

GREAM ENTERPRISES, INC. DBA PHENOS HAYWARD

CONDITIONAL USE PERMIT APPLICATION PROJECT NARRATIVE

CUP APP# P25-XXXX

PROPERTY

ADDRESS:

21463 Foothill Blvd. Suite A

Hayward, CA 94541

APN: 414-008-656

ZONING: General Commercial

BUSINESS OWNER: Gream Enterprises, Inc.

PROPERTY OWNER: Foothill-Grove LLC

PROJECT OVERVIEW

Gream Enterprises, Inc. DBA Phenos Hayward (hereafter referred to as "Phenos") has proposed to provide interior improvements to the existing structure on site to secure and accommodate a commercial cannabis retail facility with applicant to obtain a Type 10 Retailer License from the Department of Cannabis Control upon approval by City of Hayward. The subject site is located at the above address within the City of Hayward in the General Commercial (CG) Zone with a General Plan land use designation of Commercial High Density Residential (CHDR).

NUMBER OF EMPLOYEES (FULL TIME):

- Retail Fourteen-Twenty (14-20)
- (Specific Roles/Budtenders/Managers Etc.

HOURS OF OPERATION:

The hours during which the retail premises will be open to the public shall be 9:00 a.m. to 8:00 p.m., seven days a week, Monday through Sunday.

RETAIL CUSTOMER TRAFFIC:

500-700 Customers per Day (Anticipated to increase to 900 daily following)

RETAIL EMPLOYEE SHIFTS:

Monday through Sunday

- Shift I: 8:45 a.m. to 1:45p.m. (3+ Employees, including Management)
- Shift II: 1:45p.m. to 6pm (3+ Employees, including Management)
- Shift III: 4:00 p.m. to 9 p.m. (3+ Employees, including Management)

IRONCLAD PRODUCT RECEIVING PROCEDURES /DELIVERIES:

- We have established an exclusive distribution partnership within our network of cannabis businesses, specifically with Pacafi, Inc., operating under the name PCF Distro. To ensure timely delivery and preparedness, we have scheduled one/two deliveries per week from Monday through Friday. Our exclusive distribution partnership allows us to reduce vendor deliveries from twenty per day to one/two per week, minimizing security risks.
- Our retail general managers and armed security guards have direct communication with the logistics manager at PCF Distro to confirm delivery times and coordinate logistics to ensure top-level security. Upon arrival, PCF Distro is greeted by our armed security personnel and directed to [REDACTED]. All visitors and vendors are required to be logged on the Visitor Log, in compliance with DCC regulations. Each visitor/ delivery is recorded with the date, name, time in/out, reason for business, and company by our armed security personnel.
- The distributor employee with cannabis products is escorted by an armed guard [REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED] The loading/ unloading area, doorway, intake area, and storage room are

monitored and recorded 24 hours per day by our video surveillance system, with footage stored for a minimum of 90 days. At all times and in real time, security can communicate with store managers via headsets.

- To maintain confidentiality, delivery arrival times and dates are kept to upper level management only.

CUSTOMER/ VENDOR/ MAINTANCE CONTRACTORS ACCESS:

- Customers: Individuals shall be granted access to the retail area to purchase cannabis goods only after the employee of the retailer or armed security staff has confirmed the individual's age and identity. Individuals must show their government-issued identification, if applicable their physician's recommendation, and/or a State issued (MMIC) cannabis card.
- All others: (Vendors / Contractors / Repairman / Pest Control etc.) All individuals are verified by our armed security staff and management to have a confirmed scheduled appointment. After verification of identity each visitor is recorded with the date, name, time in/out, reason for business, and company by our armed security personnel. Visitors are accompanied by staff or security guards at all times.

SITE OVERVIEW

AREA BREAKDOWN

Gross Site Area:	1.33 Acres
Existing Structure:	14,928 sq. ft.
Floor Area Ratio (Far):	Total: 26%

PARKING ANALYSIS

There are sixty-one (61) parking spaces in the immediate vicinity of the premises with twenty-six (26) spaces located directly in front of the storefront.

Although the parking area is shared with two tenants comprising the shopping center's tenant's, PHENOS anticipates regular availability of at least fifty (3=50) parking spaces throughout the day, at any given time during its operating hours.

At a maximum of three (3) employees on site during normal daily operations, with sixty one (61) parking spaces available at the CG Zoned facility, PHENOS will have ample parking to accommodate its needs as under the Hayward Municipal Code.

RETAIL OPERATIONS

FACILITY LAYOUT AND LOGISTICS

Lobby/Security Checkpoint and Customer Access

The Security checkpoint will serve as the sole entrance point for customers and visitors arriving at Phenos Retail Facility. This feature consists of a 'Check In' Window at which customers will be greeted upon entry from the 'Customer Entrance' on the east side of the facility. During retail operating hours as customers are entering and exiting the facility, the Security Manager will be stationed within the lobby area outside of the 'Check In' Window. The Security Manager shall monitor customer and employee movement including access into the interior of the Retail Area after customers check in, and shall ensure secure, compartmentalized access to the Retail Area which shall serve as a deterrent to any potential criminal activity or threat to customers, employees, or visitors at the store. Additionally, one state licensed, uniformed, armed, and badged security guard, shall be in constant communication with the Security Manager and available to respond to any exigency on site.

Manager's Office

The Manager's Office will serve as the central location for Management. It will also house the facility's administrative security monitors, as well as physical record storage required under Hayward's Municipal Code.

These records shall be maintained by Phenos for a period of seven (7) years and shall be made available to the Hayward Police Department upon request, except for private patient records which shall be made available only pursuant to a properly executed search warrant, or court order. In addition to all other formats that Phenos may maintain, these records shall be stored or produced on location in a printed format upon request.

Any loss, damage or destruction of the records shall be reported to Hayward Police Department within 24 hours of the loss, destruction, or damage.

Retail Sales Floor

- The Retail Sales Floor Area will provide an upbeat welcoming atmosphere to enhance the customer experience. The traffic flow inside the facility will not exceed the maximum capacity, the size of the retail floor shall provide comfortable accommodation for the anticipated volume of customers patronizing the store at any given time.
- Once the customer's credentials, including their age and ID are verified, the receptionist at the 'Check-In' window will complete the guest intake process and do the following:
- When a new patient or customer is visiting for the first time the following occurs:
- Create a NEW customer profile utilizing Indica Online (Point of Sale (POS) software system).
- Enter the guest's name, date of birth date and ID information into the appropriate data fields

- ## GOODS FOR SALE AND CUSTOMER TRANSACTIONS

PHENOS shall not make any cannabis goods available for sale to a customer unless such goods were received from a licensed distributor, have not exceeded their expiration or sell-by date if one is provided, and, for manufactured cannabis goods, PHENOS shall ensure the product complies with all requirements of California Business and Professions Code Section 26130 and all other relevant laws.

Goods for inspection and sale shall only be displayed in the Retail Sales Floor and shall not be visible from outside or from other areas of the facility.

Live Plants

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Daily Product Limits

- **Recreational Use:** Phenos shall not sell more than 28.5 grams of non-concentrated cannabis to a Customer in a single day to a single customer
- Phenos shall not sell more than eight (8) grams of concentrated cannabis, including that which is contained in cannabis goods, in a single day to a single customer
- **Medical Use:** Phenos shall not sell more than 8oz of cannabis in any form to a medical use patient in a single day to a single customer
- Phenos shall utilize Indica Online (POS System) daily purchasing limits feature which tracks every purchase and records sold daily limits. It is not possible to “oversell” a customer, Indica Online does not allow a user to complete an order that is over the daily limits set forth by the State of California. There is no Manager-Override option and our system simply does not allow it.

CANNABIS PRODUCT REGISTER PROCEDURES

Once the customer has completed their shopping experience, the budtender will accept payment and hand the customer the purchased product in an opaque package with receipt attached, along with any change due to the customer.

- Each product will be labeled uniquely by bar code and correlating ID associated within the tracking system. The bar code will be scanned into the data field to ensure the correct information for each product is being recorded
- All inventory is recorded and tracked in the POS system to properly monitor in real time the movement of product throughout the facility through the final sale.
- Budtenders shall ensure all discounts have been applied correctly by reviewing the price of the order and the discounts notes as well as relaying any promotional information to the consumer
- Budtenders shall count all cash in front of the customer to ensure accuracy and accountability as well as for video recordings

CUSTOMER EXIT

- Once a purchase has been completed, departing customers shall exit the facility through the exit door
- Security guards will observe parking lot activities to ensure on-site consumption does not take place.

EXTERIOR FLOW OF CUSTOMERS

This location has 60+ off street parking spaces available to customers, employees and visitors at any given time.

CUSTOMER RETURNS

Phenos will accept returns on manufactured products within 7 days of purchase. Returns shall be “Returned” in the POS System, held in a separate “Returns” inventory category until cleared for destruction, all returns will be accounted for in inventory as well as METRC while onsite.

BULK CANNABIS STORAGE

[REDACTED]

MANAGER OFFICE

The Manager Office shall serve as the central location for security coordination, monitoring, and logistics. It will house the facility's security network infrastructure, including surveillance monitors with access to all security camera viewpoints which will be under the constant supervision of management personnel during all hours of operation. The Manager shall have master control [REDACTED]

[REDACTED]

ODOR CONTROL PLAN

AIR TREATMENT PROCEDURES

PHENOS’s Facility has been designed for the operation of Commercial Cannabis Retail business, which does not include the production of cannabis nor any exposure of unpackaged cannabis to the exterior environment as all cannabis to be stored and sold on site shall arrive within sealed, child resistant mylar bags, and glass jars, which shall remain closed through sale to customers.

The odor control and reduction system will include carbon filtered air intake exchanges, a commercial heating, ventilation, and air conditioning (HVAC) air ventilation system, and air-tight packaging for all products on site.

OPERATIONAL PROCESSES AND MAINTENANCE PLAN

PHENOS’s Operations Manager(s) will monitor and replace carbon filters within the facility's air intake exchanges per the manufacturer’s instructions or as needed, to ensure optimal performance.

Once the Odor Control Mitigation Plan is fully approved and implemented, the Operations Manager will inspect the interior and exterior of the facility to evaluate the efficiency of odor control measures. Periodic odor testing will also be performed to both establish a baseline and to monitor mitigation efforts.

HVAC System: In addition to carbon filters, PHENOS will augment the facilities filtered ceiling ventilation hatches to remediate odors, achieve temperature balance and to maintain air flow.

PHENOS may increase the number of air exchanges in the facility. The average HVAC system in a cannabis business has an average of ten to eighteen air exchanges per hour. PHENOS will use a formula to determine the appropriate number of air exchanges necessary to scrub the air of unwanted odor. PHENOS has devised the following formula Cubic Feet of Room Space % 3 = Cubic Feet per Minute (CFM) of airflow necessary. Additional air exchanges increase the odor removal system as air passes through filters more often before being recirculated. Air exchanges also offer the added benefits of maintaining appropriate levels of humidity.

Insulation: PHENOS' facility shall be properly sealed and insulated. In addition, the Operations Manager will ensure mechanical, and ventilation systems are up-to-date and operating properly through daily inspections.

Additional Solutions: PHENOS will utilize air-tight packaging to limit odor. Purchased cannabis product shall arrive at and leave from PHENOS's facility in sealed tamper-evident, odor-locking package. Further, any cannabis products considered as waste will be mixed with soil and ground to a uniform mixture until the cannabis waste is undiscernible from its original form.

PHENOS believes these measures coupled with proactive maintenance will sufficiently eliminate odors that would otherwise emanate from the cannabis facility. In the unlikely event that these steps are not enough to mitigate odors, PHENOS is prepared to modify their Odor Control Plan and take additional action based on community and state recommendations.

Government Documentation: In accordance with the State of California, PHENOS will provide copies of its records upon request. Records will include but will not be limited to the original Odor Control Plan, any changes/updates to the Odor Control Plan, maintenance, malfunctions, installations, and community complaints. If any renovations or modifications are made to the cannabis facility that modify the control of odor, PHENOS will submit an updated Odor Control Plan within 30 days of the modifications/renovation to City of Hayward.

INVENTORY CONTROL

In addition to utilizing Metrc (CA Track & Trace) for purposes of tracking and reporting commercial cannabis inventory and transactions as required by the State, Phenos will use Indica Online for in-house inventory control and reporting system (POS System). that accurately documents the present location, amounts, and descriptions of all cannabis and cannabis products present on site, through their purchase, as set forth under MAUCRSA.

Phenos shall maintain Accounting software (Quickbooks) and records in an electronic format detailing all revenues and expenses of the business, as well as its assets and liabilities. Such records will include monthly statements detailing the number of sales, including gross receipts for each month and all applicable taxes paid or due to be paid. Such records shall also demonstrate that all cannabis or cannabis products have been obtained from other locally and State licensed cannabis operations.

Sales and Invoicing: Phenos shall provide customers with a sales receipt for every purchase.

Reporting and Tracking of Product and of Gross Sales: Phenos shall utilize Indica Online (POS System) inventory management and tracking system to track and report all sales. Indica Online shall with METRC (CA Track & Trace) all transactions.

RECORD KEEPING

Phenos will maintain the following records on premises including but not limited to:

1. All Retail Permits, State license and required signage by DCC
2. Retail Operating Procedures including SOPs
3. All records evidencing compliance with environmental protection measures
4. All supporting documentation for data or information input into the track-and-trace system
5. All unique identifiers (UID's) assigned to products in inventory.
6. Financial records including but not limited to bank statements, tax records, sales invoices, and sales receipts
7. Personnel records, including each employee's full name, social security, or tax ID number, date of beginning employment, and date of termination of employment where applicable
8. Records related to employee training for the track and trace system including the date(s) training occurred, description of the training provided, and the names of the employees that received the training
9. Contracts with other state licensed cannabis businesses
10. Security Records
11. Records associated with the disposal of cannabis waste
12. Documentation associated with any loss of access to the track-and-trace system

SAFETY AND SECURITY PLAN

SAFETY PLAN

Emergency Numbers and Notifications

In the event of an emergency, PHENOS Personnel shall be trained to call **911** as soon as possible from a safe location. Security and key personnel will assist until police, fire, or medical responders arrive.

Emergency Training and protocol will include a directive for the following information to be provided to on-site security or emergency dispatch in the event of an emergency:

- Nature of the emergency
- Assistance needed
- Name of the caller and telephone number from which the call was made
- PHENOS name, and precise location on site from which the call was made

Contact:

- Direct line to on-site security: TBD
- California Highway Patrol (non-emergency): (510) 489-1500
- Hayward PD: 911
- Hayward Fire Department: 911

Example:

- "This is an emergency." (Describe nature of emergency)
- "I need (ambulance/police/fire) assistance"
- "I a.m. at PHENOS Facility located at 21463 Foothill Blvd. Suite A in Hayward"
- "I a.m. in (room or office area)"

FIRE PREVENTION AND SUPPRESSION

Based on the nature of the proposed use for retail operations, the primary potential fire hazard would be the same as any other retail establishment. The risk of this occurring is minimal.

Nonetheless, to protect against this potential hazard, the entire facility will be equipped with fire extinguishers mounted according to code.

In the event of a fire, PHENOS personnel shall be trained to:

1. **ALERT** others on the floor by activating a manual fire alarm pull station and direct others to begin immediate evacuation.
2. **REPORT** the fire to 911 and PHENOS Management at (209) 595-2884 as soon as possible from a safe location.
3. **ATTEMPT TO EXTINGUISH** the fire **only** if trained and feel comfortable doing so. Do not attempt to extinguish a fire which is larger than a trash can. Always leave yourself a good escape route from the area while attempting to extinguish the fire. If the fire cannot be safely and quickly contained, leave the area immediately and close all doors behind you as you exit.
4. **EVACUATION:** During business hours, security and key personnel will assist with a quick and orderly evacuation, search the facility, and assist disabled vendors and staff members. Proceed to the parking lot which will serve as the designated evacuation area.

Treat all alarms as an emergency.

Once outside of the building, stay clear of the structure to avoid falling glass, or flaming ash and debris emanating from the fire.

If you must move through smoke, heat, and fumes, drop to your hands and knees, take short breaths through your nose, and crawl to an escape exit by staying in contact with an outside wall. Following an outside wall will lead to an exit. The air will be best near the floor since the heat, fumes, and smoke rises.

Do not open hot doors! Feel doors at the top, the door handle or frame with the back of your hand before opening. If the door is hot, don't open it! If the door is cool, open the door slowly and stay behind the door, ready to close it if necessary. Close the door immediately after entering or exiting.

5. **ISOLATE** the fire by closing all doors behind you as you exit.
6. **AUTHORITY** in a fire or other emergency rests with the Hayward and Stanislaus County Fire Departments and other emergency responders, and with PHENOS Management.

HAZARDOUS MATERIALS SPILL

In the event of hazardous materials incident PHENOS personnel shall be trained to:

1. **REMAIN CALM**
2. **IMMEDIATELY EXIT THE AREA**
3. **DO NOT ALLOW OTHERS INTO THE AREA.** Do not attempt to contain or clean up the spill unless you have been trained and have all proper safety, disposal, and personal protective equipment.

4. **NOTIFY SECURITY.** Give as much detailed information as you can about the nature of the spill. Security will call California Poison Control Authorities at 1-800-222-1222.
5. **REFER** to Material Safety Data Sheet (MSDS) if possible.
6. **FOLLOW INSTRUCTIONS** of Fire Department personnel and/or Security/PHENOS Management when they arrive.

MEDICAL EMERGENCY

In the event of a medical emergency PHENOS personnel shall be trained to:

Remember that it is best to err on the side of caution. If a person is experiencing significant distress, call for professional assistance immediately.

Call 911. Give the following information:

1. Nature of medical emergency
2. Exact location and name of sick or injured person and age
3. What type of assistance is needed or is being provided
4. Your name and contact phone number
5. Stay on the phone until the dispatcher has all the information needed and releases the call
6. Ambulance should arrive at 21463 Foothill Blvd. Suite A Hayward, CA 95210

Radio Security Staff. Alert Security to be on the lookout for emergency responders to follow up with as necessary to arrange to escort paramedics to your location.

Notify a Supervisor. General Managers and/ or Assistant Managers trained in CPR and First Aid will assist until emergency responders arrive. Take all reasonable precautions to prevent disease transmission.

Assign someone (typically Security) to wait at the facility entrance to assist responding medical personnel in finding the location of person(s) needing medical attention.

Do not move victims if you suspect back or neck injuries. Assess victims for airway, breathing, circulation, and possible injuries before administering any sort of aid. Keep the person warm and comfortable. You should also offer to call a family member or friend for assistance/support, or notification.

WORKPLACE VIOLENCE

In the event of a violent incident in the workplace or threat to personal safety or the safety of another person PHENOS personnel shall be trained to:

Call 911.

Relay All Known Information: Exact location, nature of the situation, brief description of subject(s) involved, injuries. Stay on the phone until the dispatcher releases you.

Use Common Sense to safeguard yourself and others; do not engage in unnecessary attempts at intervention.

EARTHQUAKE

In the event of an earthquake:

- Drop, Cover and Hold! Get under a sturdy structure such as a desk or workstation and remain there until the earthquake subsides. In a hallway, kneel with your back against the wall. Cover your head with your arms and tuck down to your knees.
- Keep as calm as possible.
- If inside, stay inside. If outside, stay in the open, away from the building, overhead power lines, or any other objects at risk of falling. Do not rush to the exits
- Keep away from windows or objects that are likely to fall
- Stay under cover until it appears the earthquake is over. Be prepared for aftershocks
- Report any damage/injuries to emergency responders by calling **911** as soon as possible. Notify PHENOS Management. Give whatever assistance you can to injured or disabled people. Use common sense and keep safety as a top priority when attempting to search and rescue
- Follow instructions given from emergency personnel

BOMB THREAT

In the event of a bomb threat PHENOS personnel shall be trained to:

Assume that any bomb threat is a real danger to occupants and property. Be calm and courteous. Listen and do not interrupt the caller. If possible, ask someone else to notify security while the caller is on the line. If a device is spotted a runner should be sent to notify security immediately.

Questions to ask if possible:

- When is the bomb going to explode?
- Where is it right now?
- What does it look like?
- What kind of bomb is it?
- What will cause it to explode?
- Did you place the bomb?

- Why?
- What is your name?

Take Note of:

- Whether the callers voice is male/female, age approximation
- Tone of voice and language used
- Background noises
- Any other remarks

Carefully make a visual survey of your immediate working space. If you see/hear anything unusual, DO NOT TOUCH; report it to security immediately. Follow any instructions for evacuation by security, or emergency responders.

BLACKOUTS

In the event of a blackout PHENOS personnel shall be trained to:

Emergency location: Security and/or Management will evacuate the building calmly and safely to the evacuation location (parking lot)

Accessibility issues: Plan for accommodating employees who have limited mobility to ensure they will be able to move about or relocate their workspace to an area where risk can be avoided.

Protection of equipment: Turn off power supplies, surge protectors, power strips etcetera to protect electronic equipment when the electricity is turned back on.

Emergency Backup: Ensure that any backup generator sources are tested and readily available to power critical equipment. In the case of battery-operated devices, batteries should be checked and fully charged.

Contact lists: Ensure that your agency or department's phone trees are current and that a complete and continuously updated list of emergency contacts is distributed, as appropriate.

SECURITY PLAN

LOGISTICS AND OPERATIONAL SECURITY MEASURES

Except for the retail storefront accessible to the public from the northeast side of the facility and its adjacent customer parking lot, there shall be no public access to the facility.

VALUE TRANSFER AREA

courier shall then be escorted [REDACTED]
[REDACTED] The distribution shipment shall then be verified against the purchase order and electronic manifest related to the transaction by the Operations Manager.

Following verification of the shipment, the cannabis product will be transferred by the General Manager into the [REDACTED] to be securely stored and locked. The Premises will be monitored by exterior surveillance and cameras accessible to the Operations Manager and PHENOS Executives.

Currency Transfers

Currency will be transferred off-site at irregular intervals, with notification of such transfers only to the Operations Manager, Armored Couriers, security staff, and PHENOS Executives.

Upon a transfer of currency off-site, after verification of credentials and access to the facility being granted by security staff, the armored courier will be directed [REDACTED]
[REDACTED] which shall immediately be closed and locked once the courier enters. The Operations Manager will then transfer currency from the [REDACTED]
[REDACTED] to be transported off site.

These currency transfers shall be coordinated for banking deposits at Fresno First Bank.

Security Liaison

We have named Tasha Parra (“Security Agent” or “Security Liaison”) as the agent in charge of security. Primary phone number: (209) 969-9000; Email: tasha@thepremier.group