

COMMERCIAL CANNABIS PERMIT (CCP) 2023-006

(Renewal)

City of Salinas

WHEREAS, the City of Salinas has adopted Chapter 5, Article VII of its City Code to allow for the operation of commercial cannabis activity within the City of Salinas; and

WHEREAS, the City accepted applications for commercial cannabis businesses in accordance with the requirements of Chapter 5, Article VII; and

WHEREAS, the City of Salinas granted and issued Commercial Cannabis Business Permit No. 2017-004 pursuant to Chapter 5, Article VII of the Salinas City Code and upon the terms and conditions listed therein; and

WHEREAS, on June 8, 2018, a Certificate of Occupancy was issued for the premises of Emerald Skyway LLC, marking the effective date of CCP 2017-004; and

WHEREAS, on August 30, 2019, Emerald Skyway, LLC filed a request to renew CCP 2017-004 and the City of Salinas granted Commercial Cannabis Business Permit No. 2019-007 on August 20, 2019 pursuant to Chapter 5, Article VII of the Salinas City Code and upon the terms and conditions listed in the permit and not otherwise; and

WHEREAS, on August 3, 2020, Emerald Skyway, LLC filed a request to renew CCP 2019-007 and the City of Salinas granted Commercial Cannabis Business Permit No. 2020-018 on June 8, 2020 pursuant to Chapter 5, Article VII of the Salinas City Code and upon the terms and conditions listed in the permit and not otherwise; and

WHEREAS, on February 5, 2021, Emerald Skyway, LLC filed a requested to amend CCP 2020-018 to establish a new entity name for the business, pursuant to Municipal Code Section 5-07.09.

WHEREAS, on June 16, 2021, Emerald Skyway, LLC filed a request to renew CCP 2020-018 and the City of Salinas granted Commercial Cannabis Business Permit No. 2021-004 on July 23, 2021 pursuant to Chapter 5, Article VII of the Salinas City Code and upon the terms and conditions listed in the permit and not otherwise; and

WHEREAS, on August 1, 2022, Emerald Skyway, LLC filed a request to renew CCP 2021-004 and the City of Salinas granted Commercial Cannabis Business Permit No. 2022-007 pursuant to Chapter 5, Article VII of the Salinas City Code and upon the terms and conditions listed in the permit and not otherwise; and

WHEREAS, on August 22, 2023, Valley Farms filed a request to renew CCP 2022-007; and

WHEREAS, pursuant to City Code Section 5-07.08, the City has reviewed the renewal

application submitted.

NOW, THEREFORE, the City of Salinas hereby renews CCP 2022-007 by granting and issuing this Commercial Cannabis Business Permit No. 2023-006 pursuant to Chapter 5, Article VII of the Salinas City Code and upon the following terms and conditions and not otherwise, to wit:

ISSUED TO (“Permittee”): Charles Wesley, Martin Wesley, and Andrew Wesley Joseph Hall, *Db a Valley Farms*

FOR USE: Dispensary

WITH ACCESSORY USE(S): Delivery & Distribution (Non-Third Party)

FOR TYPE(S): Adult-Use & Medicinal

ON PROPERTY LOCATED AT: 1610 Moffett Street, Salinas, California

ASSESSOR'S PARCEL NO.: 003-863-022-000

EXPIRATION DATE: This Permit shall expire 12 months from the effective date of the Permit.

RIGHT TO OPERATE

The Permittee shall have the right to operate a Commercial Cannabis Business—Dispensary on the above described property in accordance with this Permit. In addition, the Permittee shall have the right to make deliveries to customers at locations other than the Dispensary storefront.

GENERAL CONDITIONS

1. Permittee may conduct business in either the medicinal (“M”-Type) or adult-use (“A”-Type) markets.
2. Cannabis shall not be smoked, ingested, or otherwise consumed on the premises (“Premises” shall mean 1610 Moffett Street, Salinas, California).
3. Per SMC Section 5-07.22, alcoholic beverages shall not be sold, dispensed, or consumed on the premises. Consumption of alcohol on the premises during non-business hours is permissible provided that no alcohol is stored at the site, consumption shall be limited to invited guests at private events, and no monetary or any other form of compensation shall be collected to attend the event or partake in the consumption of alcohol or any other event activities. Service of alcohol shall

comply with any and all requirements of the Bureau of Alcoholic Beverage Control, including any requirement to obtain any necessary permits.

4. In general, no person under the age of twenty-one (21) years shall be allowed within the building where cannabis is distributed or sold, except that persons who are at least eighteen (18) years of age and possess a valid physician's recommendation may be allowed access for the purpose of purchasing medicinal cannabis and cannabis products. Additionally, persons under the age of eighteen (18) who are qualified patients may be allowed in those areas where cannabis is sold or otherwise distributed to qualified patients provided they are accompanied by a person with a valid caregiver's card. Persons under the age of eighteen (18) years who do not meet the requirements specified above may be allowed in those areas where cannabis is neither sold nor otherwise distributed, provided they are accompanied by a parent or legal guardian. These requirements shall be clearly and legibly posted near the entrance to the Dispensary.
5. Per SMC Section 5-07.29, there shall not be a physician located in or on the premises at any time for the purpose of evaluating patients for the issuance of a medical marijuana recommendation or card.
6. Per SMC Section 5-07.39(g), prior to dispensing medicinal cannabis or medicinal cannabis products to any person, the business shall obtain additional voice verification from the recommending physician's office that the person requesting cannabis or cannabis products is a qualified patient.
7. Per SMC Section 5-07.29, this Permit and any other Permits or licenses issued to the business from a government agency shall be conspicuously displayed in an interior location of the premises in an area which has patient access.
8. Per SMC Section 5-07.18, the Permittee shall maintain a City of Salinas business license, pay all applicable fees, charges, and taxes, and comply with all applicable provisions and requirements of that business license.
9. Per SMC Section 5-07.15, the Permittee shall pay any applicable taxes and fees, whether federal, state, or local.
10. This Permit does not vest in any person a property right or other vested right. This Permit confers the privilege to operate a Commercial Cannabis Business for a limited term pursuant to the terms and the conditions of this Permit and of all applicable laws, rules, and regulations. Failure to comply with one or more of the terms and conditions of this Permit or any applicable law, rule, or regulation shall be grounds for immediate revocation of this Permit.

11. If the commercial cannabis Permit was granted on the basis of false material information, written or oral, given willfully or negligently by the applicant, this Permit shall be immediately revoked.
12. Per SMC Section 5-07.16, violations of SMC Chapter 5, Article VII are deemed unlawful and a public nuisance. If business activity at the premises results in a public nuisance, the Permittees may be subject to injunctive relief and/or revocation of the CCP.
13. Per SMC Section 5-07.08(a), this Permit shall expire one year after the date on which it becomes effective. Application for renewal shall be filed with the Community Development Department no later than 60 days prior to the expiration date of this Permit. In the event this Permit is not renewed in a timely manner, the Permittee shall immediately cease all operations commenced pursuant to this Permit. No extensions to this Permit or to the deadline to submit an application for renewal will be considered or granted. Subject to applicable laws, applications for renewal will be evaluated based solely upon the Permittee's compliance with applicable laws, regulations, and Permit conditions (including the conditions of this Permit), and shall not be affected by outside actions such as the establishment of a new sensitive use within 1,000 feet of the site, proposals for cannabis businesses by other operators or at other sites, or any other concerns not related to operations at the subject site.
14. Per SMC Section 5-07.23, this CCP is granted only to the below-signed Permittee(s) for the site defined herein. This Permit shall not be transferable to any other site or to any other person. For purposes of this Permit, "person" shall include an individual or any entity. No person shall operate a commercial cannabis business under this Permit at any place or at any location other than that identified on the Permit. No person shall transfer ownership or control of this commercial cannabis business or transfer this Permit unless the Permittee first obtains the consent of the City and otherwise meets the requirements for the transfer under the City Code. Any attempt to transfer this Permit without the City's prior consent will render this Permit immediately void and revoked and no longer of any force or effect and the commercial cannabis business must immediately cease operations. The Permittee may not assign this Permit or any of the privileges granted hereunder to any other person or entity or allow any other person or entity to operate the commercial cannabis business established pursuant to this Permit.
15. Per SMC Section 5-07.07, no person who has been convicted of a felony or crime of moral turpitude within the past ten years may be engaged (actively or passively) in the operation of any commercial cannabis business, unless the felony or crime is exempted from this restriction as described in SMC Section 5-07.07(b).

16. Per SMC Section 5-07.09, any change as to which individuals are listed as the Permittees of the CCP shall be requested in the form of a permit amendment request. Such requests shall be reviewed by the City's Cannabis Selection Committee, who shall reject or approve the request based on findings that the new Permittee(s) would comply with the business's operating requirements and would possess the expertise and ability to operate the business.

NEIGHBORHOOD COMPATIBILITY/ENVIRONMENT

17. Per SMC Section 5-07.33, sales of cannabis and cannabis products at the Dispensary location shall occur only between the hours of 6:00 a.m. and 10:00 p.m. Monday through Sunday.
18. The Permittee shall maintain the premises' parking areas, driveways, accessways and grounds, landscaped areas, and exterior building surfaces in accordance with all applicable regulations, as required by the SMC. The premises shall be maintained free of weeds, litter, and debris. Traffic signs and pavement markings shall be maintained to be clear and legible.
19. Per SMC Section 5-07.29(b), any outdoor storage, display, or sale of merchandise of any kind is prohibited.
20. Per SMC Section 5-07.29(a), no cannabis or cannabis products or graphics depicting cannabis or cannabis products shall be visible from the exterior of the property. All signage proposed for the premises shall be subject to the prior review and approval of the City.
21. Per SMC Section 5-07.33, any cannabis or cannabis product must be in an opaque (non-see-through) package, such as a bag, before it leaves the commercial cannabis business.
22. Per SMC Section 5-07.29, odor prevention devices and techniques, such as a ventilation system with a carbon filter, shall be incorporated to ensure that odors from cannabis are not detectable offsite. Commercial cannabis businesses shall provide a sufficient odor absorbing ventilation and exhaust system so that odor generated inside the facility that is distinctive to its operation is not detected outside of the facility, anywhere on adjacent property or public rights-of-way, on or about the exterior or interior common area walkways, hallways, breezeways, foyers, lobby areas or any other areas available for use by common tenants or the visiting public, or within any other unit located inside the same building as the commercial cannabis business. As such, commercial cannabis businesses must install and maintain the following equipment or any other equipment which the City Manager or his/her designee determines has the same or better effectiveness:

- a. An exhaust air filtration system with odor control that prevents internal odors from being emitted externally; and
 - b. An air system that creates negative air pressure between the commercial cannabis business's interior and exterior so that the odors generated inside the commercial cannabis business are not detectable on the outside of the commercial cannabis business.
23. The Permittee must maintain all weighing devices in compliance with local, state or federal law.
24. The Permittee must follow all local, state and federal requirements for waste disposal. Any waste including cannabis product must be stored in a secure location on-site until disposed of in a legal fashion.

POINT-OF-SALE REQUIRMENTS

25. Per SMC Section 5-07.41, the business shall not make any deliveries within 1,000 feet of any school, park, or daycare center, except that deliveries may be made to an individual at their place of residence.
26. Per State Law (Section 5417 of the Bureau of Cannabis Control Order of Adoption), vehicles used for deliveries to consumers shall not have any marking or other indications on the exterior of the vehicle that may indicate that the delivery employee is carrying cannabis goods for delivery. Only the Permittee or an employee of the Permittee shall be in the delivery vehicle. Cannabis goods shall not be left unattended in a motor vehicle unless the motor vehicle is locked and equipped with an active vehicle alarm system. The Permittee shall comply with all other applicable State requirements of the Bureau of Cannabis Control regarding cannabis delivery.
27. Per SMC Section 5-07.41(b), the business shall verify the identity of delivery customers via the presentation of a valid identification card issued by a governmental agency that includes the recipient's name, date of birth, and photograph (unless the State of California designates alternative forms of identification to be acceptable for this purpose).
28. Per SMC Section 5-07.41(c), the Permittee shall not deliver any cannabis or cannabis products to any person under the age of 21 years, except a person with an identification card. Deliveries shall be made directly to the person placing the request for delivery and may not be delivered to another individual at the site, except that deliveries to a caretaker are permitted, and deliveries to a minor may be made to that minor's parents or legal guardians.
29. Per SMC Section 5-07.41(d), prior to the sale of any cannabis or cannabis product

to a minor, the delivery company shall obtain the consent of the minor's parents or legal guardians. This may include a one-time blanket approval provided that the terms of the approval are clearly articulated.

30. Per SMC Section 5-07.39(c), any cannabis or cannabis product must be in an opaque (non-see-through) package, such as a bag, at the time of delivery.

HAZARDOUS MATERIALS

31. A list of all hazardous materials which will be stored or utilized on site shall be provided to the Salinas Fire Chief. This list shall include the amount and methods of storage of these materials. Prior to the commencement of cannabis activity, the Fire Chief shall ensure that the Permittee has obtained all required Permits necessary. At any time between 8:00 a.m. and 8:00 p.m. and without notice, the Fire Chief and/or his/her designee may enter the premises for the purpose of observing compliance with applicable regulations regarding the handling and use of hazardous materials.

SITE SECURITY

32. Per SMC Section 5-07.24, the Permittee shall be responsible and liable for safety and security in and around the commercial cannabis operation, and shall provide adequate security on the premises, including lighting and alarms, to ensure the safety of persons and to protect the premises from theft and other crimes. The Permittee shall maintain the following security measures, unless otherwise determined by the Chief of Police. The City and the Salinas Police Department are also authorized to require additional security measures as deemed necessary.
 - a. The site shall be monitored at all times. This may be accomplished by installing HD security cameras which may be accessed remotely in real-time by the Salinas Police Department. The Permittee shall work with the Salinas Police Department to ensure the video feed is compatible with Police Department software/hardware. Site Monitoring shall include external and internal areas, including all doors, windows, and vehicle entrances/exits. Video and other records shall be preserved for a minimum of forty-five (45) days.
 - b. Entrances into the dispensary shall be locked at all times with entry strictly controlled. A "buzz-in" electronic/mechanical entry system shall be utilized to limit access to and entry to the dispensary to separate it from the reception/lobby area. Individuals must show valid identification in order to gain access into the dispensary.

- c. Whenever the business or any other party is engaged in loading and unloading of vehicles for the distribution of cannabis, cannabis products, and/or cash to and from the site, a minimum of one security guard shall be present to observe the transfer of the cannabis, cannabis product, or cash between the delivering vehicle and the building. This guard shall be equipped with gear that enables the guard to immediately contact law enforcement as necessary. The business shall maintain a loading area either within the building, an enclosed and secure fenced area, or, if these are infeasible, as close as possible to the building entrance to minimize the amount of transport through the parking lot. Loading and unloading shall not occur from adjacent properties without the prior approval of the property owner.
- d. All restroom facilities shall remain locked and under the control of management.
- e. Windows shall be secured to prevent unauthorized break-ins – any bars or other physical barrier devices shall be installed in the interior of the building and shall comply with Fire Code requirements.
- f. Security systems shall be designed to continue all operations during power outages.
- g. Panic buttons shall be installed throughout the facility as deemed necessary
- h. A minimum of one security guard shall be present at the premises during business hours so as to maintain a clear view of the parking area and the building entrance, in order to ensure the safety of patients.
- i. The premises shall be adequately screened and/or fenced to ensure that nearby businesses and properties are not otherwise affected by the operations of the Commercial Cannabis Business.
- j. The Permittee shall maintain adequate parking on the site of the premises and make such parking available for patrons of the commercial cannabis business. The Permittee shall ensure that the operations of the Commercial Cannabis Business do not affect the parking lots of other nearby businesses.
- k. All cannabis product shall be stored in a locked room, safe, or vault. If the product is stored in a room or vault, said room or vault shall be reinforced or otherwise protected so that access may not be gained through the application of force equal or lessor to that produced by a vehicle collision. If the product is stored in a safe, the safe shall be secured so as to prevent the safe from being removed from the site.

- l. Individuals not involved in the cannabis business shall be escorted from the site immediately.
 - m. The plans shall include procedures detailing the handling of cash on-site. Said plan shall include the range of cash expected at the site daily; the number of deposits made each day; procedures for making deposits, including personnel involved; whether employees are paid in cash and, if so, when these payments occur; and the amount of cash expected to be stored on-site overnight. Cash stored overnight in excess of \$500 shall be stored in a locked room, safe, or vault. If the product is stored in a room or vault, said room or vault shall be reinforced or otherwise protected so that access may not be gained through the application of force equal or lessor to that produced by vehicle collision. If the product is stored in a safe, the safe shall be secured so as to prevent the safe from being removed from the site.
- 33. Per SMC Section 5-07.19, the Permittee shall keep accurate records of its commercial cannabis activities pursuant to the requirements of the California Business and Professions Code, as it may be amended from time-to-time.
 - 34. Per SMC Section 5-07.24, the Permittee shall notify the Salinas Police Department and the Community Development Department within 24 hours after discovering any of the following: diversion, theft, loss, or any criminal activity involving the commercial cannabis operation; the loss or unauthorized alteration of records related to cannabis, registering qualifying patients, primary caregivers, or employees or agents of the commercial cannabis business; or any other breach of security.
 - 35. Per SMC Section 5-07.24(b), the Permittee shall designate a liaison to the Police Department who will be responsible for managing communications regarding all security matters. This person shall be reasonably available to the Police Department or to City Staff regarding security measures.
 - 36. Per SMC Section 5-07.20(a), at any time during hours of operation and without notice, City officials may enter the premises for the purpose of observing compliance of the commercial cannabis operation, including access to and inspection of the commercial cannabis operation's records, books, accounts, financial data, and any and all data relevant to its Permitted activities for the purpose of conducting an audit or examination. It is unlawful for any person having any responsibility over a commercial cannabis operation to refuse to allow, impede, obstruct, or interfere with an inspection, or the review of the copying of records and monitoring (including recordings) including, but not limited to, the concealment, destruction, and falsification of any recordings or records.

37. The Chief of Police shall make the determination whether any measure taken in accordance with this section of the Permit has been done in an appropriate manner. If, in the opinion of the Chief of Police, the measures taken do not provide an acceptable level of security, the Chief of Police may immediately suspend or revoke this Permit. Upon such suspension or revocation, the Permittee shall immediately cease all operations commenced pursuant to this Permit.

PATIENT SAFETY/PRODUCT INTEGRITY

38. The Permittee shall comply with all state and local regulations regarding product safety.
39. All cannabis and cannabis products sold shall have been cultivated, manufactured, and transported by licensed facilities that maintain operations in full conformance with the state and local regulations.
40. Per SMC Section 5-07.19(d), subject to the Health Insurance Portability and Accountability Act (HIPPA) regulations, each business shall allow City officials to have access to the Commercial Cannabis Business's books, records, accounts, and any and all data relevant to its Permitted activities for the purpose of conducting an audit or examination. Books, records, accounts, and any and all relevant data will be produced no later than twenty-four (24) hours after receipt of the City's request.
41. Businesses shall maintain an inventory control and reporting system that accurately documents the present location, amounts, and descriptions of all cannabis and cannabis products for all stages of the growing and production or manufacturing process until purchase in accordance with applicable law. Such records will be made available to the City for inspection upon request.
42. The Permittee shall adhere to State requirements of the California Cannabis Track-and-Trace System.
43. Per SMC Section 5-07.39(e), the business shall make all records related to testing laboratory results for the cannabis or cannabis product being delivered available to the consumer upon request.
44. Per SMC Section 5-07.44, all manufactured cannabis products shall be individually wrapped at the original point of preparation. Packaging shall, at a minimum, include the elements as specified in California Business and Professions Code section 26120, as the same may be amended from time-to-time or superseded or replaced by subsequent state legislation or by any department or division of the state of California.

45. All food products, food storage facilities, food-related utensils, equipment and materials shall be approved, used, managed and handled in accordance to the provisions of the California Retail Food Code, California Health and Safety Code sections 113700 - 114437. All food products shall be protected from contamination at all times, and all food handlers must be clean, in good health and free from communicable diseases. The Monterey County Environmental Health Bureau may inspect the commercial cannabis business at any time during business hours to ensure compliance with this section.
46. Per State law (California Business and Professions Code Section 26000 – 26250), the business shall comply with all State regulatory requirements for product packaging, including the following minimum requirements:
- a. Prior to delivery or sale, cannabis and cannabis products shall be labeled and placed in a resealable, tamper-evident, child-resistant package and shall include a unique identifier for the purposes of identifying and tracking cannabis and cannabis products.
 - b. Packages and labels shall not be made to be attractive to children.
 - c. All cannabis and cannabis product labels and inserts shall include the following information prominently displayed in a clear and legible fashion in accordance with the requirements, including font size, prescribed by the bureau or by the State Department of Public Health:

C(1). Labels for cannabis shall include the following information displayed in a clear and legible font:

C(1)(a) “GOVERNMENT WARNING: THIS PACKAGE CONTAINS CANNABIS, A SCHEDULE I CONTROLLED SUBSTANCE. KEEP OUT OF REACH OF CHILDREN AND ANIMALS. CANNABIS MAY ONLY BE POSSESSED OR CONSUMED BY PERSONS 21 YEARS OF AGE OR OLDER UNLESS THE PERSON IS A QUALIFIED PATIENT. CANNABIS USE WHILE PREGNANT OR BREASTFEEDING MAY BE HARMFUL. CONSUMPTION OF CANNABIS IMPAIRS YOUR ABILITY TO DRIVE AND OPERATE MACHINERY. PLEASE USE EXTREME CAUTION.”

C(1)(b) Labels for cannabis products shall include the following information displayed in a clear and legible font:

“GOVERNMENT WARNING: THIS PRODUCT CONTAINS CANNABIS, A SCHEDULE I CONTROLLED SUBSTANCE. KEEP OUT OF REACH OF CHILDREN AND ANIMALS. CANNABIS PRODUCTS MAY ONLY BE POSSESSED OR CONSUMED BY PERSONS 21 YEARS OF AGE OR OLDER UNLESS THE PERSON IS

A QUALIFIED PATIENT. THE INTOXICATING EFFECTS OF CANNABIS PRODUCTS MAY BE DELAYED UP TO TWO HOURS. CANNABIS USE WHILE PREGNANT OR BREASTFEEDING MAY BE HARMFUL. CONSUMPTION OF CANNABIS PRODUCTS IMPAIRS YOUR ABILITY TO DRIVE AND OPERATE MACHINERY. PLEASE USE EXTREME CAUTION.”

C(2) For packages containing only dried flowers, the net weight;

(C)(3) Identification of the source and date of cultivation, the type of cannabis or cannabis product and the date of manufacturing and packaging;

(C)(4) The appellation of origin, if any;

(C)(5) A list of pharmacologically active ingredients, including, but not limited to, tetrahydrocannabinol (THC), cannabidiol (CBD), and other cannabinoid amount in milligrams per serving, servings per package, and the THC and other cannabinoid amount in milligrams for the package total.

(C)(6) A warning if nuts or other known allergens are used.

(C)(7) Information associated with the unique identifier issued by the Department of Food and Agriculture.

(C)(8) For a medicinal cannabis product sold at a retailer, the statement “FOR MEDICAL USE ONLY.”

(C)(9) Any other requirement set by the bureau or the State Department of Public Health.

- d. Only generic food names may be used to describe the ingredients in edible cannabis products.
 - e. In the event the Attorney General determines that cannabis is no longer a Schedule I controlled substance under federal law, the label prescribed in subdivision (C) shall no longer require a statement that cannabis is a Schedule I controlled substance.
47. Per SMC Section 5-07.39(d), no edible cannabis products requiring refrigeration or hot-holding shall be sold or distributed. Baked products (e.g., brownies, bars, cookies, cakes), tinctures, and other non-refrigerated type items may be sold.
48. Per SMC Section 5-07.19(f), business records shall be maintained by the Permittee for a period of not less than seven years. Such records shall be made available for inspection consistent with California Business and Professions Code Section

26160 and any additional rules promulgated by the licensing authority pursuant to that section or the city council by resolution or ordinance.

LABOR & EMPLOYMENT

49. Any person who is an employee or who otherwise works or volunteers for the Permittee shall obtain a Work Permit in accordance with the requirements of the SMC, Section 5-07.25. No person under the age of 21 years of age shall be eligible for a Work Permit.
50. If, during the term of employment, an employee is charged with a felony or crime of moral turpitude, that employee shall immediately have their duties restricted to roles which do not involve the handling of any cannabis product, any access to financial records, or any opportunity to access inventory records, unless they are under the in-person supervision of a manager or principal that has not been accused of any felony or crime involving moral turpitude. A charge for transporting cannabis or cannabis products to or from a legally licensed and/or permitted cannabis business shall not be considered when implementing this paragraph. Employees that are convicted or plead no contest to a charge of the same shall be immediately barred from performing any duties and their employment shall be promptly terminated in accordance with applicable laws. The business shall notify the Chief of Police in writing within 10 days of becoming aware that an employee has been charged or convicted of a felony or crime of moral turpitude. This permit may be immediately revoked and of no longer any force or effect.
51. Employees shall not consume or be under the influence of any controlled substances during work hours, unless a valid prescription from a medical professional has first been obtained.
52. To the extent permitted by law, the Permittee shall prioritize the hiring of employees from within the City of Salinas, within the Salinas Valley, and within Monterey County, in that order. The business shall annually include with any application for renewal a list of the number of employees currently hired, the average and median hourly wages for all employees, and the zip codes of employees at the time of hire.
53. The Permittee shall provide compensation to its employees equal to or greater than that described in its application to the City.

PERMIT NOT TO SUPERSEDE OTHER REQUIRED LICENSING OR PERMITS

54. The Permit does not constitute a land-use entitlement or any other vested right and shall not absolve the Permittee of any requirements to obtain any reviews or Permits

by the City's Community Development Department. Said reviews or Permits may include, but are not limited to, Conditional Use Permits, Site Plan Reviews, Building Permits, and/or environmental analyses performed in accordance with the California Environmental Quality Act (CEQA). The Permittee shall obtain all necessary land use entitlements prior to beginning operations or performing any work on site.

55. When applicable, the Permittee must legally hold all required State Licenses under the Medicinal and Adult-Use Regulation and Safety Act, as it may be amended, and under all other applicable state laws. The issuance of this Permit shall not relieve the Permittee of any requirement to obtain Permits or licensing from any county, regional, or state agencies.

MODIFICATION OF APPROVED USE

56. Any modifications to the terms and conditions of this Permit are subject to the issuance of a new Permit. Modifications must be requested through the permit amendment process, as described in SMC Section 5-07.90.

PERMIT VALIDATION

57. This Permit shall be null and void and all terms and conditions shall have no force or effect unless this Permit is signed by the Permittee(s) and returned to City of Salinas Community Development Department.

STANDARD CONDITIONS

58. Pursuant to **Salinas City Code Section 1-8.1: Civil action enforcement**, and **Section 1-8.2: Liability for costs**, Permittee shall reimburse the City of Salinas for all costs and expenses (including but not limited to fees and charges of architects, engineers, attorneys, and other professionals, and court costs) incurred by the City in enforcing the provisions of this Permit.
59. The applicant(s) shall defend, indemnify, and hold harmless the City of Salinas or any of its boards, commissions, agents, officers, and employees from any claim, action or proceeding against the City, its boards, commissions, agents, officers, or employees to attack, set aside, void, or annul, the approval or the issuance of this Permit. The City shall promptly notify the Permittee of any such claim, action, or proceeding. The City shall cooperate in the defense. Nothing contained in this condition shall prohibit the City from participation in a defense of any claim, action, or proceeding if the City bears its own attorney's fees and costs, and the City defends the action in good faith.
60. Notwithstanding any of the provisions in this Permit, the Permittee will at all times

comply with all applicable laws and regulations, as the same may be promulgated, amended, or updated from time-to-time.

61. The City may in its discretion amend this Permit from time-to-time in order to address changes to the operations of the Commercial Cannabis Business or changes in applicable laws, rules, or regulations.
62. The Permittee understands and acknowledges that all principals named on this Permit, as well as all owners, managers, supervisors, or employees of the Commercial Cannabis Business, must complete a background check and all principals named on this Permit must clear the background check and meet the requirements of the Salinas Municipal Code. If one or more of the principals or other individuals either fails to complete a background check or fails the background check, this Permit shall become immediately null and void and revoked and the Commercial Cannabis Business must cease all operations permitted hereunder.

NOTICE OF CHALLENGE LIMITATIONS

63. Consistent with California Code of Civil Procedure Section 1094.6, all Court challenges to the decision to issue this Permit must be initiated within 90 days of the date of issuance.

EXECUTIONS

THIS RENEWED COMMERCIAL CANNABIS PERMIT was approved by action of the City of Salinas Community Development Department.

Date: June 8, 2023

Andres Sanchez

Andres Sanchez
Contract Planner

THIS COMMERCIAL CANNABIS PERMIT is hereby accepted upon the express terms and conditions hereof, and the undersigned Permittee agrees to strictly conform to and comply with each and all of this Permit's terms and conditions.

Dated: _____

Charles Wesley
Permittee

Dated: _____

Martin Wesley
Permittee

Dated: _____

Andrew Wesley
Permittee

Dated: _____

Joseph Hall
Permittee