

# Mono County Community Development Department

PO Box 347  
Mammoth Lakes, CA 93546  
(760) 924-1800, fax 924-1801  
commdev@mono.ca.gov

## Planning Division

PO Box 8  
Bridgeport, CA 93517  
(760) 932-5420, fax 932-5431  
[www.monocounty.ca.gov](http://www.monocounty.ca.gov)

## COMMERCIAL CANNABIS ACTIVITY USE PERMIT INFORMATION

### INTRODUCTION:

A Use Permit is a discretionary permit issued by the Planning Commission, typically for uses that may be compatible with surrounding land uses under certain conditions but which are not listed as permitted uses in the land use designation. After holding a public hearing to receive input and comment, the Planning Commission sets conditions or standards, makes the required Use Permit “findings,” and issues Use Permits.

### Findings:

- A. All applicable provisions of the Land Use Designations and Land Development Regulations are complied with, and the site of the proposed use is adequate in size and shape to accommodate the use and to accommodate all yards, walls and fences, parking, loading, landscaping and other required features.
- B. The site for the proposed use relates to streets and highways adequate in width and type to carry the quantity and kind of traffic generated by the proposed use.
- C. The proposed use will not be detrimental to the public welfare or injurious to property or improvements in the area in which the property is located.
- D. The proposed use is consistent with the map and text of this General Plan and any applicable area plan.

The timeframes for processing Use Permits depends on the level of environmental review required and the press of County business. Projects that are Categorically Exempt under the California Environmental Quality Act can be processed in one or two months, while those requiring a Negative Declaration or Environmental Impact Report will take longer. The average Use Permit can be processed in three months.

### APPLICATION PACKET SHALL INCLUDE:

- Completed application form.
- Completed Project Information form or Expanded Environmental Submittal for larger projects (three bound copies and one unbound copy for reproduction).
- Environmental Processing & Review agreement.
- Title/Deed of property or Property Owner’s consent with rental agreement.
- General description of the nature, size, and type of activity
- Vicinity map
- Site plot plans meeting the requirements of the attached plot plan guidelines. Three full-size copies (blueprints). Applicants of larger projects may be required to submit additional full-size copies.
- Elevations or flat scale drawings of the proposed project. Three full-size. Applicants of larger projects may be required to submit additional full-size sets, if applicable.
- Floor plans of the proposed project. Three full-size sets, no larger than 11" x 17". Applicants of larger projects may be required to submit additional full-size sets.
- Odor Mitigation Plan
- Sign Plan
- Visual Screening Plan
- Lighting Plan
- Parking Plan

- Fire Prevention Plan
- Additional plan copies may be submitted electronically.
- Project processing deposit: See Development Fee Schedule for Use Permit.
- Environmental Review (CEQA): See Development Fee Schedule for Categorical Exemption, Negative Declaration, and Environmental Impact Report (deposit for initial study only).

**APPLICATION REVIEW PROCEDURE:**

- A. **Preapplication review at Land Development Technical Advisory Committee (LDTAC).**  
Preapplication review can be requested by staff or the applicant for larger projects, or projects that may generate significant public controversy, or to receive preliminary feedback from multiple County departments, starting July 2018. LDTAC meetings are optional but recommended.
- B. **Application packet submitted** to the Planning Division.
- C. **Staff review of application packet.** An application must be substantially complete to initiate a preliminary review. If not substantially complete, the application will not be accepted and will be returned to the applicant with a written notice of deficiencies. The applicant may correct the deficiencies and resubmit the application.
- D. **Complete application packet.** The packet will be sent for review by local and state agencies, and a Land Development Technical Advisory Committee (LDTAC) meeting will be scheduled for the application to be accepted and a formal completeness determination will be made. The LDTAC consists of representatives from County departments with an interest in the application. The preparation of a Planning Commission staff report, and environmental document will also commence.

Further LDTAC meetings for review of projects requiring a Negative Declaration or EIR, are scheduled a minimum of four weeks after a complete project application is accepted. Projects that are Categorically Exempt may be scheduled sooner. Generally, projects requiring the preparation of a Negative Declaration or Environmental Impact Report will take longer to process. Board of Supervisors' Minute Order 83-1154 requires the Planning Division to give local fire districts at least 20 days to review and comment on projects. After the initial review period, LDTAC meetings are held to examine comments and concerns of local, state and federal agencies.

- E. **LDTAC review of project.** The LDTAC will review with the applicant the staff report with conditions of approval, comments from other agencies and the environmental document. A Planning Commission hearing will be scheduled following the LDTAC review meeting(s).

Due to public review and noticing requirements, most Planning Commission public hearings will not be scheduled for at least two weeks after the last LDTAC meeting.

- F. **Final Staff Report and environmental document.** A final staff report and, if applicable, environmental documentation will be sent to the Planning Commission and the applicant one week prior to the public hearing.
- G. **Planning Commission public hearing.** Following a staff presentation and any public testimony, the Planning Commission will make a determination in accordance with the California Environmental Quality Act (CEQA) and then take action on the proposed project. It may: 1) deny; 2) approve; 3) approve with conditions or modifications; or 4) continue the hearing to receive additional input.

The applicant's attendance at the hearing is strongly encouraged in order to provide commissioners with additional information and to answer questions. Unless it is appealed to the Board of Supervisors, the Planning Commission's decision is usually the last administrative action.

- H. **Appeal of the Planning Commission's decision.** The applicant or other interested parties may appeal the Planning Commission's decision to the Board of Supervisors. A completed appeal application with accompanying fees must be filed with the Planning Division within 10 calendar days of the date of the Planning Commission's decision.

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**COMMERCIAL CANNABIS ACTIVITY  
USE PERMIT  
APPLICATION**

APPLICATION # _____ FEE \$ _____
DATE RECEIVED _____
RECEIPT # _____ CHECK # _____ or CASH <input type="checkbox"/>
RECEIVED BY _____

**APPLICANT/AGENT** Cory Zila

ADDRESS PO Box 7033 CITY/STATE/ZIP Mammoth Lakes, CA 93546

TELEPHONE ( 760 ) 647-0454 E-MAIL tiogagreen@gmail.com

**PROPERTY OWNER**, if other than applicant Sierra Spectrum, LLC C/O Cory Zila

ADDRESS PO Box 7033 CITY/STATE/ZIP Mammoth Lakes, CA 93546

TELEPHONE ( 760 ) 647-0454 E-MAIL sierraspectrumLLC@gmail.com

Copy of Title or Deed

OR

Signed statement of consent and a copy of the rental agreement

**PROPERTY DESCRIPTION:**

Assessor's Parcel # 021-080-022-000 General Plan Land Use Designation Commercial

**TYPE OF ACTIVITY** (check all intended use on the property):

- |  |   |  |                                       |
|--|---|--|---------------------------------------|
| <input type="checkbox"/> Nursery                   | <input type="checkbox"/> Cultivation          | <input type="checkbox"/> Processing                                      | <input type="checkbox"/> Distribution |
| <input type="checkbox"/> Manufacturing Type N or P | <input type="checkbox"/> Manufacturing Type 6 | <input type="checkbox"/> Manufacturing Type 7                            |                                       |
| <input type="checkbox"/> Testing                   | <input checked="" type="checkbox"/> Retail    | <input type="checkbox"/> Microbusiness (check all activities that apply) |                                       |
| <input type="checkbox"/> Other _____               |   |  |                                       |

**PROPOSED USE:** Describe the proposed project in detail, attaching additional sheets if necessary. NOTE: An incomplete or inadequate project description may delay project processing and/or require additional staff time to write or refine the description.

Adult use cannabis retail dispensary operating within existing building. See attached business plan and other plans for additional information on project development and operations.

Will the activity take place in an existing structure?  YES  NO  N/A  
If NO, have you applied for a Building Permit?  YES  NO

**WATER CONSERVATION MEASURES:** Describe water conservation measures, water capture systems, grey water systems or other measures to be incorporated to minimize use of water where feasible.

Water Use will be minimal as the only water requirements are for restroom and general cleaning as well as minimal watering for landscaping for trees and decorative plants.

**ATTACHMENTS:** The following documents are **required** for this application to be deemed complete:

- Vicinity Map
- Site Plan
- Floor Plan
- Odor Mitigation Plan
- Sign Plan
- Visual Screening Plan
- Lighting Plan
- Parking Plan
- Fire Prevention Plan
- Documentation for any "fixed noise sources"

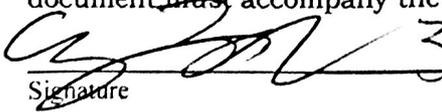
**DISTRIBUTION**

- Storage and handling plans

**TESTING FACILITY**

- Certificate of accreditation from approved accrediting body

I CERTIFY UNDER PENALTY OF PERJURY THAT I am:  legal owner(s) of the subject property (any person having an ownership interest in the property must sign,  corporate officer(s) empowered to sign for the corporation, or  owner's legal agent having Power of Attorney for this action (a notarized "Power of Attorney" document must accompany the application form), AND THAT THE FOREGOING IS TRUE AND CORRECT.

 3/10/19  
Signature Date

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

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**USE PERMIT PROJECT INFORMATION**

(To be completed by applicant or representative)

NOTE: Please answer all questions as accurately and completely as possible to avoid potential delays in processing. Attach additional sheets if necessary.

**I. TYPE OF PROJECT (check any permit(s) requested):**

- Director Review    Use Permit    Lot Line Adjustment    Land Division (4 or fewer)  
 Subdivision    Specific Plan    Variance    General Plan Amendment  
 Commercial Cannabis    Other \_\_\_\_\_

APPLICANT Cory Zila

PROJECT TITLE Tioga Green (Adult Use Cannabis Retail Dispensary)

LOT SIZE (sq. ft./acre) 0.83 acres      ASSESSOR'S PARCEL # 021-080-022-000

PROJECT LOCATION 51005 US Hwy 395, Lee Vining, CA 93541

Has your project been described in detail in the project application?   Yes    No

Please Specify:

- EXISTING       PROPOSED

Number of Units \_\_\_\_\_ Building Height/# of floors 1.5 floors

Number of Buildings 1      Density (units/acre) 1

Total lot coverage/impervious surface (sq. ft. & %) 65%

a. Buildings (first-floor lot coverage /sq. ft. & %) 690 sq. ft.

b. Paved parking & access (sq. ft. & %) 60%

Landscaping/screening and fencing:

a. Landscaping (sq. ft. & %) 10%

b. Undisturbed (sq. ft. & %) 35%

Total parking spaces provided:

a. Uncovered 19

b. Covered 0

c. Guest/Handicapped 2

**II. SITE PLAN**

Are all existing and proposed improvements shown on the Plot Plan (see attached Plot Plan Requirements)?   Yes    No

**III. ENVIRONMENTAL SETTING**

Use one copy of the Tentative Map or Plot Plan as needed to show any necessary information. Attach photographs of the site, if available.

1. VICINITY MAP:

Attach a copy of assessor's parcel pages or a vicinity map showing the subject property in relation to nearby streets and lots or other significant features.

2. EXISTING DEVELOPMENT:

Vacant  If the site is developed, describe all existing uses/improvements such as structures, roads, etc. Does the Plot Plan show these uses? Yes  No

Existing 690 sq.ft. building on property including water, power, and sewer. Easements and right of ways for SCE power lines and Hwy 395 exist. Parking lot paving, signage, and a storage shed are proposed.

3. ACCESS/CIRCULATION:

Name of Street Frontage(s) US Hwy 395 (Frontage), Access via Utility Road (Paved) to property (existing dirt to be paved)  
Paved  Dirt  No existing access

Are there any private roads, drives or road easements on/through the property?

Yes  No

Has an encroachment permit been submitted to Public Works or Caltrans? Yes  No

Does the property have any existing driveways or access points? Yes  No

Are any new access points proposed? Yes  No

Does the Plot Plan show the driveways or access points? Yes  No

Describe the number and type of vehicles associated with the project personal vehicles (public and employee)

4. ADJACENT LAND USES:

A. Describe the existing land use(s) on adjacent properties. Also note any major man-made or natural features (i.e., highways, stream channels, number and type of structures, etc.).

LAND USE

LAND USE

North US Hwy 395 & Vacant Land (OS)-SCE South vacant land (Open Space) - SCE

East US HWY 395 & SCE Substation (OS) West vacant land (Open Space) - SCE

B. Will the proposed project result in substantial changes in pattern, scale or character of use in the general area? Yes  No  If YES, how does the project propose to lessen potential adverse impacts to surrounding uses? \_\_\_\_\_

5. SITE TOPOGRAPHY:

Is the site on filled land? Yes  No  Describe the site's topography (i.e., landforms, slopes, etc.) \_\_\_\_\_

The site is mostly flat and flat to the south, north, and east, and there is a slope up from the graded area on the western side

6. DRAINAGES:

A. Describe existing drainage ways or wetlands on or near the project site (i.e., rivers, creeks and drainage ditches 12" or deeper and/or within 30' of the property) There are no drainages or wetlands within 30' of the property. Lee Vining Creek is located 321' south on SCE property

B. Are there any drainage easements on the parcel? Yes  No

C. Will the project require altering any streams or drainage channels? Yes  No  If YES, contact the Department of Fish and Game for a stream alteration permit. IF YES TO ANY OF THE ABOVE, show location on plot plan and note any alteration or work to be done within 30 feet of the stream or drainage.

7. VEGETATION:

A. Describe the site's vegetation and the percentage of the site it covers (map major areas of vegetation on the Plot Plan) The disturbed portion of the site is mostly free of vegetation and will be paved or landscaped or left as is. The western slope has native shrub vegetation and will remain.

B. How many trees will need to be removed? 0

C. Are there any unique, rare or endangered plant species on site? Yes  No

D. Has the site been used for the production of agricultural crops/trees or grazing/pasture land in the past or at the present time? Yes  No

E. Is landscaping/planting of new vegetation proposed? Yes  No

8. WILDLIFE:

- A. Will the project impact existing fish and wildlife? Yes  No

Describe existing fish and wildlife on site and note any proposed measures (if any) to avoid or mitigate impacts to fish and wildlife \_\_\_\_\_  
\_\_\_\_\_

- B. Are there any unique, rare or endangered animal species on site? Yes  No

9. CULTURAL RESOURCES:

- A. Are there any cemeteries, structures or other items of historical or archaeological interest on the property? Yes  No  Specify \_\_\_\_\_  
\_\_\_\_\_

10. SITE GRADING:

- A. Will more than 10,000 square feet of site area be cleared and/or graded?

Yes  No  If YES, how much? \_\_\_\_\_

- B. Will the project require any cuts greater than 4' or fills greater than 3'? Yes  No

- C. Will the project require more than 200 cubic yards of cut or fill? Yes  No  If YES, how much? \_\_\_\_\_  
If YES to A, B or C, contact the Department of Public Works for a grading permit.

- D. Will site grading of 10% or more occur on slopes? Yes  No

- E. Note any measures to be taken to reduce dust, prevent soil erosion, or the discharge of earthen material off site or into surface waters parking lot paving will conform with construction standards and SWPPP requirements  
\_\_\_\_\_

11. AIR QUALITY:

- A. Will the project have wood-burning devices? Yes  No  If YES, how many? \_\_\_\_\_

- B. What fuel sources will the proposed project use? Wood  Electric  Propane/Gas

- C. Will the proposal cause dust, ash, smoke, fumes or odors in the vicinity? Yes  No

12. VISUAL/AESTHETICS:

- A. How does the proposed project blend with the existing surrounding land uses?

Existing building has natural wood and rock exterior features. Signage will blend similarly with neutral colors/natural textures. New shed will conform similarly.  
\_\_\_\_\_

- B. How does the proposed project affect views from existing residential/commercial developments, public lands or roads? Addition of signs and lighting will draw attention to the building but will not detract from the existing character of the area.  
\_\_\_\_\_

- C. If outdoor lighting is proposed, describe the number, type and location Please see Lighting Plan. Lighting will conform with Mono Co Lighting/Dark Sky Regulations.  
\_\_\_\_\_

13. NATURAL HAZARDS:

- A. Is the site known to be subject to geologic hazards such as earthquakes landslides, mudslides, ground failure, flooding, avalanche or similar hazards? Yes  No  (Circle applicable hazard[s]).

- B. Will any hazardous waste materials such as toxic substances, flammables or explosives be used or generated? Yes  No

- C. Does the project require the disposal or release of hazardous substances? Yes  No

- D. Will the project generate significant amounts of solid waste or litter? Yes  No

- E. Will there be a substantial change in existing noise or vibration levels? Yes  No

If YES to any of the above, please describe \_\_\_\_\_

14. OTHER PERMITS REQUIRED:

List any other related permits and other public approvals required for this project, including those required by county, regional, state and federal agencies:

- Commercial Cannabis Operation Permit *County Planning Division*

- Encroachment Permits from *Public Works or Caltrans*.
- Stream Alteration Permit from *Department of Fish and Game*
- 404 Wetland Permit from *Army Corps of Engineers*
- Grading Permit from *Public Works*
- Building Permit from *County Building Division*
- Well/Septic from *County Health Department*
- Timber Land Conversion from *California Department of Forestry*
- Waste Discharge Permit from *Lahontan Regional Water Quality Control Board*
- Other \_\_\_\_\_

**IV. SERVICES**

1. Indicate how the following services will be provided for your project and the availability of service.  
 Electricity Existing Overhead SCE Service

Underground  Overhead  (Show location of existing utility lines on Plot Plan)

Road/Access Existing Road/vehicle access from Utility Road via driveway

Water Supply Existing service from Lee Vining PUD

Sewage Disposal Existing service from Lee Vining PUD

Fire Protection Lee Vining Volunteer Fire Protection District

School District Eastern Sierra Unified School District

2. If an extension of any of the above is necessary, indicate which service(s), the length of extension(s), and the infrastructure proposed \_\_\_\_\_

**CERTIFICATION:** I hereby certify that I have furnished in the attached exhibits the data and information required for this initial evaluation to the best of my ability, and that the information presented is true and correct to the best of my knowledge and belief. I understand that this information, together with additional information that I may need to provide, will be used by Mono County to review the proposed project in compliance with state and local law.

Signature 

Date 3/10/19

For \_\_\_\_\_

NOTE: Failure to provide any of the requested information will result in an incomplete application and thereby delay processing.

**AGREEMENT FOR THE PROVISION OF PROJECT EVALUATION,  
ENVIRONMENTAL REVIEW, AND PROCESSING SERVICES**

**INTRODUCTION**

**WHEREAS**, Tioga Green C/O Cory Zila (hereinafter referred to as "Applicant") proposes to engage in the following activities in Mono County: Operating an Adult Use Retail Cannabis Dispensary at 51005 US Hwy 395, Lee Vining, CA 93546 within existing building. A paved parking lot, lighting, signage, and a storage shed will be added.

(The activities proposed by Applicant are hereinafter referred to as the "Project.")

**WHEREAS**, the Mono County Code, General Plan, policies, regulations, and/or state laws or regulations require(s) that Applicant obtain the following permit(s) or other discretionary approval(s) from the Mono County Planning Commission, Board of Supervisors, or other County department or agency before Applicant may implement the proposed Project: Use Permit, Cannabis Operation Permit issued pursuant to Mono County Code Chapter 5.60 (list other, as required) \_\_\_\_\_ (hereinafter "the Discretionary Approval(s)").

**WHEREAS**, Applicant has applied or will apply to the Mono County Community Development Department for the above-referenced discretionary approval(s) for the proposed Project.

**WHEREAS**, pursuant to the Mono County Code, General Plan, policies, regulations, and/or state laws or regulations, the Planning Commission, Community Development Department, Public Works Department, Environmental Health Department, Sheriff and/or the Board of Supervisors (the "Decision Maker(s)") have the responsibility for determining whether the discretionary approval(s) being sought by Applicant may be issued for the proposed project. The Decision Maker(s) also have responsibility for the County's compliance with the California Environmental Quality Act ("CEQA") in regard to the project application.

**WHEREAS**, County has determined that the Project may be subject to CEQA and thus that appropriate reports and documentation may need to be prepared, completed, and certified in compliance with CEQA before the Decision Maker(s) may consider the project application and the discretionary approval(s) being sought for the proposed Project.

**WHEREAS**, County may find it necessary or desirable to enter into contracts with independent contractors (hereinafter "Contractor or Contractors") to assist the County in the evaluation of the proposed Project and in the preparation of the CEQA reports and documentation.

**WHEREAS**, this Agreement sets forth the understanding between the Parties as to the roles and responsibilities of the Parties in evaluating the proposed Project, in processing the application(s) for the Discretionary Approvals, in preparing CEQA documentation, in retaining Contractors, and for payment by Applicant to County of all costs incurred by County in conducting these activities.

**TERMS AND CONDITIONS**

**1. TERM.**

The term of this Agreement shall commence on \_\_\_\_\_. This Agreement shall terminate sixty (60) days from the final action (including any appeal to another County Decision Maker) being taken by the Decision Maker(s) either granting or denying the Discretionary Approval(s). The date of termination shall be sixty (60) days from the effective date of the final decision. Notwithstanding the foregoing, the obligation of the Applicant to defend, indemnify, and hold the County harmless, as provided in paragraph 8 of this Agreement, shall survive such termination. This Agreement may be sooner canceled or terminated as provided below.

**2. SCOPE OF WORK.**

The County shall perform the following services and work:

- evaluate the environmental impacts of the proposed Project;
- evaluate any other impacts or aspects of the Project pertinent to the County's evaluation of the proposed Project;

- evaluate the proposed Project's compliance with state and local law;
- prepare CEQA reports and documentation that address and analyze the proposed Project, including an Environmental Impact Report if deemed appropriate by the County;
- determine whether to approve the discretionary approval(s) sought with respect to the proposed Project.

**3. PERFORMANCE OF WORK.**

- A. Use of Employees and Contractors. County may perform work and services under this Agreement either by its own employees, or by using one or more Contractors retained by the County. County will have such work or services performed by employees or Contractors who are qualified to, and capable of, doing such work. County will determine which employee(s) and Contractors are qualified and capable to perform the work and services under this Agreement. Applicant has no right to designate, or require work or services to be performed by a particular County Department, class of County employee, specific County employee(s), or by Contractors. County need not obtain Applicant's approval prior to or after incurring any travel and/or per diem, or overtime expenses in performing work or services under this Agreement. Services and work provided by the County under this Agreement will be performed by County employees or Contractors in a manner consistent with the requirements and standards established by applicable federal, state, and County laws, County Codes, regulations, and resolutions. Such laws, County Codes, regulations, and resolutions include, but are not limited to, those referred to in this Agreement.
- B. Selection of Contractors. County shall notify Applicant in advance of retaining a Contractor to perform services in regard to the proposed Project. Any Contractor who has not already been retained by the County to perform services in regard to the proposed Project shall be selected in a manner consistent with the guidelines set forth in the Mono County Environmental Handbook or may be selected utilizing an alternative procedure mutually acceptable to the parties hereto that is in compliance with County and other applicable law. The Mono County Community Development Director shall determine whether the Contractor, who will assist the County in the preparation of the CEQA reports and documentation, shall be selected in a manner consistent with the guidelines set forth in the Mono County Environmental Handbook or shall be selected through an alternative procedure. The Community Development Director shall also determine the selection procedure that will be employed with regard to retention of the services of any other Contractor for the purpose of assisting their respective Departments in performing other work required by the County Code or other applicable County or state laws, regulations, or policies.
- C. General Provisions Pertaining to Contracts.
- (1) Any contract between the County and a Contractor shall prohibit the Contractor from assisting in the preparation of engineering plans and/or construction designs for the proposed Project. No Contractor retained by the County shall have any financial or economic interest in the Community Development, design, construction or operation of the proposed Project. Prior to the execution of the contract(s) between the County and a Contractor, the Contractor shall execute a statement of financial interest that states that the Contractor has no financial or other interest in the outcome of the Project.
  - (2) Any contract between the County and a Contractor shall require that the Contractor procure and maintain insurance for the protection and benefit of the Parties. Prior to the selection of a Contractor, the County will provide Applicant with its minimum insurance requirements for the contract.
  - (3) Any contract between the County and a Contractor shall provide that the Contractor may only employ a subcontractor after receipt of prior approval by the County.
  - (4) Any contract between the County and a Contractor shall provide that any subcontractor to be hired by the Contractor shall be required to furnish a statement of financial interest to the Contractor that states that the subcontractor has no financial or economic interest in the Community Development, design, construction or operation of the proposed Project. The Contractor shall be required to submit this statement to the County prior to the retention of the subcontractor.

- (5) County shall have authority to suspend work and to suspend payments to any Contractor if the contract work is not performed in a professional, cost effective and generally satisfactory manner. Any suspension of a Contractor for these reasons shall be in the form of a written notice concurrently provided to Applicant and the Contractor.

4. **COUNTY COSTS, CONTRACTOR COSTS AND CONSIDERATION.**

- A. Amount of payment for services and work performed by County Employees. Applicant shall pay all County costs for all services and work performed by County employee(s) under this Agreement. The County's costs for these services and work shall be the sum of the following: (1) Employee Costs, (2) Travel Costs, and (3) Special Costs incurred by the County, as defined and described more fully below:
  - (1) Employee Costs. Employee Costs shall be the County's actual costs of providing employees who provide work or services under this Agreement, including their hourly rates of pay (or pro rata portion of salary), fringe benefits, overtime (if applicable), and indirect costs such as overhead. Costs billed to Applicant shall be based on the hours that are actually spent by County employees performing such work or services, rounded up or down to the nearest fifteen minutes.
  - (2) Overtime. Where the circumstances of the services and work provided under this Agreement require a County employee to work in excess of eight (8) hours per day or 40 hours per week (in the case of an 8 hour per day employee), or 7 hours per day or 35 hours per week (in the case of a seven hour per day employee), and County is obligated by law or contract to compensate the employee for such work at a rate of one and one half (1 1/2) times their hourly rate of pay (hereinafter referred to as "overtime"), the hourly rate of pay for such overtime hours worked under this Agreement, used for purposes of determining Employee Costs, will be one and one half (1-1/2) times the employee's hourly rate of pay.
  - (3) Travel Costs. Travel and per diem costs shall be the actual costs incurred by the County when an employee travels and/or incurs per diem expenses in performing work under this Agreement. Actual costs to the County will be determined by the County policy then in effect that establishes travel and per diem reimbursement rates for County employees.
  - (4) Special Costs. Special costs are those costs incurred by the County that have been approved in advance by Applicant for the purchase of particular specialized equipment, supplies, tools and materials used by County in performing work or services under this Agreement.
- B. Amount of Payment for Services and Work Performed by Contractors. Applicant shall pay all of the County's costs for any Contractor retained by the County to perform services or work under this Agreement. The County's costs for these services and work shall be the actual cost to the County for the services and work.
- C. Project Fund. County shall establish a Project Fund (hereinafter referred to as "Project Fund") to administer all funds provided by Applicant to County pursuant to this Agreement: All costs incurred by County that arise from this Agreement will be paid from the Project Fund. Any money deposited in the Project Fund shall be used for no purpose other than the payment of these costs; however, within sixty days following the termination of this Agreement, and after payment has been made of all outstanding costs incurred by the County, any funds remaining in the Project Fund will be returned to Applicant. Applicant shall not be entitled to any interest on funds deposited and held in the Project Fund, nor shall County have any obligation to invest said funds on behalf of the Applicant. Nevertheless, in the event that the County itself actually earns any interest on such funds in its possession that can be reasonably traced or attributed to those funds, it shall, to the extent both legally permissible and reasonably practicable for the County Auditor-Controller's office, use its best efforts to pass said earned interest through to the Applicant by depositing or crediting it to the Project Fund. The Mono County Community Development Director, or his or her designee, shall be responsible for insuring that all payments from Project Fund are made in the appropriate time and manner.

- D. Initial Deposit/Payments to County and Contractors. Within 15 days after the effective date of this Agreement, Applicant shall deposit with the County the sum of \$\_\_\_\_\_. County shall immediately deposit the funds into the Project Fund. Thereafter, between the first and tenth day of each succeeding month, County shall transfer to itself from the Project Fund an amount equal to any costs (plus overhead) incurred by the County from the first day of the preceding month through and including the last day of the preceding month for work or services performed by the County, for special costs incurred by the County, and for the costs of Contractors retained by the County.
- E. Subsequent Payments. County shall submit to Applicant an itemized statement of the costs of all services and work performed by the County, any special costs incurred by the County, and the costs of any Contractor retained by the County. The statement shall cover the period from the first (1st) day of the preceding month through and including the last day of the preceding month. The statement will be submitted to Applicant by the tenth day of each month. This statement will identify the date on which the services and work were performed, describe the nature of the services and work, itemize any travel or special costs incurred by County during the period, and provide copies of all Contractors invoices paid by the County during the period. Applicant shall make payment to County in the amount of the statement within twenty days of receipt of the statement. Upon receipt of a payment from Applicant, County shall immediately deposit the funds into the Project Fund. If Applicant fails to make a payment in the amount of the statement to the County within the 20-calendar day period, County may cease all work and services under this Agreement until the funds have been provided.
- F. Limit Upon Amount Payable Under Agreement. Except for costs that may be required to be paid to County or others pursuant to Section 8 (Defense and Indemnification), the total sum of all payments made by Applicant to County for services and work performed under this Agreement shall not exceed the total of the following: (1) costs of County employees who perform services and work pursuant to this Agreement (including overtime, costs of fringe benefits, and travel costs), (2) special costs incurred by the County, (3) costs of services and work performed by any Contractors retained by County to perform work and services under this Agreement, and (4) overhead costs.
- G. Federal and State Taxes. Applicant will not withhold any federal or state income taxes or social security from any payments made by Applicant to County pursuant to this Agreement.

5. **WORK PLAN AND SCHEDULE.**

Within 60 days after the execution of this Agreement, County and Applicant shall establish a mutually acceptable master time schedule and work plan for the performance of the work described in this Agreement. Applicant understands that the performance of the work within the time limits of the schedule will require mutual cooperation and coordination between County and Applicant. (County need not await establishment of the master schedule and work plan before commencing work on the evaluation of the environmental effects of the proposed Project, or on other work in regard to the proposed Project if such other work is deemed necessary by the County.)

6. **ADDITIONAL PROCEDURES AND OBLIGATIONS.**

- A. The procedures that will be followed in preparing and processing the CEQA reports and documentation on the proposed Project are set forth in the Mono County Environmental Handbook.
- B. The Mono County Community Development Director shall establish a project working group composed of such County personnel as are deemed necessary. The working group will meet monthly, or more frequently if necessary, to provide internal staff communication and coordination in regard to the County's work on the proposed Project.
- C. Representatives of each party shall attend regular meetings with the other party, with federal, state, regional, and local agencies, with concerned groups, and attend other meetings as necessary, for the purpose of providing information concerning the proposed Project and work plan and receiving comments on the proposed Project and related environmental documents. County will notify Applicant of any meetings that are scheduled in regard to the Project. County will immediately notify Applicant of any

matter raised by a federal, state, regional, or local agency that may require significant changes to the project proponent's application, or that may result in County incurring significant additional costs pursuant to this Agreement.

- D. County shall make the final determination as to the accuracy, inclusion, deletion, or revision of any material, (including all issues, data, analyses, and conclusions) relating to evaluations of the Project and application(s) related thereto.
- E. The Parties shall identify, and protect from public disclosure, confidential or proprietary information (including data) as required by applicable laws.
- F. Any determination by the Planning Commission and/or Board of Supervisors as to whether the applied for discretionary approval(s) will be approved for the proposed Project shall be based upon the whole of the record including the CEQA reports and documentation, recommendations from County Departments, testimony from public hearings, and all relevant written evidence submitted on the Project or otherwise contained in the record of the proceedings.
- G. The Community Development Department will:
  - (1) As directed by the Mono County Community Development Director, either prepare and circulate a request for qualifications to appropriate Contractors for the preparation of the CEQA reports and documentation or follow alternate Contractor selection procedures.
  - (2) In the event that it is determined to select a Contractor to assist the Community Development Department in performing its responsibilities under the County Code through the procedures set forth in the Mono County Environmental Handbook, the Community Development Department will:
    - a. Review any statements of qualifications received from Contractors interested in preparing the CEQA reports and documentation or in assisting the Community Development Department in performing its other responsibilities under the County Code, determine which Contractors are qualified to perform the requested services, and prepare and circulate a request for proposal to each Contractor deemed qualified.
    - b. Evaluate any proposals submitted for the preparation of the CEQA reports and documentation and/or for provision of other services in assisting the Community Development Department in performing its responsibilities under the County Code, determine the best proposals, and interview the Contractor or Contractors submitting the best proposals.
    - c. Select the most qualified Contractor or Contractors to prepare CEQA reports and documentation, and/or to provide other services in assisting the Community Development Department in performing its responsibilities under the Mono County Code.
  - (3) Manage the preparation of the CEQA reports and documentation, economic evaluation, and other work required of the Community Development Department by the Mono County Code, the Mono County General Plan, or California law.
  - (4) Prepare all necessary documents and notices for the Planning Commission use for rendering decision on the Project application(s) and associated CEQA reports and documentation.
  - (5) Provide staff assistance to the applicable Commission/Board for the County with the responsibility for the County's compliance with CEQA and for certification of the adequacy of any CEQA reports and documentation for the proposed project.
  - (6) Perform additional services in regard to the proposed Project as may be requested by the Planning Commission, the Board of Supervisors, or other decision-making county commission or official.

**7. STATUS OF PARTIES.**

- A. All acts of County, its agents, its Contractors, officers, and employees, relating to the performance of this Agreement, and all actions taken by the Applicant shall be performed as independent contractors, and not as agents, officers, or employees of Applicant or County. The parties have no authority to bind or incur any obligation on behalf of one another. No party to this agreement has the authority or responsibility to exercise any rights or power vested in the other parties to this agreement. No agent, officer, or employee of the any party to this Agreement is to be considered an employee of any other party to this agreement. This Agreement shall not, under any circumstances, be construed or considered to create an employer-employee relationship or a joint venture between County and Applicant. The County and the Applicant, its agents, officers, and employees are not, and at all times during the term of this Agreement shall not, represent or conduct themselves as employees of one another.
- B. County shall determine the method, details, and means of performing the work and services to be provided by County under this Agreement. County shall be responsible to Applicant only for the responsibilities and work specified in this Agreement, and, except as expressly provided in this Agreement, shall not be subjected to control with respect to the physical action or activities of Applicant in fulfillment of this Agreement.

**8. DEFENSE AND INDEMNIFICATION.**

- A. Applicant shall defend, indemnify, and hold harmless County, its agents, officers, and employees from and against all claims, damages, losses, judgments, liabilities, expenses, and other costs, including litigation costs and attorney's fees, arising out of, resulting from, or in connection with, the County's acts or omissions with regard to its compliance with CEQA or other laws, with regard to the preparation and processing of the CEQA reports and documentation and with regard to the decision based thereon concerning the Project. Applicant's obligation to defend, indemnify, and hold the County harmless extends to any suit or challenge by any third party against the County that contests the legality or adequacy of the CEQA reports and documentation or the County's compliance with the requirements of CEQA or other laws. The Applicant will have the option to use Mono County legal counsel (which could include contracted attorneys) and pay the County for those fees or obtain outside counsel to handle such suit. In either case, the County will have the right to participate in settlement of any such suit or challenge. Should Applicant fail to defend, indemnify, and hold harmless County, County may discontinue the defense of any such litigation. Nothing in this Agreement shall be construed to waive or diminish either party's right, or the right of a non-party, to challenge any decision, or defend any challenge, arising out of the CEQA process or otherwise related to Project processing or approval.
  - (1) Applicant's obligations to defend, indemnify, and hold the County, its agents, officers, and employees harmless under the provisions of this paragraph shall include, but not be limited to:
    - a. the costs of any judgments or awards against the County for damages, losses, litigation costs, or attorney's fees arising out of a suit or challenge contesting the adequacy of the CEQA reports and documentation and/or County's compliance with CEQA or other laws;
    - b. the costs of any settlement representing damages, litigation costs, and attorney's fees to be paid to other parties arising out of a suit or challenge contesting the adequacy of the CEQA reports and documentation and/or the County's compliance with CEQA or other laws.
  - (2) As to any judgments, awards or settlement costs, all parties to this agreement, or persons hired by any party to this agreement, will proceed in good faith and with reasonable diligence to achieve a settlement or other disposition of the same that will minimize, to the extent reasonably practicable, Applicant's costs of defense and indemnification of County under this Agreement. Parties will consult with one another and give due consideration to all party's views prior to any such settlement or final disposition. County shall promptly notify Applicant of any claim, action,

or proceeding brought pursuant to Government Code Section 66499.37 and shall cooperate fully in its defense.

- B. Applicant's obligations to defend, indemnify, and hold the County, its agents, officers, and employees harmless under the provisions of this paragraph are not limited to, or restricted by, any policy of insurance or contract limit.
- C. Applicant's obligations to defend, indemnify, and hold the County, its agents, officers, and employees harmless under the provisions of this paragraph will be effective regardless of whether a valid permit is in place or has been invalidated.

**9. CANCELLATION/WITHDRAWAL OF APPLICATION.**

- A. This Agreement may be canceled by Applicant without cause and at will for any reason by giving to County written notice of such intent to cancel. Cancellation of this Agreement shall be effective on the fifth business day following receipt of a written cancellation notice by County. Cancellation of this Agreement by Applicant shall act as a withdrawal by Applicant of its request for any approval from Mono County pertaining to the Project as described in this Agreement effective on the date of the cancellation.
- B. Upon receipt of notice of a cancellation, or upon the effective date of a termination by default, County shall terminate all contracts with Contractors and make final payment from the Project Fund to such Contractors. County also shall make final payment to itself for any other unpaid costs incurred by the County in providing services or work under this Agreement. Within sixty days of the cancellation or termination, County shall pay to Applicant any funds remaining in the Project Fund after the County has paid all Contractors, all costs incurred for work or services performed by County employees, and all special costs.
- C. A cancellation of this Agreement, or a termination of this Agreement by default as set forth in Section 11 below, shall not terminate Applicant's obligation to defend, indemnify, and hold the County harmless under the provisions of Section 8 of this Agreement.

**10. ASSIGNMENT.**

Applicant may assign its rights or delegate its duties under this Agreement at any time, to any party surviving a takeover or merger of the real property involved in this Agreement with Applicant providing that such party assumes in writing all of Applicant's obligations under this Agreement.

**11. DEFAULT.**

- A. If Applicant fails to pay County for the work and services performed by County in a timely manner, County may declare default, and notify Applicant in writing of the facts constituting such default. Within 30 days of service of such notification of default, Applicant may cure the default by paying to County all amounts owing to County for services and work. Service of a notice of default on the defaulting party and allowance of the thirty (30) calendar day period for the defaulting party to commence with diligence to cure such default shall be a condition precedent to any termination of this Agreement or to the bringing of any action based upon such default. If Applicant fails to make the payment within the 30-day period, County may deduct the amount owed from any available funds that remain in the Project Fund. Such deduction by County shall not cure Applicant's default unless the Applicant replenishes the Project Fund within thirty (30) calendar days from the day of withdrawal by the County. Applicant's default shall not be excused if insufficient funds remain in the Project Fund to cover the amount owed. If at the end of the 30-day period, Applicant has failed to make the required payment, County at its election, may terminate this Agreement by written notice thereof to the Applicant. A notice of Termination shall act as a withdrawal by Applicant of its request for any approval from Mono County pertaining to the Project as described in this Agreement effective on the date of the notice.
- B. Except for a failure to make a required payment as set forth in paragraph "A" above, if either party should

fail to comply with the other terms and conditions of this Agreement, the other party may declare default and notify the "defaulting" party in writing of the facts constituting such default. Upon making such written notification, the defaulting party will have thirty (30) calendar days to cure such default. A party shall be deemed to cure the default if within the time period set forth herein, the defaulting party begins and thereafter diligently continues to completion curing such default. Service of a notice of default on the defaulting party and allowance of the thirty (30) calendar day period for the defaulting party to commence with diligence to cure such default shall be a condition precedent to any termination of this Agreement or to the bringing of any action based upon such default. If any default is not cured or deemed cured hereunder, the non-defaulting party, at its election, may terminate this Agreement by written notice thereof to the defaulting party. A notice of Termination shall act as a withdrawal by Applicant of its request for any approval from Mono County pertaining to the Project as described in this Agreement effective on the date of the notice of default.

**12. WAIVER OF DEFAULT.**

Waiver of any default by either party to this Agreement shall not be deemed to be waiver of any subsequent default. Waiver or breach of any provision of this Agreement shall not be deemed to be a waiver of any other or subsequent breach and shall not be construed to be a modification of the terms of this Agreement unless this Agreement is amended as described in Section 16 below.

**13. CONFIDENTIALITY.**

The County shall make every effort to keep information and records kept, maintained, or accessible by County in the course of performance under this Agreement as privileged, restricted, or confidential to the fullest extent possible while complying with applicable provisions of the federal, state, and county regulations.

**14. SEVERABILITY.**

If any portion of this Agreement or application thereof to any person or circumstance shall be declared invalid by a court of competent jurisdiction, or if it is found in contravention of any federal, state, or county statute, County Code, or regulation, the remaining provisions of this Agreement, or the application thereof, shall not be invalidated thereby, and shall remain in full force and effect to the extent that the provisions of this Agreement are severable.

**15. ATTORNEY'S FEES.**

If either of the Parties brings an action or proceeding against the other, including, but not limited to, an action to enforce or declare a default, cancellation, termination, or revision of the Agreement, the prevailing party in such action or proceeding shall be entitled to receive from the other party all reasonable attorney's fees and costs incurred in connection therewith.

**16. AMENDMENT.**

This Agreement may be modified, amended, changed, added to, or subtracted from, by the mutual consent of the Parties. Any modification, amendment or change shall be in written form and executed with the same formalities as this Agreement and attached to the original Agreement.

17. **NOTICE.**

Any notice, communication, amendments, additions, or deletions to this Agreement, including change of address of either party during the term of this Agreement, which Applicant or County shall be required, or may desire, to make, shall be in writing and may be personally served, or sent by prepaid first-class mail to, the respective parties as follows:

County of Mono:

Applicant:

County Community Development Director  
P.O. Box 347  
Mammoth Lakes, CA 93546

Tioga Green  
PO Box 7033  
Mammoth Lakes, CA 93546

18. **ENTIRE AGREEMENT.**

This Agreement contains the entire agreement of the parties, and no representations, inducements, promises, or agreements otherwise between the parties not embodied herein or incorporated herein by reference, shall be of any force or effect.

**IN WITNESS THEREOF, THE PARTIES HERETO HAVE SET THEIR HANDS AND SEALS THIS \_\_\_\_\_ DAY OF \_\_\_\_\_.**

**COUNTY**

**APPLICANT**

By: \_\_\_\_\_

By: \_\_\_\_\_

# Tioga Green

51005 US Hwy 395, Lee Vining, CA 93541  
TiogaGreen@gmail.com (760) 647-0454

## *Cannabis Dispensary Business Plan* *March 9, 2019*

Tioga Green is a cannabis dispensary providing an unparalleled recreational cannabis shopping experience. Our dispensary located at 51005 US Hwy 395, Lee Vining, CA 93541 provides customers with an enjoyable retail experience at a world-class destination location.

Our knowledgeable budtenders will guide and navigate customers through our vast product variety featuring locally sourced products along with a core product line of the highest quality cannabis flowers, concentrates, ingestibles (or edibles), topicals and more.

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## Market Overview

Spending on legal cannabis worldwide is expected to reach \$57 billion by 2027. The recreational market will cover 67% of the spending and medical cannabis will take up the remaining 33%.

Tom Adams, editor-in-chief of Arcview Market Research and managing director for BDS Analytics, writes in the introduction “...expansion of medical cannabis markets can be expected to lead broader public acceptance, setting the stage for the eventual move to adult-use legalization” and that this model “will drive the world market, including Canada and the United States, to grow at 35% annually to \$10.5 billion by 2027, as a key portion of the \$57 billion overall market.”

The largest group of cannabis buyers will be in North America, going from \$9.2 billion in 2017 to \$47.3 billion a decade later. The largest growth spread, is predicted within the rest-of-world markets, from \$52 million spent in 2017 to an estimated \$2.5 billion in 2027.

According to the report: “The Road Map to a \$57 Billion Worldwide Market”<sup>1</sup>:

- The initial decision by Canada and many U.S. States to create medical-only cannabis regulations prompted many other countries to act similarly while Canada’s and California’s willingness to legalize recreational adult-use triggered a second wave of laws internationally to increase access to medical cannabis.

## North American Cannabis Market

The federal government still considers the use of cannabis a criminal offense, more than half the U.S. States have legalized it in some form. Most states sell cannabis only for medicinal purposes, which is broadly defined. Legal cannabis sales reached \$9.2 billion in North America in 2017, according to Arcview Market Research, representing an unprecedented 33% increase over 2016. The report also predicts the entire legal cannabis market to reach \$24.5 billion in sales by 2021 as more U.S. States legalize cannabis for recreational adult-use and existing markets mature, a compound annual growth rate of 28%.

On October 17, 2018, Canada became the first major world economy to legalize recreational marijuana, a historic event.

## U.S. Cannabis Market

60% of the U.S. Population now lives in states that have legalized some form of cannabis use and sales, demonstrating the rise of acceptance of cannabis nationwide and emphasizing the industry’s potential of exponential growth.

There are 30 U.S. States that now allow Cannabis for medicinal use, 16 States allow for Cannabidiol (CBD), and 9 States and the District of Columbia now allow for recreational

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<sup>1</sup> <https://arcviewgroup.com/research/reports>

cannabis use. There are about 10,000 active licenses for cannabis businesses in the U.S., according to Statista. This includes cultivation, extraction and manufacturing, retail, distribution and testing licenses.

The North America legal cannabis market reached \$12 billion in 2018, growing by 30 percent on the year. The largest market was the United States, which totaled \$10.4 billion. It was followed by Canada with \$1.6 billion.

According to Ed Keating, Chief Data Officer for Cannabis Media that tracks cannabis licenses, there are 9,397 active licenses for cannabis businesses in the U.S. These include manufacturers, retailers, distributors, deliverers, and test labs.

In 2017, the cannabis industry employed 121,000 people. If cannabis continues its growth trajectory, the number of cannabis workers could reach 292,000 by 2021, as estimated BDS Analytics. According to research firm Cowen & Co, the U.S. legal cannabis industry is expected to reach \$75 billion in sales by 2030<sup>2</sup>.

### **U.S. Cannabis Retail Market**

BDS Analytics estimates that the retail sector owed \$1 billion in state taxes in 2016 and owed another \$1.4 billion in 2017.

Overall cannabis sales in the United States in 2017 in the retail market soared by 31.7%, reaching \$5.7 billion on the back of continued growth in existing recreational adult-use cannabis markets. In December 2018, legal cannabis sales at dispensaries across Arizona, California, Colorado, Oregon, and Washington reached a combined \$559.21 million, a 3.8 percent increase from the trailing month and a 39.6 percent increase from January.

The cannabis dispensary market is growing at a high rate in the United States alone, with currently over 1,000 open and operating dispensaries throughout the country according to data from Statista<sup>3</sup>. The growing numbers of dispensaries is a large part contributing to why New Frontier<sup>4</sup> projects the industry to top \$25 billion in revenue by 2025.

The increase in retail sales over the next five years will provide a substantial economic boost for the United States. The total economic output from legal cannabis will grow 150% from \$16 billion in 2017 to \$40 billion by 2021, according to the “U.S. Legal Cannabis: Driving \$40 Billion Economic Output” report released by Arcview Market Research, in partnership with BDS Analytics.

The level of involvement and sophistication among investors in the cannabis industry varies widely, as some are part of cannabis-specific venture capital firms and others have taken a material interest in a friend or family member’s cannabis business. As an example, only a

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<sup>2</sup> <https://www.bloomberg.com/news/articles/2018-04-04/cannabis-sales-forecast-suggests-it-may-surpass-soda-by-2030>

<sup>3</sup> <https://www.statista.com/statistics/754751/medical-marijuana-dispensaries-number-by-state/>

<sup>4</sup> <https://newfrontierdata.com/products-services/analyst-reports/>

handful of investors in a survey indicated they intend to invest over \$25 million in cannabis companies, whereas a large portion of respondents plan to invest less than \$20,000.

In general, more investors are pumping funds into the cannabis industry than ever before, and they are increasing the size of their capital placements. The average investor/investment firm involved in the cannabis industry has placed \$450,000 in cannabis companies.

## Target Market

### Legalization

In 1996, California became the first state to allow for medicinal cannabis use. State voters approved Proposition 215, the law that made it legal for doctors to recommend cannabis to patients.

There are 58 counties and 482 cities in California, all having the authority to adopt their own cannabis industry regulations. Mono County has adopted its own cannabis regulations and they vary from other neighboring cities and counties.

The weather conditions in California are ideal for cultivating cannabis outside, though a lot of cannabis is also grown indoors in warehouses. California is well-known for its experience developing cannabis strains for decades. Third-generation growers and breeders have vast knowledge of the plant and the related regulatory environment by comparison to other states.

Since medical legalization, consumers have educated themselves and have become more sophisticated about products, and the medical cannabis market is fairly saturated. Consumers now have high expectations for quality.

Former Governor Jerry Brown signed three bills in 2015, known as the Medical Cannabis Regulation and Safety Act (MCRSA) to regulate the state's medical cannabis industry, which used to be regulated by various local rules and ordinances. The MCRSA took effect in January 2016. The emergency regulations, adopted by the Bureau of Cannabis Control, California The Department of Public Health and California Department of Food and Agriculture in December 2017 and readopted in June 2018, were originally issued through the emergency rulemaking process to meet the legislative mandate to open California's regulated cannabis market on January 1, 2018. California's three state cannabis licensing authorities announced that the Office of Administrative Law (OAL) officially approved state regulations for cannabis businesses across the supply chain from cultivation to retail on January 16, 2019.

Sales for recreational adult-use cannabis officially began in California during the first six months of 2018 where the number of issued licenses leaped from 1,272 licenses on January 17, 2018 to 6,421 licenses on June 30, 2018. License numbers grew during the first six months of 2018:

- Cultivation – 1001%
- Distribution – 263%

- Delivery – 252%
- Manufacturing – 175%
- Microbusiness – 160%
- Retail/Dispensary – 113%
- Testing Licenses – 107%

The last year was a 12-month champagne toast for the legal marijuana industry as the global market exploded and cannabis pushed its way further into the financial and cultural mainstream. California became the largest legal U.S. marketplace.

### **Mono County Regulations**

In January 2017 Mono County extended an adopted moratorium prohibiting cannabis-related business from occurring on all lands until December 2018 while the supervisors developed permanent rules.

Since that time, Mono County Community Development staff led outreach via community meetings to gauge residents' concerns and desires for regulation. General Plan Policies governing commercial cannabis activities have also been accepted (Board of Supervisor meeting 12.5.2017; GPA 17-03). The General Plan Amendment 18-01, including Chapter 13 - Commercial Cannabis Activities, was approved by the Board of Supervisors (4.17.2018); and County Code Chapter 5.60 - Cannabis Operations was approved by the Board of Supervisors (5.1.2018).

The Mono County General Plan Amendment amended Countywide policies and actions, and the land use designations' "Uses Permitted Subject to Use Permit". Regardless of land use designation, a cannabis business may not be located within 600' of any of the following facilities existing at the time of the application: schools providing instruction to kindergarten or any grades 1 through 12, day care center or youth center, parks, ball fields, playgrounds, libraries, community centers, and licensed child care facilities. The location of Tioga Green is zoned Commercial and is located further than 600' from any of the facilities listed above.

### **California Market**

In 2018, California sold \$2.76 billion worth of cannabis products, compared to \$1.56 billion in Colorado, \$1 billion in Washington, and \$777 million in Oregon. Sales in California represented roughly 37 percent of legal sales in the U.S. Combined sales in Colorado, Oregon, and Washington represent 45 percent of the U.S. sales.

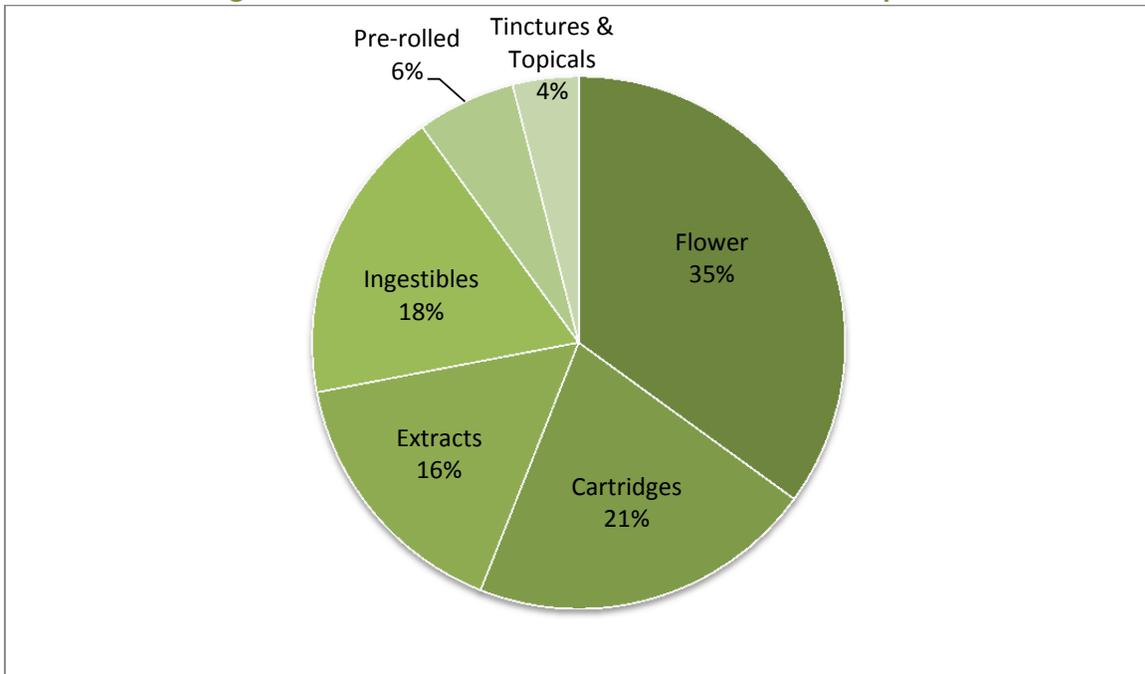
Less than 20% of cities in California - 89 of 482 - allow retail shops to sell cannabis for recreational use, according to the California Cannabis Industry Association.

Revenue numbers for the third quarter of 2018 were released by the California Department of Tax and Fee Administration (CDTFA) for cannabis sales. Tax revenue reported by the cannabis industry totaled \$93.1 million for 3rd quarter returns received through October 31, 2018, which includes state cultivation, excise and sales taxes. California's cannabis excise tax generated

\$52.4 million in revenue reported on 3rd quarter returns received through October 31, 2018. The cultivation tax generated \$12 million, and the sales tax generated \$28.7 million in reported revenue. It does not include local tax revenue collected by counties or cities.

Of what Californians spent on cannabis in 2018, 35 percent of their dollars were spent on flower, 21 percent were spent on cartridges, and 16 percent were spent on extracts. Ingestibles account for 18 percent and are growing rapidly in popularity. Pre-rolled joints were at 6 percent and tinctures and topicals at 4 percent.

**Figure 1: California Cannabis Product Sales Consumption**



A study by the University of California Agricultural Issues Center<sup>5</sup> estimates California’s recreational cannabis market could be worth more than \$5 billion, though this will only be achieved once the cannabis industry is fully embraced by consumers. While the recreational cannabis market is expected to grow, medical cannabis sales are expected to decline down to \$600 million as consumers move to the recreational adult-use market to avoid medical cannabis ID fees and inconvenience. It’s expected that legal recreational use will make up 61.5 percent of the overall market, where illegally purchased cannabis will make up 29.5 percent of the market and legal medical cannabis use will be about 9 percent of the overall market, as estimated by the analysis. California has begun cracking down on illegal dispensaries, which is expected to help achieve more competitive pricing for legal retailers.

### Local Market

Tioga Green is centrally located in Mono County in the Eastern Sierra, which consists of several small rural communities mostly surrounded by public lands. Mono County is roughly 2 million

<sup>5</sup> <https://aic.ucdavis.edu/2017/12/14/will-in-house-opportunities-in-california-grow-with-budding-cannabis-industry/>

acres with a year-round population of 14,168 (2017). Communities are economically supported through tourism. World-class destinations such as Yosemite National Park, Mono Lake, Mammoth Mountain Ski Area, Devil’s Postpile National Monument, Inyo National Forest, the Pacific Crest Trail, and John Muir Trail draw millions of visitors to the area year-round.

**Figure 2: Tioga Green Western U.S. Location Map**



**Figure 3: Tioga Green Location Map**



Area visitation by tourists is extensive, particularly to destination locations that are within a 10 minute to 1 hour drive of Tioga Green. Yosemite National Park receives 5.2 million visitors annually, Mono County 1.5 million, Inyo National Forest 4 million, Mono Lake State Park Tufa Reserve 367 thousand, Mammoth Mountain Ski Area 1.2 million (winter), Town of Mammoth Lakes 2.8 million, and Devil’s Postpile National Monument 103 thousand.

**Figure 4: Annual Area Tourism Visitation Table**

Destination	Number of Visitors Annually
Yosemite National Park (2016) <sup>6</sup>	5,217,114
Mono County (2008) <sup>7</sup>	1,500,000
Inyo National Forest (2017) <sup>8</sup>	4,000,000
Mono Lake State Park Tufa Reserve (2015/2016) <sup>9</sup>	367,425
Mammoth Mountain Ski Area (approx. winter visitation)	1,200,000
Town of Mammoth Lakes (2003) <sup>10</sup>	2,800,000
Devil’s Postpile National Monument (2014-2018) <sup>11</sup>	103,258

<sup>6</sup> <https://www.nps.gov/yose/learn/management/statistics.htm>

<sup>7</sup> <https://monocounty.ca.gov/economic/page/county-information-statistics>

<sup>8</sup> [https://www.fs.usda.gov/Internet/FSE\\_DOCUMENTS/fseprd550643.pdf](https://www.fs.usda.gov/Internet/FSE_DOCUMENTS/fseprd550643.pdf)

<sup>9</sup> <http://www.parks.ca.gov/pages/795/files/15-16%20Statistical%20Report%20FINAL%20ONLINE.pdf>

<sup>10</sup> <https://www.visitmammoth.com/mammoth-lakes-facts>

<sup>11</sup> <https://www.nps.gov/depo/learn/management/statistics.htm>

Demographic information from these destination visitation statistics shows that between 75% and 80% of visitors are age 21 and older. Visitor daily spending per capita averages \$166 for these destinations.

Tioga Green is centrally located within a 10 minute to 1 hour drive of these world-class destination locations just north (1100 feet) of the intersection of US Highway 395 and CA Highway 120 West (Tioga Pass Road), a major intersection for visitor travel. CalTrans traffic volumes from 2017 show a peak traffic volume of 900 vehicles per hour headed south at the intersection and 730 vehicles per hour headed north, with a peak monthly traffic volume of 9000 vehicles southbound and 5800 vehicles northbound<sup>12</sup>. U.S. Highway 120 (Tioga Pass Road) is closed in the winter, usually from mid-November through mid-May<sup>13</sup>. However, visitation to the area for winter recreation activities remains high as Mammoth Mountain Ski Area is typically open from early-November through early-July, providing a year-round tourism based market.

Visitation statistics indicate that 60% to 71% of visitors are from California, with 47% to 60% of visitors from Southern California, 10% from Central California, and 14% from Northern California. Californian's are familiar with the cannabis industry as medicinal dispensaries have been operating in the state since 1996 and California voters approved the Medical Cannabis Regulation and Safety Act to allow recreational adult-use of cannabis products in 2016. California consumers are educated on cannabis, are more sophisticated about products, and have high expectations for quality, which Tioga Green provides.

International visitors make up between 6% and 17% of visitors to the area. Cannabis, under United Nations International law, along with opium poppy and coca bush, is restricted not just through "scheduling", but by the core text of the principal treaty at issue. This means that under international law, 185 or so countries are going to have to agree to amend the Single Convention on Narcotic Drugs of 1961 ("Single Convention") in order to truly end prohibition. Then, cannabis would also need to be removed from the Single Convention's Schedules I and IV. All of that is no small task. With these strict international restrictions on cannabis use world-wide, international visitors to the area are expected to embrace the opportunity to purchase recreational adult-use cannabis products at Tioga Green since they are likely not able to in their home country.

Alterra Mountain Co. recently acquired over a dozen ski resorts around the world, including Mammoth Mountain Ski Area (30 miles south) and June Mountain Ski Area (15 miles south). The new Ikon Ski Pass includes access to 35 resorts around the world, which includes unlimited skiing at Mammoth Mountain Ski Area and June Mountain Ski Area, and is expected to bring in mountain snow sports lovers from around the world to the area all winter.

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<sup>12</sup> <http://www.dot.ca.gov/trafficops/census/volumes2017/>

<sup>13</sup> <https://www.nps.gov/yose/planyourvisit/seasonal.htm>

Commercial and private flights in and out of the Mammoth Yosemite Airport (31 miles south) have increased in the last year in both winter and summer including flights to and from additional cities like Denver, CO, Santa Ana, CA, and Burbank, CA. Several shuttle services are offered from the airport. Summer Public Transit to Yosemite (YARTS) service from Yosemite to and from Mammoth Lakes includes a stop within walking distance of Tioga Green. Eastern Sierra Transit Authority (ESTA) offers year-round transit along Highway 395 from Lone Pine, CA to Reno, NV with a stop in Lee Vining. The upcoming CalTrans Lee Vining Rehabilitation Project includes installation of sidewalk and access improvements from the community of Lee Vining to the intersection of CA Hwy 120, which will run right in front of Tioga Green, providing easy and safe pedestrian access.

### Existing Local Cannabis Competition

Two medical cannabis dispensaries opened in 2012 in the nearby community of Mammoth Lakes, roughly 30 miles south of Tioga Green and 3 miles west on CA Hwy 203. Since the passage of the Medical Cannabis Regulation and Safety Act which took effect in 2016, one of the two existing medical cannabis dispensaries converted to a recreational adult-use retail facility, Green Mammoth, and the other closed. A new recreational adult-use retail facility, Ascent Supply Co, opened in Mammoth Lakes in January 2019. The closest location to Tioga Green with a license for a dispensary, High Sierra, is in the community of June Lake, 15 miles to the south and 2 miles west on CA Hwy 158. Two companies, Plant 2 Product (licensed and operating for manufacturing, distribution, and transportation), and Fluid Extract (licensed but not yet operating for manufacturing and distribution) are located within the Town of Mammoth Lakes. Tilth Farms has an approved application for cultivation in Coleville, CA, roughly 58 miles to the north, but is not yet operating. Pals Collective and Simply Green are located in Bishop, approximately 62 miles south; they are both licensed but not yet operating. Pals Collective has retail and delivery licensing, but cannot offer delivery in Mono County. Simply Green is licensed for retail only. Indigenous Blenz is a dispensary located on Tribal lands 30 miles south and 35 miles east near US Hwy 6 and has been operating for approximately 2 years.

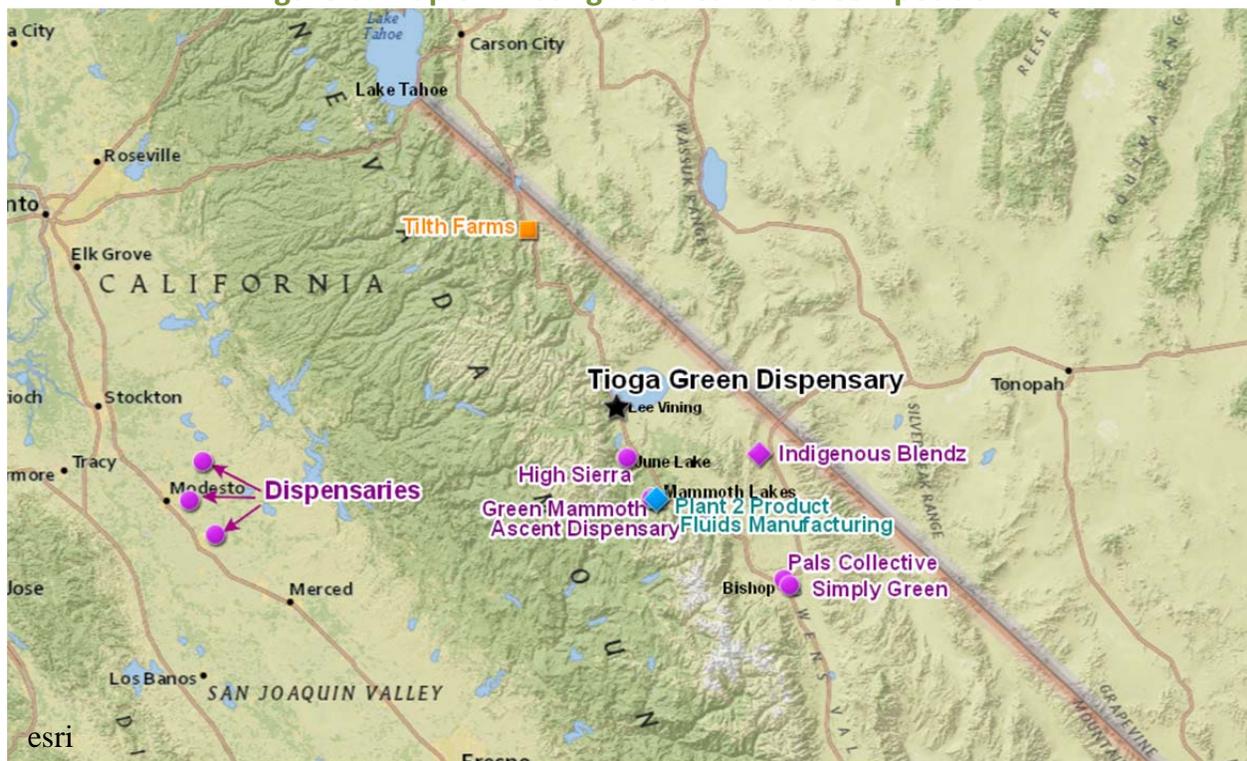
**Figure 5: Existing Local Cannabis Competition Table**

Location (CA)	Name	License Type	Status	Distance from Tioga Green
June Lake	High Sierra	Retail	Operating	15 miles south, & 2 miles east
Mammoth Lakes	Green Mammoth	Retail	Operating	30 miles south, & 3 miles east
Mammoth Lakes	Ascent Supply Co.	Retail	Operating	30 miles south, & 3 miles east
Mammoth Lakes	Plant 2 Products	Manufacturing, Distribution, Transportation	Operating	30 miles south, & 2 miles east
Mammoth Lakes	Fluids Manufacturing	Manufacturing, Distribution	Licensed, not yet operating	30 miles south, & 2 miles east

Location (CA)	Name	License Type	Status	Distance from Tioga Green
Benton	Indigenous Blendz	Retail (Tribal Lands)	Operating	30 miles south, & 35 miles east
Coleville	Tilth Farms	Cultivation	Licensed, not yet operating	58 miles north
Bishop	Pals Collective	Retail and Delivery (Inyo County Only)	Licensed, not yet operating	62 miles south
Bishop	Simply Green	Retail	Licensed, not yet operating	62 miles south

Tioga Green is distinctive compared to other retail locations as it is strategically located on US Highway 395, not several miles off the main highway like other retailers in the area. In addition, the dispensary location near the intersection with CA Highway 120 West (Tioga Pass Road) is not only a high traffic location due to its proximity to Yosemite National Park and Mono Lake, but it's the northern-most dispensary in Mono County before travelers enter Nevada 70 miles to the north, or where travelers must travel over mountain passes to get to other retailers, 100 to 150 miles to the west. Figure 6 shows locations of Tioga Green and nearby licensed cannabis facilities.

**Figure 6: Map of Existing Local Cannabis Competition**



## Strengths, Weaknesses, Opportunities, and Threats

Tioga Green’s strengths include a highly visited location right on a main US Highway, existing long-standing owner relationships with cultivators, concentrate, and ingestible companies, existing owner relationships with local manufacturing, distribution, and transportation company, Plant 2 Products, 30 miles to the south, and extensive owner cannabis industry knowledge and experience.

Potential weaknesses for the success of Tioga Green include the enhanced risk of banking, financial, and IRS scrutiny, high starting capital, challenges hiring qualified employees, and an overall competitive market in California. Threats to the success of Tioga Green include potential enforcement of federal law, future changes to state and county cannabis laws and regulations, changes in local or global economies, and larger companies threatening the local market.

Opportunities for Tioga Green include the high-growth cannabis industry, the growing interest and demand for natural, alternative medicine, a trend toward greater cannabis legalization nation-wide (and world-wide), including recreational purposes, significant drop in wholesale pricing, and the possibility for future expansion of Tioga Green to include a lounge, resort, restaurant, and/or delivery service as Mono County regulations allow.

**Figure 7: Strengths, Weaknesses, Opportunities, and Threats Analysis**

Strengths	Weaknesses
<ul style="list-style-type: none"> <li>• Highly visited location on main US highway</li> <li>• Existing relationships with cultivators, concentrate and edible companies</li> <li>• Existing relationships with manufacturing, distribution, and transportation company</li> <li>• Extensive industry knowledge and experience</li> </ul>	<ul style="list-style-type: none"> <li>• Enhanced risk of banking/ financial/ IRS scrutiny</li> <li>• High starting capital</li> <li>• Challenges hiring qualified employees</li> <li>• Competitive market</li> </ul>
Opportunities	Threats
<ul style="list-style-type: none"> <li>• High growth industry</li> <li>• Growing interest and demand for natural, alternative medicine</li> <li>• Trend toward greater cannabis legalization, including recreational purposes</li> <li>• Significant drop in wholesale pricing</li> <li>• Expansion potential for lounge, resort, restaurant, and/or delivery</li> </ul>	<ul style="list-style-type: none"> <li>• Enforcement of federal law</li> <li>• Future changes to cannabis laws</li> <li>• Changes in the local or global economies</li> <li>• Large companies entering the market</li> </ul>

## Marketing Strategy

### Marketing Plan

Because cannabis is illegal under federal law, state governments and online advertising platforms place strict rules on how companies can market their products. Google, Facebook, and Twitter all have advertising policies that restrict the promotion of the sale of cannabis. Google's policy prohibits promotional ads for "substances that alter mental state for the purpose of recreation." Any "legal, prescription, or recreational drugs," are restricted by Facebook. Twitter bans "illegal drugs" as well as substances that cause "legal highs." Instagram and Facebook have gone a step further and remove pages of cannabis related businesses.

Marketing for Tioga Green will be through a variety of sources including, industry events, website, online cannabis directories, social media, customer relationship management software, local advertisements, and targeted regional advertisements.

Marketing and networking for Tioga Green at industry events will attract attention to Tioga Green and enhance networking opportunities. An informative and easy to navigate website that is regularly updated with fresh content will provide customers with a positive online informational experience about what Tioga Green has to offer. Online pre-order options will allow customers to browse and select products in advance for a quick in-person payment and pickup option. Online cannabis directories will provide customers with information about Tioga Green in established directory platforms that are easy for customers to navigate. Although many social media companies do not allow for direct cannabis advertising, Tioga Green intends to post/share cannabis-related information and fresh and frequent posts about the business, which has been successful for other cannabis retail businesses in the social media world.

Customer relationship management software will track regular customers including email addresses and past order history. This allows Tioga Green to target these customers through email marketing and a more customized experience when they frequent the dispensary.

Local marketing in the rural communities through newspaper and business ads, radio ads, taxi ads, community engagement, and small business networking, will enhance the dispensary's place in the community which, in addition to the ads, also builds stronger word-of-mouth marketing from local businesses to millions of tourists.

Regional marketing strategies include billboard ads, highway signs, newspaper and business ads. Targeted regional locations include portals to the Eastern Sierra such as communities off of Highway 120, Highway 108, Highway 89, Highway 14, etc. Other marketing locations include eastern portal cities such as Lake Tahoe, Reno, Carson City, Topaz, Walker, Bridgeport, Bishop, Big Pine, Independence, Lone Pine, Ridgecrest, Mojave, Palmdale/Landcaster. Advertising at large airports that connect to Mammoth Yosemite Airport such as Los Angeles, San Francisco, Denver, Santa Ana, and Burbank will reach a larger potential customer audience that travels to the area.

**Figure 8: Targeted Marketing Areas**

Industry Events	Website Content	Online Cannabis Directories
<ul style="list-style-type: none"> <li>• Cannabis cups</li> <li>• Emerald cup</li> <li>• Large cannabis events</li> </ul>	<ul style="list-style-type: none"> <li>• Fresh content</li> <li>• Search engine keywords – keyword ads</li> </ul>	<ul style="list-style-type: none"> <li>• Weedmaps.com</li> <li>• Leafly.com</li> </ul>
Social Media	Regional Advertising	Local Advertising
<ul style="list-style-type: none"> <li>• Instagram</li> <li>• Facebook</li> <li>• Twitter</li> <li>• LinkedIn</li> <li>• CannTrade</li> <li>• Yelp</li> </ul>	<ul style="list-style-type: none"> <li>• Newspaper and Business ads</li> <li>• Billboards and Highway Signs</li> <li>• Targeted areas: west-side portal communities, Topaz, Walker, Carson City, Reno, Lake Tahoe, Bishop, Ridgecrest, Mojave, Palmdale/Lancaster</li> <li>• Large Airports (LAX, RNO, SFO, etc.)</li> </ul>	<ul style="list-style-type: none"> <li>• Newspaper ads</li> <li>• Taxi’s</li> <li>• Community engagement / events (mixers, community events, sponsorships)</li> <li>• Business networking (Chamber of Commerce)</li> </ul>

## Operating Plan

### Facility

#### Existing Infrastructure

The Tioga Green Dispensary resides on over three-quarters of an acre of commercially-zoned property at the corner of US Highway 395 and Old Tioga Pass Road, 1100 feet north of the current CA Highway 120 West (Tioga Pass Road), the eastern entrance to Yosemite National Park. A newly constructed 690 square foot building exists on the property, originally planned to be a take-out and drive-thru restaurant, but will be easily reconfigured internally and with some minor exterior and security improvements to accommodate the retail dispensary operations (see Appendix A for preliminary floor plan). Appendix G – Operations Plan includes additional information on the facility.

#### New Infrastructure

A parking lot will be paved on the previously graded portion of the site as shown in the site plan. Bollards in the form of planters will be placed around the building for security. Signage and lighting will be added as described in the lighting plan and sign plan in conformance with county regulations. A storage shed will be placed on the property to secure facility maintenance items like a snow blower, shovels, tools, etc.

#### Operational Facility

The Tioga Green facility will feature an ADA accessible public entrance on the US Highway 395 side where customers will enter a public retail sales area through a security checkpoint. The public retail sales area will feature a relaxing environment that includes some seating and accessories for sale including apparel, display cases of smoking accessories, and other non-THC products. Once customers enter the customer service area, a budtender will guide the customer through cannabis products via the sample display and other menus. Products will

reside in a secure sales area, with the customer remaining in the public retail sales area. Once the customer orders product, they provide payment, then the budtender fulfills the order and the customer leaves with products in a bag. More detailed information about operations within the facility can be found in Appendix G – Operations Plan including inventory, stock control and monitoring, stock rotation, and performance monitoring and reporting.

## **Security**

### **Facility Security**

All security measures for Tioga Green will be overseen by a Security Manager. Tioga Green Dispensary will be reinforced with secured windows, and doors. Every exterior and interior door will have secured access into the building but will also allow for Emergency Exit from the interior in the event of an emergency. Concrete bollards in the form of imbedded concrete planters will be placed around the perimeter for added security. Product stock will be secured with controlled access, only accessible by authorized personnel.

The facility will be monitored by a state-of-the-art security system including cameras covering all indoor and outdoor areas with remote viewing options, motion detectors, lighting, and 24-hour security monitoring with direct links to the Mono County Sheriff's Department dispatchers.

### **Financial Security**

Tioga Green Dispensary will have specific protocols for handling cash, with strict oversight and regular audits. An accountant will ensure financial reports are consistent with sales and receipt of cash. Regular armored car cash pickups will occur so on-site cash amounts remain manageable and in quantities that reduce the threat of theft.

### **Receiving Security**

Product will be received from CA licensed cannabis transportation businesses. Shipments will be reviewed in a secured receiving area for accuracy prior to acceptance.

### **Retail Sales Security**

Budtenders will sell products from behind a secure sales area and will wear employee badges with photos at all times. Access to the secured sales area is through secured entrances. Product samples will be viewable from the public retail side of the sales floor for general browsing purposes and available for inspection for customers from budtenders. Salable product will be accessed by budtenders once purchases are complete and then provided to the customer.

Additional security information including employee security and stock security can be found in the Confidential Security Plan.

## Operations

Visitation to the area is highest in the summer season for summer recreation, winter season for snow sports, and spring and fall seasons for various recreational activities such as viewing wildflowers or fall colors, hunting, etc. Local business operational data has shown specific seasons, days, and times to be most profitable in the area. Seasonal operating hours/days/staffing for Tioga Green are based on expected visitation, which includes opening and closing dates of highway passes, ski areas, and other local retail business data.

Tioga Green intends to operate under four seasonal days and hours based on visitation and potential profits: Fall, Winter, Spring, and Summer. Staffing will vary with seasonal operational hours to accommodate more or less visitors. Figure 9 shows seasonal days and hours of operations and estimated staffing, but will vary based on visitation and weather.

**Figure 9: Operational Hours & Weekly Operational Staffing**

Summer June 16 – September 8	Winter October 15 – May 10
Open Daily 9:00am – 9:00pm (12 hours) Security Guard Senior Budtender Management Budtenders (x2) Budtenders (x8)	Open Wednesday – Sunday (and Holidays) 2:00pm – 6:00pm (4 hours) Security Guard Senior Budtender Management Budtender Budtender
Fall September 7 – October 14	Spring May 11 – June 15
Open Daily 3:00pm – 6:00pm (3 hours) Security Guard Senior Budtender Management Budtender	Open Daily 12:00pm – 6:00pm (6 hours) Security Guard Senior Budtender Management Budtender Budtender

Daily operations will be overseen by the Operations and Inventory Director. Daily operations will include preparation of the retail sales floor for the day and stocking cannabis items in secure sales cases from the secured stock area.

Daily operations when Tioga Green Dispensary is open to the public will include a security guard present at the public entrance to check identification and ensure customers meet the 21 and over requirement and meet all other security requirements. A system will then be in place to serve customers in order of entry if needed. Budtenders will then be present to guide and navigate customers through the variety of products that Tioga Green has to offer. The Senior Budtender will oversee all budtending operations including management budtenders which will be present during all operating hours. This senior and management-level oversight will maintain a consistent level of security and operational professionalism on the sales floor.

Expansion of retail operations and additions of other services such as a lounge (on-site consumption), resort, restaurant, and delivery services could increase the business profits significantly. Once Tioga Green has established its retail dispensary business (within 1-2 years), it is the intent of the owners to consider expansion options to provide a variety of experiences to customers.

### **Administration & Compliance**

Administrative elements for Tioga Green will be overseen by the Administration and Compliance Director. This includes all administration operations such as acting as the point of contact for all employees and providing administrative support to the business. State and County compliance elements for Tioga Green will also be overseen by the Administration and Compliance Director. This includes required state and county tracking and compliance and regular reporting as well as internal business administration functions.

Additional operations information can be found in Appendix H - Operations Plan.

### **Organizational Structure**

#### **Operational Organization**

Owners of Tioga Green Corporation will have decision-making power for the operations of the Dispensary which will direct management and staff. Senior Management for Tioga Green includes owners of Tioga Green Corporation in the functions of Operations and Inventory Director, Administration and Compliance Director, and Facility Manager.

Operations and Inventory Director, Cory Zila, will oversee daily operations including product ordering, inventory track and trace, and oversight of budtending and sales operations. An Administration and Compliance Director (to be determined) will oversee compliance functions including state and county compliance and reporting and administration functions including HR, record keeping, an accountant, and a marketing contract. Facility Manager, Winston Hebert, will oversee the facility functionality and maintenance and conduct general operations including budtending, security, and support other operational functions.

Other operations staff, which can vary by season, includes, two security guards responsible for public entry and operational security, a senior budtender overseeing all budtending operations including stocking/secured storage, two management budtenders with oversight of budtenders, and up to eight budtenders. Senior budtender, management budtenders, and budtenders will all conduct sales. Owners/operators will also serve in budtending sales and security functions as needed. An accountant (under contract) will be responsible for all accounting and payroll.

## Ownership Organization

### Property Ownership

Sierra Spectrum LLC currently owns the property, building, and infrastructure where the Tioga Green Dispensary will reside at 51005 US Hwy 395, Lee Vining, CA 93541. Sierra Spectrum LLC will lease the property to the Tioga Green Dispensary. Sierra Spectrum LLC owners are Cory Zila, Winston Hebert, Justin Modroo, and Amy DeSarro.

### Dispensary Business Ownership

Tioga Green Corporation will own and operate the Tioga Green Dispensary. Tioga Green Corporation ownership makeup will be as follows:

**Figure 10: Dispensary Business Ownership**

Tioga Green Ownership	
Owner Name	Shares (1000)
Cory Zila (Operations and Inventory Director)	200
Justin Modroo & Amy DeSarro (Investors)	250
Winston Hebert (Facility Manager)	250
Administrative and Compliance Director	50
Other Investors/Owners	250

### Owner/Operator Profiles

Present Owner/Operator profiles of Tioga Green Corporation and Sierra Spectrum LLC include:

- **Cory Zila:** Fifteen years in the cannabis industry including medical, broker, retailer, extraction, distribution, transportation and cultivation. Extensive network of cannabis business contacts and established relationships with small business owners, elected officials, and regulatory officials in the Eastern Sierra Communities.
- **Winston Hebert:** Experience as a property owner, in real estate, and developed the existing property and infrastructure for the future Tioga Green Dispensary. Years of Construction and carpentry experience. Established relationships with small business owners and regulatory officials in Mono County.

## Licensing

Tioga Green is currently in the process of obtaining necessary licensing and permits for the dispensary from Mono County and the State of California. Once licensing is complete, retail operations are expected to begin in June or July of 2019.

### Mono County

Tioga Green submitted a pre-application for the adult-use dispensary to Mono County on February 13, 2019 for preliminary review of the project and the pre-application was preliminarily approved on February 19, 2019 for full application submittal. Tioga Green is currently in the process of filing official business formation documents with the California

Secretary of State. Tioga Green will submit applications and supporting documents for a Cannabis Use Permit and Cannabis Operation Permit.

A Conditional Use Permit (34-06-05) is currently in place for the existing facility and proposed retail and outside plan, lighting plan, parking plan, and irrigation and landscaping plan, on the property for the original proposed take-out and drive-thru restaurant. Tioga Green will modify these documents and submit a new application for a Mono County Use Permit to meet the needs and requirements of the retail dispensary.

No significant barriers to Mono County licensing are anticipated.

### **State of California**

The complete State application package and associated documents will be submitted to the Bureau of Cannabis Control. No significant barriers to California State licensing are anticipated.

## Appendix A - Financial Plan Summary

### Start Up Costs

<b>Start-up Costs</b>	
<b>Facility</b>	
External Improvements: parking lot, ADA ramp, lighting, cement ballards, signage, admin office	\$60,000
Internal building improvements: paint, finish carpentry, secure storage, window/door security, bathrooms, office	\$20,000
<b>Total</b>	<b>\$80,000</b>
<b>Operational Infrastructure</b>	
Retail improvements: display counters, accessory displays, POS/Cash registers, computers, printers, label printers, storage hardware and shelving	\$20,000
Software: accounting and payroll software, POS/track and trace software, Customer Relationship Management software, iOS business software	\$2,000
Security system including multiple camera feeds, metal detectors, etc.	\$20,000
<b>Total</b>	<b>\$42,000</b>
<b>Fees</b>	
CA Corporation Filing Fee	\$100
Mono Co use permit & cannabis operation permit	\$990
CEQA Environmental Fees (est.)	\$1,000
CA Cannabis License Application Fee	\$1,000
CA License Bond	\$5,000
Mono CO business license fee	\$100
<b>Total</b>	<b>\$8,190</b>
<b>Total one-time start-up costs</b>	<b>\$130,190</b>

## Annual Recurring Costs

Recurring Costs - Annual	Year 1	Years 2-5
Property Taxes (1.07%)	\$2,200	\$2,200
State Cannabis fees (\$20k for up to \$2.5M, \$64K for up to \$7.5M)	\$57,000	\$96,000
Mono Co business license annual renewal fee	\$25	\$25
State business license renewal fee	\$45	\$45
Software: track and trace, POS	\$5,000	\$5,000
<b>Total</b>	<b>\$64,270</b>	<b>\$103,270</b>
Recurring Operating Costs - Annual		
Utilities: electricity, internet, heat, water, trash, snow removal	\$7,000	\$7,000
Security System Services	\$1,200	\$1,200
Insurance	\$6,000	\$6,000
Marketing (emails, billboards, ads, customer relationship management)	\$24,000	\$24,000
<b>Total</b>	<b>\$38,200</b>	<b>\$38,200</b>
<b>Total annual recurring operational costs</b>	<b>\$102,470</b>	<b>\$141,470</b>

## Annual Staffing Costs

Personnel	Year 1	Years 2-5
<i>Senior Management</i>		
Operations Director*	\$50,000	
Administrative Director*	\$50,000	
Facility Manager*	\$50,000	
Marketing Contract	\$20,000	\$20,000
Accountant	\$35,000	\$35,000
Operations Staff (budtenders & security guards)	\$139,080	\$139,080
<b>Total</b>	<b>\$344,080</b>	<b>\$194,080</b>

\*Owner/Operators will earn a \$50,000 annual salary in Year 1 only, which will be deducted from their dividends at the end of that year

## Taxes

Tax Rates on Gross Sales	
Mono Co Cannabis Excise Tax Rate	4.00%
Federal Business Tax Rate	21.00%
CA Business Tax Rate	8.84%
<b>Total</b>	<b>33.84%</b>
Taxes Imposed on Consumer on Top of Purchase Price	
Mono County Sales Tax Rate	7.25%
CA Cannabis Retail Excise Tax Rate (Paid to Distributor)	15.00%
<b>Total</b>	<b>22.25%</b>

## Projected First Year Product Sales

Total Projected First Year Net Product Sales		Summer Net Sales	Spring Net Sales	Fall Net Sales	Winter Net Sales	Annual Net Sales
Products	% total sales	<b>Total: \$1,600,543</b>	<b>Total: \$125,042</b>	<b>Total: \$41,681</b>	<b>Total: \$476,352</b>	<b>Total: \$2,243,618</b>
Flower	35%	\$560,190	\$75,025	\$25,008	\$285,811	<b>\$785,266</b>
Concentrates	37%	\$592,201	\$31,261	\$10,420	\$119,088	<b>\$830,139</b>
Ingestibles	25%	\$400,136	\$15,005	\$5,002	\$57,162	<b>\$560,904</b>
Accessories	3%	\$48,016	\$3,751	\$1,250	\$14,291	<b>\$67,309</b>

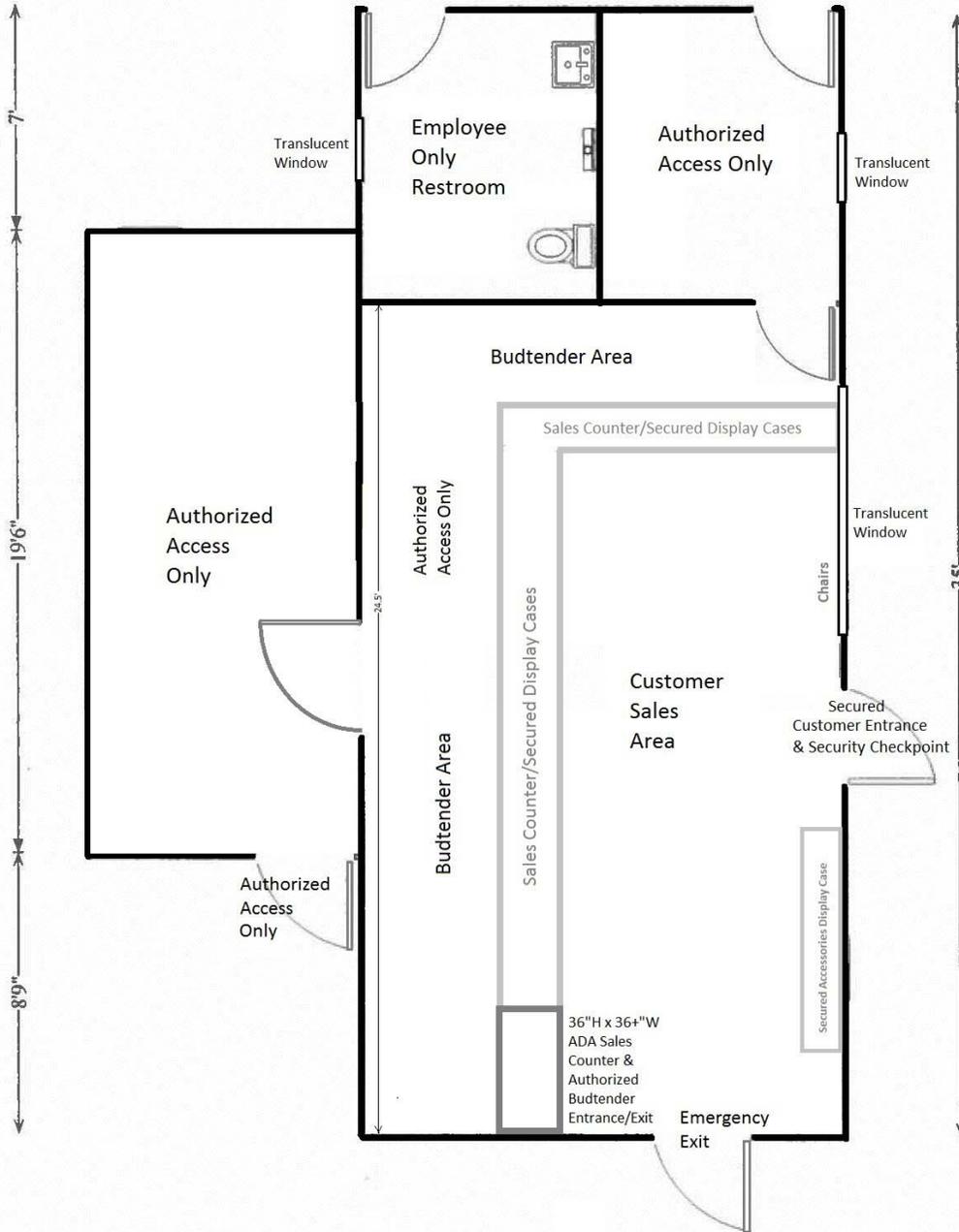
## Projected Five Year Net Company Profits

Year 1	Year 2	Year 3	Year 4	Year 5	5 Year Total
\$1,225,678	\$2,229,177	\$2,530,719	\$2,868,447	\$3,246,701	<b>\$12,100,722</b>

## Appendix B –Dispensary Floor Plan

8'6." 15'

### Tioga Green Floor Plan



## Appendix C – Existing Building Front View from US Hwy 395



**Appendix D – Existing Building North Side/Rear View with US Hwy 395 and CA Hwy 120 Junction in Background**



## Appendix E – US Hwy 395 Dispensary Street View Northbound

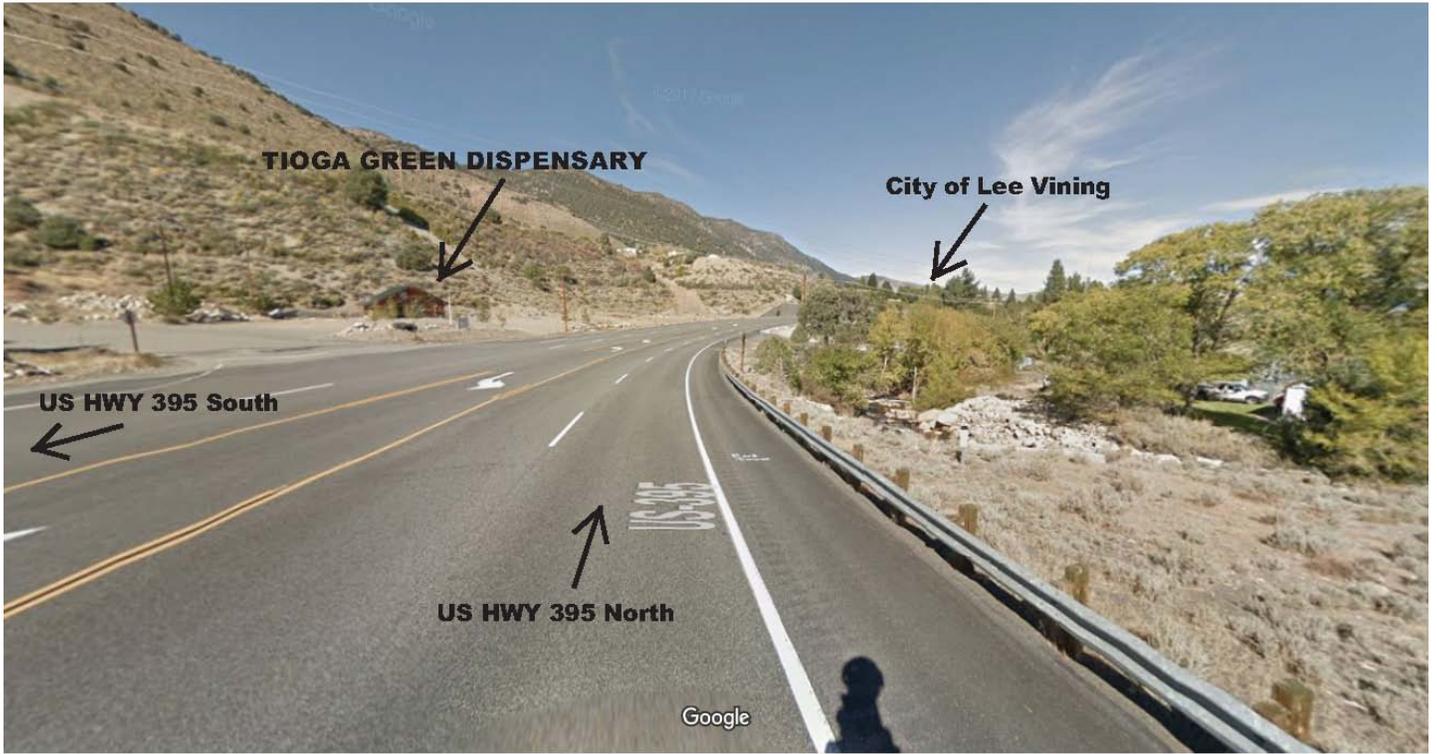


Image capture: Oct 2011 © 2018 Google

## Appendix F – US Hwy 395 Dispensary Street View Southbound

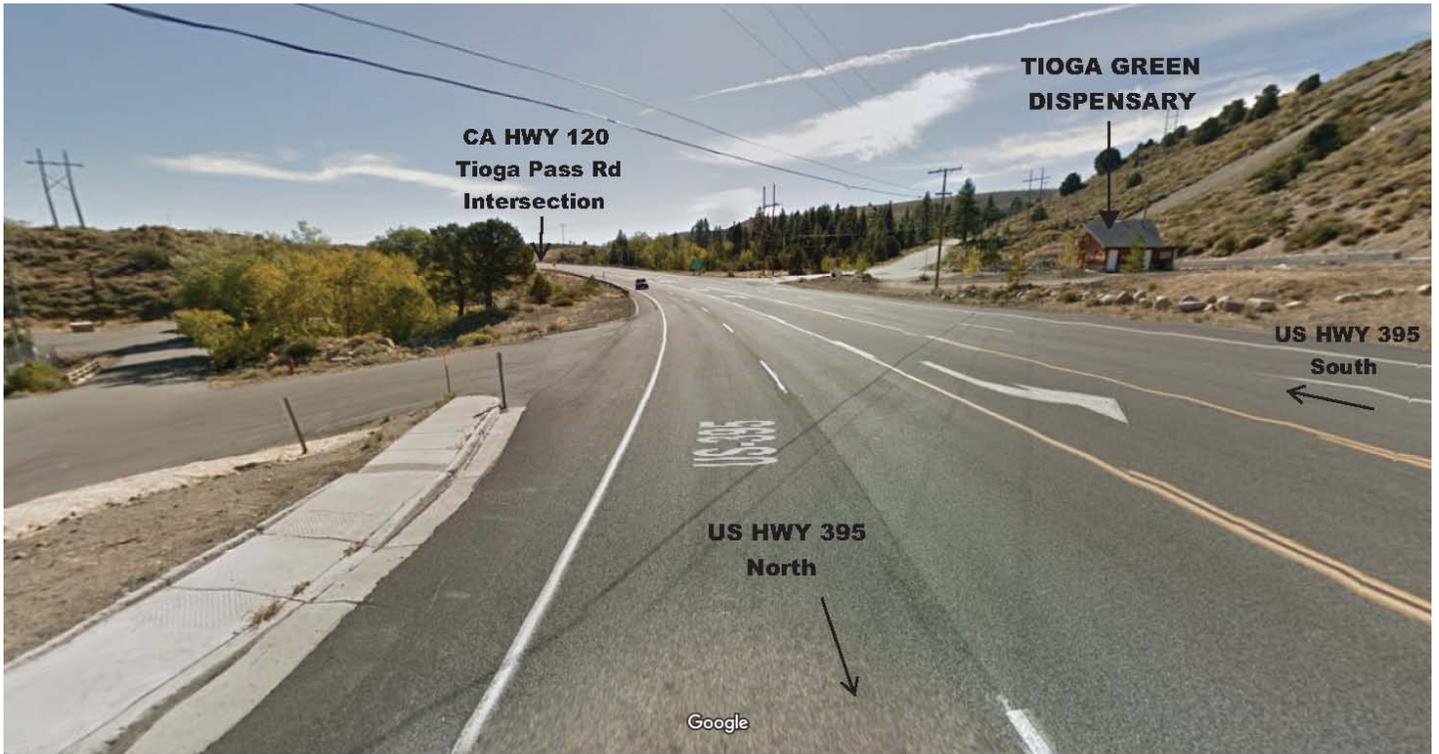


Image capture: Oct 2011 © 2018 Google

## Appendix G – US Hwy 395/CA Hwy 120 Intersection View



Image capture: Jul 2018 © 2019 Google

## Appendix H – Operations Plan

### Facility

#### Existing infrastructure

The Tioga Green Dispensary resides on over three-quarters of an acre of commercially-zoned property at the corner of US Highway 395 and Old Tioga Pass Road, just 1100 feet north of the current CA Highway 120 West (Tioga Pass Road), the eastern entrance to Yosemite National Park. A newly constructed 690 square foot building exists on the property, originally planned to be a take-out and drive-thru restaurant, but will be easily reconfigured internally and with some minor exterior and security improvements to accommodate the retail dispensary operations (see Appendix B for preliminary floor plan).

In addition to the existing building, water and sewer services from the Lee Vining Public Utility Department are in place, and electricity from Southern California Edison is in place, connected to the facility, and operational. The building has a new propane-forced air furnace. Network connectivity for security and dispensary operations would need to be set up, which is expected to be relatively simple as the facility is along a main utility corridor.

The facility is the only property immediately adjacent to Lee Vining eligible for a cannabis business as it is the only location that meets the County's regulatory criterion in the community.

#### Operational Facility

The Tioga Green facility will feature a public entrance on US Highway 395 where customers will enter a public retail sales area through a security guard that will check identification before allowing entry. Only official forms of identification will be considered valid forms of ID such as a state issued driver's license or passport. The public retail sales area will feature a relaxing environment that includes a lobby-style area and accessories for sale including apparel, display cases of smoking accessories, and other non-THC products. A budtender will guide the customer through Tioga Green cannabis products via the sample display and other menus. Products will reside in a secure sales area, with the customer remaining in the public retail sales area. Once the customer orders product, they provide payment, then the budtender fulfills the order and the customer leaves with products in a bag. Customer daily limits will be adhered to and all sales are considered final once customers leave the building.

The secured sales area will be stocked from the secured stock area by authorized personnel prior to opening for the day and as needed throughout the day, on a non-routine basis, in order to avoid the potential for theft targets of routine re-stocking times. Access to the secured sales area will be through secured access for authorized employees only. Once in the secured sales area, access to the public retail sales area is provided through another secured access door.

## Employee and Operational Oversight

Employees (non-owners and non-senior management) will undergo background checks prior to employment. All employees will be 21 years of age or older and must wear a photo ID badge at all times. Employee labor standards will be established including safety, injury and illness prevention, and other required standards as needed in accordance with State and Federal laws and policies. Operations and Inventory Director, Security Manager, and Administration and Compliance Director will provide training to all employees prior to employees working in security or budtending functions. Regular developmental training will occur with staff to ensure employees are up to date with the latest cannabis and budtending trends and security functions. Compliance audits will occur regularly by senior management. Access into any secure area (secured sales area or secured stock room) by non-employees will require an escort and will be logged into an access log.

## Inventory

### Flow of Cannabis and Storage

Cannabis products and information that accompanies it will flow through Tioga Green's dispensary facility in an orderly manner and in compliance with the Security Plan:

1. Receiving: retail ready cannabis products are received by an Inventory Manager at Tioga Green in a secured receiving area, inspected, and if found acceptable, entered into the stock-recording system and receiving reports are then prepared.
2. Secured Storage: stock-recorded received cannabis products are then moved by the Inventory Manager to the secured stock storage area, where it is stored in first-in/first-out (FIFO) or first-expiry/first-out (FEFO) order, records for stock on hand and on order are adjusted.
3. Allocation of secured stock to secured sales area: An Inventory Manager determines how much quantity of cannabis products to allocate each day to the secured sales cases, dependent on stock status, security, a review of consumer consumption patterns, and, in some cases, budget status. Restocking to sales area is done on an as-needed basis based on daily sales.
4. Sales: Budtenders sell inventory throughout the day from the secured sales cases to customers through point of sales system which is linked to the inventory system. Products can only leave the dispensary facility if they are purchased by customers by over the counter sales through the point of sales system.
5. Nightly storage from sales area to storage: Un-sold cannabis products in the secured sales area are secured nightly in the secured sales area or restocked into the secured storage area nightly by an Inventory Manager.
6. Stock management: Cannabis product stock is exhausted and re-ordered on a regular basis to maintain a regular inventory of products based on consumer consumption patterns and sales goals.

Formal and informal physical stock counts will be taken regularly by an Inventory Manager and audits conducted by the Operations and Inventory Director to ensure that secure storage of cannabis is being correctly handled for any losses or inaccuracies to be properly accounted for.

### **Stock Control Using FIFO and LIFO**

In order to avoid accumulation of expired and obsolete cannabis stock (and ensure a zero-waste operation), items will be stored and issued on a first-in/first-out (FIFO) or first-expiry/first-out (FEFO) basis. The cannabis stock control system will record the expiry date and the date of receipt. Stock will be stored so that earliest-expiring or first delivered batches can be picked and issued first to the sales cases. The stock is kept in an accessible position, assuming that orders are picked by hand in relatively small quantities. If newly arrived cannabis stock sometimes has an earlier expiry date than previously received batches of the same item, then a FEFO (first expired, first out) system is used, this stock will be “promoted” in the inventory storage so that it is issued before later-expiring products.

### **Performance Monitoring and Reporting**

A Tioga Green Inventory Manager will monitor and evaluate its storage of cannabis inventory and sales operations to identify problems in the system that need to be addressed.

Recordkeeping and reporting systems are designed to make the collection of data for routine monitoring as simple as possible. Stock records will be maintained on how effectively the storage to and from the sales floor is being managed; therefore, Tioga Green will ensure maintenance of these records is accurate and kept up-to-date. The records will provide detailed evidence of how cannabis products flow through the storage and dispensary to identify where problems are occurring so that corrective action can be taken. The Operations and Inventory Director and Administrative and Compliance Director oversee all track and trace of cannabis products received and sold to customers by Tioga Green. The account manager will also be trained on the track and trace system. The Administration and Compliance Director ensures that proper compliance and reporting is conducted for all products with the California Bureau of Cannabis Control.

Tioga Green’s plan for the inventory management of cannabis retail sales is designed to ensure that Tioga Green electronically logs, verifies, and monitors the receipt and movement of cannabis products. Simply stated, accountability is ingrained throughout Tioga Green’s organization. To accomplish inventory management objectives, an Inventory Manager is responsible for overseeing all aspects of inventory tracking, ensuring that the inventory software system, product, and people are always congruent. Inventory outcomes will be achieved by:

1. Accurately tracking products in stock,
2. Maintaining real-time connection to the state required track and trace system,
3. Providing a safe and secure chain of custody for cannabis products with clear safeguards and protections against product diversions,
4. Reconciling inventory every 30 days, and

5. Having an established clear protocol for dealing with any breach or failure of our track and trace or security system if needed, including suspending operations and notifying the Department and/or local law enforcement as necessary.

Tioga Green accomplishes California Bureau of Cannabis Control's (CA BCC's) objectives by utilizing a highly sophisticated, proven cannabis track and trace system which will maintain the total amount of cannabis in the possession of our retail facility, from the moment product is received from a licensed transportation facility, until the product is sold to a customer and leaves the facility.

Tioga Green has established Standard Operating Procedures (SOPs) for the chain of custody of all cannabis products. Specifically regarding the receiving cannabis products:

1. Tioga Green Operations and Inventory Director, or management designee, will be present when cannabis products are received at the retail facility,
2. Inventory management procedures will be monitored using real-time video surveillance and software terminal remote viewing,
3. Licensed cannabis transportation business delivery individuals arriving at the facility will be required to provide identification and employer verification, which will be reviewed and verified prior to accessing the licensed premises,
4. Products received will be checked to ensure they meet track and trace standards, potency standards, labeling standards, and packaging standards, and
5. Operations and Inventory Director and all employees will use the inventory management system to record inventory actions to include generating inventory and sales reports, which will be routinely compared to the shipping manifest and actual physical inventory count.

Should any discrepancy be discovered, it will be immediately investigated, and any necessary follow-up action by the Tioga Green Senior Management team, security personnel, or compliance department will be promptly taken and outcomes reported. Tioga Green's inventory reports produced by our software will allow our staff to report the current and historical inventories and can be sorted many ways including strain/variety, category/type, quantity and batch number, among other things, which is available to the CA BCC at any time upon request.

### **Inventory Control and Storage**

Tioga Green will track and input into the track and trace system any information necessary for maintaining and tracking of cannabis products. Upon commencing business, Tioga Green shall prepare a regular inventory of cannabis products at the facility, which shall include:

1. The date of the inventory;
2. The amount of cannabis on hand and wholesale cost;
3. The total number of products and every unique identifier that is required for retail sales;
4. The amount of cannabis products sold since the previous inventory, which shall include:
  - a. The date of sale;
  - b. The batch number, registered product name, and quantity of cannabis sold to consumers; and

- c. The name, title, and sales information of the Tioga Green employees who conducted the sales of cannabis products
5. A summary of the inventory findings; and
6. The name, title, and signatory of the Tioga Green employee(s) who conducted the inventory and oversaw the inventory.

In addition to the inventory reconciliation every 30 days, on an annual basis (or more frequently as needed), the Tioga Green Operations and Inventory Director will oversee a physical, manual inventory of the cannabis products on hand at the retail facility and compare the findings to an annual inventory report generated using the track and trace inventory tracking system. All inventories, procedures and other documents shall be maintained on the licensed premises.

### **Managing Inventory Levels**

Tioga Green's track and trace inventory software allows for the setup of inventory stock based on vendor, tax category, cannabis strain, barcode, ingredients, and a variety of other controls. Inventory management with retail sales of cannabis products embodies more of a "customer based" approach, matching supply with demand in a rapidly changing environment. This requires building a supply chain that has a high level of flexibility and adaptability, with rapid identification of need and rapid fulfillment of that need through the supply chain. In managing this sort of system, Tioga Green's inventory of cannabis will be in relatively small quantities that are tracked then sold to customers via our track and trace software from distributors to customers.

### **Stock Control and Movements**

Tioga Green is responsible for monitoring the movement of cannabis as it is received from licensed distribution companies, to the stock inventory, to the retail sales cases, to the customer. The vital control measurements of this process include:

- Ensuring all staff are trained and regularly audited on control measures,
- Establishing levels of operating inventory based on consumption/rate of usage and the stock levels shall be reviewed depending on current needs,
- Ensuring that weekly and monthly inventory balance reports of each stock item and the total value are prepared,
- Maintaining monthly stock usage report of each item kept in the facility and the overall in the usage trend, and
- Establishing quantity, lead-time and availability of each item supplied on the market.

Records of receipt, stocked, and sales of all cannabis products will be kept chronologically, and the quantities will be recorded and maintained for inspection by County and State Officials.

### **Waste Management**

General waste (non-cannabis) will be disposed of in a bear-proof dumpster on the property and serviced regularly by a disposal company. No cannabis-related waste is anticipated. Cannabis products will arrive and be accepted only if they are consistent with the order placed and meet packaging and testing requirements and are not close to expiring. The stock control procedures ensure that products will not expire prior to sale. All sales are final so no returned products will be accepted that require disposal.

# Tioga Green

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## Cannabis Dispensary Fire Prevention Plan

### I. OBJECTIVE

The purpose of this Fire Prevention Plan is to eliminate the causes of fire, prevent loss of life and property by fire, and to comply with the Occupational Safety and Health Administration's (OSHA) standard on fire prevention, 29 CFR 1910.39. It provides employees with information and guidelines that will assist them in recognizing, reporting, and controlling fire hazards.

### II. BACKGROUND

Tioga Green is committed to minimizing the threat of fire to employees, visitors, and property. Tioga Green complies with all applicable laws, regulations, codes, and good practices pertaining to fire prevention. Tioga Green's separate Emergency Action Plan spells out the procedures for responding to fires. This Fire Prevention Plan serves to reduce the risk of fires at Tioga Green in the following ways:

- A. identifies materials that are potential fire hazards and their proper handling and storage procedures;
- B. distinguishes potential ignition sources and the proper control procedures of those materials;
- C. describes fire protection equipment and/or systems used to control fire hazards;
- D. identifies persons responsible for maintaining the equipment and systems installed to prevent or control ignition of fires;
- E. identifies persons responsible for the control and accumulation of flammable or combustible material;
- F. describes good housekeeping procedures necessary to insure the control of accumulated flammable and combustible waste material and residues to avoid a fire emergency; and
- G. provides training to employees with regard to fire hazards to which they may be exposed.

### III. ASSIGNMENT OF RESPONSIBILITY

Fire safety is everyone's responsibility. All employees should know how to prevent and respond to fires, and are responsible for adhering to company policy regarding fire emergencies.

## A. Management

Management determines the Tioga Green's fire prevention and protection policies. Management will provide adequate controls to provide a safe workplace, and will provide adequate resources and training to its employees to encourage fire prevention and the safest possible response in the event of a fire emergency.

## B. Plan Administrator

The Plan Administrator is the Facility Manager and shall manage the Fire Prevention Plan for Tioga Green, and shall maintain all records pertaining to the plan. The Plan Administrator shall also:

1. Develop and administer the Tioga Green fire prevention training program.
2. Ensure that fire control equipment and systems are properly maintained.
3. Control fuel source hazards.
4. Conduct fire risk surveys (see Appendix A) and make recommendations.

## C. Supervisors

Supervisors are responsible for ensuring that employees receive appropriate fire safety training, and for notifying the Facility Manager/Plan Administrator when changes in operation increase the risk of fire. Supervisors are also responsible for enforcing Tioga Green fire prevention and protection policies.

## D. Employees

All employees shall:

1. Complete all required training before working without supervision.
2. Conduct operations safely to limit the risk of fire.
3. Report potential fire hazards to their supervisors.
4. Follow fire emergency procedures.

## **IV. PLAN IMPLEMENTATION**

### A. Good Housekeeping

To limit the risk of fires, employees shall take the following precautions:

1. Minimize the storage of combustible materials.
2. Make sure that doors, hallways, stairs, and other exit routes are kept free of obstructions.
3. Dispose of combustible waste in covered, airtight, metal containers.
4. Use and store flammable materials in well-ventilated areas away from ignition

sources.

5. Use only nonflammable cleaning products.
6. Keep incompatible (i.e., chemically reactive) substances away from each other.
7. Ensure that heating units are safeguarded.
8. Report all gas leaks immediately. The Facility Manager/Plan Administrator shall ensure that all gas leaks are repaired immediately upon notification.
9. Keep work areas free of dust, lint, scraps, and similar material.
10. Do not rely on extension cords if wiring improvements are needed, and take care not to overload circuits with multiple pieces of equipment.
11. Turn off any equipment when not in use.

## B. Maintenance

Facility Manager/Plan Administrator will ensure that equipment is maintained according to manufacturers' specifications. Tioga Green will also comply with requirements of the National Fire Protection Association (NFPA) codes for specific equipment. Only properly trained individuals shall perform maintenance work.

The following equipment is subject to the maintenance, inspection, and testing procedures:

1. equipment installed to control heating;
2. portable fire extinguishers;
3. detection systems for smoke, heat, or flame;
4. fire alarm systems; and
5. emergency backup systems and the equipment they support.

## V. TYPES OF HAZARDS

The following sections address the major workplace fire hazards at Tioga Green facilities and the procedures for controlling the hazards.

### A. Electrical Fire Hazards

Electrical system failures and the misuse of electrical equipment are leading causes of workplace fires. Fires can result from loose ground connections, wiring with frayed insulation, or overloaded fuses, circuits, motors, or outlets.

To prevent electrical fires, employees shall:

1. Make sure that worn wires are replaced.
2. Use only appropriately rated fuses.
3. Never use extension cords as substitutes for wiring improvements.

4. Use only approved extension cords [i.e., those with the Underwriters Laboratory (UL) or Factory Mutual (FM) label].
5. Check wiring in hazardous locations where the risk of fire is especially high.
6. Check electrical equipment to ensure that it is either properly grounded or double insulated.
7. Ensure adequate spacing while performing maintenance.

#### B. Portable Heaters

All portable heaters shall be approved by Facility Manager/Plan Administrator. Portable electric heaters shall have tip-over protection that automatically shuts off the unit when it is tipped over. There shall be adequate clearance between the heater and combustible furnishings or other materials at all times.

#### C. Office Fire Hazards

Fires in offices have become more likely because of the increased use of electrical equipment, such as computers and fax machines. To prevent office fires, employees shall:

1. Avoid overloading circuits with office equipment.
2. Turn off nonessential electrical equipment at the end of each workday.
3. Keep storage areas clear of rubbish.
4. Ensure that extension cords are not placed under carpets.
5. Ensure that trash and paper set aside for recycling is not allowed to accumulate.

#### D. Cutting, Welding, and Open Flame Work during Construction

Facility Manager/Plan Administrator will ensure the following:

1. All necessary hot work permits have been obtained prior to work beginning.
2. Cutting and welding are done by authorized personnel in designated cutting and welding areas whenever possible.
3. Adequate ventilation is provided.
4. Torches, regulators, pressure-reducing valves, and manifolds are UL listed or FM approved.
5. Oxygen-fuel gas systems are equipped with listed and/or approved backflow valves and pressure-relief devices.
6. Cutters, welders, and helpers are wearing eye protection and protective clothing as appropriate.
7. Cutting or welding is prohibited in sprinklered areas while sprinkler protection is out of service.
8. Cutting or welding is prohibited in areas where explosive atmospheres of gases, vapors, or dusts could develop from residues or accumulations in confined spaces.

9. Cutting or welding is prohibited on metal walls, ceilings, or roofs built of combustible sandwich-type panel construction or having combustible covering.
10. Confined spaces such as tanks are tested to ensure that the atmosphere is not over ten percent of the lower flammable limit before cutting or welding in or on the tank.
11. Small tanks, piping, or containers that cannot be entered are cleaned, purged, and tested before cutting or welding on them begins.
12. Fire watch has been established.

#### E. Flammable and Combustible Materials

Facility Manager/Plan Administrator shall regularly evaluate the presence of combustible materials at Tioga Green.

Certain types of substances can ignite at relatively low temperatures or pose a risk of catastrophic explosion if ignited. Such substances obviously require special care and handling.

##### 1. Class A combustibles.

These include common combustible materials (wood, paper, cloth, rubber, and plastics) that can act as fuel and are found in non-specialized areas such as offices.

To handle Class A combustibles safely:

- a. Dispose of waste daily.
- b. Keep trash in metal-lined receptacles with tight-fitting covers (metal wastebaskets that are emptied every day do not need to be covered).
- c. Keep work areas clean and free of fuel paths that could allow a fire to spread.
- d. Keep combustibles away from accidental ignition sources.
- e. Store paper stock in metal cabinets.
- g. Do not order excessive amounts of combustibles.
- h. Make frequent inspections to anticipate fires before they start.

Water, multi-purpose dry chemical (ABC), and halon 1211 are approved fire extinguishing agents for Class A combustibles.

#### F. Smoking

Smoking is prohibited in all Tioga Green buildings. Certain outdoor areas may also be designated as no smoking areas. The areas in which smoking is prohibited outdoors are identified by NO SMOKING signs.

## **VI. TRAINING**

Facility Manger/Plan Administrator/Operations Director shall present basic fire prevention training to all employees upon employment, and shall maintain documentation of the training, which includes:

- A. review of 29 CFR 1910.38, including how it can be accessed;
- B. this Fire Prevention Plan, including how it can be accessed;
- C. good housekeeping practices;
- D. proper response and notification in the event of a fire;
- E. instruction on the use of portable fire extinguishers (as determined by company policy in the Emergency Action Plan); and
- F. recognition of potential fire hazards.

Supervisors shall train employees about the fire hazards associated with the specific materials and processes to which they are exposed, and will maintain documentation of the training. Employees will receive this training:

- A. at their initial assignment;
- B. annually; and
- C. when changes in work processes necessitate additional training.

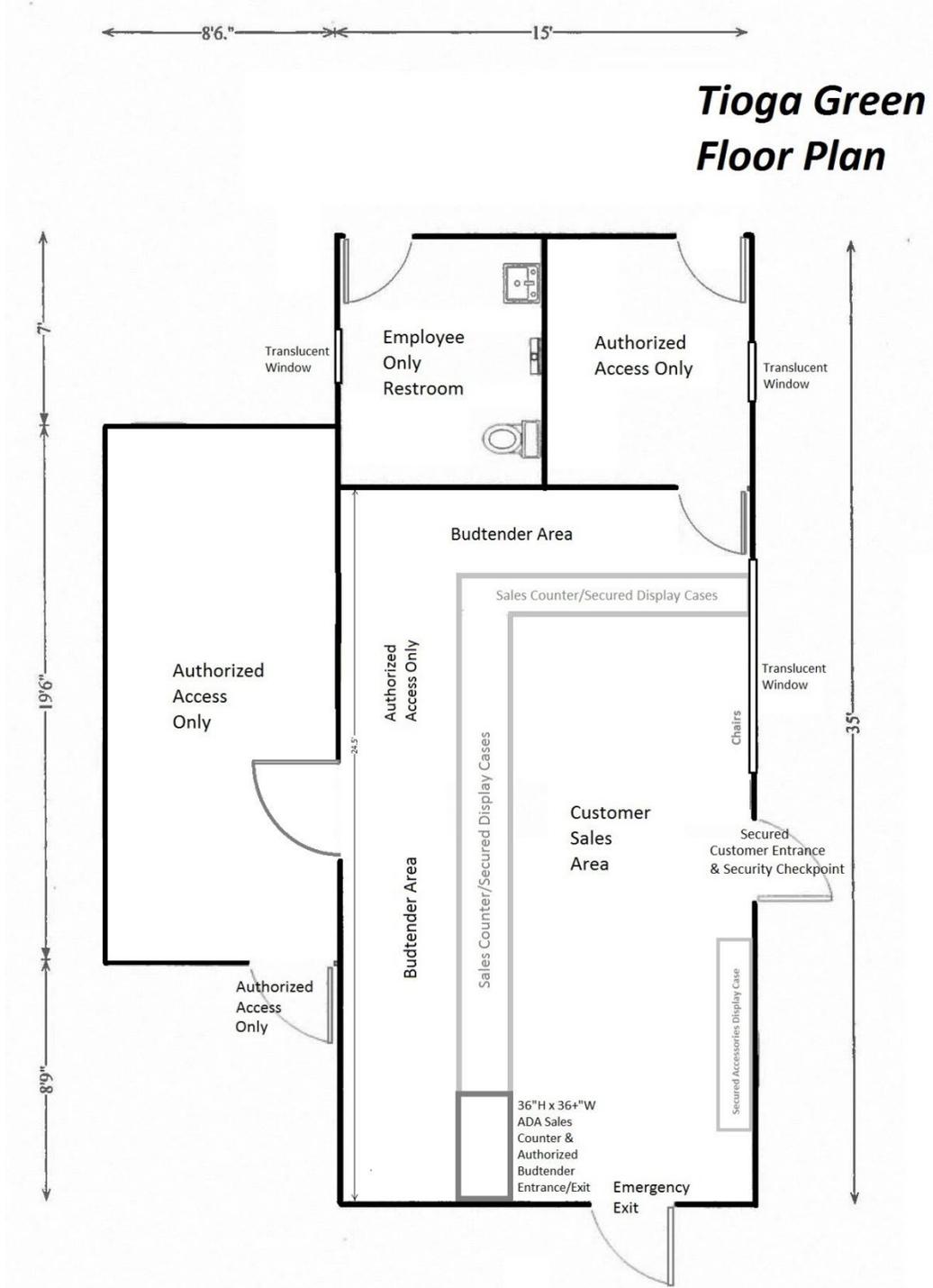
## **VII. PROGRAM REVIEW**

Facility Manager or Operations Director shall review this Fire Prevention Plan at least annually for necessary changes.

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## Cannabis Dispensary Floor Plan



# Tioga Green

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## Cannabis Dispensary Lighting Plan

Lighting for Tioga Green will conform with Mono County Dark Sky Requirements including directional lighting with shielding to direct lighting at signage, walkways, and building exterior. Lighting of 100 lumens or less may be used to accent vegetation.

### Building Signage Lighting

Lighting for the building sign of Tioga Green will use either gooseneck style lights or a directed light bar. Examples are show in Figure 1 and Figure 2 for the type of lighting used for the building signage. Building Signage is described in the Sign Plan.

Figure 2: Building Sign Lighting Examples



### Highway Signage Lighting

Lighting on the Signs for Tioga Green along US 395 will use either gooseneck style lights or a directed light bar. Examples are show in Figure 1 of type of lighting used for highway signage. Highway signage is described in the Sign Plan.

Figure 1: Highway Sign Lighting Examples



### Building Exterior Lighting

The exterior lighting on the building for Tioga Green will be small downward directed lights attached to the building on the exterior. The lighting will illuminate the walkways and areas just adjacent to the building for added visibility and security. Figure 3 shows example of the exterior lighting that will be affixed to the building.

Figure 3: Building Exterior Lighting Examples



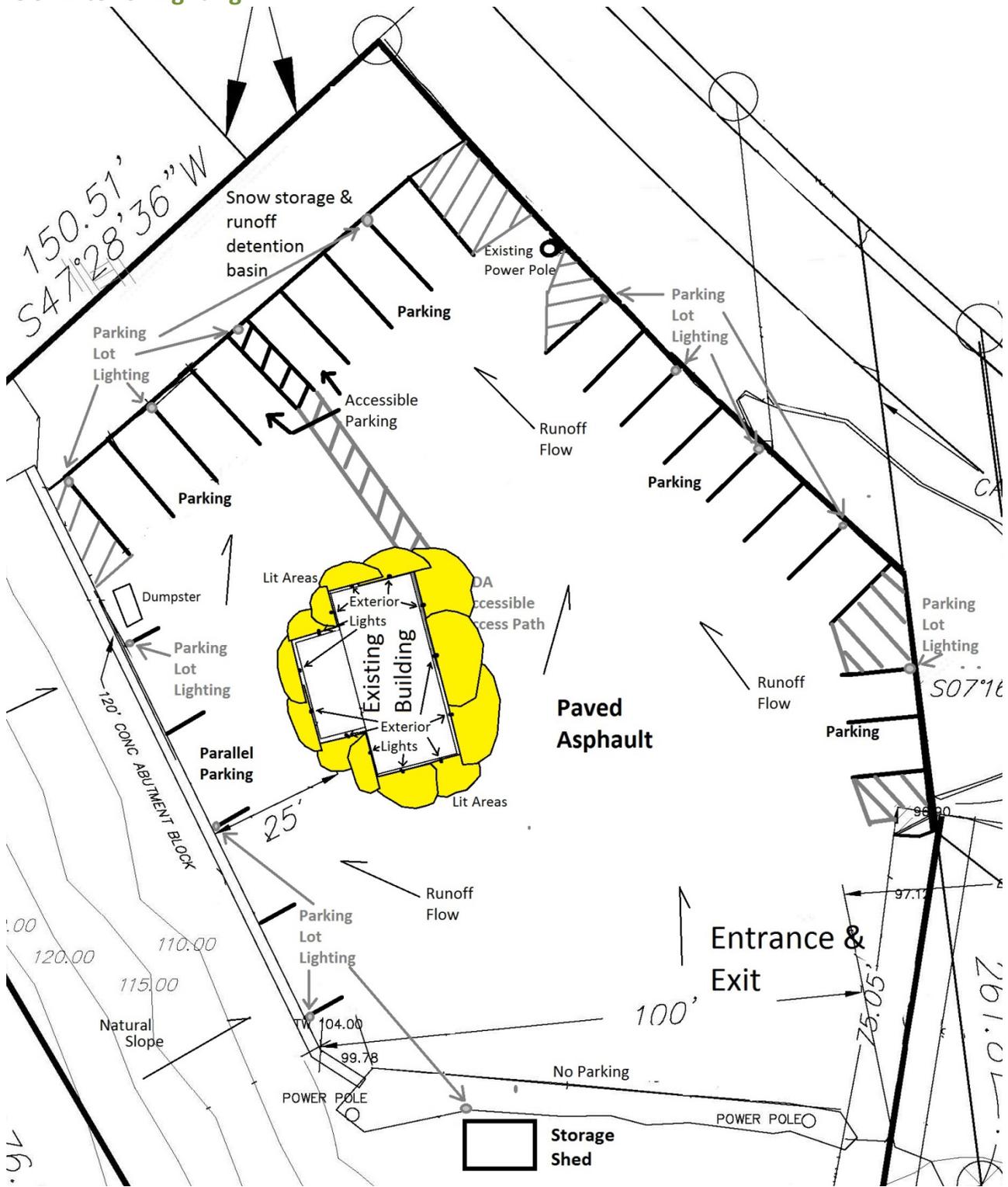
## Parking Lot Lighting

The lighting in the parking lot of Tioga Green will be downward directional shielded lighting with examples shown in Figure 4 and will be 17 ft or less in height. Parking lot lights will be on a timer and will be set to turn on 1 hour before business hours and will turn off 1 hour after business hours (when it is dark).

**Figure 4: Parking Lot Lighting Examples**



Figure 5: Exterior Lighting



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## Cannabis Dispensary Odor Mitigation Plan

Odor mitigation for cannabis products will be achieved through maintain all products in sealed containers. Licensed products are already packaged in sealed containers. Sample product containers will be sealed by budtenders when customers are not viewing the product.

No smoking or use of vaporized concentrated products (vape or dab) is prohibited on the Tioga Green premises; therefore odors associated with these products will not exist.

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## Cannabis Dispensary Sign Plan

*February 21, 2019*

### Highway Signage

There will be 2 signs along Hwy 395 for Tioga Green in a style similar to those shown in Figure 1. Signs will be less than 20 feet tall and have a minimum of a 5 foot setback but will likely be further to avoid impacts from road snowblowers. Sign locations and positioning will provide the best visibility along the northbound travel way and the southbound travel way. Lighting for the signs is shown in the Lighting Plan. Figure 2 shows the approximate sign locations.

**Figure 1: Highway Sign Examples**



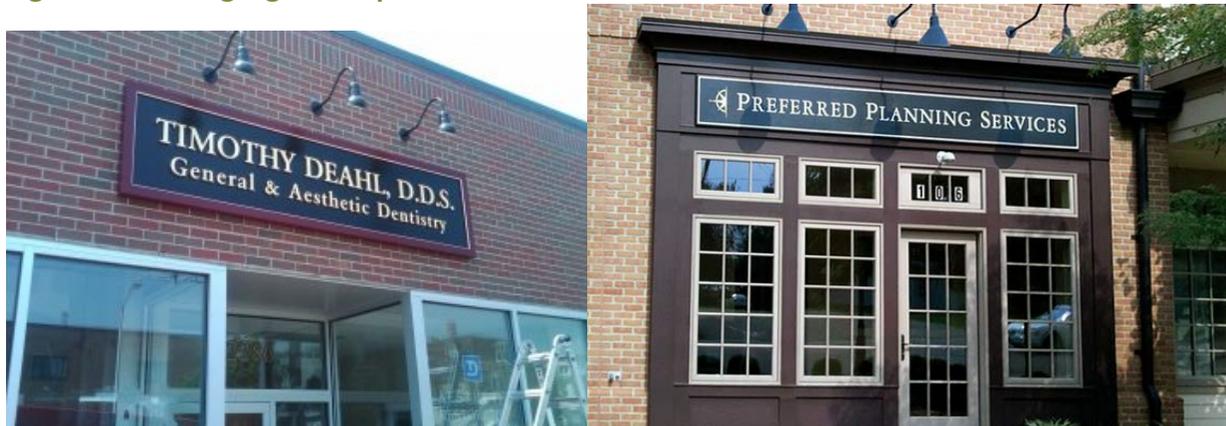
**Figure 2: Highway Sign Locations**



### **Building Signage**

The sign on the building of the Tioga Green Dispensary will be positioned on the front face of the building above the public entrance as shown in Figure 4. It will be similar in style as those shown in Figure 3. Lighting for the sign is shown in the Lighting Plan.

**Figure 3: Building Sign Examples**





**Figure 4: Front Building Sign Mock-Up**



For the building sign: The sign will be within the 1sq ft/linear ft of the building front requirement. The building front is 35ft long and the front building sign will be 25sq ft to 35sq ft.

For the 2 highway street signs: The two signs will conform to the 1sq ft/3 linear ft of the street frontage requirement with the 5ft setback, but likely further to accommodate for snow blowing

distances. The street property frontage is approximately 152.8 linear feet so the combined highway sign dimensions will be no more than 50 sq ft total. The two signs are expected to be the same in design and size.

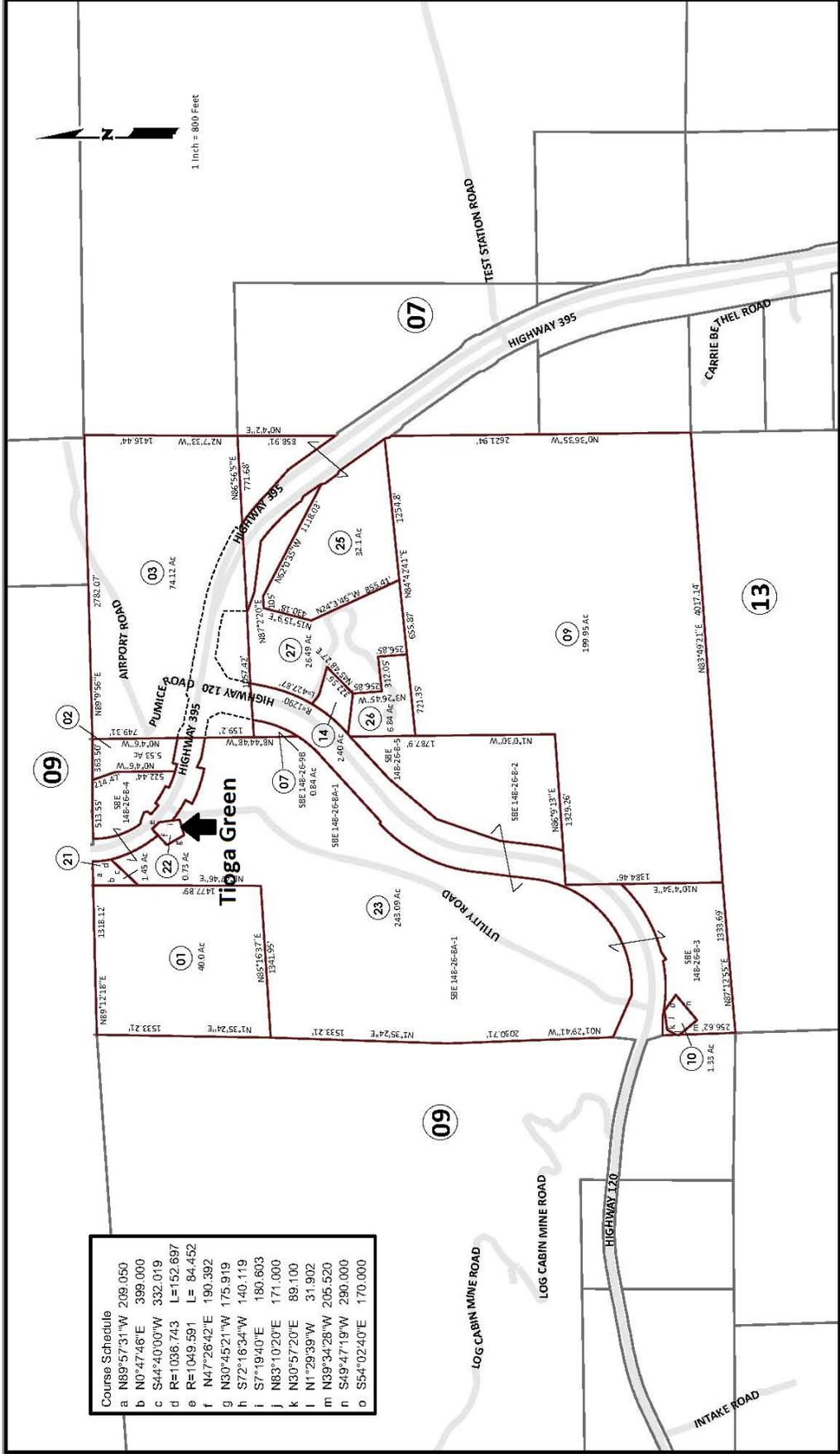
\*\* Signs will not feature logos or depictions related to cannabis.

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## Cannabis Dispensary Vicinity Map





Course	Schedule
a	N89°57'31"W 209.050
b	N0°47'46"E 399.000
c	S44°4'00"W 332.019
d	R=1036.743 L=152.697
e	R=1049.591 L= 84.452
f	N47°26'42"E 190.392
g	N30°45'21"W 175.919
h	S72°16'34"W 140.119
i	S7°19'40"E 180.803
j	N83°10'20"E 171.000
k	N30°57'20"E 89.100
l	N1°29'39"W 31.902
m	N39°34'28"W 205.520
n	S49°47'19"W 290.000
o	S54°02'40"E 170.000



UNINCORPORATED AREA  
Assessor's Map  
**Book 21, Page 08**  
County of Mono, California  
Assessor's Block Numbers Shown in Ellipse.  
Assessor's Parcel Numbers Shown in Circles.

Note: This map is prepared for the use of the Mono County Assessor, for assessment purposes only. It does not necessarily represent a survey of the premises. No liability is assumed as to the sufficiency or accuracy of the data drawn thereon.

P.M. NO 34-52, M.B. NO 4-85, (021-080-014, 015, 016)  
R.S. NO 34-62, M.B. NO 3-28, (021-080-019, 020)  
LLA 13-001 DOC#2013002740 (021-080-026, 027)

Revised By: R. Goodin-Bell  
Created: 3/22/013  
Revised: 3/26/014

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## Cannabis Dispensary Visual Screening Plan

All windows and doors will be opaque, translucent, or have opaque or translucent coverings to conform with cannabis regulations and ensure no cannabis products are viewable from the exterior of the building. In addition, there will be no windows on the interior between the customer retail area/secured sales area and the secured stock area.

## Storage Shed

The intent of the storage shed is to house general facility maintenance equipment and tools such as a snow blower, brooms, hand tools, power tools, misc. No cannabis or security sensitive (inventories, documents, compliance items) will be stored in the shed. Dimensions of the shed will be 10ft by 10 ft. Lighting and power will be provided to the shed to aid in the ease of facility maintenance. No security sensitive access is going to be accommodated in the storage shed, it's strictly for general storage. The style of shed will be wood or wood-look, similar to what is shown in the example below. It will be painted a natural green or tan color to blend with the natural landscape.

