army Reserves, where he led the Army Audit Readiness Program and supervised preparation of monthly financial and variance reports for internal and General Officer review.

Abraham received his Master of Business Administration degree from Pepperdine Graziadio Business School. He is a licensed CPA in the state of California. When he’s not “fighting the war on taxes” for his clients, Abraham continues to “fight the war on terror” as Major Abraham Finberg, a reserve Soldier with the US Army who works as an Auditor for the Department of Internal Review.

c. Suppliers

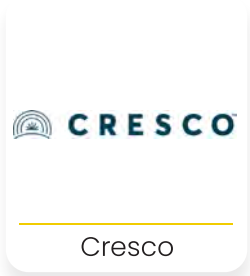
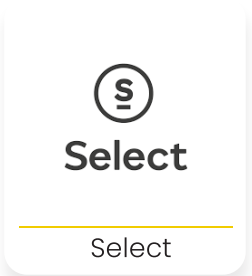
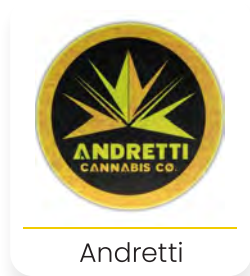
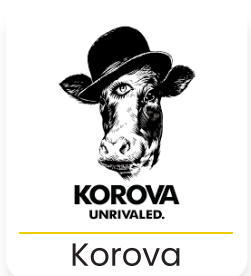
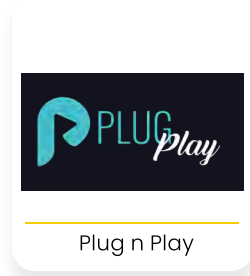
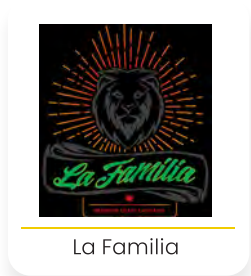
It is no secret that California is facing a shortage of retailers in the regulated market. As such, retailers control the market when it comes to product acquisition. Many are able to charge slotting fees to brands willing to pay for premium placement or recommendations or featured in daily specials as testament as to just how retail-sided the market is. According to our attorney, who manages dozens of state licenses for cannabis operators throughout California, as soon as we receive our Sate retail license, the emails soliciting our business will flood our inboxes. Brands are literally spam emailing

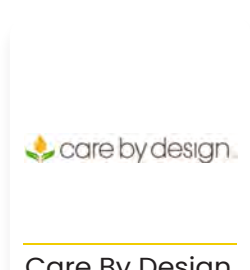
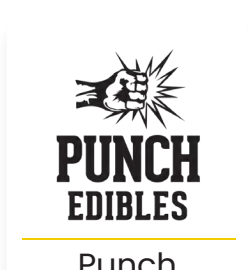
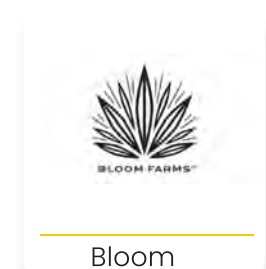
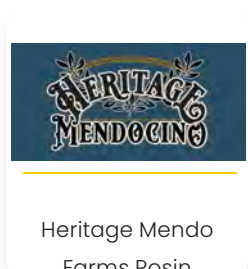
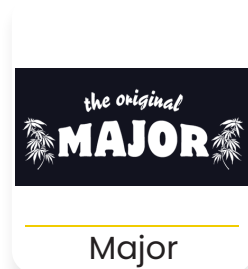
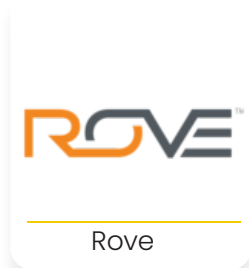
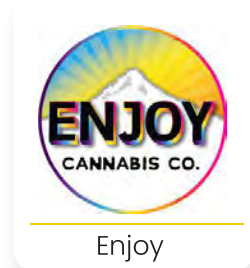
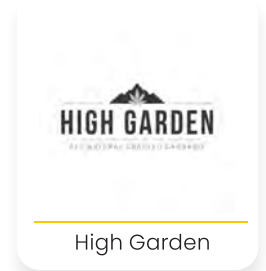
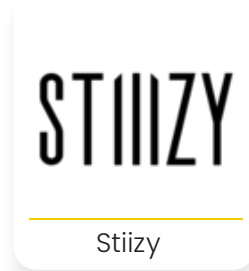
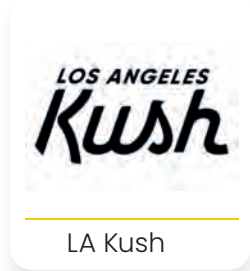
licensed retailers to get their products into dispensaries. As discussed above, Canna America is our sister company and will assist with any distribution or transport needs to bring wholesale products to the Premises at a low, in-house cost.

Because we believe in a competitive market, broad access, and customer-driven product selections, we are unwilling to commit to an exclusive distribution agreement with any distributor, not even with Canna America, despite the common ownership.

We also have existing relationships with the following brands:

OFFERED BRANDS





d. Components and Materials for Non-Storefront Delivery Retail Operations

Our non-storefront retail operation will require many components and materials. For instance, during business hours, we will have at least five (5) employees scheduled at all times, in addition to our 24/7 onsite third-party security personnel. There will be at least one (1) dispatcher, who will be work in the call center and will control deliveries, and at least one (1) employee maintaining inventory control in the product storage area. We plan to have six delivery drivers on duty for two shifts a day, morning, and evening, with only three active drivers at a time. These numbers are conservative and will be scaled according to demand needs.


We estimate each driver will be dispatched for 40 deliveries per shift. We plan to dispatch our drivers in batches, within the product amount limits per *16 CCR § 5418*, to cut down on number of trips our drivers will make and reduce traffic. Our drivers will be staggered to ensure quick and effective transfer of cannabis and cannabis products from the sally port entrance and the loading/unloading area for shipments and deliveries. We also plan to have our cannabis shipments delivered prior to beginning dispatch for the day to ensure our drivers will be able to enter the facility to load their deliveries unobstructed.

Because the facility is partitioned using chain-link fencing, we anticipate our employees will be able to effectively communicate without needing to enter or exit each limited-access area multiple times. This will cut down on any potential “piggy-backing” into limited access areas.

Tony and any future managers will work out of our front office. They will oversee the employees and security team. If meetings are planned in the office, they will inform security prior to their arrival and have them escorted to the office. Because the bathroom can be accessed through a limited-access area, security will be called to monitor the

area should a visitor need to use the restroom to ensure our product and product waste are not tampered with.

e. Storage and Delivery

On Deck will store cannabis goods on site as indicated on our Premises Diagram on page . Additionally, because Canna America is located next door, we will use Canna America as a storage facility since the product is under more rigorous climate controls when at the distribution center. On Deck will order two (2) weeks' worth of product at a time to reduce the amount of product at the Premises. We expect all product received from Canna America will be transported by hand truck since they are in the same business.

As indicated above, there will initially be six (6) delivery drivers on staff per day, who drive their own vehicles.

16 CCR § 5000(x), states “Transport” means the physical movement of cannabis goods from one licensed premises to another licensed premises.” Thus, as required by State law, all transport (meaning wholesale transport) will be through licensed distributors. Delivery drivers

f. Construction Budget and Waste Management

Waste Disposal

Team members will fully comply with all waste disposal regulations outlined in *16 CCR §5054* and Division 30 of the Public Resource Code. Cannabis waste will be disposed of in a secured waste receptacle on our property, which is only accessible to our staff and team members. Cannabis waste will be kept inside the facility only in a secured area. Each type of cannabis waste will be stored in a separate bin: flower, concentrates, edibles, etc. As we do for our other licensed locations, we will contract with GAIACA Cannabis Waste Company to collect and properly

dispose of our cannabis waste. All waste disposal will be tracked in Metrc.

Zero Waste Plan

On Deck will reduce waste throughout the facility by recycling and reusing whenever possible. On Deck will strive to recycle or compost all waste generated by our business. GAIACA also composts all organic waste after picking up our cannabis waste. We plan to achieve a 25% landfill rate upon commencing our business, with a goal of reaching a 0% landfill rate by 2025. We will work with the City to eliminate plastic bags and to utilize local recycling companies to develop economic growth and create jobs. Packaging from inbound materials, waste generated during operations and team member waste will be the main sources of recyclable materials. On Deck will place recycling bins in the team member break areas, office areas and areas where inventory is sorted to ensure that all recyclable waste is identified and disposed of properly.

Team members will make every effort possible to identify recyclable and compostable materials, separate them from other waste and place them in appropriate containers to be picked up by CR&R (recycling) GAIACA (cannabis waste/compost) . On Deck team members will also reuse everything possible.

Use of Recyclable Materials/Closed Loop Recycling

In compliance with Cal. Bus. & Prof. Code §26070.1, all purchased cannabis products will leave On Deck in a childproof opaque package, utilizing the highest percentages of recyclable materials possible. Specifically, On Deck will work with Encore Recycling, a company that collects, washes, and recycles the hoop house plastic used in growing cannabis.

On Deck will coordinate between Encore and its suppliers of compliant child proof packaging to create a Closed Loop Recycling program wherein the very same plastic used in cultivating cannabis is given a second life in packaging the product for On Deck's customers.

Packaging Return Incentive Program

On Deck will also offer an incentive program to encourage customers to bring back their used packaging to be sent to Encore to be recycled again – truly closing the loop. Each time customers return with their exit packaging they will receive one stamp on an incentive program card. A full incentive card earns the consumer a discount or credit on a future On Deck purchase. To the extent that exit packaging can be sealed and reused for an additional purchase made by the same customer, it will be. Once the exit packaging becomes unusable from repeat use, the customer can return the packaging for a new one and the old packaging will be recycled accordingly.

6. COMPLIANCE WITH STATE AND LOCAL LAWS

Applicable State Law:

Cal. Code Regs. Tit. 16, §§ 5002; 5010-5010.3; 5014-5017; 5019; 5020; 5023; 5025-5027; 5030-5034; 5036-5037; 5039-5041; 5042-5047; 5052.1-5054; 5401; 5403-5404; 5406-5407; 5409-5413; 5417.

Applicable Local Law:

La Habra Municipal Code §§ 18.22.030.D.3.c-1; 18.22.040.B; 18.22.080.C.6-7; 18.22.080.C.19-20; 18.22.090; 18.22.100.A

On Deck will comply with all applicable local and state laws, regulations, and ordinances, including the California Environmental Quality Act (CEQA), California Building Code, California Fire Code, weights and measures regulations, track and trace requirements, and tax regulations. Moreover, On Deck will endeavor to comply with applicable federal laws and regulations, including Telephone Consumer Protection Act (TCPA) and the FCC. For our legal and compliance needs, On Deck has retained the Cannabis Corporate Law Firm, founded by Dana Cisneros, Esq. who has continued to work with the city on behalf of Canna America

and maintains a strong relationship with staff. Tony previously operated compliant businesses under appropriate Prop. 215 and California Attorney General guidelines for more than five years. He currently operates a licensed distribution company, Canna America and a licensed indoor cultivation facility in Willits under GNT Industries, Inc. He is also the Metrc account manager at both of his licensed locations and has completed cannabis specific Cal OSHA training required by California law and regulations. These credentials will expedite the State annual licensing component for On Deck as these accolades are able to cross-certify all businesses owned by a credentialed owner.



On Deck will always operate in compliance with state laws by ensuring our license is completed, submitted, and paid timely annually. Cal. Code Regs. Tit. 16, §§ 5002; 5014–5015; 5020. The City of La Habra has ensured compliance with State Laws regarding excessive concentration by proactively limiting the number of cannabis premises allowed within the City. 16 CCR § 5019; LHMC § 18.22.090. On Deck will update the BCC within fourteen days on any business modifications listed in 16 CCR § 5023.

License Type Sought

On Deck seeks a Type 9 Non-Storefront Retailer License to operate a cannabis delivery service.

Hours of Operation

Applicable State Law:

16 CCR §§ 5403–5403.1

On Deck will operate between 6:00am and 10:00pm Pacific Time and will stop taking delivery calls by 9:30pm to ensure delivery drivers return by 10:00pm. 16 CCR § 5403.

Outside of the hours of operation, the Premises will be securely locked with commercial-grade, nonresidential locks and equipped with an active alarm system. Only employees or other authorized individuals will be allowed to access the facility, whether during or outside of business hours. 16 CCR § 5403.1.

On Deck will always operate in compliance with state laws by ensuring our license is completed, submitted, and paid timely annually. Cal. Code Regs. Tit. 16, §§ 5002; 5014–5015; 5020. The City of La Habra has ensured compliance with State Laws regarding excessive concentration by proactively limiting the number of cannabis premises allowed within the City. 16 CCR § 5019; LHMC § 18.22.090. On Deck will update the BCC within 14 days on any business modifications listed in 16 CCR § 5023.

Employees

Applicable State Law:

16 CCR §§ 5030, 5031; 5043

Applicable Local Law:

LHMC §§ 18.22.080.C.20; 18.22.040.B

On Deck acknowledges its responsibility for the acts of its employees and agents. As such, all employees and agents will be required to undergo compliance training before they may act as an employee or agent of On Deck. 16 CCR § 5030. All agents and employees of On Deck will be at least 21 years of age. 16 CCR § 5031. This is ensured by La Habra’s work permit requirement and by On Deck’s separate background investigation process, which is detailed in further in the Security Plan. LHMC §§ 18.22.080.C.20.a; 18.22.040.B.

Records of all background investigations and work permits for currently employed and past employees will be maintained in an on-site register. LHMC § 18.22.080.C.20.b.

All employees and representatives of On Deck will be provided a laminated-plastic-coated identification badge by On Deck, per the requirements in 16 CCR § 5043 and LHMC § 18.22.030.D.3.c, and will be required to always display it visibly they are on the Premises.

Delivery Drivers

Applicable State Law:

6 CCR § 5415.

Applicable Local Law:

LHMC § 18.22.030.D.3.c.

All delivery drivers will be direct employees of On Deck. 16 CCR § 5415(a); LHMC § 18.22.030.D.3.c.i. As with all our employees, all drivers will be at least 21 years of age. 16 CCR § 5415(b); LHMC § 18.22.030.D.3.c.ii. We will not use unmanned vehicles to make deliveries. 16 CCR § 5415(c); LHMC

§ 18.22.030.D.3.c.iii. As with all our employees, On Deck will maintain an accurate list of our delivery employees that can be provided to the Bureau upon request. 16 CCR § 5415(g); LHMC § 18.22.030.D.3.c.vii.

Termination

On Deck Corp will notify the chief of police or designee within ten calendar days when an employee terminates employment with the business. LHMC § 18.22.080.C.20.c.

Should an employee be found to be under the influence of any behavior-impairing drug, action to terminate employment shall be taken as allowed by law. LHMC § 18.22.080.C.7.

The Delivery Process

Applicable State Law:

16 CCR §§ 5415-5416.

Applicable Local Law:

LHMC §§ 18.22.030.D.3.c-g; 18.22.080.C.19.

On Deck will submit a transportation plan describing the procedures for safely and securely transporting cannabis and cannabis products, drivers, and currency to the chief of police for review and approval. LHMC § 18.22.080.C.19. Based on our experience with Canna America, we do not foresee any issues with our proposed plan, since it has already been approved by the chief of police.

The delivery process begins when the delivery employee leaves the Premises with the cannabis goods for delivery and does not end until they return. During the process of delivery, the driver will not engage in any activities except for cannabis goods delivery and necessary rest, fuel, or vehicle repair stops. 16 CCR § 5415(d); LHMC §§ 18.22.030.D.3.c.iv; 18.22.030.D.3.h.

They will carry a copy of the retailer's current license, a copy of the QR Code certificate issued by the Bureau, their government-issued

identification, and their On Deck-provided name badge. 16 CCR § 5415(e); LHMC § 18.22.030.D.3.c.v.

Prior to providing the cannabis goods to the customer, the driver will confirm the identity of the customer and ensure all cannabis goods sold comply with all applicable requirements. 16 CCR § 5415(f); LHMC § 18.22.030.D.3.c.vi. Our Blaze software program specifically requires the driver to take a photo of the identification card to ensure the individual receiving the delivery is of age and to further instill the requirement that identification be checked at each delivery, regardless of how well the driver may know the customer.

All deliveries will be facilitated by either On Deck or a licensed third-party. 16 CCR § 5415.1.

In compliance with 16 CCR § 5416 and LHMC § 18.22.030.D.3.d, all deliveries will be made to a physical address in California and drivers will not leave the state while in possession of cannabis goods.

16 CCR § 5416(c); LHMC § 18.22.030.D.3.d.

Deliveries will not be made to:

- Addresses located on publicly owned land.
- Buildings leased by a public agency.
- Land held in trust by the United States for a tribe or tribe member (unless authorized).

Delivery Vehicles

Applicable State Law:

16 CCR § 5417.

Applicable Local Law:

LHMC § 18.22.030.D.3.e; LHMC § 18.22.080.C.19.

All delivery vehicles will comply with state and local laws, as described in Section D: Security Plan, per 16 CCR § 5417 and LHMC § 18.22.030.D.3.e.

Company vehicles will be enclosed and will bear no markings that identify them as cannabis delivery vehicles. *16 CCR § 5417(a); LHMC § 18.22.030.D.3.e.i.* All vehicles will, at all times, be owned by On Deck, insured, and properly licensed/registered.

Any vehicle used in the delivery of cannabis or cannabis products will be operated by a permitted delivery employee. On Deck Corp's vehicles will be equipped with a lock box to ensure cannabis goods and/or cash are not visible or accessible to the public. *LHMC § 18.22.030.D.3.e.ii.* Goods and/or cash will only be removed from the lock box for the purpose of transferring to consumer or to dispensary management.

Delivery vehicles will not advertise any activity related to cannabis, nor shall the vehicles advertise "On Deck" on the vehicle. *16 CCR § 5417; LHMC § 18.22.030.D.3.e.*

On Deck's vehicles will be outfitted with a dedicated Global Positioning System (GPS) device owned by On Deck. The GPS will be affixed to the delivery vehicle and will remain active and inside the delivery vehicle at all times during delivery. On Deck will be able to identify the geographic location of all delivery vehicles on the road, in order to provide this information to the Bureau of Cannabis Control upon request. *16 CCR § 5417; LHMC § 18.22.030.D.3.e.iv.*

On Deck Corp will incorporate a direct communication system with each delivery vehicle and On Deck Corp dispatch. *LHMC § 18.22.030.D.3.e.vii.*

All delivery vehicles will be equipped with video recording equipment that monitors the inside and outside of the vehicle, as well as a GPS tracking system and an alarm system. *LHMC § 18.22.080.C.19.* The video recordings shall be stored up to seven calendar days and will be available to city personnel upon request. *LHMC § 18.22.080.C.19.*

Inventory Control Measures

Applicable State Law:

16 CCR §§ 5032; 5406-5407

Applicable Local Law:

LHMC §§ 18.22.030.D.3.i; 18.22.030.D.3.j; 18.22.030.D.3.k.

On Deck will utilize the best practices for inventory management established by Canna America, such as ensuring we only purchase inventory through a licensed, insured and state authorized transport company (i.e., licensed distributors, such as On Deck's sister company Canna America, LLC) *16 CCR § 5032(a); LHMC § 18.22.030.D.3.i.* On Deck will not do business with anyone not appropriately licensed. *16 CCR § 5032(b).*

16 CCR § 5406

On Deck will only accept manufactured cannabis products that:

- *Have verifiably not exceeded their best-by, sell-by, or expiration date (if one is provided)*
- *Comply with all requirements of Business and Professions Code § 26130 and California Code of Regulations, Title 3, Division 8 and Title 17, Division 1, Chapter 13.*
- *Have undergone laboratory testing as required by the Act and Chapter 6 of this division.*
- *Have the batch number labeled on the package and matches the batch number on the corresponding certificate of analysis for regulatory compliance testing.*
- *Has packaging and labeling that complies with Business and Professions Code § 26120 and all applicable regulations within this division as well as California Code of Regulations, Title 3, Division 8 and Title 17, Division 1, Chapter 13*
- *Comply with all applicable requirements found in the Act and applicable regulations.*

On Deck will only sell cannabis, cannabis product, cannabis accessories, and On Deck branded merchandise. *16 CCR § 5407.*

Limited-Access Areas

Applicable State Law:

16 CCR §§ 5032-5033, 5042, 5046, 5401

Applicable Local Law:

LHMC § 18.22.080.C.6.

At all times, inventory will be secured in one, indoor, limited-access area that is separate from the employee break rooms, changing facilities, and bathrooms. 16 CCR § 5033. All limited-access areas can be securely locked using commercial-grade, nonresidential door locks. 16 CCR §§ 5046. Not all employees will be allowed into restricted access areas, including security personnel. Restricted areas include inventory storage areas (limited access), vaulting and cash storage areas, areas where records are maintained and areas where the security system, servers and recorded footage are maintained. LHMC § 18.22.080.C.6.d.

On Deck will ensure that only employees and other authorized individuals, as defined in 16 CCR §§5042(b) and 5401(b), access the limited-access areas of the Premises and any unauthorized individual attempting to access the limited-access areas will be promptly removed by security.

We will keep records of all authorized individuals who are not employees that enter the limited-access areas, in compliance with 16CCR§§ 5042(d);5401(e).

As part of our employee training, we will emphasize the importance of maintaining the security of the limited-access areas. As such, employees will be trained to enforce the limited-access areas and will report any individual entering the area without a name badge to security. At no time will On Deck or an employee of On Deck allow an unauthorized individual into a limited-access area for compensation or consideration. 16CCR §§5042(e);5401(f).

Further detail regarding our policies and procedures to ensure the security of our limited-access areas are provided in the Security Plan.

Reporting Discrepancies, Diversion, Theft, Loss, or Any Other Criminal Activity

Applicable State Law:

16 CCR §§ 5034; 5036

Applicable Local Law:

LHMC § 18.22.030.D.3.j; LHMC § 18.22.100.A

On Deck will promptly notify the BCC and local law enforcement within 24 hours of discovering:

- Any significant discrepancies in its inventory, as defined in 16 CCR § 5034.
- Diversion, theft, loss, or any other criminal activity related to On Deck and its operation.
- Diversion, theft, loss, or any other criminal activity by any agent or employee of On Deck.
- Loss or unauthorized alteration of records related to cannabis goods, customers, or On Deck employees and agents.

The notification to the BCC will be submitted on the Notification and Request Form, BCC-LIC-027 published by the BCC, which shall include the date and time of occurrence of the theft, loss, or criminal activity, the name of the local law enforcement agency that was notified, and a description of the incident including, where applicable, the item(s) that were taken or lost. 16 CCR § 5036.

Returns and Destruction

Applicable State Law:

16 CCR §§ 5052.1-5054; 5412-5413

On Deck will accept or reject shipments in whole unless we receive a shipment containing cannabis goods that differ from those listed on the sales receipt, were damaged during transportation, is non-compliant with labeling requirements or has exceeded its expiration date. 16 CCR § 5052.1.

In addition to rejecting cannabis product that is non-compliant with labelling requirements, per 16 CCR § 5413, On Deck will not package or label any cannabis goods except for inventory tracking purposes. 16 CCR § 5412.

Each rejection of goods, whether in whole or in part, will be promptly recorded in the track and trace system. 16 CCR § 5052.1.

On Deck will only reject cannabis goods that are defective. Upon rejection, On Deck will return the goods to the selling licensee in exchange for either a non-defective version of the same type of manufactured cannabis good or a manufactured cannabis good of equal value. 16 CCR § 5053.

All cannabis waste will be stored, managed, and disposed of in accordance with all applicable waste management laws. All cannabis goods intended for disposal will remain on the premises until it is rendered into cannabis waste. On Deck will ensure access to the cannabis goods intended for disposal is restricted to its employees and authorized agents and is stored separately from other cannabis goods. 16 CCR § 5054.

All product intended for disposal will first be destroyed on the Premises by removing or separating the goods for disposal from any packaging or container and rendering it unrecognizable and unusable. All cannabis waste will be secured in the receptacle or area that is restricted to employees and authorized waste haulers. All waste activities will be recorded in the Track and Trace system. 16 CCR § 5054.

Records Management and Retention

Applicable State Law:

16 CCR §§ 5037

Applicable Local Law:

LHMC §§ 18.22.030.D.3.j; 18.22.030.D.3.i; LHMC § 18.22.100.A.2

On Deck will maintain all financial, personnel, security, and training records, as well as records of contracts, permits, licenses, other local authorizations, cannabis waste disposal, track and trace data, and all other documents prepared or executed by an owner, employee, or assignee of On Deck. These records will be stored in an easily accessible manner to ensure the BCC can review the records at any time and without prior authorization. 16 CCR § 5037.

On Deck will at all times maintain an accurate record of its inventory, which they will provide to the BCC or City immediately upon request. LHMC § 18.22.030.D.3.j. In addition, we will maintain an

LHMC § 18.22.030.D.3.i.ii.

A record of cannabis and cannabis products sold to a customer shall contain the following information:

- *The first name and employee number of the retailer employee who processed the sale.*
- *The first name and the retailer assigned customer number for the customer who made the purchase.*
- *The date and time of the transaction.*

- A list of all the cannabis and cannabis products purchased, including the quantity purchased.
- The total amount paid for the sale including the individual prices paid for each amount of cannabis or cannabis products purchased and any amounts paid for taxes.

Posting and Advertising

Applicable State Law:

16 CCR §§ 5039–5041; 5417.

Applicable Local Law:

LHMC § 18.22.030.D.3.e.

On Deck’s license will be prominently displaced on the Premises where it can be viewed by state and local agencies according to 16 CCR § 5039, which includes QR code specifications.

On Deck will only advertise or market to the public once the following criteria is met:

- Reliable up-to-date audience composition data, per 16 CCR § 5040(c), that demonstrates at least 71.6% of the audience is reasonably expected to be 21 years of age or older has been obtained.
- The composition data is determined compliant by the BCC.
- No depictions or images of anyone under the age of 21 are used.

- The marketing material does not include objects that are likely to be appealing to minors or those under the age of 21.
- No free cannabis goods or giveaways of any product, including non-cannabis products, are promoted.
- Any direct communication, advertising, or marketing requires age affirmation, such as on any On Deck website, email, mail, or phone. 16 CCR § 5041(b).
- Any mailing list, subscribe, or other consent to receiving direct marketing materials and/or communication requires age confirmation. 16 CCR § 5041(cd)

On Deck will only advertise on outdoor signs, including billboards, once the following criteria is met:

- It is affixed to a building or permanent structure.
- It complies with the provisions of the Outdoor Advertising Act, commencing with section 5200 of the Business and Professions Code, if applicable.
- It is not located within a 15-mile radius of the California border on an interstate or state highway that crosses the California border.

16 CCR § 5040.

At no time will On Deck sell or transport cannabis goods that are labeled in a manner that may create a misleading impression that the product is an alcoholic beverage. 16 CCR § 5040.1.

Delivery vehicles will not advertise any activity related to cannabis, nor shall the vehicles advertise "On Deck" on the vehicle. 16CCR § 5417; LHMC § 18.22.030.D.3.e.

Customer Safety**Applicable State Law:**

16 CCR §§ 5404; 5409–5411

On Deck will not sell any adult-use cannabis goods to individuals under the age of 21 and will require confirmation of age and identity by inspecting a valid form of identification, as defined in 16 CCR § 5404(c), provided by the customer. 16 CCR § 5404.

16 CCR § 5409

A single adult-use cannabis customer will be unable to purchase quantities about the single day limits as follows:

- 28.5 grams of non-concentrated cannabis
- 8 grams of cannabis concentrate
- 6 immature cannabis plants

We will track customer purchases through Blaze to ensure customers cannot exceed their daily limits by ordering multiple deliveries. 16 CCR § 5409

Return Policy

On Deck does not anticipate any returns because all cannabis goods will be inspected prior to acceptance and being placed in our inventory. However, in the unusual event that a customer finds a product defective, such as a defective or leaking cartridge. We will allow the customer to make returns within 72 hours of purchase and On Deck will replace the product for another identical product or one of equal value. Once the defective product is received by On Deck, it will be either put into Metrc as waste or damaged goods and disposed of in accordance with our waste management practices or returned to the manufacturer through distribution channels.

On Deck will not provide free cannabis goods to any person and our employees will not provide free cannabis goods to any person on the premises or while delivering cannabis, unless authorized by 16 CCR § 5411(b).

Premises**Applicable State Law:**

16 CCR §§ 5010–5010.3, 5025–5027

Applicable Local Law:

LHMC §§ 18.22.080.C.6.g-h; 18.22.080.C.7.

Our Premises is certified CEQA compliant and is prepared for a subsequent environmental review by the BCC if one or more of the events outlined in Public Resources Code § 21166 or § 15162 of the CEQA Guidelines occurs. Cal. Code Regs. Tit. 16, §§ 5010–5010.3. The location of On Deck is fully compliance with 16 CCR § 5026. All points of entry and exist will be able to be securely locked using commercial grade, nonresidential door locks. 16 CCR § 5046.

The entrances of the premises will be illuminated during evening hours are required by the chief

of police to assure the security cameras have proper lighting to function and will be permitted and comply with the city's lighting standards regarding fixture type, wattage, illumination levels, shielding, etc. *LHMC § 18.22.080.C.6.g.* The building does not have any external windows. *LHMC § 18.22.030.C.6.h.*

The entrance of the premises will be clearly and legibly posted with a notice stating that smoking, ingesting, or consuming cannabis, cannabis products, or alcohol on the premises is prohibited. *LHMC § 18.22.080.C.7.* Our security measures to prevent noncompliant consumption on our Premises is further detailed in the Security Plan.

As with Canna America, On Deck will ensure:

- *Alcoholic beverages are not stored or consumed on the premises. 16 CCR § 5025(d).*
- *Cannabis will not be dispersed through the air by an oil diffuser or any other vaporizing device. 16 CCR § 5025(e).*
- *No physical change, alteration, or modification of the licensed premises that materially or substantially alters the licensed premises or the use of the licensed premises from the premises diagram originally filed with the license application will be made without written approval from the BCC. 16 CCR § 5027(a).*

Security Protocols

Video Surveillance

Applicable State Law:

16 CCR §§ 5044

Applicable Local Law:

LHMC § 18.22.080.C.6.

As described in the Security Plan, the video surveillance system will exceed all state and local requirements. The Premises will be clearly and effectively recorded at all times by eight or more permanently mounted, properly lit, video cameras capable of over 1280 x 720-pixel resolution, of a minimum of 15 frames per second, and of clearly recording activity occurring within 20 feet of all points of entry and exit, limited-access areas, security rooms, and any area storing a surveillance system. The recordings will clearly and accurately display the date and time in accordance with the standards issued by the United States National Institute of Standards and Technology.

Areas storing surveillance recordings will be under video surveillance at all times to protect against tampering or theft. Recordings will be maintained in a cloud based server for no less than 120 days.. All recordings will be readily accessible and will be kept in a manner that allows the BCC to obtain copies immediately and to send or otherwise provide copies to the BCC upon request.

The surveillance system will be equipped with a failure notification system that provides notification to On Deck and our third-party security team of any interruption or failure of the surveillance system or recording storage device. Immediately upon notification of failure of the surveillance system or recording storage device, On Deck and our third-party security team will act to remedy the issue. See also our Security Plan.

Security Personnel

Applicable State Law:

16 CCR § 5045.

Applicable Local Law:

LHMC §§ 18.22.080.C.6.c; 18.22.080.C.6.e; LHMC § 18.22.100.A.2.

All security guards shall be over the age of 21 and be in uniform at all times while on the premises.

Security guards will monitor the premises and site for all activity, control loitering and site access and act as a visual deterrent to unlawful activities. *16 CCR §§ 5045; LHMC § 18.22.080.C.6.c.*

All security personnel will be reviewed and approved by either the chief of police or their designee prior to commencing work at the premises. *LHMC § 18.22.080.C.6.e.*

Further detail on our policies regarding our third-party security personnel is detailed in the Security Plan.

Alarm System

Applicable State Law:

16 CCR §§ 5047

Applicable Local Law:

LHMC § 18.22.080.6.e.

All alarms will be monitored 24 hours a day, 7 days a week and will be operated and monitored by an independent third-party security company, as approved by the chief of police. *16 CCR §§ 5047; LHMC § 18.22.080.6.e.* Further detail on our policies regarding our third-party alarm system is detailed in the Security Plan.

7. TRACK & TRACE AND POS

Applicable State Law:

16 CCR §§5048–5052.1; 5054; 5411

Applicable State Law:

LHMC § 18.22.080.C.14.

On Deck will follow strict policies and procedures that ensure compliance with all track and trace regulations. Employees will enter all transactions into Metrc immediately, but never later than 24 hours after the transaction occurred. In addition, all On Deck employees will use Blaze for additional tracking purposes. All information contained in

Metrc and Blaze will be confidential and will only be made available by those legally authorized.

On Deck Corp will use Blaze, which is in-line with state law and as approved by the director of finance, to track inventory and accounting. *LHMC § 18.22.080.C.14.a.* Complete, accurate, and appropriate inventory and accounting books and records will be held available at all times. Upon request, On Deck Corp will provide these records the city within 30 days. *LHMC § 18.22.080.C.14.*

All transactions will be recorded via Blaze and the cash drawers will be reconciled at the end of every evening in the presence of at least two employees, one of which shall be a manager if possible. All cash drawers, registers, POS systems and the cash vault will be monitored by security cameras. In the event of a cash discrepancy, security footage will be reviewed to identify where, when and who was involved in the activity leading to the cash discrepancy.

Further explanation of our Track and Trace and POS system protocols are provided under our Standard Operating Procedures.

Account Manager

Once licensed, On Deck will create and account with Metrc. Owner, Anthony DeSimone, has already completed the required Metrc New Business System Training (including orientation, webinars, continuing education, and advanced topics) for Canna America and will serve as the Account Manager (“AM”) for On Deck. *16 CCR §5048(a)–(b).* Employee Access & Training

The AM and each designated user will be assigned a unique log-in and are only permitted to access the Metrc system using their assigned and unique logins. An employee is never permitted to use the login of another employee. *16 CCR §5048(c).* Tony acknowledges his accountability for the actions of all employees and any other authorized Metrc users while logged in or using the track and trace system. To ensure accurate recording, employees

will be thoroughly trained in all track and trace/ Metrc and Blaze systems prior to commencing work at On Deck, including how to enter information completely and correctly and how to correct errors immediately upon discovery. *16 CCR §§ 5048(f); 5049.*

Employees will enter all cannabis activity in Metrc, including:

- *Packaging of cannabis goods.*
- *Sale and transfer of cannabis goods.*
- *Transportation of cannabis goods to a licensee.*
- *Receipt of cannabis goods.*
- *Return of cannabis goods.*
- *Destruction and disposal of cannabis goods.*
- *Laboratory testing and results.*
- *Any other activity as required pursuant to this division, or by any other licensing authority.*

received from the track and trace system to track how and when compliance was achieved. If compliance cannot be met within three (3) business days of receiving a compliance notification, On Deck will notify BCC immediately by submitting the Notification and Request Form, *BCC-LIC-027. 16 CCR §5048(e)(2).*

For each activity entered in Metrc, the following information will be recorded:

- *Name and type of the cannabis goods*
- *Unique identifier (UID) of the cannabis goods*
- *Amount of the cannabis goods, by weight or count and total wholesale cost of the cannabis goods, as applicable.*
- *Date and time of the activity or transaction*
- *Name and license number of other licensees involved in the activity or transaction.*

Recordkeeping

The AM will maintain a complete, accurate and up-to-date list of all Metrc users, consisting of their full names and login information, and will closely monitor all compliance notifications from Metrc and resolve any issues detailed in a compliance notification. *16 CCR §§5048(d)-(e).* These records will be stored according to our record keeping procedures. *16 CCR §§5048.*

On Deck will keep an addition record what is separate and independent from the track and trace system of all compliance notifications

16 CCR § 5049

In addition, On Deck will keep a record of cannabis and cannabis products sold to a customer containing the following information:

- *The first name and employee number of the retailer employee who processed the sale.*
- *The first name and the retailer assigned customer number for the customer who made the purchase.*
- *The date and time of the transaction.*
- *A list of all the cannabis and cannabis products purchased, including the quantity purchased.*
- *The total amount paid for the sale including the individual prices paid for each amount of cannabis or cannabis products purchased and any amounts paid for taxes.*

Loss of Connectivity**16 CCR § 5050**

If On Deck loses connection to Metrc, employees will record detailed records of all commercial cannabis activities during that period, per their employee

Destruction

If cannabis goods are destroyed or disposed of, On Deck will record the following in Metrc:

- *The name of the employee performing the destruction or disposal*
- *The reason for destruction and disposal*
- *The entity disposing of the cannabis waste (likely Cannabis Waste Solutions)*
- *A description for the destruction/disposal, including, but not limited to, spoilage or fouling of the cannabis goods or any event resulting in damage, exposure, or compromise of the cannabis goods.*

In addition to maintaining detailed records, we will:

- *Document and immediately notify BCC as to when access/connectivity to the system was lost, when it was restored and the cause of loss, if known.*
- *Enter, within three (3) calendar days of regaining access/connectivity to Metrc, all transactions which occurred during the period of loss of access/Connectivity.*
- *Ensure that no cannabis goods are transported, received, or delivered until system connectivity is restored. We will submit all loss notifications on Form BCC-LIC-027.*

Inventory Control 16 CCR § 5052.1

On Deck will perform reconciliation of its inventory in the time and manner required by 16 CCR 5424 and LHMC § 18.22.030.D.3.k.

All physical inventory of cannabis will be reconciled on Metrc at least once every 30 days. If discrepancies are found, an audit will be conducted, and BCC will be notified immediately. 16 CCR § 5051.

On Deck will fully comply with all State regulations regarding the acceptance and/or rejection of full shipments of cannabis products.

We will:

- *Only accept a shipment of goods that is accurately reflected on the sales invoice or receipt.*
- *Reject portions of a shipment containing damaged items.*
- *Reject any portion of a shipment that contains expired or mislabeled products.*
- *Record all rejection of cannabis shipments, whole or in part, accurately in Metrc and indicate on any relevant manifest, invoice, or sales receipt the specific reason for the rejection.*

**ON DECK DELIVERY, LLC
OPERATING AGREEMENT OF ON DECK DELIVERY, LLC**



Section C:

Safety Plan



Robert L. Rowe, CFI/CFEI
Pyrocop, Inc.
4000 Long Beach Boulevard, Suite 251
Long Beach, CA 90807
(562) 988-7999 Direct
www.pyrocop.com

In compliance with the City of La Habra's Commercial Cannabis Business Permit Application Procedure Guidelines, please find the biography on Robert Rowe, a professional fire prevention and suppression consultant.

Robert Rowe began his 27-year fire service in 1980 when he was promoted up through the ranks from Firefighter to Fire Marshal. During his career, Robert served as a Fire Inspector, Hazardous Materials Specialist, Fire Investigator and Fire Marshal. As Fire Marshal, Robert managed an organized municipal Fire Prevention/Investigation Division in the Los Angeles area where he obtained extensive knowledge and expertise in both Fire Investigation and Fire & Building Codes and Standards. Robert served as President of the Area "E" Arson Task Force and was appointed as a Special Deputy by the U.S. Marshals Service.

Robert gained his fire code knowledge and experience serving on several code and advisory committees, such as the Uniform Fire Code Interpretation Committee, International Code Council International Residential Code Committee, California Fire Chiefs Fire Prevention Officers Fire Code Committee, California Building Standards Committee, and the National Fire Protection NFPA 1 Fire Code Committee.

Since his retirement in 2007, Robert founded "Pyrocop, Inc.," which is based in Long Beach, California, and has utilized his fire investigative and code knowledge in hundreds of fire loss investigations, civil litigation matters and commercial development projects. Robert has qualified as an expert in fire related matters throughout the United States and has served as a fire consultant in the Middle East.

Robert is a member of the California Conference of Arson Investigators, International Association of Arson Investigators and National Association of Fire Investigators and provides fire inspector training for the California Fire Chief's Fire Prevention Officers Association.

As the Executive Director for the Fire Sprinkler Advisory Board of Southern California, Robert represents over 56 fire sprinkler contractors based in the Los Angeles area and continues to serve as a code consultant for both the public and private sector. Robert has provided fire and life safety consulting services to cannabis applicants in the City of Los Angeles, Culver City, City of La Habra, Long Beach, Oceanside, San Bernardino, and several locations within Los Angeles County.

Prepared by:

Robert L. Rowe, Fire Consultant / Certified Fire Investigator/P.I.
June 16, 2021

SAFETY PLAN

This Safety Plan is being submitted with the On Deck Commercial Cannabis Business Permit Application.

This Plan incorporates the applicable provisions contained in Chapter 4, sections 404-407 of the California Fire Code ("CFC"), 2019 edition as required by the LA County Fire Department, and the City of La Habra Municipal Code ("LHMC").

To ensure compliance with the CFC and incorporation of best practices, all of the policies and procedures herein follow the CFC, and the code sections referenced refer to sections of the CFC, unless specified in the LHMC.

This plan takes into consideration possible fire, medical and hazardous situations, including:

- *Emergency preparedness requirements.*
- *Fire safety and evacuation plans.*
- *Emergency evacuation drills.*
- *Employee training and response procedures; and*
- *Hazard communication requirements.*



Business Name: On Deck

Summary: On Deck is applying to operate as a Cannabis Delivery operation. Storage of product will be supervised and secured as required by the City of La Habra during business hours and within a vault inside a secured and monitored storage room outside of regular business hours.

General Manager: Anthony DeSimone

Email: TBD

Phone: (562) 217-7105

Business Address: 1000 S. Leslie Street, La Habra, CA 90631

Property Type: Delivery

Building Size: 17000

Delivery Space Size: 2072

Lot Size: 213,123

Construction Type: IINN

Fire Sprinklers: Yes

Fire Alarm System: Yes

HVAC: Packaged A/C Unit

Occupancy: M Occupancy

Number of Stories: 1

Maximum Height: 20 feet

Number of Exits: 3

Major Intersection: Imperial Hwy & Lakeview Ave

Closest Fire Hydrant: Front of property, south side of driveway entrance

1. PROFESSIONAL FIRE PREVENTION & SUPPRESSION CONSULTANT

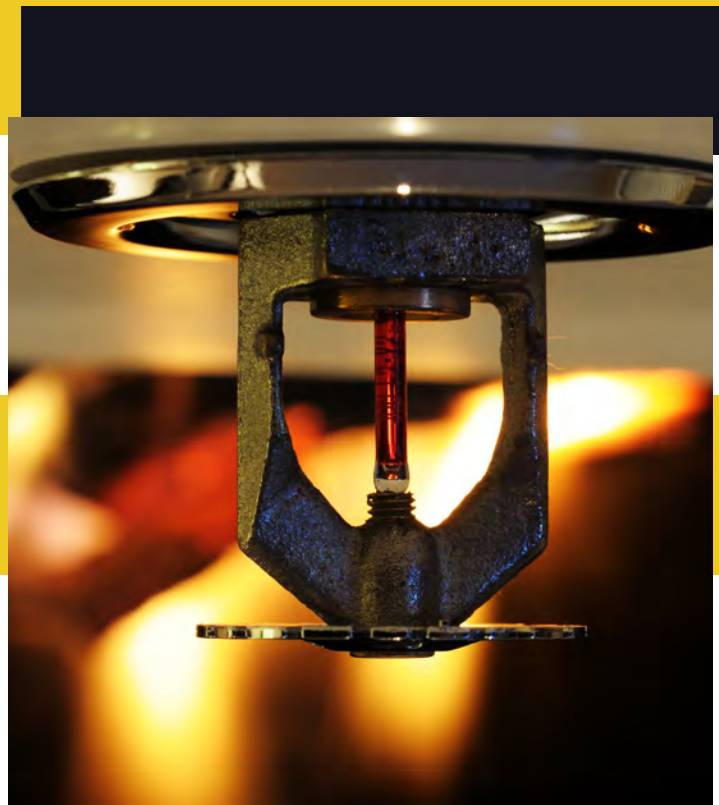
This detailed Safety Plan was prepared by Robert Rowe, a California Professional Fire Prevention And Suppression Consultant. It describes all fire prevention and suppression measures, fire extinguisher locations, evacuation routes and alarm systems the facility will have in place. Please see the cover letter for a biography of Robert Rowe.

2. DESCRIPTION OF FIRE PREVENTION & SUPPRESSION MEASURES

Safety Features (Fire Prevention, Suppression, HVAC, Alarm)

404.2.2.5 Overall Safety Features

The safety features of On Deck premises, including maintenance and housekeeping procedures, are described on the following pages.



Fire Prevention (Major Hazards)

Accumulation of Trash and Debris:

On Deck shall use City approved waste containers that are appropriately sized and stored in an approved location.

Combustible Storage:

On Deck will store any combustible materials in an orderly manner and separate from heating or ignition sources so that ignition cannot occur. Very few, if any, combustible materials are kept on the property.

Ignition Sources and Open Flames

Ignition sources and open flames, should any exist, will be separated from flammable and combustible materials. As this is a Delivery facility, other than a boiler, there is no need for any open flames.



Exit Maintenance

On Deck will always maintain the minimum exit access and aisle widths (as determined by the City of La Habra).

Enhanced building security will not interfere with existing measures and will by no means impede egress for the facility's occupants or firefighters in the event of an emergency.

Doors, windows, and roof hatches will remain secured but can be easily opened from the inside to allow exit in the event of an emergency.

Electronic access control will not interfere with the existing components.

All locking hardware on doors (interior or exterior) will meet the minimum requirements for exiting.

All doors and door hardware will be identified on the specifications and plans presented to the city at the time of applying for a Conditional Use Permit.

All exit doors, passageways and exit corridors will remain free of any obstruction and maintained as required by the City of La Habra Fire Code.

Any security device or system that emits any medium that could obscure a means of egress in any building, structure or premise will be prohibited.

On Deck will provide emergency lighting with battery backup in all exit passageways exit corridors, and on the exterior of the premises.

Fire Department Access

A KNOX key box or key switch will be installed on the front exterior of On Deck building because access to or within On Deck structure is restricted because of secured openings and to allow immediate access for lifesaving or fire-fighting purposes. The key box or key switch will be of an approved type and will contain keys to gain necessary access as required by the fire code official per City of La Habra Fire Code.

All required exterior doors will remain operable for emergency access by firefighters. Eliminating the function of any exterior doors will require prior approval that cannot be granted in every circumstance, and where allowed, the door must be marked with a sign stating, "THIS DOOR BLOCKED."

Rooms containing fire protection equipment (fire alarm panels, fire sprinkler valves, etc.), controls for air-conditioning equipment, utility equipment for gas or electrical service and rooms containing hazardous materials will have identifying signage to aid firefighters.

On Deck will keep all fire access roads, driveways, sidewalks, and park strips on or adjacent to the premises clear to allow *emergency vehicle access*.

Fire Extinguisher Maintenance

Portable fire extinguishers shall be installed in M and S occupancy groups per the City of City of La Habra Fire Code. The size and distribution of portable fire extinguishers shall also be in accordance with the City of La Habra Fire Code and at the discretion of the City of City of La Habra Fire Department. On Deck will strategically locate all extinguishers in the service areas and Manager’s office.

Electrical Hazards/Extension

Electrical panels and service equipment will be clearly identified with a clear space of not less than 30 inches in width, 36 inches in depth and 78 inches in height. Storage will not be permitted within the above dimensions.

3. HAZARDOUS MATERIALS (GENERAL)

Hazardous materials or hazardous waste will not be stored or handled at this facility apart from cleaning products, which will be stored in a safe location.

On Deck understands that cannabis waste is regulated and must be handled in accordance with all applicable laws and regulations. All cannabis waste will be stored according to law, in a locked receptacle in a limited access area, and will only be disposed of by a licensed waste management company. On Deck will utilize an approved waste management company for cannabis waste management.

404.2.2.7 HVAC Systems

On Deck Heating, Ventilation and Air Conditioning (“HVAC”) System is a standard packaged system which will be monitored/controlled by the supervising fire alarm system if required by code.

404.2.2.9 Identification and Assignment of Personnel Responsible for Maintenance of Systems and Equipment Installed to Prevent or Control Fires

The Manager will be responsible for maintenance of systems and installation of new equipment to prevent or control fires.

404.2.2.10 Identification and Assignment of Personnel Responsible for Maintenance, Housekeeping and Controlling Fuel Hazard Sources

The Manager will be responsible for maintenance, housekeeping and controlling fuel hazard sources at subject location.

Sprinklers In Building

404.2.2.6 Automatic Fire Protection Systems (Fire Sprinklers)

On Deck facility is equipped with an automatic fire protection system (Fire Sprinklers). The sprinkler system will be inspected, tested, and maintained as required by the California Edition of the National Fire Protection Association 25 to ensure reliable operation.

Fire Extinguishers/Fire Suppression Equipment & Fire Extinguisher Locations

404.2.2.3 SITE PLANS

On Deck site plan, located below, indicates the following:

- *Occupancy assembly point will be located in the east side of the building.*
- *Normal routes of fire department vehicle access will be from the north and/or south on Leslie Street.*

Site plans include all the above points.

404.2.2.4 FLOOR PLANS

On Deck floor plan, located below, indicates the following items per code, with the exception of those not required for this occupancy type

- Exits.
- Primary evacuation routes.
- Secondary evacuation routes.
- Portable fire extinguishers.
- Fire alarm annunciators and controls.
- Manual fire alarm boxes.
- Waste management bin location; and
- First Aid location

The following are not required for the purposes of the floor/site plan, but can be added at the request of the city:

- Accessible egress routes.
- Refuge areas associated with smoke barriers and horizontal exits.
- Occupant-use hose stations.

Employee Responsibilities

Anyone that observes an emergency condition or situation should call 911. All regular staff will direct any temporary employees, contractors, vendors, or other visitors to the proper exits and routes to the meeting places. Staff will take the following evacuation actions:

- Take the proper evacuation routes, which are the shortest routes to the outside of the building.
- Identify two escape routes, since one exit might be blocked by fire, or other obstructions.
- Enact safety procedures unique to each area of the building; and
- After evacuating, proceed around the perimeters of the main building complex to the designated "Assembly Area."



Evacuation Routes

Fire Evacuation Routes

General Evacuation Procedures

In the event of an emergency threatening the safety of employees and visitors at On Deck, a building evacuation may be necessary.

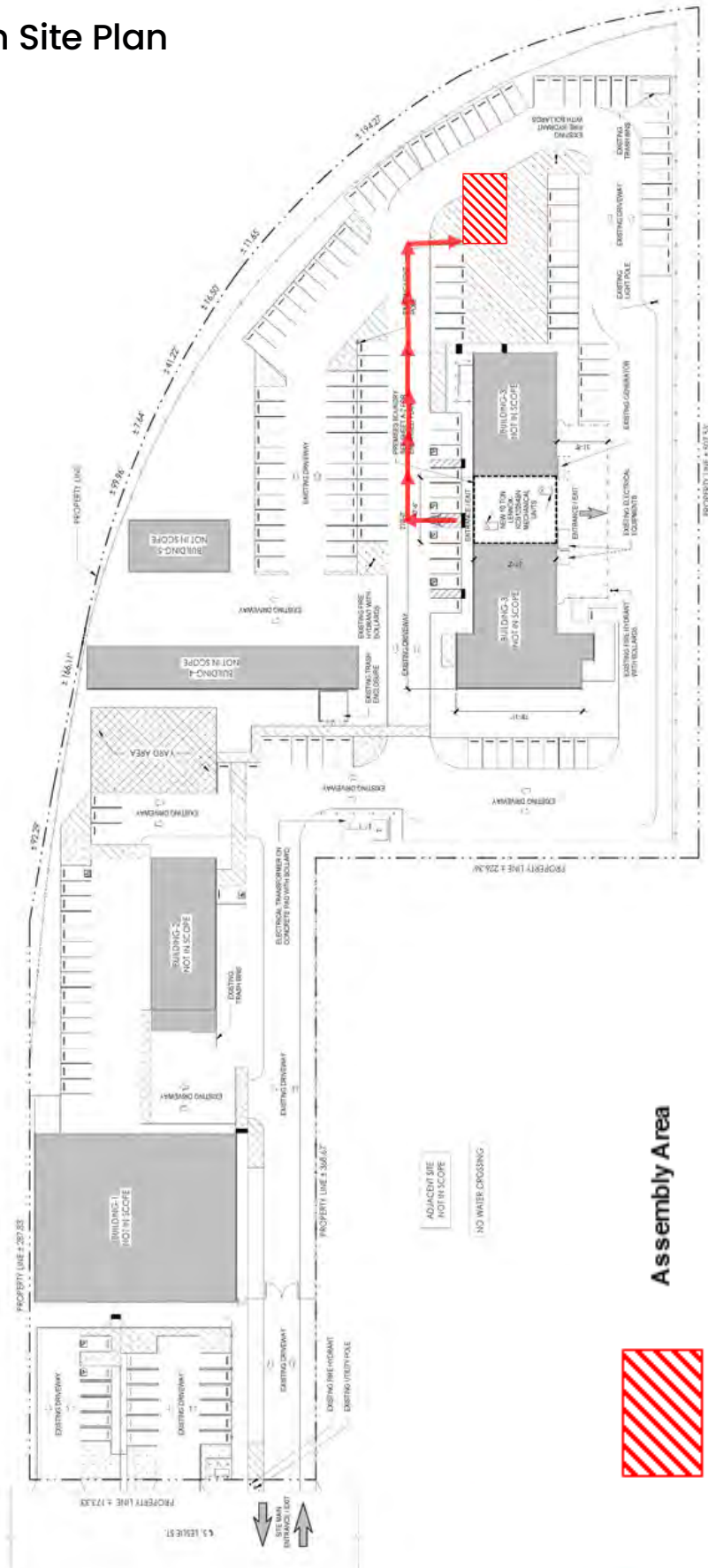
All of On Deck staff will be apprised of the following evacuation procedures. On Deck fire evacuation plan consists of the following procedures, subject to the review and approval of the City of La Habra Fire Chief or designee. All On Deck staff should plan and discuss the following evacuation procedures:

(see **Evacuation Plans** on page 101-102)

Manager Responsibilities

- Perform a sweep of the building prior to exiting the building to ensure that all personnel have safely evacuated.
- Confirm all perimeter doors are closed and locked, precluding unauthorized and unsafe entry by others; and
- Confirm that any occupant with a disability is safely assisted or removed from the building and taken to the Assembly Area.

Evacuation Site Plan



ADJACENT SITE NOT IN SCOPE

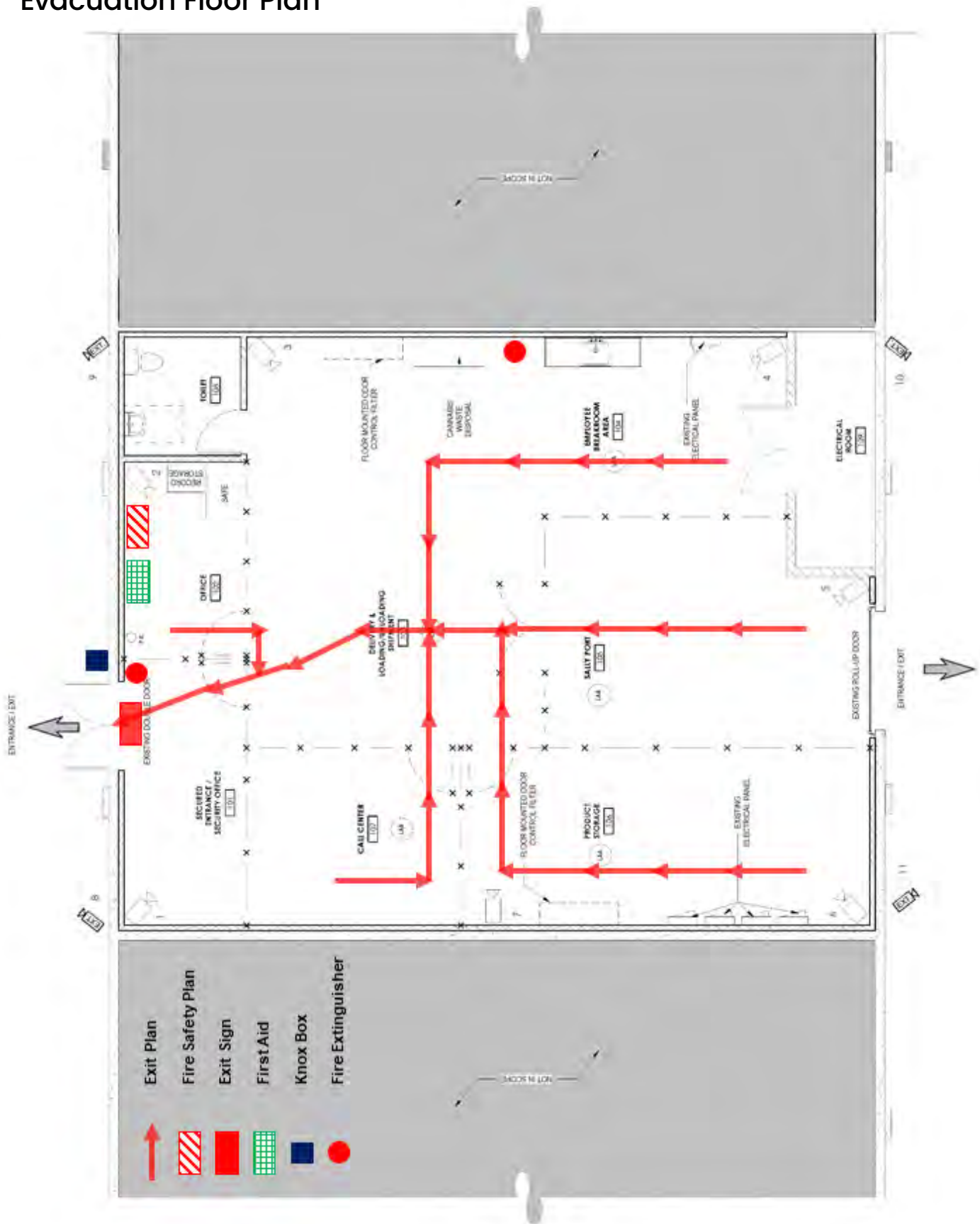
ADJACENT SITE NOT IN SCOPE
NO WATER CROSSING

Assembly Area

Evacuation Route



Evacuation Floor Plan



Assembly Areas

Primary Assembly Area:

East exterior of the building in the parking lot.

Secondary Assembly Area:

In the event the Primary Assembly Area is compromised, evacuees will be directed to assemble at a safe location and distance from the building.

Upon arriving to the Assembly Area, immediately report to the Manager who will:

- Cross check the "Emergency Evacuation Accountability Sheet" as well as the "Visitor Sign in Sheet" noting if all building occupants are accounted for.
- Write in the names of any visitors, temporary associates, or new employees that are not on the list.
- Provide first aid assistance to anyone who was injured during the evacuation; and
- Monitor the incident and communicate with both the evacuees and emergency response personnel and await further direction before allowing the evacuees to leave the premises or re-enter the premises.

404.2.1 Fire Evacuation Plan

Emergency Egress or Escape Routes

The emergency egress and escape routes are indicated on the facility site plan (See below). If an evacuation is necessary during an emergency, all occupants will exit the building and assemble in the parking lot east of the building in a timely manner. If an emergency requires a "defend in place" response, all windows and doors will be closed, and the HVAC system will be turned off to prevent outside air from entering the building.

Procedures for Employees Who Must Remain to Operate Critical Equipment Before Evacuating

As this is a Delivery operation, no critical equipment requiring special attention by employees will be present in the building. Therefore, no employees

will be present in the building. Therefore, no employees will be required to remain inside to operate critical equipment before evacuating.

Procedures for Assisted Rescue for Persons Unable to Use the General Means of Egress Unassisted

Assisted rescue of person(s) unable to use the general means of egress unassisted during an evacuation will be performed by the Manager or his designated employees.

Evacuation Routes and Procedures for Accounting for Employees and Occupants After Evacuation

In the event of a building evacuation, the Manager will direct the occupants of the building to the closest exit and assemble in the parking lot east of the building. Once the evacuated occupants are assembled in the designated assembly area, the Manager, or his designated employees, will confirm that all building occupants are accounted for.

Personnel Responsible for Rescue or Emergency Medical Aid

The Manager will be responsible for rescue and emergency medical aid, with the assistance of CPR and First Aid certified Security personnel.

Preferred and Alternative Means of Notifying Occupants of a Fire or Emergency

The primary method of notifying both employees and customers of a fire or emergency will be through verbal communication as the space being occupied is quite small. An alternative means of notifying occupants of the building during a fire or emergency will be accomplished using cell phone calls and/or group text messages. A manual alarm will also sound. Preferred and Alternative Means of Reporting Fires and Other Emergencies to Fire Department or Designated Emergency Response Organization

The preferred means of reporting fires and other emergencies to the fire department will be through the inhouse landline 9-1-1 phone system. An alternate means of communicating a fire or emergency to the fire department will be using cell phones and dialing (562) 691-4692.

Personnel Who Can Be Contacted for Further Information or Explanation of Duties Under the Plan

The Manager will be the point of contact for further information or explanation of duties under the plan.

Description of Emergency Voice/Alarm Communication System Alert Tone and Preprogrammed Voice Messages

An emergency voice/alarm communication system with an alert tone with pre-programmed voice messages is not available at this facility. If required by the City of La Habra Fire Department (Los Angeles County Fire Department as a condition of licensing approval, On Deck will install such a system.

404.3 Maintenance of Fire Safety and Evacuation Plans

On Deck Fire Safety and Evacuation Plan will be reviewed and updated annually to ensure that changes in staff assignments, occupancy or the physical arrangement of the building are accurately reflected in the Fire Safety and Evacuation Plan. All updated plans will be peer reviewed by a qualified Fire Life Safety Specialist to ensure accuracy.

404.4 Availability of Fire Safety and Evacuation Plans

On Deck Fire Safety and Evacuation Plans shall be available in the Manager's office for reference and review by employees. Copies shall be furnished to the City of City of La Habra Fire Chief for review upon his or her request.

404.5 Distribution of Fire Safety and Evacuation Plans

On Deck Fire Safety and Evacuation Plan will be distributed to the employees by the Manager. The Manager shall distribute to their employees all applicable parts of the fire safety plan that will affect the employees' actions in the event of a fire or other emergency.

404.6 Provision of Emergency Procedures and Information to Occupants

A floor plan providing emergency procedures information is attached for your review and approval. The attached plan will be posted at all public entrances to the subject property by the Manager. The information will be posted in a manner where it

can be easily seen immediately upon entering the floor level of the building. Emergency procedures information will be printed with a minimum of 3/16-inch high non decorative lettering providing a sharp contrast to the background.

405.1 Emergency Evacuation Drills

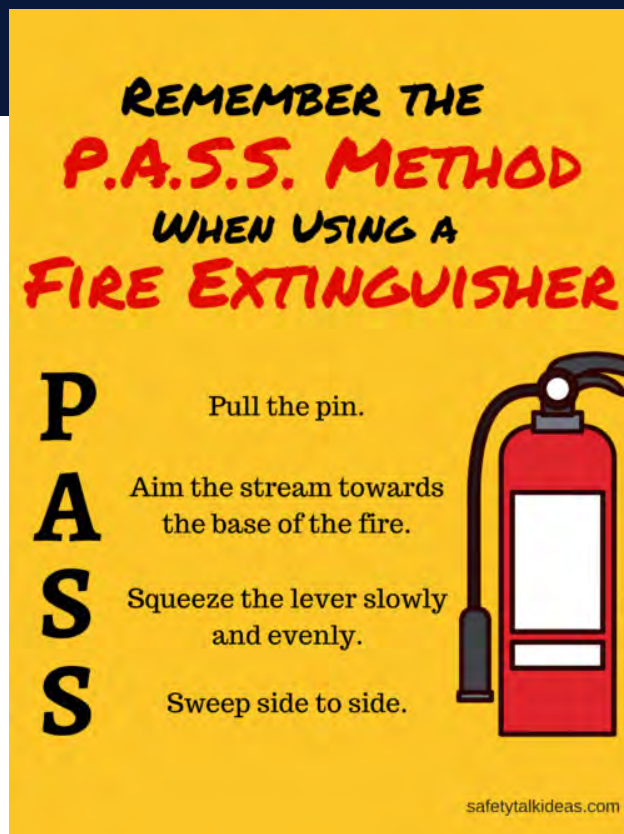
On Deck shall conduct annual emergency evacuation drills in accordance with CFC §§405.2 through 405.9. Emergency Drills will be performed twice yearly. A designated person will time the evacuation and email each department head to see how they feel the drill went.

405.3 Leadership During Drills

The Manager will be responsible for the planning and execution of emergency evacuation drills at On Deck facility.

405.4 Timing of Drills

Emergency evacuation drills will be held and supervised at On Deck facility in varying conditions and unexpected times as required by the 2019 California Fire Code.



405.5 Drill Records

On Deck will maintain the following emergency evacuation drill records:

- *Identity of the person conducting the drill.*
- *Date and time of the drill.*
- *Notification method used.*
- *Employees on duty and participating.*
- *Number of occupants evacuated.*
- *Special conditions simulated.*
- *Problems encountered.*
- *Weather conditions when occupants were*

405.6 Notification of Drills

Prior to the commencement of an emergency evacuation drill, On DeckManager will notify the City of La Habra Fire Code Official.

405.7 Initiation of Drills

Emergency evacuation drills will be initiated by activating the fire alarm system at the facility.

405.8 Accounting for Building Occupants During Drill

Once all occupants of the building have safely evacuated and arrive at the assembly point, when safe, a sweep of the evacuated building shall be made to ensure that the occupants have been safely evacuated and accounted for.

405.9 Recall and Reentry After Drill

Upon completion of the evacuation drill, a recall signal (portable air horn or bullhorn) shall be initiated by the fire official in charge of the incident. On Deck occupants will not be allowed to reenter the building until provided an "all clear" by the official in charge.

Evacuation Routes

On Deck primary and secondary evacuation routes are identified on the attached Safety Plan Diagram.

Primary Evacuation Route

Occupants of On Deck RC will evacuate through the west door of the facility and walk south to the assembly point located on the south side of the building in the parking lot at El Camino Real.

Secondary Evacuation Route

Occupants of On Deck RC will evacuate through the east door of the facility and assemble in the parking lot located on the south side of the building at El Camino Real.

Please see the diagrams to follow for a visual of the evacuation routes and placement of safety equipment.

Facility Alarm Systems

Fire Alarm and Monitoring System

404.2.2.8 Fire Alarm and Monitoring System

If required, On Deck will install an automatic Fire Alarm and Monitoring System meeting NFPA 72 standards per LHMC. Plans will be submitted to the City of City of La Habra Department of Building and Safety and or City of La Habra Fire Department (Los Angeles County Fire Department) for approval. On Deck understands that City of La Habra requires specialized licensing for contractors involved in the installation, testing, and maintenance of Fire Alarm and Monitoring System (C-7/C-10) for Fire Alarm Systems. On Deck will utilize an Underwriters Laboratory approved alarm monitoring company as approved by City of La Habra, CA.

On Deck fire alarm system will be:

- *Separate from the burglar alarm system.*
- *Functional at all times.*
- *Installed prior to beginning operations.*
- *Automatic and meet NFPA 72 standards.*
- *Monitored at all times by a UL listed central station service, and*
- *Supplied with secondary power.*

On Deck fire alarm system will provide:

- Fire department notification by transmitting a signal to a UL listed Central Station Monitoring Company; and
- Occupant notification utilizing approved notification devices.

Per LHMC, On Deck fire alarm system will include one manual fire alarm box to initiate an approved fire alarm signal.

On Deck will ensure that the automatic sprinkler system in the building is monitored by the fire alarm

4. ACCIDENT AND INCIDENT REPORTING PROCEDURES

Hazard Communication

407.1 General

Hazardous Materials will not be stored or used at this facility apart from small quantities of household cleaning supplies. The cleaning supplies are consumer products commonly sold to the general public exempt from the Hazard Communication requirements of 8 CCR §5194(b). Should a Hazard Communication Program be required by OSHA due to the storage of cleaning supplies, we will draft one utilizing the guidelines provided at: www.dir.ca.gov/dosh/dosh_publications/hazcom.pdf

407.2 Material Safety Data Sheets (“MSDS”)

Hazardous Materials will not be stored or used at this facility apart from small quantities of household cleaning supplies. Though not hazardous, cannabis waste is stored in locked receptacles. Waste Management manifests will be properly maintained for all Cannabis Waste removed.

407.3 Identification

Hazardous Materials will not be stored or used at this facility apart from small quantities of household cleaning supplies. All cleaning supplies will be properly labeled and marked as such.

407.4 Hazardous Materials Training

Hazardous Materials will not be stored or used at this facility apart from small quantities of household cleaning supplies. All employees will be trained on the proper use of the common cleaning supplies. Gloves will be provided for use when using the cleaning supplies.



The Cal/OSHA Hazard Communication Regulation – a Guide for Employers That Use Hazardous Chemicals



Department of Industrial Relations
Division of Occupational Safety and Health
Rev. November 2020



407.4.1 Fire, Hazardous Material, and Inhalation Issues/Threats

On Deck will implement precautionary measures (i.e., proper storage and handling), as required by State law, to ensure that employees and/or customers follow the required guidelines regarding the inhalation hazards associated with the exposure to cannabis related products. All cleaning supplies will be stored in a janitorial closet, which is locked at all times and only accessible with those provided appropriate credentials.

407.5 Hazardous Materials Inventory Statement

Hazardous Materials will not be stored or used at this facility apart from small quantities of household cleaning supplies.

407.6 Hazardous Materials Management Plan

Hazardous Materials will not be stored or used at this facility apart from small quantities of household cleaning supplies.

407.7 Facility Closure Plans

Hazardous Materials will not be stored or used at this facility apart from small quantities of cleaning supplies.

Fire

All Cannabis products will be kept away from ignition sources while securely stored or on display and will always be supervised by On Deck staff. No cleaning supplies will be stored near an ignition source, as cleaning supplies are typically flammable. All cleaning supplies will be stored in a cool dry janitorial closet.

Hazardous Materials/Inhalation Issues or Thrats

As this is a cannabis Delivery facility, there will be no hazardous waste generated, stored, or transported at or from On Deck premises. As stated above, there are no inhalation issues or threats, as this is a Delivery facility not a testing or manufacturing facility.

407.4.2 Written and Physical Mechanisms in Place to Deal with Each Situation

Written Fire Incident Procedures

A copy of a written "Fire Emergency Procedures" document, clearly identified as such, will be maintained on On Deck premises in both the Delivery Area (near the first aid kit) and Manager's Office.

The "Fire Emergency Procedures" document shall include the following Step by Step Process language:

- In the event of a fire emergency, the General Manager ("Manager") or his/her designated employee(s) shall call 9-1-1 to report the fire incident.
- The Manager or his/her designated employee(s) shall direct the occupants of the building to the nearest exit and to the predesignated assembly location which will be in the parking lot North of the building.
- If safe to do so, the Manager will utilize the onsite portable fire extinguishers to suppress the fire. If the fire cannot be suppressed or contained, the Manager and On Deck employees shall vacate the premises and alert the surrounding businesses of the fire.
- Upon arrival at the predesignated assembly location, the Manager shall account for all occupants of On Deck facility and render first aid, as necessary.
- Upon termination of the incident, the Manager shall interface with the local fire department to determine how the fire started and what precautionary measures should be taken to prevent future fires.

Written Hazardous Materials/Inhalation Procedures

A copy of any written Hazardous Materials/Inhalation Procedures/Program document will be maintained on On Deck premises in both the Delivery Area and Manager's Office. It shall be clearly identified as "Hazardous Materials/Inhalation Procedures" and kept in an accessible location at all times.

The Hazardous Materials/Inhalation Procedures document shall include the following Step by Step Process language:

- In the event of a Hazardous Materials/Inhalation incident, (i.e., significant spillage of cleaning products or hazardous gas produced resulting from mixing of incompatible cleaning products), the Manager or his/her designated employee(s) shall call 9-1-1 to report the incident.
- The Manager or his/her designated employee(s) shall direct the occupants of the building to the nearest exit and to the predesignated assembly location which is in the parking lot east of the building.
- If safe to do so, the Manager will utilize the onsite hazmat absorbent pad or mat to absorb and control the spill. If the spill cannot be contained, the Manager and On Deck employees shall vacate the premises and alert the surrounding businesses of the chemical incident.
- Upon arrival at the predesignated assembly location, the Manager shall account for all occupants of On Deck facility and render first aid, as necessary.
- If an employee has come in contact with a hazardous material (i.e., splashed it in eyes, on skin or clothing) the Manager or his/her designated employee shall have the victim remove the contaminated clothing and flush the affected area with water.

404.2.2 Fire Safety Plans

1. Reporting Procedure for a Fire or Other Emergency

In the event of a fire or emergency at subject property, the Manager and/or his designated employee will immediately contact the City of La Habra Police Department and/or City of La Habra Fire Department (Los Angeles County Fire Department) by calling 9-1-1. Fires and other emergency situations can reach dangerous levels in seconds and any delay in getting emergency responders to the scene can result in additional loss of life and property.

2. Life Safety Strategy

2.1. Procedures for Notifying Occupants, Including Areas with A Private Mode Alarm System

Upon receipt of information regarding a fire or other emergency, the Manager will verbally report the emergency to the occupants of the building and initiate the alarm system. On Deck alarm will be perceptible above ambient noise and light levels. The Manager will direct the occupants to the designated assembly area.

2.2. Procedures for Occupants Under A Defend-In Place Response

In the event an emergency requiring a "defend in place" response occurs, all window and door openings will be secured, and the building's HVAC system will be deactivated. The occupants of the building will be directed to stay inside until the emergency has been mitigated and an all clear has been declared by the police and fire departments.

2.3. Procedures for Evacuating Occupants, Including Those Who Need Evacuation Assistance

Upon receipt of a report of fire or other emergency that requires the building to be evacuated, the Manager and/or his designated employee will verbally announce the emergency to the occupants and begin a safe and timely evacuation of the building, the Manager and/or his designated employee will ensure that the building has been completely evacuated, including those individuals who need evacuation assistance, and direct occupants to the designated assembly area. Once all are assembled, the Manager and/or his designated employee will perform an accountability check of all occupants.

On-site Representative Incident Reporting Procedures

On Deck management encourages employees to report all accidents no matter how minor. Accidents that involve very minor injuries like small cuts, non-extensive bruises etc. and would not normally require any action on behalf of On Deck do not have to be reported (although employees could report them if they want). Accidents that involve (or could have involved) more severe injuries and require investigation and action from On Deck will be dutifully reported.

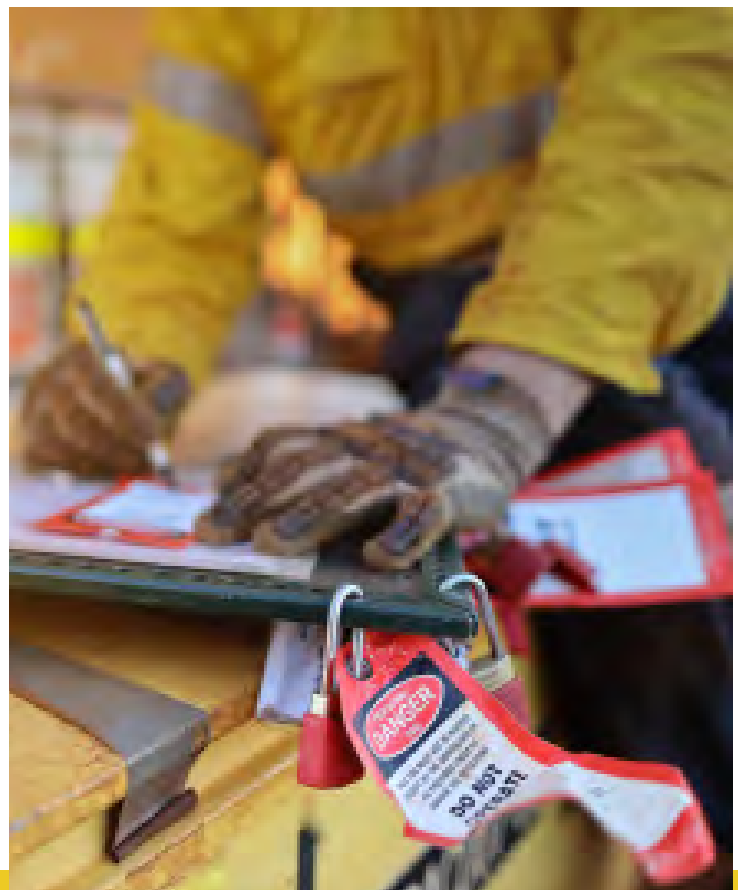
Employees are obliged to report any of the following:

- Fatalities
- Damage to the head, skull, and face
- Damage to any of the senses (e.g., partial, or complete loss of hearing, sight etc.)
- Incapacitation or dislocation of limbs that hinder functionality and movement (including paralysis and amputation)
- Damage to the skin (e.g., extensive burns, bruises, or cuts)
- Blows or injuries to the spine, back and ribs.
- Harm to the nervous system or loss of consciousness through electrocution, hypothermia etc.
- Poisoning
- Contamination from hazardous substances or transmission of diseases
- Any other injury that requires hospitalization or medical care

On Deck employees will be required to report occurrences that may not have involved injuries or victims but could be potentially dangerous in that respect if repeated.

These include but are not limited to:

- Explosions
- Slippery surfaces
- Water or gas leaks
- Inadequate insulation of circuits
- Collapses of walls, ceilings etc.



When an employee needs medical coverage, On Deck will report the incident/accident immediately.

Procedure

When an On Deck employee witnesses or is involved in an incident they must report it to their immediate supervisor personally, in writing or by phone if the accident occurred remotely) or through an online system.

If applicable, within one week. If the employee anticipates an accident due to perceived negligence or inadequate safety, they must notify their supervisors as soon as possible so the accident can be prevented.

Depending on the incident, official forms may have to be completed and submitted.

The accident and any sustained injuries must be recorded to an accident database or file.

The Manager must initiate an investigation or request an investigation from authorities if appropriate.

Any employee that is discovered to have been aware of a serious accident and failed to report it will face appropriate disciplinary consequences. When employees are the cause of an accident, they must report it immediately to minimize legal repercussions.

The employee who reported the accident has to cooperate if called in for questioning to provide details needed.

On-Site Designated Representative and Phone Line

On Deck will provide the City Manager, law enforcement, and all neighbors within one hundred feet of the business with the name, phone number and email address of On Deck managers to address any community complaints, inquiries, or concerns. More detailed information regarding the duties of our on-site representatives can be found in Sections D and E. Tony DeSimone will serve as the initial On-Site Representative. He can be reached at (562) 217-7105.

As a general rule, the employee must provide information in the incident report as accurately as possible on the following:

- The place of the accident
- The date and time of the accident
- The people involved or injured.
- Their position or involvement in the accident
- Their actions immediately after the accident
- Disciplinary Consequences
- The company places great importance in this policy. All employees are obliged to comply.

Our on-site representatives are responsible for the following safety-related procedures, including to immediately report:

- Any conditions which have harmed or could harm the health, safety or general welfare of any person or member of the public to the Chief of Police or designee.
- Any information indicating that any person experienced an adverse reaction to, or other difficulty related to, any cannabis or cannabis product procured from the cannabis business to the Chief of Police, County Health department, or designee. and
- Within 24 hours any activity occurring at the business or involving a delivery driver or vehicle that involves an industrial accident reportable to OSHA, any activity that constitutes criminal activity, any vehicle accident that results in a police report or exchange of information to the Chief of Police or designee.

Vehicle Accident Reporting Procedures

On Deck employees will adhere to the following vehicle accident reporting procedures:

- Delivery Driver will turn on emergency flashers and exit the vehicle when safe.
- Delivery Driver will call 911 immediately if injured.
- Delivery Driver will attempt to gather information from the other motorist and take a picture of the other vehicle's license plate in case the other driver flees the scene.
- Delivery Driver will photograph On Deck vehicle and the surrounding area.
- Delivery Driver will obtain any witness contact information.
- As soon as is safe to do so, the Delivery Driver will call the Manager-on-Duty to report that an accident has occurred and any pertinent details.
- Delivery Driver will fill out the Vehicle Accident Report for submission to

Within 24-hours, On Deck will report accidents resulting in personal injuries to:

- The local police department where the incident occurred.
- Business Manager; and
- Chief of Police.
- On Deck Manager will email the City of La Habra the date, time, location, involved vehicle and driver, circumstances, and local police department case number, as

Within 24-hours from an accident resulting in property damage only:

- Delivery driver will exchange driver, vehicle, and insurance information with all involved parties.
- On Deck will report the accident to the local police department where the incident occurred; the Business Manager; and the Chief of Police.
- On Deck Manager will email the City of La Habra the date, time, location, involved vehicle and driver, circumstances, and local police department case number, as

For accidents resulting in any theft or loss of cannabis, cannabis product, or money within 24-hours, On Deck will report to:

- The local police department where the incident occurred.
- Business Manager.
- Chief of Police; and
- On Deck will email the City of La Habra the date, time, location, involved vehicle and driver, circumstances and local police department case number.

If the incident did not occur within the investigative jurisdiction of the City of La Habra Police Department, a duplicate City of La Habra Police Department notification will be made by calling the non-emergency citizen contact dispatch center number at (562) 383-4300.

5. WASTE MANAGEMENT LOCATIONS AND PROCEDURES

Waste Management Locations

Please see our Premises Diagram for the location of our secure waste management area, which is located directly next to our odor control floor unit in the center of the building

Cannabis Waste Management Procedure.

Cannabis waste includes:

- Cannabis plants.
- Flowers.
- Trim.
- Leaves.
- Stems.
- Seeds.
- Any cannabis concentrates; and
- Any product containing cannabis intended to be destroyed

On Deck will render all cannabis waste unusable and unrecognizable through mixing the waste with a non-consumable medium, including but not limited to one (1) or more of those listed below, so that the resulting mixture is at least fifty (50) percent non-cannabis waste:

- Paper waste.
- Plastic waste.
- Cardboard waste.
- Food waste.
- Grease or other compostable oil waste.
- Bokashi or other compost activators.
- Soil; or
- Other medium approved by the City that will render the cannabis waste unusable and unrecognizable.

On Deck will compost the resulting mixture onsite, placed in a premises' wet bin for pickup, or transferred to a waste disposal facility approved by the Chief of Police, or his or her designee.

6. SAFETY PROCEDURES AND TRAINING FOR ALL FIRE AND MEDICAL EMERGENCIES

General annual training of On Deck employees addresses the following:

- Individual roles and responsibilities.
- Threats, hazards, and protective actions.
- Notification, warning, and communications procedures.
- Means for locating family members in an emergency.
- Emergency response procedures.
- Evacuation, shelter, and accountability procedures.
- Location and use of common emergency equipment; and
- Emergency shutdown procedures.



404.7 Emergency Procedures Information

On Deck will provide training and a printed summary to all employees regarding emergency procedures for ambulatory, non-ambulatory, and physically disabled individuals.

Emergency procedures information will include, but not be limited to, the following:

- Location of exits.
- Location of fire alarm initiating stations.
- What the fire alarm sounds and looks like when activated.
- Fire department emergency telephone number 911.
- Location of the Fire Department emergency telephone number sign.
- Location of other emergency information posted within the premises; and
- The prohibition of elevator uses during emergencies, if any.

Topics will include, but are not limited to:

- Emergency alarm signals.
- Primary and secondary evacuation routes, when practical.
- General principles of using fire extinguishers.
- Hazards associated with incipient firefighting and procedures to reduce those hazards.
- Hazards associated with the uses of portable fire protection systems.
- Familiarization of written training policies associated with the training of employees when expected to fight an incipient fire.
- Hands on fire response training (handling and activation of fire extinguishers).
- Training on the written operating procedures to fire response employees who are expected to fight fires (at least quarterly); and
- Any additional site-specific training as required by OSHA Training Standard 1915.508.

Fire Training Procedures

406.1 General Training Procedures

On Deck employees will be trained in fire emergency procedures based on the Emergency Procedures included in this plan and in accordance with the 2019 California Fire Code, Section 404, and OSHA Training Standard 1915.508. On Deck will conduct all training in accordance with NFPA 1403-2002. Training will be provided to both new and existing employees by a qualified fire and safety professional to maintain proficiency.

Additionally, On Deck will conduct semi-annual drills according to its written procedures for fire response employees. It will also conduct any additional site-specific training as required by OSHA Training Standard 1915.508.



406.2 Frequency of Training

On Deck employees will be trained in the contents of the fire safety and evacuation plans and their duties as part of the new employee orientation annually. Records of said training shall be maintained by On Deck. This training shall be provided by a qualified fire and safety professional.

406.3 Fire Prevention, Evacuation, and Fire Safety Employee Training

On Deck employees will be trained in fire prevention, evacuation, and fire safety by a qualified fire and safety professional in accordance with CFC §§406.3.1 through 406.3.4. This training shall be provided by a qualified fire and safety professional.

406.3.1 Fire Prevention Training

On Deck employees will be apprised of the fire hazards of the materials and processes to which they are exposed, which will be extremely minimal. Employees shall be provided instruction by a qualified person(s) in the proper procedures for preventing fires in the conduct of their assigned duties.

406.3.2 Evacuation Training

On Deck employees will be familiarized with the fire alarm and evacuation signals, their assigned duties in the event of an alarm or emergency, evacuation routes, areas of refuge, exterior assembly areas and procedures for evacuation by a qualified person(s).

406.3.3 Fire Suppression Training

On Deck employees assigned firefighting duties will be trained by a qualified person(s) to know the locations and proper use of portable fire extinguishers or other manual fire-fighting equipment and the protective clothing or equipment required for its safe and proper use. The locations of fire extinguishers are identified on the "Facility Plan."

406.4 Emergency Lockdown Training

On Deck employees will be trained to execute the lockdown plan and be trained on their assigned duties and procedures in the event of an emergency lockdown.

Medical Emergency Training Procedures

A medical emergency is a serious and unforeseen situation that has been caused by a sudden illness or injury, requiring urgent medical attention.

Employees are trained in anticipating different types of emergencies before they happen. In the unfortunate event that a medical emergency does occur, employees are trained to:

Check: Examine the injured individual to assess what type of medical emergency they have encountered.

Call: 9-1-1 so that emergency life support and help will arrive as soon as possible.

Care: Designated first aiders in the workplace should provide the relevant medical emergency procedures.

We have identified some common medical emergencies. On Deck employees are trained to handle these specific medical emergencies in the following ways:

Collapse: Check if the individual has any other obvious injuries such as a bleeding wound. If none, put the person in a recovery position and wait with them for medical help. Ensure airways are clear and they are breathing properly.

Choking: Stand behind the individual and support their chest with one hand, whilst giving them up to five sharp blows to the back. If this does not work, administer five abdominal thrusts. This should not be performed in the same way on a pregnant woman.

Electric Shock: Ensure power supply has been cut off, then put the person in recovery position.

Allergic Reaction: Remove the allergens triggering the attack if possible. Lie the person down flat and monitor their condition until help arrives.

CPR / First-Aid Training

On Deck understands that first aid must be available within 3 to 4 minutes of an emergency. Worksites more than 3 to 4 minutes from an infirmary, clinic, or hospital should have at least one person on-site trained in first aid (available all shifts), have medical personnel readily available for advice and consultation, and develop written emergency medical procedures. On Deck ensures that their security professionals are trained in first aid and CPR, as the Security Guards are onsite 24 hours per day.

- First aid supplies are available to the trained first aid providers.
- Emergency phone numbers are placed in conspicuous places near or on telephones; and
- Prearranged ambulance services for any emergency are available.

On Deck coordinates an emergency action plan with the nearest outsider responders such as the fire department, hospital emergency room, EMS providers and local HAZMAT teams, prior to opening. The Manager will be provided information during training on how to communicate with the outside responders in the event of an emergency.

Twice a year, On Deck will provide CPR training, free of charge to any employee who is interested in obtaining these skills. All Security Guards and Managers will be required to maintain CPR and First-aid certifications.

Cal/OSHA Training

Tony DeSimone has already completed the State mandated 30 hour OSHA training program and receive his certification. Cal/OSHA training includes fire safety education, specifically with regards to exit routes, fire extinguisher use, fire prevention plans, and emergency procedures in the case of a fire or other workplace incident.

On Deck will incorporate Cal/OSHA safety guidelines to maximize workplace safety, including the following:

- Providing easily accessible first aid equipment.
- Implementing an Injury and Illness Prevention Program.
- Inspecting premises regularly for potential hazards.
- Promptly investigating workplace accidents.

Fire Inspector Access

In addition to the mandatory inspection to obtain fire department approval prior to commencing operations, On Deck will allow fire inspectors access to audit our building for fire life safety concerns on a yearly basis or as determined necessary per the fire marshal.





Section D:

On Deck Delivery, LLC Security Plan

Section D:

On Deck Delivery, LLC Security Plan

SECURITY PLAN PREPARED BY A SECURITY PROFESSIONAL

On Deck Delivery, LLC, a California limited liability company (hereinafter "On Deck") is applying for an Adult-Use and Medicinal Retail, including delivery, commercial cannabis business permit. A detailed Security Policy and Procedure document will be prepared for this project and on file with the security company and with On Deck for implementation if the license is granted. The full document will serve as the overall security strategy for the business if a license is granted. This executive summary of the plan that follows, was prepared in order to comply with the La Habra page limits.

Terry Blevins, a qualified security expert, developed this security plan for On Deck and the design meets, or exceeds, all security requirements set forth by the City of La Habra Municipal Code and the State of California (please see cover letter for qualifications).

The sections that correspond to the La Habra Step-by-Step Application Guide are in parentheses at the section heading.

Sources

- *Title 18, Article I, § 18.22. of the La Habra Municipal Code (hereinafter "LHMC")*
- *§ 18.22.010 Commercial cannabis activity prohibited*
- *§ 18.22.020 Definitions.*
- *§ 18.22.030 Commercial cannabis activity.*
- *§ 18.22.040 Commercial cannabis activity business standards.*
- *§ 18.22.050 Disqualification of applications.*
- *§ 18.22.060 Development agreement/cannabis business tax.*
- *§ 18.22.070 Waitlist.*
- *§ 18.22.080 Zoning and land use.*
- *§ 18.22.090 Permit conditions.*
- *§ 18.22.100 Enforcement.*
- *§ 18.22.105 Appeals.*
- *§ 18.22.110 State and city license requirement.*
- *§ 18.22.112 Nonconforming use.*
- *State of California Medicinal and Adult-Use Cannabis Regulation and Safety Act (MAUCRSA)*
- *Best practices and standards according to ASIS International Security Trade Organization*
- *Facilities Physical Security Measures Guideline GDL FPSM-2009*
- *Security Management Standard: Physical Asset Protection ANSI/ASIS PAPI-2012*



Terry Blevins
President/CEO
Valian Group LLC
Armaplex Security
813 W Arbor Vitae St.
Inglewood, CA 90301

June 20, 2021

To City of La Habra:

I have prepared the attached security plan for On Deck Delivery, LLC (“On Deck”) Cannabis Business which has designated me as the primary security consultant to the City of La Habra. I will be available to meet with the City Manager, the La Habra Police Department, or their designees, regarding any security related measures or operational issues.

I have over 30 years of experience in Law Enforcement and Security and was employed as an Industrial Site Security Subject Matter Expert by the U.S. Department of State. With a master’s degree in Security Management and extensive training in conducting threat and risk assessments from both private industry as well as the Federal Government, I am considered a “Qualified Professional.” I am a licensed PPO in the State of California, PPO 120159. I have also developed over 350 cannabis business security plans that are then submitted with cannabis business license applications in cities such as Los Angeles, Long Beach, West Hollywood, San Diego, Santa Barbara and many others. Having analyzed many cannabis businesses in California and other states, I’ve seen what works and doesn’t work, including industry better and next practices and have drawn from those to develop the security strategy for On Deck. I not only consult, but I also manage the day-to-day operations of a cannabis security company that provides security guards and electronic security products and services.

I will continue to advise On Deck on a long-term basis regarding their security operations and help to ensure ongoing compliance with City of La Habra and California State requirements regarding cannabis security and related issues. This security plan will not only be used as part of the qualifying documents for license application submission but will serve as the overall policy guideline that directs the development and implementation of an ongoing security operations plan for On Deck. Please don’t hesitate to contact me with any questions or concerns.

Sincerely,

Terry Blevins

Site Inspection:

Blevins conducted an in-person site inspection in order to determine what would be needed to properly secure the site and building that will be used to house the cannabis business. The site is located on the east side of Leslie St just south of Jamie St and just north of the 90 freeway. Primary access to the business can be obtained from Leslie.

The building at 1000 S. Leslie Street is tilt-up concrete panels with a flat commercial roof which present a substantial defense to intrusion from the exterior. All doors, frames and locks are commercial grade. The cannabis storage rooms will have an additional layer of reinforced walls and ceilings and have commercial grade metal frames, doors and locks. All glass windows and doors will be reinforced with security film in order to prevent breaking.

The roof of 1000 S. Leslie Street is not adjacent to other buildings that would allow egress and intrusion from those areas, but is adjacent to trees which means access to the roof could be easily gained by intruders. The roof of 1000 S. Leslie Street will contain cameras with motion detection alarms that will prevent intrusion from these areas.

The exterior of the building and the entire lot will also contain cameras with motion detection in order to prevent intrusion. Motion activated lights will also be placed at strategic locations in order to detect suspicious activity and to illuminate these areas for cameras. All interior and exterior cameras will use infrared (IR) in order to capture the best image in the absence of perfect light.

OPERATIONAL SECURITY (3.a)

Employees

Employee Safety Education

On Deck will implement and train employees on a detailed Operations and Security Policy and Procedure Manual and all will be required to sign acknowledging receipt and understanding of this manual. The manual will detail general policies to be followed by all employees but will also have additional measures assigned to specific personnel at the business. New employees will be trained on compliance and security and continuing employees will receive periodic training to reinforce existing policies and to support the implementation of changes and improvements to company operations and security. On Deck will designate a person as responsible party for the security on-site. This person can be a lead security officer, or another On Deck employee. This individual will ultimately have responsibility for overseeing security systems, policies, procedures, and other security personnel assigned to the site on all shifts as well as ensure compliance with government regulations. They will also have the responsibility to train employees regarding security procedures and monitor their compliance with basic safety and security protocols.

On Deck will conduct semi-annual drills at the premises to ensure that all employees understand how to respond to various emergencies or threats at the premises. Fire drills, armed robbery and burglary discovery drills are examples of drills that may be conducted on the premises as part of comprehensive security training. The employee safety plan will be submitted to the chief of police for review and approval. LHMC § 18.22.080.6.d.

Mandatory Employee Security/Safety Awareness Training

On Deck will ensure that all employees are properly trained to understand their respective security roles and responsibilities including the chain of command (in the event of any security breach).

Pages 116-146 include sensitive security information and have been removed



Section E:

Labor & Employment Plan

1. Pay and Benefits: Exceeding the Industry Standard

Above Average Pay

On Deck is committed to paying all of our staff more than the industry standard and substantially more than California's minimum wage. In 2022, the minimum wage for small employers such as On Deck, who have less than 25 employees, will be \$14 per hour. Our starting wage for delivery drivers is \$16 per hour with an anticipated raise to \$18 per hour after 90 days.

Delivery Drivers

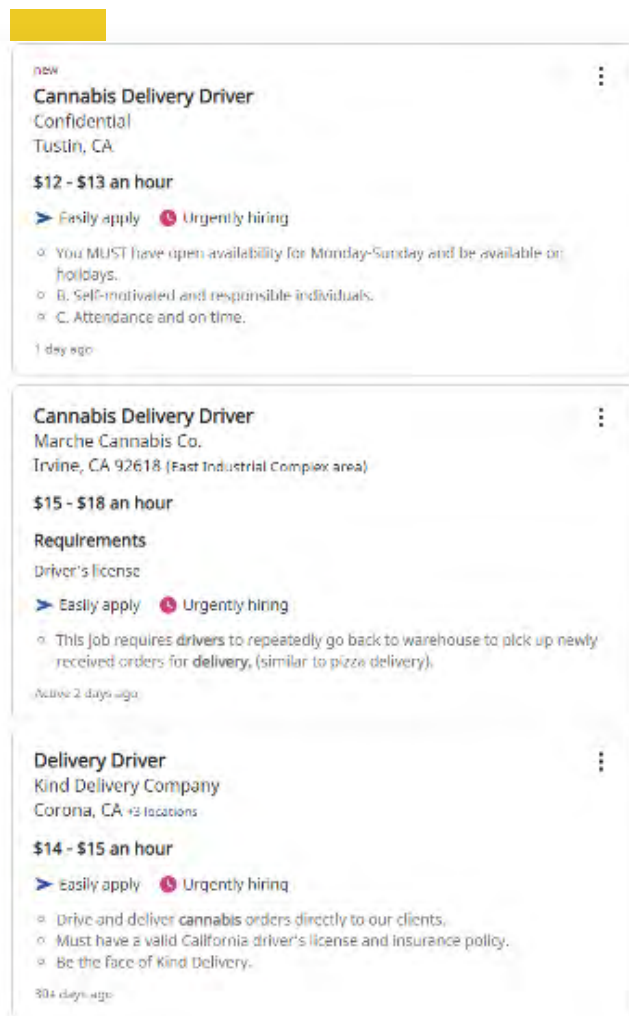
Based on market research, the average delivery driver makes approximately \$15–18 per hour. See Indeed Job Postings for Orange County Cannabis Delivery Drivers. For example, People's OC, the largest dispensary in Orange County, pays their drivers between \$13 and \$15 based on their Indeed job postings. On Deck is prepared to pay a starting delivery driver \$16 per hour, with a review and anticipated raise to \$18 per hour after 90 days.

In our experience, delivery drivers also receive \$5 to \$20 in tips for each delivery, 100% of which will go to the driver. In fact, due to the recent pandemic, delivery sales vastly increased as did tips provided to drivers. Most delivery customers are extremely grateful for the service and not having to go to Santa Ana or another neighboring city outside of Orange County and tip accordingly. We anticipate each driver will complete at least 40 deliveries each 8-hour shift, which would generate at least \$200 each shift, adding another \$25.00 per hour for a total of \$41.00 per hour (based on \$16 per hour and \$5 tips on 40 deliveries over 8 hours), and that is just on the low end! Delivery drivers have the ability to make up to \$98 per hour (based on \$18 per hour and \$20 tips on 40 deliveries over 8 hours). We will also reimburse our delivery drivers at the rate provided by the IRS, which for 2021 is \$0.56 per mile.

Given that the cost of living for a single person in Orange County is \$22.44 per hour, our drivers will make more than double the living wage when their tips are included.

Phone Operators/Dispatch

Our phone operators will also serve as the dispatch coordinators. We anticipate only a small volume of sales over the phone, with most orders will be placed online either directly or through a third party platform such as WeedMaps, Leafly, Nugg, iHeartJane.



Our starting pay for phone operators and dispatchers is \$20 per hour with a review and anticipated raise to \$25 per hour after 90 days. At \$20 per hour our phone and dispatch staff will earn \$6 per hour more than minimum wage in 2022, which is when we anticipate commencing operations.

Inventory and Order Fulfillment Staff

Inventory and order fulfillment staff will be paid \$18 per hour, with a review and anticipated raise to \$20 per hour after 90 days. At \$20 per hour our inventory and order fulfillment staff will earn \$6 per hour more than minimum wage in 2022, which is when we anticipate commencing operations.

Manager

Once we are operating and generating a profit, Tony DeSimone will step down as the jack of all trades, and hire a general manager to oversee the business operations. That manager is expected to make

approximately \$75,000 per year, whereas the industry average is \$65,000 annually.

Benefits Packages

On Deck will do its best to hire full time staff whenever possible. The benefits packages and options described below are available to all employees, regardless of whether they are full or part time, unless otherwise stated.

Health, Dental and Vision Insurance

All employees are eligible to participate in On Deck’s health, dental and vision insurance program. Typically, On Deck covers 75% of health insurance premiums for full-time employees. Part-time employees are given the opportunity to join the company’s health, dental and vision insurance plans.

Maternity & Paternity Leave

On Deck strictly adheres to California pregnancy and family leave laws as required by the Family and Medical Leave Act (“FMLA”) and Pregnancy Discrimination Act. On Deck strives to offer 12 weeks of paid leave for all full-time employees welcoming a new child. Should the time provided under FMLA and On Deck’s paid leave policy not be sufficient, we are willing to work with the employee to find an arrangement suitable to their changing schedule and lifestyle. We value family first, and La Habra can rest assured that On Deck will take care of its own.

401K Plan and Contributions

It is On Deck’s goal to offer a 401K plan to all full-time employees, as soon as financially feasible. On Deck will offer a 401K match of up to 50% of employee contributions for the first 6% of salary an employee contributes to his/ her plan, hopefully by the third quarter of profitability.

Employee Discount

All employees are entitled to a 20% discount on all products, where permitted by law.

Paid Time Off

Vacation & Paid Time Off

On Deck provides employees with compensated days off for vacation or personal necessity. Paid time is accrued by employees throughout the year based on the number of hours worked. Full-time employees may earn up to 5 days of paid time off per year after their first year of employment; after they have been with the company for 3 years, employees will be eligible for 10 paid days off annually. Paid time off will

accrue at the rate of .02 hours per hour worked for years 2 and 3, and at .021 hours per hour worked after 3 years of service.

Sick Leave

California law requires all employers to provide 24 hours of paid sick leave to each employee every year, subject to a 90 day initial employment period and , with all 24 hours vesting by the 120th day (1 hour per 30 worked). Cal. Lab. Code §245.5, 246 and 1182.12. Employees will be able to use paid time off to cover additional sick days, taking into account any long term or acute health issues.

Volunteer Time Off

On Deck is committed to giving back to the community. Please see our Community Benefit Plan. All employees are entitled to paid time off for time spent volunteering with a nonprofit organization based in La Habra or at City sponsored community events. Full-time employees may accrue up to 24 paid hours per year and part-time employees may

accrue up to 12 paid hours per year. No more than 4 hours may be used at a time and each 4-hour block may only be used once per month. Employees must provide authentication of the time spent volunteering to receive the compensated hours.

Uncompensated Time Off

On Deck will provide up to 20 uncompensated days off per year for an illness of the employee or his or her immediate family if an employee has exhausted all of his or her compensated days off. This time is above and beyond all leaves permitted and required by law.



Labor Peacekeeping Agreement: United Food & Commercial Workers (UFCW) Local 324

On Deck believes in employees' right to organize and avail themselves of union representation. To confirm our commitment to workers, On Deck has already executed a Labor Peacekeeping Agreement with the United Food and Commercial Workers (UFCW) Local 324, which is attached to this application. On Deck will provide space to the UFCW to meet with our staff and will remain neutral as to union representation. As the son of a teacher who was a member of one of the most powerful unions in California, the California Teacher's Union, for more than 40 years, Tony understands the importance of union access, representation and organization.



Neutrality and Card Check Agreement

On Deck Delivery, LLC and any marijuana business dba under which it operates or in which it holds more than a minority interest, ("the Employer") and the United Food and Commercial Workers Union ("the Union") hereby agree to the following terms:

1. **Neutrality and Non-Disparagement.** The Employer agrees to remain neutral. Neutrality means that the Employer and its agents will not, by any action, statement or implication, oppose union representation or hinder union organizing efforts. The Union waives the right to strike or picket the Employer during the agreement. The Employer shall not lockout its employees. Additionally, neither party will act or communicate in a threatening, derogatory, or demeaning way, or engage in any coercive conduct or delaying tactics that might interfere with the employees' right to choose union representation.
2. **Access.** In accordance with applicable law and regulations, accredited Union representatives will have access to the Employer's premises to speak with employees about their rights and terms and conditions of employment. In doing so, the Union will not disrupt the Employer's business. The Employer will cooperate with the Union in making arrangements to permit these conversations to be held in areas where the employees will be able to speak to the Union representatives without monitoring by the Employer.
3. **Meeting.** At the Union's request, the Employer will conduct a meeting on a mutually agreeable date(s) and time(s) with all of its employees. At the meeting, the Employer will tell the employees that it is neutral, does not object to their talking to and supporting the Union, and will negotiate a collective bargaining agreement (CBA) with the Union if a majority of the covered employees designate the Union as their collective bargaining representative. Union representatives will attend the meeting and, after the Employer has introduced them and left the meeting, talk with the employees about the Union.
4. **Coverage.** At each marijuana business for which the UFCW indicates an intent to represent the workers, all current employees employed by the Employer who are eligible to join the unit under applicable law. If the unit is in the exclusive jurisdiction of the California Agricultural Labor Relations Act, the parties will meet within ten days of such knowledge to modify the Agreement to comply with that law.
5. **Contact information.** Within ten days of the Union's notice of intent to organize employees, Employer shall furnish to the Union the names, job classifications, home addresses, cell phone numbers and email addresses, if known, of all the Employer's current full-time and regular part-time employees, consistent with applicable law and regulations. Employer shall provide

updated lists monthly, unless there is no change. The Union will keep this information confidential and shall only use it for the purposes of this agreement. In the ten-day period, Employer shall send each employee the letter attached as Exhibit A.

6. Recognition and Bargaining. When a majority of the bargaining unit has authorized the Union to represent them for the purpose of collective bargaining, the Employer will recognize the Union as the exclusive representative of its employees, provided that the Union may assign jurisdiction and representation rights to any of its affiliates. At the Union's request, a mutually agreed upon neutral third party may confirm the majority authorization within ten days. The Employer and the Union will comply with all requirements necessary to obtain certification of the Union as the exclusive bargaining representative of the employees. Within 20 days from the date of recognition, the parties will begin good faith bargaining for a CBA covering the employees. If the parties are unable to negotiate a collective bargaining agreement within 90 days after recognition, unresolved issues shall be submitted to final and binding arbitration per Paragraph 7. The arbitrator shall be guided by 1) Employer's, size, type of business and financial ability; 2) Ability of employees, through wages, hours and benefits, to earn a family-sustaining living wage, given their cost of living; and 3) the Code of Professional Standards, attached as Exhibit B.
7. Arbitration. The parties agree that final and binding arbitration will be the exclusive remedy for any alleged violations of this Agreement and any dispute or claim arising from or relating to the interpretation or application of any provision of this Agreement. Unless they promptly agree on an arbitrator, the parties will proceed to expedited arbitration using the American Arbitration Association's rules and procedures. The arbitrator is authorized to compel the attendance of witnesses and the production of documents at the arbitration hearing, and to award appropriate monetary, injunctive and declaratory relief. The parties agree to comply with any order and not to challenge the arbitrator's decision in court. The arbitrator shall have the authority to order the non-compliant party to comply with this Agreement.
8. Successorship, affiliated companies and subcontractors. This agreement will be binding on the parties' successors and assigns, including all purchasers of the Employer's assets or business, and in the event of a merger. This agreement is also binding on any and all corporations, partnerships, organizations and sole proprietorships affiliated with or related to the Employer's business activities. If the Employer intends to subcontract any work performed by bargaining unit employees, the Employer agrees to require the subcontractor, in writing, to comply with this agreement.
9. Governing Law and Severability. The parties agree that their rights under this Agreement shall be exercised in accordance with applicable state laws. Further, the parties agree that this Agreement and any CBA they may enter into will remain binding and valid regardless of whether the National Labor Relations Board asserts jurisdiction over the Employer's operations. In addition, the parties agree that if any provision of this Agreement is held illegal, void or invalid under any applicable law, they shall promptly meet and negotiate to make it legal, valid and binding, and that the remaining provisions of this Agreement will remain binding and enforceable according to their terms and the parties' intent.

10. Term of Agreement. This Agreement is effective upon signing, and shall continue for three years from the first date the Employer receives written notice from the Union that it is invoking this Agreement's process, or the date on which the Employer recognizes the Union as the collective bargaining representative of its employees, whichever occurs sooner. The Employer shall notify the Union in writing when it has hired its first three employees. This Agreement may be extended by mutual agreement of the parties. Effective immediately, the Employer commits to following the Code of Professional Standards, attached as Exhibit B.

For the Employer (print name)

For the Union (print name)

Anthony Desimone

Joe Hernandez, Organizing Director

Signature

Signature

Date

Date

6/15/2021

6/15/2021

Employer/Company name

Phone

On Deck Delivery, LLC

(714) 686-5478

Address

1100 S. Leslie Street, La Habra, CA 90631

Phone

562-2177105

EXHIBIT A

Dear Employees:

We have been informed by the UFCW that the Union seeks to represent workers at **[INSERT LOCATION'S NAME OR ADDRESS]**. The choice of whether you want to be represented by this Union is a matter for you alone to decide. The Company takes no position on this matter, but will bargain a contract with the Union if a majority of workers desire the Union.

By agreement with the Union, we have permitted the Union's representatives access to the facility to talk to you. The representatives may ask whether you want the Union to represent you and to sign an authorization card. The Company will not know the identity of any worker who signs a card because a neutral third party will verify whether a majority of workers has chosen the Union to represent them.

If the neutral party verifies the Union's majority status, the Company will begin good faith negotiations for a contract.

Any manager or supervisor who takes a different position on the Union does not speak for the Company. Please let me or, if you're more comfortable, the Union know if any manager or supervisor takes a different position. We will remind them that the Company remains neutral on your right to support the Union.

EXHIBIT B

Code of Professional Standards:

Given the nature of the industry, Employer and Union understand the importance of adhering to professional, legal, ethical and safe business standards. Those standards include:

1. Responsible customer service in a clean and secure environment that assures customer and worker safety and a commitment to the development of an apprenticeship program, continuing education and eventual certification of industry and workplace standards.
2. Living wages that guarantee workers sufficient take home pay to support themselves and their families in the communities where the Employer operates. This includes both wage rates consistent with the living wage rate (via the MIT living wage calculator) for the applicable municipality and sufficient guaranteed hours of work per week.
3. A health and safety committee including both worker management representatives.
4. Health care and retirement benefit packages that allow workers and their families to live in dignity. This includes offering full family health care and a defined benefit pension plan.
5. Paid sick, family and personal leave policies that give workers the opportunity to meet their obligations to their families and communities without suffering a loss of pay.
6. Policies that ensure that workers will not be subject to job loss without sufficient cause.
7. A procedure that allows workers to raise, seek redress and expeditiously resolve work place disputes.
8. Policies and procedures designed to prevent discrimination of any type in the workplace.
9. Full compliance with Local and State laws regulating marijuana businesses.
10. Compliance with all labor and employment standards under Federal and State and Local laws covering the employees of the Employer.

2. Employee Projections

During our initial operations, Tony will serve as the general manager and conduct all compliance, human resources and oversight on behalf of On Deck. In addition, we will employ the following for our initial operations each day; we will work with staff to ensure a fair allocation of hours, giving preference to those who are able to work full time:

- *Phone Operators/Dispatchers: 2 employees, 8 hour shifts*
- *7:30am to 5:00 pm, with a half hour lunch at 12:30 pm; and two paid 10 minute breaks*
- *2:00 pm to 10:30 pm, with a half hour lunch at 6:30 pm; and two paid 10 minute breaks*
- *Delivery Drivers: 6 drivers, 8 hour shifts*
- *8:00 am to 5:30 pm, with a half hour lunch within the first 5 hour to be determined based on delivery volume; and two paid 10 minute breaks (1 driver)*

- *1:30 pm to 10:00 pm, with a half hour lunch within the first 5 hour to be determined based on delivery volume; and two paid 10 minute breaks (2 drivers)*
- *Inventory and Fulfillment Associates: 2 employees, 8 hour shifts*
- *7:00am to 4:30 pm, with a half hour lunch at 12:00 pm; and two paid 10 minute breaks*
- *1:30 pm to 10:00 pm, with a half hour lunch at 7:00 pm; and two paid 10 minute breaks*

All phone operators/dispatchers and inventory fulfillment staff will be cross trained. At any given time, during our initial operations, 1 phone operator/dispatcher, 3 drivers and 1 inventory fulfillment associate will be on the clock. We have carefully scheduled the shifts to ensure that all employees are provided two 10 minute breaks and a half hour lunch without interruption in our services.

As we continue to grow and scale, we anticipate we will

need more drivers and inventory fulfillment associates within a short period of time. However, we do not expect rapid expansion of our phone sales and dispatch staff as we have online tools to assist with those processes. At maximum capacity, we hope to have a fleet of 50 or more drivers, 10 inventory/fulfillment associates and 5 phone operators/dispatchers.

3. Positions and Responsibilities

Delivery Drivers

Delivery drivers are responsible for driving their own qualified vehicle to assist in the delivery and sale of State regulated and compliant deliveries to customers.

Responsibilities

- *Deliver orders to customers in a safe, timely manner*
- *Adhere to assigned routes and follows time schedules using OnFleet and direction from dispatch*
- *Abide by all transportation laws and maintain a safe driving record*
- *Verify product deliveries against manifest/invoice to ensure accuracy*
- *Communicate constantly with dispatch regarding deliveries*
- *Maintain cleanliness of the interior of the vehicle and the notification of service*
- *Secure inventory storage*
- *Verify customer name and age upon delivery; take photo of customer ID to ensure that driver does not fail to check ID*
- *Verify proper paperwork or digital order and customer information, documentation, and ID for customers*
- *Provide excellent customer service as well as maintain a professional, positive and friendly*
- *Dress in clean and professional manner*
- *Adhere to all cash management and payment processing/collection procedures*
- *Follow all company procedures, protocols and rules and State and City regulations*

Qualifications

- *Valid Driver's License and Clean Driving Record*
- *Must be at least 21 years of age*
- *Must pass a comprehensive background check*
- *Valid identification to work in the US*
- *Willingness to adhere to assigned routes, schedules, safety procedures, and transportation laws*
- *Possess strong interpersonal, communication and customer service skills*
- *Must be proactive and solution oriented with a positive attitude*
- *Clean driving record for previous 5 years*
- *No DUI's for previous 10 years*
- *Clean criminal record as all employees are subject to background checks and Live Scan by the City*

Phone and Dispatch

The Phone Operator/Dispatcher is responsible for working with drivers and customers to efficiently route daily deliveries through Blaze and OnFleet. Dispatch is responsible for providing and meeting accurate time quotes and must coordinate with the delivery drivers to ensure customers are receiving orders in a timely manner.

Responsibilities:

- Answer all incoming calls
- Provide excellent customer service as well as maintain a professional, positive and friendly attitude when dealing with customers on the phone
- Follow all company procedures, protocols and rules
- Process transactions with attention to detail and accuracy
- Maintain a clean and organized workspace
- Manage, route, track and assign deliveries to a fleet of drivers
- Cross-train and relieve inventory/ fulfillment associates during their half hour lunch break

Qualifications:

- Must be at least 21 years of age
- Must pass a comprehensive background check
- Valid identification to work in the US
- Possess strong interpersonal, communication and customer service skills
- Must be proactive and solution oriented with a positive attitude
- Strong multi-tasker and able to work in a fast-paced environment
- Proficiency in technology software, desktop electronics, MS Office
- Phone and logistics experience is a plus

Order Fulfilment and Inventory Staff

Responsibilities

- Ensure all inventory and fulfillment activities are correctly recorded
- Perform inventory audits and identify discrepancies
- Manage inventory reconciliations every 30 days
- Track expiration dates and create contingency plans to avoid loss
- Create reports to track inventory throughput
- Provide recommendations about strategic inventory control initiatives
- Communicate with Metrc Support to troubleshoot issues and ensure Metrc is always in compliance

- Adhere to SOPs for inventory control and reconciliation procedures
- Understand BCC regulations for inventory control and be the subject matter expert on compliant operations
- Support shipping and receiving operations including the scheduling of shipments from wholesale, including Canna America next door
- Manage cannabis waste procedures
- Maintain relationships with vendors
- Perform quality control inspections on products to ensure they meet specifications
- Assist with forecasting by providing inventory analytics and reports
- Conduct and oversee training and development of Inventory related processes in the store
- Ensure accurate reporting to the management and owner relating to inventory, tracking and control
- Develop a safe, organized and compliant system for the storage, receipt and processing of inventory
- Receive all products for the business using the Blaze
- Assess quality of product and resolve quality concerns; reject product that does not meet standards or is not properly packaged and labeled
- Oversee product processing projects as needed, ensuring appropriate quantities, accurate weights, quality control, sanitation standards, and proper packaging and labeling

- Determine and adhere to a strict policy and set of procedures for the disposal of unusable cannabis products in accordance with state and local laws and guidance from local law enforcement
- • Minimize shrinkage by immediately implementing corrective plans after identifying the root cause of the issue
- • Communicate weekly with management and owner to maintain inventory budget and goals

Qualifications

- Experience working in cannabis or another highly regulated industry
- Knowledge and experience with Metrc and Blaze and other cannabis software applications
- Familiar with Lean, Just In Time, Kaizen or other inventory management principals
- Strong understanding of different cannabis product types
- Experience using and writing queries for Access, SQL or other database systems
- A degree or certifications in Supply Chain Management
- Knowledgeable about forecasting and demand planning
- Ability to lift up to 25 lbs
- Flexibility to work late nights and weekends when needed

4. Continuing Education and Training for Employees

All employees will undergo training prior to assuming their roles and responsibilities at On Deck. Staff will also receive significant training regarding local and State regulations, Metrc, Blaze and Cal/OSHA safety measures and injury and illness prevention plans (IIPP). Staff will receive continuing education on State and local regulations as they are updated by the state, refined by litigation or the legislature, or as needed based on observations by ownership or management.

Our employee education plan has various components:

- *Customer Education: leads to consumer loyalty*
- *Inventory Control and Metrc*
- *Phone Order Processing and Blaze*
- *Online Order Fulfillment*
- *City and State Regulations*
- *Employee Safety and Security*

- *Origins of cannabis, early prohibition, Prop 215 and the Adult Use Market, Federal vs State Legality, State and Local Cannabis Laws (with BCC regulations being provided for all staff to read and digest) and local La Habra policy.*
- *Beneficial cannabinoids and terpenoids and how those compounds interact with the human body to produce effects like relaxation or euphoria. We will then explore the multitude of ways in which cannabis can be consumed – from smoking to edibles to topicals and everything in between.*
- *Outstanding customer focused service skills, roles and responsibilities, product handling (storefront and delivery) security and chain of custody issues.*
- *Dosing and cultivar selection and recommendations as well as daily sales limits.*

These topics will be disbursed over a week-long training program. At the conclusion of our training program, staff will be required to pass a test covering the regulations and use of Metrc and our POS system to ensure each person employed by On Deck meets our high standards.

Employee Training Plan

On Deck's employees will be rigorously trained on an ongoing basis to ensure they keep up with the latest scientific and medicinal advancements. Our knowledgeable staff will be expertly trained on all aspects of cannabis and will guide customers through the product selection process over the phone. We will also include substantial information on our website that will guide consumers to the products they need to address their particular concerns, ailments or preferences.

Each of our customer service representatives will be required to undergo extensive training before they

work for On Deck. Some of the training topics include:



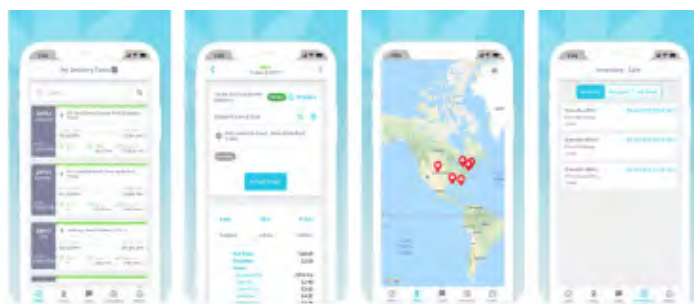
Welcome and Introduction Day

This day is designed for introductions, ice breaking and team building. Our staff will receive a thorough walk through of the entire facility, understand the security components provided for their protection and that of our customers.

Staff will be treated to lunch we will order from the Pepper Shaker, a local family owned and operated restaurant.

Delivery Driver Training

All delivery drivers will be provided a company phone and access to the Blaze and OnFleet systems. These systems will help ensure that the drivers stay on route and constantly in communication with the staff at the facility. Blaze has a dedicated delivery driver app the driver will have downloaded on their company issued phone.



- Cannabis as a Medicine – history of legality in California and Federally
- Roles and Responsibilities – staff will learn what each individual’s role is. Once our staff is comfortable with the initial training, they will be cross-trained on other aspects of the business to ensure our operations run smoothly no matter what the circumstances are. Redundancies are built into our training to ensure safety and compliance for all of our employees and customers. Additionally, because our staff will be limited during our initial operations, cross-training is necessary to ensure employees are provided meal and rest breaks in accordance with California law without an interruption in operations. Before we impart the specifics of our company operations, it is important for each team member to realize his or her value and place in the overall operational structure of the company.

Blaze offers the ability for customers to place on-demand and scheduled orders. Each driver will be equipped with a “kit” each day to sell on demand products while out on deliveries. Because Blaze also offers the option for customers to browse nearby driver inventory, we will be able to respond to customers in a hurry. The software also allows for the driver to pull up manifests and inventory logs to stay compliant.

Delivery drivers will be extensively trained in how to use the Blaze system to help keep the inventory up to date, ensure IDs are checked on delivery and obtain customer signatures confirming the delivery was made. Drivers will also be trained in cash handling, inventory management and safe driving practices as outlined in our Security Plan. Delivery drivers will start with \$150 in change and are required to return to the facility to drop their cash whenever they have received \$1,000 in cash in aggregate from their deliveries.

<https://www.blaze.me/cannabis-delivery-software/>

Phone Sales/Dispatch Training

Phone sales associates will be trained extensively to use Metrc and the Blaze platform. They will receive cannabis customer education training as described below as well as training on dispatch using OnFleet. OnFleet integrates with Blaze to provide optimized delivery service routes and real time tracking. Sales associates will also be trained to deal with customer inquiries and requests and proper order intake procedures. Phone sales associates/dispatchers will learn to:

- *Create customer profile on first order experience*
- *Verify age and identification*
- *Inform customers of any discounts, specials or patient appreciation offers*
- *Direct customers to the website for a full list of product offerings and assist with navigating the website*
- *Accurately input the customer's order*
- *Offer additional product selections based on the customer's preferences and prior orders (after first order experience)*
- *Confirm the order and all pricing back to the customer*
- *Submit the order for fulfillment either by drivers in the field or on site if no drivers are in proximity to the customer's address with all of their desired products on hand*
- *Once the order is prepared, schedule a delivery driver to either delivery on-hand product to the customer or to return to the facility to pick up the packaged ord*

Inventory Training Day

Staff will receive specific training on how to manage inventory, what to do if product is damaged, when to transfer inventory from the vault to the order fulfillment areas and vice versa.

- *Employees will be trained on accurate record keeping and reconciliation in Metrc and Blaze*
- *Guidelines for operating the facility are detailed in this lesson – from opening and closing procedures to inventory management and Metrc compliance.*
- *Proper product storage will be reviewed so that staff understands how to properly inventory and store all product*
- *Order fulfillment processes will be explained, including how to package goods in opaque packaging in compliance with 16 CCR §5413(c)*
- *Employees will learn how to assemble kits for delivery drivers to take with them each day*

Product Training

All distributors working with On Deck are expected to fully comply with the State of California regulations, including cannabinoid testing, heavy metals and materials, microbials and mycotoxins, moisture, residual solvents, terpenes, homogeneity and potency. Prior to acceptance, our product intake manager will ensure all cannabis goods comply with the following:

- *Inspect and confirm packaging and labeling compliance and that the expiration date has not passed*
- *Physical inspection of the goods*
- *Confirm product is properly in the Track and Trace System*
- *Reject nonconforming products that do not match the manifest or that do not pass the inspections above*
- *Enter inventory into Track and Trace System*

Rules, Regs & SOPs Day

• The first half of the day will cover California and La Habra rules and regulations applicable to cannabis retail sales. All staff will be expected to read through all Bureau of Cannabis Control Fact Sheets as well as the Bureau of Cannabis Control Regulations. Staff will be compensated for 3 hours of study time for this training.

Cannabis Product/Brand Guide

Our Cannabis Product/Branding Guide provides a broad overview of all things related to cannabis, the plant, laws and the industry as a whole. Highlights include:

- *Overview of the history of cannabis legalization in California*
- *Laws and regulations that now allow for adult-use cannabis*
- *Medicinal uses of cannabis (utilizing the Americans for Safe Access Patient Certification materials)*
- *CBD, THC and terpenes*
- *Cannabis product types*
- *Cannabis brands carried.*

The product guide will be available to all of our staff in a digital format and continuously updated to reflect current product selections.

Employee Handbook Review

On Deck’s Employee Handbook is specifically drafted to reflect the laws of the city and state where business is occurring, with policies specific to the location. On Deck will not use a boilerplate employee handbook, but rather one that has been carefully curated to reflect the needs of delivery operations and the La Habra community.

On Deck will ensure that all employees are comfortable with company policies, employee rights, employer rights and state and federal law. Staff will be available to answer questions with employees on a one-on-one basis.

Standard Operating Procedures

On Deck’s SOPs lay out the local, State and Federal regulations which must be followed by all employees. Each and every detail of day-to-day operations is explained with examples of how to remain in compliance with these laws and a focus on industry best practices. Topics will include:

- *State & Local laws and regulations*
- *How our SOPs keep On Deck’s employees in compliance with these laws*
- *Employee safety and CalOSHA matters*
- *Security procedures*
- *A walk-through of daily procedures*
- *Customer service interactions*
- *Employee specific: Track-and-Trace Certification.*

The review of the SOPs is a two-step process. First, On Deck thoroughly reviews all of the SOPs on a general level with all employees as a group lecture. Second, employees are broken up into smaller groups associated with their respective positions. Thereafter, each group does an in-depth review of the SOPs specifically related to the functions of their position. Specific attention is paid to procedures based on law versus best practice. Making this distinction ensures that On Deck's employees are educated on and familiar with implementation of required regulations.

Handling Intoxicated Customers

On Deck is committed to promoting the safe consumption of cannabis through employee and customer education regarding impairment issues, proper dosing and laws regarding personal cannabis use.

To ensure the safety of all customers and staff while on delivery, On Deck does not sell cannabis products to customers who appear to be impaired and reserves the right to refuse to complete the transaction and the customer will be informed that On Deck is unable to sell cannabis to the customer. Employees are taught to recognize signs of impairment:

- *indistinct or slurred speech*
- *unbalanced gait, absent a medical condition*
- *delayed communicative responses*
- *apparent scent of alcohol*

On Deck employees will report to management any consumer they observe exhibiting signs of intoxication.

If a customer becomes unruly or aggressive as a result of being intoxicated, impaired, asked to leave or otherwise, management will employ de-escalation techniques and contact the proper authorities if necessary. An incident report will also be generated and stored in accordance with our RRP. The customer profile will also be flagged to ensure that the customer does not frequently appear intoxicated and will be banned from purchasing from On Deck if the issues persist.

Diversion Prevention

Accurate Metrc, Blaze and transaction records prevent diversion, theft or other loss. All employees will be provided a copy of the California Attorney General Guidelines for the Security and Non-Diversion of Cannabis Grown for Medical Use and are expected to be familiar with its recommendations for non-diversion. Since we are not open to the public, we do not anticipate on site diversion.

Facility Security, Safety, Emergency Operations

To ensure that all health and safety laws, best practices and procedures are implemented at On Deck, we devote an entire training day to this topic. On Deck believes that this day of training is one of the most significant training days. The training provided will reinforce company SOPs and emergency response and notification procedures. Please see On Deck's complete Security Plan in Section:

3 Security Plan, where aspects of the Safety and Emergency Operations Plan are also present.

- *Blaze and Metrc implementation*
- *Customer/Patient Consultation*
- *Security Process and Procedures*
- *Administration/Operational Best Practices*



Dress Rehearsal Days and Final Curtain Call

- For at least two days, all sales associates and inventory specialists will receive hands-on, real time training. The time to work out the kinks in our customer service is before we open. To that end, our be required to work as though it were an actual sales day for two days.
- At the end of these two days, staff will receive feedback from management, owners and their peers. Any issues that are system wide will be addressed and remedied. Staff will also take a quiz regarding general compliance, product access, sales limits and operating the POS and Metrc systems.

If available within 3 months prior to our opening date, we will refer our delivery and sales staff to Cannabis Trainers or Cannabis Training University.

**Additional Employee Training Policies**

Employees who hold positions that require local or State mandated training will be required to undergo the proper training prior to engaging in the regulated activity. On Deck owner Anthony DeSimone has also already undergone complete Metrc account

management training as well as completed the California mandated 30 hours of CalOSHA training.

Employee Training Records

On Deck will maintain compliance with local and State law, always keeping accurate records on all employees who have been trained and the training they have undergone, including Metrc training. Employee records are available for governmental officials to inspect, subject to applicable privacy and employment laws.

Continuing Education

Our staff will continue to receive training throughout the year. Brands will frequently take time to educate staff on their products to ensure a healthy, well-educated sales approach. They will also receive ongoing training from distributors and brands to ensure our customers receive the latest information on all products we carry. Finally, our security SOPs will be reviewed and drills executed on a semi-annual basis.

Additionally, On Deck will offer a \$500 annual reimbursement to any employee that pursues further education in the cannabis industry, such as attending conferences with significant educational components.

c. Customer Education Plan

Sales associates will be trained to educate our customers. The Healer Guide will be available for download on our website. This unique guide is supported by the leading cannabis research and advocacy groups world-wide.

Cannabis consumers are eager to learn about all aspects of cannabis, from cultivation to effects and methods of consumption. On Deck recognizes its consumers want as much information as possible about the growing and manufacturing practices used to make the products they consume. On Deck will offer several unique types of cannabis education with specialized materials tailored to different types of consumers hosted online or at On Deck sponsored educational events off site (no sales).

The truth is, today's cannabis consumer largely focuses on outdated categorization of cannabis strains by indica, sativa or hybrid. These designations

are troublesome for consumers because the cultivator or the retailer can change a strain name to something else that is more recognizable. A perfect example is Blue Dream. This strain is known to be a sativa. However, over time, its genetics have hybridized, creating a less energetic effect and a more calming relaxing effect, and should be considered a hybrid. However, most consumers would readily identify Blue Dream as a sativa.

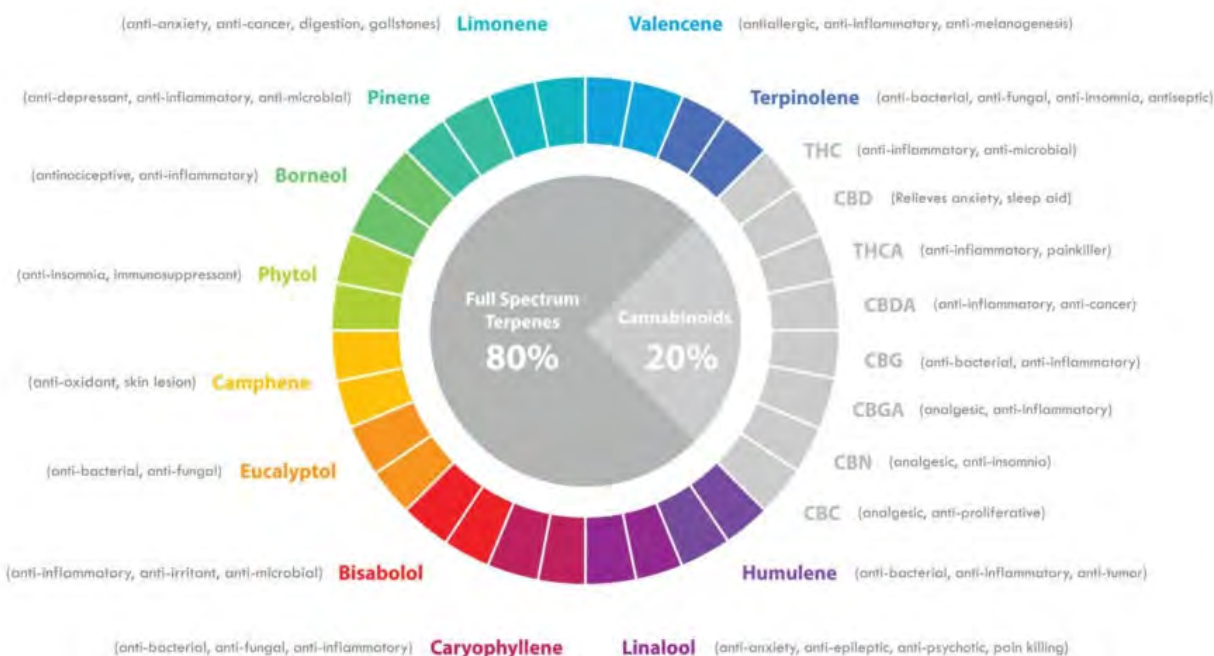
To that end, our sales associates will be trained to analyze the certificates of analysis (“COAs”) that must accompany every delivery of cannabis goods by a distributor. 16 CCR §5306. We will look for brands that provide information on terpenoids on their COAs or

can at the very least discuss the terpen profiles of their products. This way, we can better educate our customers about what effects they can expect from the cannabis products they purchase.

We will also educate customers on the various methods of consumption and discuss the effects of different cannabinoids and how they act when put into the body. For example, many people are aware that edibles effect people differently. What many people do not know, is that Δ -9 tetrahydrocannabinol actually converts to a much more powerful cannabinoid called Δ -11 tetrahydrocannabinol once it passes through the liver.

Below is an easy to reference for the various terepenoids and cannabinoids and their common uses.

THE ENTOURAGE EFFECT IS THE RESULTS (THE EFFECT) PRODUCED FROM THE SYNERGISTIC INTERACTION OF THE CANNABINOIDS, TERPENES, FLAVONOIDS, AND FATTY ACIDS NATURALLY FOUND IN CANNABIS.



These are just some of the examples of the level of education our customers will receive when they come to On Deck.

Online Education

On Deck's products will be displayed in secure display cases to meet safety and security protocols. Once on On Deck's website, customers can easily browse product information, including tetrahydrocannabinol ("THC") and CBD percentages, terpenoid content if available, ingredients, recommendations for treating specific ailments, source of the products and customer reviews before placing their orders.

On Deck's company website will include numerous educational components. When a consumer selects a particular product on the site, all information such as THC percentage, strain and cultivator, will appear on the screen; a link revealing the certificate of analysis will be provided whenever possible. The website will have a page dedicated to education that allows visitors to explore the benefits of cannabis use and differences between strains displayed prominently. In addition, the website will allow consumers to post and read reviews of every product we retail. The website will also link to Leafly, Weedmaps and Nugg to the extent possible to provide further information and product reviews.

Emphasis on Safe Consumption

Safe consumption and dosage is at the cornerstone of responsible retail policy. Using the tried and true process of experiencing cannabis over the course of 6 days will help our customers determine their best dose, often called the minimum effective dose or MED. Customers will learn that more is not always better when it comes to cannabis, like so many other things.

Display information will explain how most edible products have a slow release, particularly on a full stomach and will not take full effect for at least an hour unless specifically marked with fast acting nanotechnology. Conversely, another display will show how a vape pen has near immediate effect but will dissipate from the body much quicker. We will also offer customers an effects journal to help them document the best products for their unique biology, mood and circumstances.

We will present information on recommended doses, potential side effects, the risks associated with cannabis use, driving while impaired and interactions between cannabis and other substances. Additionally, we will include information on the signs of substance abuse, prevention techniques and printed materials summarizing current cannabis laws and regulations.

CARES: Cannabis Awareness and Responsible Education Series

On Deck will offer free online presentations on relevant industry topics from cannabis and medical professionals as well as experts on issues important to the La Habra community generally. We believe that as a responsible corporate actor in La Habra, it is our job to assist with all community issues, not just those relevant to cannabis. Unfortunately, because of the restriction on advertising and marketing to minors, and out of respect for our fellow parents raising children in La Habra and the surrounding communities. We will publicize our seminar schedule on our website and on third party platforms as well as our social media accounts and welcome input from customers on specific presentation topics. Please see our Monthly Events in the Community Benefits plan for additional information.

Responsible Messaging

At the time wholesale deliveries are accepted by our manager, packaging will be checked to ensure that it contains the California Universal Cannabis symbol as well as the required Proposition 65 warnings against the potential risks of cancer, carcinogenic effects and reproductive harm.



On Deck is firmly committed to responsible use messaging, which, in turn, helps reduce the stigma associated with cannabis consumption and sales. Our responsible use messaging will be on our website.

This program includes:

Safety While Impaired

The effects of cannabis consumption do not always have an immediate onset. To that end, consumers must understand when it is safe to operate a vehicle, engage in rigorous physical activities or care for young children. Many cannabis strains cause the consumer to feel sleepy or tired. Edibles are known to have an unpredictable onset ranging from 15 minutes to 4 hours before the consumer experiences the peak effects. Some extremely potent cannabis strains can last as long as 8 or 10 hours. Of course, consumers will be informed that poison control is available to assist them if they believe they have consumed too much cannabis, although no person in the history of the world has ever died from using too much cannabis. It is nearly impossible to overdose. *See CDC FAQs on Marijuana and Public Health.*

Safe Storage

Cannabis flower and prerolls that have not been infused with manufactured cannabis are not decarboxylated, which means that they have no psychoactive effect unless heated past 220 F. However, edibles, concentrates, beverages and tinctures are intoxicating without altering the chemical nature of the product. To that end, cannabis storage is key to ensuring safety at home.

Food Safety and Edibles

We will have information available on our website that explains how edibles effect people differently. We will explain to customers to start with small doses and wait an hour to determine whether additional dosing is needed. Customers will be advised of this information on our website when placing phone orders.

Policy Against Advertising to Minors

Most of our owners are parents of school age children and as such are keenly aware of how impressionable young minds can be. Therefore, On Deck will never market to children and will have a strict policy about not accepting brands that walk the line by indirectly

marketing to children at clothing stores and events. We believe that cannabis operators have an ethical duty to ensure their marketing is actually not directed at minors, not just give the appearance of compliance based on what happens at a retail store.

Packaging Compliance and Medicinal Cannabis

We will confirm that all cannabis sold at On Deck meets all packaging and labeling requirements. Additionally, our staff will never sell more than the daily legal limits established by 16 CCR §55409, which are 8 ounces of flower, shake and prerolls for medicinal patients, 28.5 grams for adult use customers; 6 plants to adult use consumers or 12 plants to medicinal patients; or 8 grams of concentrated cannabis or products that contain concentrated cannabis. We will also ensure that all cannabis goods that exceed the adult use THC limits are clearly marked "FOR MEDICINAL USE ONLY". These limits are:



Cannabis Good Type	Adult Use Limit	Medicinal Limit
Edibles that are not orally dissolving as defined by 16 CCR 5000 (vv)	10 mg per serving/100 mg per package	
Orally dissolving products as defined in 16 CCR 5000(vv)	100 mg per package	500 mg per package
Concentrates	1000 mg per package	2000 mg per package

Records Software

All commercial cannabis companies are required to use Metrc as the approved and exclusive provider of California’s Cannabis Track and Trace (CCTT) system. There are numerous application program interface platforms on the market that integrate with Metrc; these are listed on Metrc’s website. For now, we have chosen Blaze Retail Software, but understand that technology rapidly and so, we reserve the right to change our POS system.

On Deck selected Blaze because of its ability to integrate, not only with METRC, but also with OnFleet, Weedmaps, Leafly, Nugg and several dozen other software systems used throughout the cannabis industry.

Blaze also integrates with third party advertising sites that offer customers the ability to place orders with our store directly through the third-party website. This feature is especially important to today’s highly educated, brand-loyal consumers who seek out specific products. Third party providers such as WeedMaps, Leafly, iHeartJane and Nugg.

All employees will use Blaze to store sales and transaction records as well as, creating and storing customer profiles, preferences and sales history, up to date inventory tracking and management and tracking, delivery manifests received from distributors who deliver product to On Deck.

OnFleet integration allows On Deck to keep an up to date record of all inventory, regardless of whether it is sold in store or while out for delivery since California permits delivery drivers to have up to \$3,000 in retail product on hand. OnFleet will allow us to view delivery operations at a glance by providing color coded status updates, filters and dynamic search capabilities. It also aids in providing our customers up-to-date estimated time of arrival and provides real time alerts. The software also allows us to track employee activities while out on deliveries to aid in compliance and cost controls.

5. Local Enterprise: Our La Habra Roots Run Deep

Tony De Simone has been a La Habra resident his entire life. When presented with the opportunity to pursue legal licensing for his cannabis business, La Habra was the only place Tony wanted to be. Now, with Canna America, LLC being one of La Habra's two licensed distributors, Tony is ready to expand his business operations in La Habra.



6. Local Hiring and Sourcing Practices

Local Hiring

As a long time La Habra resident, Tony is committed to hiring locally. If staff cannot be hired from La Habra directly, we will prioritize Orange County residents and those who come from neighboring cities like Hacienda Heights, La Mirada, Whittier, Downy and Rowland Heights. First, we will reach out to the La Habra Chamber of Commerce to see if we can assist with providing employment to former employees of businesses that were either forced to close their doors or reduce their staff size due to

the COVID 19 pandemic. Then, we will work with the City to participate in a job and resource fair or other city sponsored or assisted economic development practices to recruit La Habra residents. Finally, we will retain a staffing agency to help us locate La Habra and surrounding community candidates for the positions available.

It is our goal to employ 100% of our staff from La Habra and the surrounding neighborhoods in Los Angeles and Orange Counties. Tony has a soft spot for working class single parents and teachers who may need extra work to make ends meet, especially during the holidays. On Deck will go out of its way to hire those who need to support their families due to underemployment.

Local Sourcing

We will be using Brian Reed as our contractor, who has worked with the DeSimone's next door neighbor Gene Hacker for the over 20 years. Over the years, the DeSimone and the Hackers have become extremely close. As such, On Deck will be retaining Reed Construction (Contractor's License No. 957315), which is managed by local La Habra resident Gene Hacker. Under Gene's supervision, Reed Construction will be hiring 100% La Habra residents to work on our tenant improvements.

Our interior design is minimal and affordable. Rather than hanging drywall throughout the facility, since the entire operation is closed to the public we will be installing chain link fences throughout the facility. We intend to use La Habra Fence Co. located at 541 S Harbor Blvd., La Habra, CA 90631 to supply our fencing needs.

We also used We Architects who are located in Irvine, which is in Orange County, to design our facility and systems. They will be with us throughout the planning and development process to ensure everything goes smoothly.

We will be providing phones to our delivery drivers. Additionally, we will also need a number of computers, printers and iPads. We will source and purchase these electronic items from the La Habra CostCo located at 901 E Imperial Highway, La Habra, CA 90631. We will also purchase our office supplies, drink and snacks for staff from CostCo or from Staples located at 1310 Beach Blvd., La Habra, CA 90631. For computer repairs, we will use Kaddy's Computer Repair located at 151 E Whittier Blvd., Suite F, La Habra, CA 90631.

Unless a brand or supplier requires their own distribution channels, we will also be sourcing our cannabis goods through Canna America distribution, not only because Tony DeSimone owns the business, but because it is a local business that delivers tax revenue, community benefits and local employment to the City and its residents. Notably, not a single potential delivery applicant has reached out to Cann America to discuss La Habra based distribution opportunities.

When we celebrate company milestones and holidays or to show our staff appreciation, we provide lunch on site or take our staff out for dinner or provide our staff with gift cards to local restaurants such as:

- *Board & Brew: 1901 W Imperial Highway, Suite D, La Habra, CA 90631*
- *Atomic Pizza: 1111 West Whittier Blvd., La Habra, CA 90631*
- *Casa Adelita: 340 E La Habra Blvd., La Habra, CA 90631*
- *Original Tommy's Hamburgers: 1199 S Beach Blvd., La Habra, CA 90631*
- *India Restaurant: 1920 W Whittier Blvd., La Habra, CA 90631*
- *Ostioneria Colima: 1651 W Whittier Blvd, La Habra, CA 90631*
- *Black Bear Diner: 1000 S Beach Blvd., La Habra, CA 90631*
- *Cask & Hammer: 334 N Harbor Blvd., La Habra, CA 90631*
- *Raising Cane's Chicken: 1050 S Beach Blvd., La Habra, CA 90631*





Section F:

Community Benefits

Section F : Community Benefits

The City of La Habra is the Caring Community. Having worked with the City extensively, On Deck can vouch for the fact that the City and its staff do truly care about the residents and businesses within the City's borders as well as the visitors from out of town. On Deck is committed to supporting the City in its major community objectives: developing a sustainable future, reducing green house gas emissions and maintaining a healthy community.

In developing a sustainable future, On Deck will support the City of La Habra in creating and maintaining a healthy environment, contributing significant tax revenues as part of La Habra's strong economy and enhancing the social well-being of La Habra's residents by engaging with the community as described below.

Having On Deck located within the City of La Habra will further the City's Economic Development Goal within the Industrial districts, which seeks to ensure a diversity of districts accommodating

light industrial uses are developed that provide a variety of job opportunities for La Habra's residents, reducing their need to commute to other communities, while not unduly impacting the residential environment. As our local hiring section describes, our goal will be to staff our facility with 100% La Habra residents. La Habra General Plan - LU 16.1.

Our Premises is also located off the street and tucked behind fencing in line with La Habra's goal to buffer industrial uses from adjacent properties. When Canna America went through the conditional use permit process, it was instrumental in ensuring that the Property was up to code and in compliance with all prior conditions of approval for the entire Property, so it is sure this time around that the Property and the Premises are adequately landscaped and hardscaped to minimize any potential negative impacts on surrounding businesses (there are no residences in the vicinity of the Property)



1. VOLUNTEER SERVICES

Owner Tony DeSimone has been a long time supporter of the City of La Habra. Frankly, he did not have a choice since his mom was a local teacher for 40 years. Being active in the community runs in the DeSimone blood.

Recently, Tony has supported the La Habra Meals on Wheels program, providing invaluable nutrition assistance to elderly and those in need. Tony and the Canna America staff have already volunteered for 25 hours to assist this important organization.

Tony and On Deck staff will be contributing additional service hours to the La Habra Community Resource Care Center as well. The Community Resources Care Center (CRCC) provides emergency services and resources to the homeless and low-income individuals in the City of La Habra - over 7,000 adults and children each year.

For many, the CRCC is the last resort, providing essential emergency relief. Over 75% of CRCC's clients are families with children from the La Habra area. Providing resources to those in need helps maintain a positive quality of life so that they can move forward to a more stable situation. From its founding in July 1983 to the present, the CRCC remains a vital part of the general well-being of the community. From Our *Lady of Guadalupe's website describing CRCC.*

Additionally, we are very excited to share that the La Habra Citrus Fair came back in 2021! Tony and the Canna America team were on site to assist the Chamber of Commerce throughout the weekend.

As time goes on, we hope to take a more active role in sponsoring this popular event. Unfortunately, due to advertising restrictions, we were informed by the BCC that we cannot donate promotional items or water due to restrictions on the audience composition, which requires actual

data to confirm that at least 71.6% of the audience is over 21. However, if a community event has a beer garden, we would be able to supply branded merchandise and promotional materials or refreshments since the audience would be 71.6% over 21.

On Deck will continue to work directly with City staff, as its owner has been doing, to identify areas of need and ways to best support the community through donated time.



Proudly serving the communities of La Habra and La Habra Heights

2. MONETARY DONATIONS AND FINANCIAL SUPPORT FOR CITY SPONSORED ACTIVITIES AND ORGANIZATIONS

For non-profit and civic organizations to thrive, they require adequate funding. As a community partner, we are prepared and committed to making regular financial contributions that will scale as our operation ramp up. Just as Canna America committed to significant Community Benefit contributions, so too will On Deck Delivery. This will be memorialized in our development agreement with the City, which our attorney drafted when Canna America went through the process of applying for its distribution license.



We take our community commitments seriously. That is why, our budget also includes these donations. We are not just willing to give when we are extremely successful, but we will support the community from day 1.

Additionally, On Deck is projected to generate \$3.5 million in gross revenue in its first year of operations and \$4.275 million by year 5. That each year, On Deck will generate approximately \$250,000 for the City of La Habra in tax revenue. The tax revenues are not included in our financial projections because the tax is passed on to the consumer.

We also are in communication with the City’s Director of Community Services, Kelly Fujio and City staff to ensure our dollars go to the programs most in need and utilized by City residents. We are eager to expand our impact through On Deck. For example, our contribution to the City of La Habra Community Center will go to entertainment programs for seniors. The donation to the American Legion will help fund a veteran’s commemorative memorial that will highlight and bring awareness to veteran issues.

Lastly, every city has projects which require funding. Whether La Habra wishes to revitalize a specific part of town, increase street trees along City sidewalks, strengthen public safety measures or support the CRCC program, we are ready to commit as partners.

	Year 1	Year 2	Year 3	Year 4	Year 5
Community Benefits Amount:	\$10,000	\$15,000	\$20,000	\$30,000	\$50,000

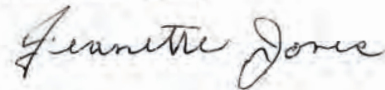
May 27, 2021

Nick DeSimone
Canna America
1000 S. Leslie St.
La Habra, CA 90631

Dear Nick,

The La Habra Host Lions Club would like to thank you for your contribution of \$2,000.00. This donation is very much appreciated. Our Club strives to serve our community and this donation will do so much to help us with that purpose.

With Kindest Regards,



Jeanette Jones

President

La Habra Host Lions

2020-2021

(562) 335-0065

EIN # 20-3251533

Nick DeSimone, Tony DeSimone's brother



*Proudly serving the communities of
La Habra and La Habra Heights*

La Habra Meals On Wheels - 101 W. La Habra Blvd - La Habra, CA 90631 - 562-383-4221
mealsonwheelslahabra@gmail.com - www.lahabramealsonwheels.org -
Tax ID # 23-7452897

Executive Director
Carmen Miller

March 24, 2021

President
Carrie Surich

Tony Desimone
Canna America
1000 S. Leslie St
La Habra, CA 90631

Vice President
Amy Perez

Treasurer
Pam McVicar

Dear Tony,

Secretary
Marie Murillo

La Habra Meals on Wheels would like to thank you for your donation of \$2,000.00. Our service to the community would not be possible without the support of donors such as yourself as we are not funded by any government agency. This donation enables us to continue our program especially in this pandemic when many seniors are forced to remain in their homes.

Trustees
Carolyn Boehringer
James Gomez
Gilbert Saez

**City of La Habra
Advisors**
David DeLeon
Kelli Fujio

Our goal is to help our senior citizens do what most of us want as we age: to maintain dignity and independence for as long as possible by living in their own homes. Without this service many seniors would be forced to be placed in assisted living.

Thank you again for your generosity.

Sincerely,

Carmen Miller
Executive Director

A Volunteer Non-Profit Community Service Providing Home-Delivered Meals Since 1974

LA HABRA COMMUNITY RESOURCE CARE CENTER

A California Non-Profit Association

RECEIVED FORM Canna - America DATE 5/18/2021

ADDRESS _____

CITY _____ STATE _____ ZIP _____ PHONE _____

ITEM(S) \$2000.00 cash donation

NON PROFIT # 33-0098361

SIGNED Karon H. DeHeer
 LA HABRA COMMUNITY RESOURCE CARE CENTER
 350 S. HILL CREST STREET
 LA HABRA, CA 90631

TEL : 562-697-1199

THANK YOU FOR YOUR DONATION — YOUR GIFT IS TAX DEDUCTIBLE

RECEIPT		No. 174305	
DATE <u>6-16-2021</u>			
FROM <u>CANNA AMERICA</u>		\$ <u>2000.00</u>	
<u>Two Thousand 00/100</u>		DOLLARS	
<input type="radio"/> FOR RENT <input checked="" type="radio"/> FOR DONATION			
ACCT.	<input type="radio"/> CASH	FROM _____	TO _____
PAID	<input checked="" type="radio"/> CHECK	BY <u>Ron B...</u>	
DUE	<input type="radio"/> MONEY ORDER		
	<input type="radio"/> CREDIT CARD		
<u>AMERICAN LEGION FINANCE OFFICER</u>			

RECEIPT		No. 976457	
DATE <u>6/15/2021</u>			
FROM <u>Canna America</u>		\$ <u>2000.00</u>	
<u>two thousand dollar 00/100</u>		DOLLARS	
<input type="radio"/> FOR RENT <input type="radio"/> FOR <u>month to City of La Habra Community Ctr.</u>			
ACCT.	<input type="radio"/> CASH	FROM _____	TO _____
PAID <input checked="" type="checkbox"/>	<input type="radio"/> CHECK	BY <u>Sylvia Romo</u>	
DUE	<input checked="" type="radio"/> MONEY ORDER		
	<input type="radio"/> CREDIT CARD		

3. IN KIND DONATIONS: A CREATIVE APPROACH

Due to the impacts of COVID 19, Tony took made sure to support local agencies throughout Orange County, such as the Boys & Girls Club of Stanton, St. Poly Carp and its hospital and the Orange County Sheriff's Department by delivering much needed supplies and masks. We are committed to assisting with donating supplies, back to school items and anything the community needs. Coming from a family that adopted several children throughout the years and having a teacher as a mom, Tony is accustomed to helping however he can. During community and city sponsored donation drives, we will take up collections amongst our staff and encourage others throughout our network to make donations as well.



We also are in communication with the City's Director of Community Services, Kelly Fujio and City staff to ensure our efforts go where the needs arise in the City. We are eager to expand our impact though On Deck.

We will continue to support the nonprofits in La Habra and Orange County through our paid volunteerism program described in [Section 4.1](#) on page. Staff will receive paid time off for completing community service volunteer hours so that we truly integrate with the community in La Habra.

Local Business Partnership Plan

On Deck wholeheartedly believes that supporting and partnering with neighboring businesses as part of our integration plan is the best and most impactful way to spark economic growth in the neighborhood. Our Local Sourcing section further identifies and details the community businesses we will support and hope to partner with.



4. COMMUNITY SUPPORT THROUGH EDUCATION

On Deck is developing an extensive community education program. It will work with organizations such as Orange County NORML to deliver important information about safe and responsible cannabis consumption to La Habra residents. For example, with nearly 13% of La Habra residents being over 65, we think it is high time to take care of our baby boomer population and ensure that the opioid epidemic does not infect the population further. Each month, we will focus on a different community outreach and educational mission. Programs will be held either online or in person at a community center or a location in town.



Month	Educational Program Objective
January	Introduction to Cannabis Consumption: Minimum Effective Dosing
February	Cannabis and Pain Management
March	Strain Types and Terpen Education
April	Diversity, Inclusion and Social Equity (DISE) – What Does it Mean and Why it is Important
May	Law Enforcement and Cannabis – Personal Use and Laws
June	CBD, THC and Other Cannabinoids and their Uses
July	Conversations with Kids about Cannabis and Youth Prevention
August	Cannabis Uses for Veterans
September	Veterans and Cannabis
October	Where Does it Come From? A Look at the California Commercial Cannabis Supply Chain
November	Cannabis, Connecting and Physical Fitness
December	Edibles and Drinks and DIY Recipes: Alternatives to Alcohol



ON DECK

"Proprietary & Confidential Information of The Cisneros Firm and On Deck Delivery, LLC. Not for Publication."

Exhibit D: Map

Objector – Daniel Siapin/Precision Landscape
940 S Leslie Street: **IS NOT 2 DOORS DOWN FROM ON DECK**
Daniel is concerned that delivery cannabis will “bring the ‘riff-raff’ to the neighborhood.”

Objector – Ross Hanson/Fix Auto La Habra
920 S Leslie
He is concerned that there will be onsite customers. Thinks that delivery cannabis will increase crime and traffic.

Objector – Ray Surley/Plastic Tops, Inc.
511-521 Jamie
Worried about parking, congestion and crime based on stigma against cannabis

Objector-Sam Silva of Lucas Builders
510 Jamie Ave.
He is concerned about his kids' safety and increased traffic at the business
Complained of burn outs on the street, unrelated to this project or Canna America

On Deck Delivery
1000 S Leslie Ave, Suite D

Essential Roots Delivery
441 E Imperial Hwy

Objector – James Turner
James Turner lives at 421 E Parkwood.
He complained that the site is too close to his backyard. He is concerned that there will be gunfire at the facility that may reach his backyard/house.



Exhibit E: Site Plan

ON DECK DELIVERY, LLC

PROPERTY DIAGRAM

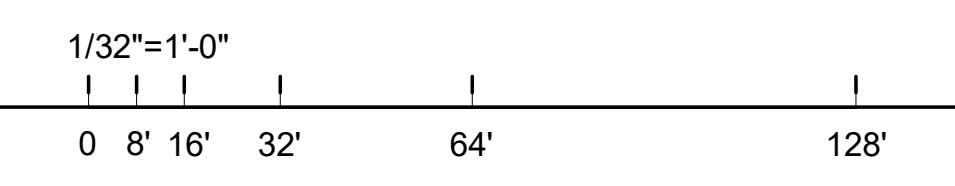
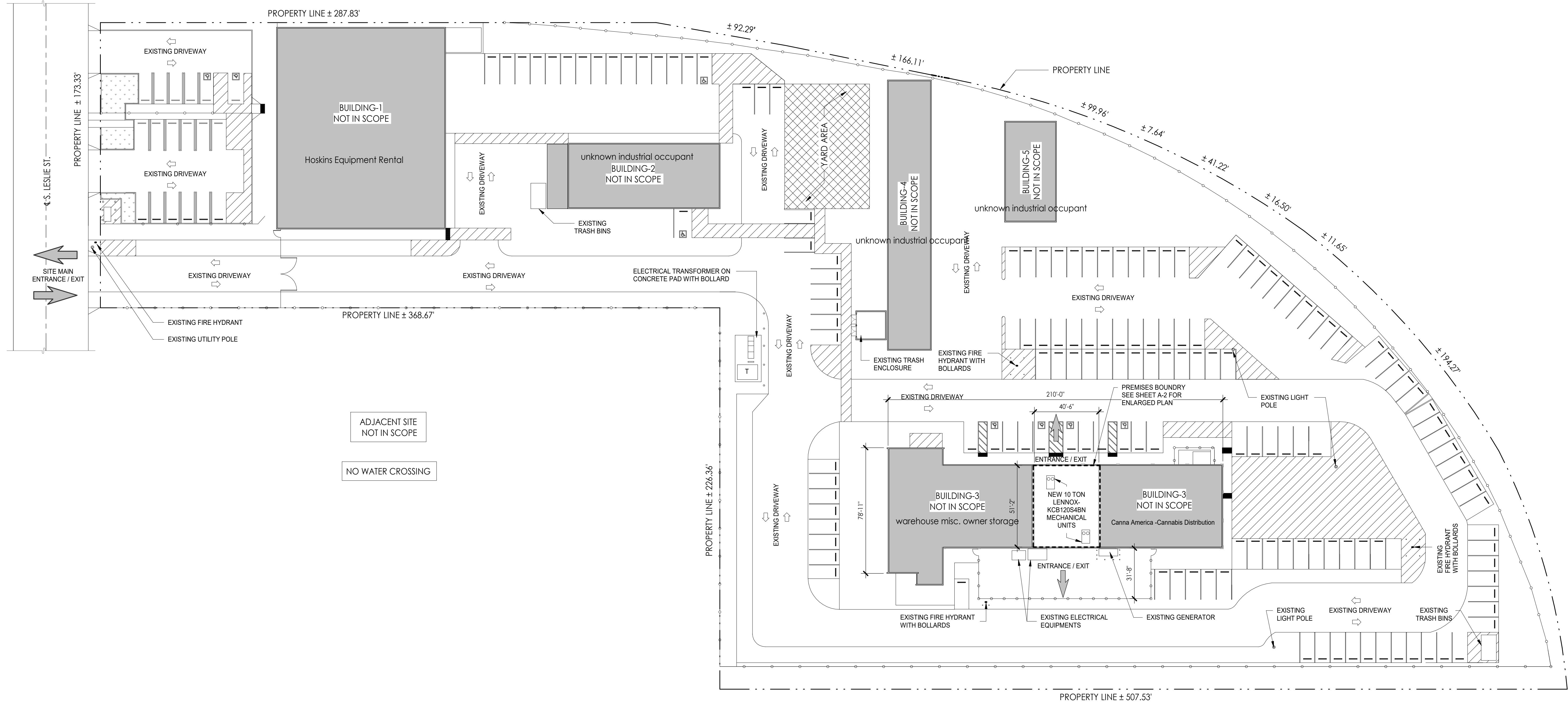
1000 S. LESLIE STREET
LA HABRA, CA 90631
APN: 019-111-67

CONSULTANT

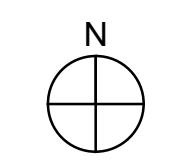
STAMP

THIS DOCUMENT, WHICH INCORPORATES THE DESIGN CONCEPTS, DRAWINGS AND SPECIFICATIONS IS THE PROPERTY AND COPYRIGHT OF WE ARCHITECTS GROUP AND SHALL NOT BE USED IN WHOLE OR IN PART ON ANY OTHER WORK EXCEPT BY AGREEMENT WITH WE ARCHITECTS GROUP

ON DECK DELIVERY, LLC
PREMISES DIAGRAM
1000 S. LESLIE STREET
LA HABRA, CA 90631



ADJACENT SITE NOT IN SCOPE



PROPERTY DIAGRAM

SCALE: 1/32" = 1'-0" 1

DATE	REMARKS
04/15/2021	PREMISES DIAGRAM
06/16/2021	PREMISES DIAGRAM

PAJ/PM:	A.KAWAYEH
DRAWN BY:	HANI.M
JOB NO.:	21-013

A-1

06/16/2021 - PREMISES DIAGRAM

On Deck Delivery
1000 S Leslie Street, Suite D
La Habra, CA 90631

July 7, 2022

James Turner
421 E Parkwood
La Habra, Ca 90631

Dear Mr. Turner,

Re: Cannabis Delivery at 1000 S Leslie Street

My name is Anthony DeSimone, a local resident, born and raised here in La Habra. I currently own and operate Canna America Distribution located at 1000 S. Leslie Street in La Habra, just down the street. I recently applied for one of the 4 delivery retail licenses the city made available after the residents of La Habra voted to allow cannabis delivery in the City, specifically in the M1 district where our business is located.

I understand this came as quite a shock to you, which was neither my, nor the City's intent. The truth is, I have been quietly operating my business in the back of the property for over a year now, and you probably never noticed or had any idea there was a cannabis company located just down the street. Respectfully, that is the point. When La Habra allowed cannabis distributors to operate in La Habra back in 2018, the goal was to have them out of sight and out of mind. I think we have done a pretty good job at keeping a low profile.

I want you to know that we are a true Mom 'N Pop shop. My parents, Mom and Dad, sister and girlfriend all work at the facility. I would never put my family in harm's way, so you can rest assured I will never put yours in harm's way either.

Our deep roots in the community are reflected through the care, methodologies, processes and precision provided through our services. Whether it is dressing up as the renowned Citrus Fair's star mascot or volunteering time to the senior community through Meals on Wheels, Canna America has remained committed to giving back to the community it has so lovingly grown from. Reflecting our kindred values, each packaged product is carefully prepared here as it would be for a dear family member throughout its entire process.

In 2020, over 67% of the voters in La Habra voted to allow cannabis delivery retail establishments by voting in favor of Measure W. I understand the words “nonstorefront retail” or “delivery only retail” can be a bit of a misnomer. There is no storefront or access by the public. Quite to the contrary, we will be just as quiet during our deliveries as we are during our distribution activities. There will be no one coming and going other than our six delivery drivers and the occasional vendor, similar to your business.

I understand some people spoke up at the Planning Commission hearing, fearing for their safety. I wanted to reach out and provide you with my direct contact information so that if you should ever discover a problem, morning, noon or night, you can call, email or text me right away. Evidence has shown that crime actually goes down when cannabis businesses enter a community. This is because of the enormous amount of regulations applicable to cannabis businesses.

The On Deck delivery service is set to be next door to Canna America Distribution and will operate in a similar manner where safety towards the community, neighbors, family and friends is of the utmost importance. A 24-hour armed guard will always be onsite to monitor the location that resides in the city that I was born and raised in.

I also want to address the concern over increased traffic. I think there was a misunderstanding at the Planning Commission hearing when Ms. Sonya Lui, the Economic Development Director indicated we expect 160 deliveries per day. While that is our goal, it is important to understand that our drivers will start out with a “pack” each day, so that they can be dispatched from the field without returning back to the premises on Leslie every transaction. We expect to have 6 delivery drivers once we are full swing, but we will likely have 2 delivery drivers to start. We will have no more than 12 employees working each day, including the delivery drivers

At no point would consumers come to the facility to make a purchase onsite. Despite scoring the highest on the cannabis application with a score of 99.6%, we were the *only* company to not be approved for licensing.

The three other companies were approved under planning, one of which is located around the corner from our intended location. It is important to note that we are the only company operating under a distribution license who applied for the delivery license, pay tax dollars to the community, have deep roots in the community, and consistently give back to the

James Turner
July 7, 2022
Page 3 of 3

community. When you have the time, I would like to extend an invitation to you to visit and tour the facility, meet me in person and see for yourself what Canna America and our brand is all about.

Enclosed with this letter, are select excerpts from my application that was used to secure the permit I am seeking. The City designed a fair and neutral, objective process. We submitted our application based on the guidelines from the City and scored a 99.6% on our written application, proving that we have what it takes to compliantly and safely operate this business. While I cannot include a lot of what is contained in the application, due to safety, security and proprietary concerns, I did attach the letters from established security and safety consultants who have worked in law enforcement and safety for decades.

Sincerely,

A handwritten signature in blue ink, appearing to read 'Anthony DeSimone', is written over a light blue rectangular background.

Anthony DeSimone
President
On Deck Delivery

On Deck Delivery
1000 S Leslie Street, Suite D
La Habra, CA 90631

July 7, 2022

Ross Hanson
Fix Auto La Habra
920 S Leslie St.
La Habra, Ca 90631

Dear Mr. Hanson,

Re: Cannabis Delivery at 1000 S Leslie Street

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Ross Hanson
July 7, 2022
Page 3 of 3

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Anthony DeSimone
President
On Deck Delivery

On Deck Delivery
1000 S Leslie Street, Suite D
La Habra, CA 90631

July 7, 2022

Ray Surley
Plastic Tops, Inc.
521 Jamie Ave
La Habra, Ca 90631

Dear Mr. Surley,

Re: Cannabis Delivery at 1000 S Leslie Street

My name is Anthony DeSimone, a local resident, born and raised here in La Habra. I currently own and operate Canna America Distribution located at 1000 S. Leslie Street in La Habra, just down the street. I recently applied for one of the 4 delivery retail licenses the city made available after the residents of La Habra voted to allow cannabis delivery in the City, specifically in the M1 district where our business is located.

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Ray Surley
July 7, 2022
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Anthony DeSimone
President
On Deck Delivery

On Deck Delivery
1000 S Leslie Street, Suite D
La Habra, CA 90631

July 7, 2022

Sam Silva
Lucas Builders, Inc.
510 Jamie Ave
La Habra, Ca 90631

Dear Mr. Silva,

Re: Cannabis Delivery at 1000 S Leslie Street

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Sam Silva
July 7, 2022
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Anthony DeSimone
President
On Deck Delivery

On Deck Delivery
1000 S Leslie Street, Suite D
La Habra, CA 90631

July 7, 2022

Daniel Siapin
Precision Landscape
940 S Leslie St
La Habra, Ca 90631

Dear Mr. Siapin,

Re: Cannabis Delivery at 1000 S Leslie Street

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Daniel Siapin
July 7, 2022
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Sincerely,

A handwritten signature in blue ink, appearing to read 'Anthony DeSimone', with a long horizontal flourish extending to the right.

Anthony DeSimone
President
On Deck Delivery