

SUBMITTAL TO THE BOARD OF SUPERVISORS  
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA



ITEM: 21.4  
(ID # 25603)

MEETING DATE:

Tuesday, August 27, 2024

FROM : TLMA-PLANNING

**SUBJECT:** TRANSPORTATION AND LAND MANAGEMENT AGENCY/PLANNING: PUBLIC HEARING ON THE INTRODUCTION OF ORDINANCE NO. 664.107 APPROVING AMENDMENT NO. 1 TO DEVELOPMENT AGREEMENT NO. 1900049 – Nothing further required under CEQA – Applicant: Sam Kapukchyan, Cannatopia LLC – Fourth Supervisorial District – Thousand Palms District – Western Coachella Valley Area Plan – Community Development (CD): Light Industrial (LI) – Location: north of Watt Court, and east of Rio Del Sol Road, specifically located at 72242 Watt CT, Thousand Palms CA – 0.76 Acres – Zoning: Manufacturing Service Commercial (MS-C) – REQUEST: DA1900049 Amendment No. 1 would make changes to the payment timing of the manufacturing baseline public benefit component as well as modifications to the public baseline and additional community benefits for the other components (cultivation, retail and distribution). APN: 650-380-007, 650-380-008. District 4. [Applicant Fees 100%]

**RECOMMENDED MOTION:** That the Board of Supervisors:

1. **FIND NO NEW ENVIRONMENTAL DOCUMENT IS REQUIRED** because the project was previously found to be Exempt from the California Environmental Quality Act (CEQA), pursuant to State CEQA Guidelines Section 15303 (New Construction or Conversion of Small Structures) and Section 15061 (b)(3) Common Sense based on the findings and conclusions set forth herein; and
2. **INTRODUCE, READ TITLE, and WAIVE FURTHER READING OF, and ADOPT on successive weeks,** ORDINANCE NO. 664.107, an Ordinance of the County of Riverside Approving Amendment No. 1 to Development Agreement No. 1900049.

**ACTION:Policy**

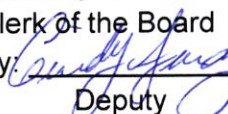
  
John Hildebrand, Planning Director 8/6/2024

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**MINUTES OF THE BOARD OF SUPERVISORS**

On motion of Supervisor Perez, seconded by Supervisor Spiegel and duly carried by unanimous vote, IT WAS ORDERED that the above matter is approved as recommended.

Ayes: Jeffries, Spiegel, Washington, Perez and Gutierrez  
Nays: None  
Absent: None  
Date: August 27, 2024  
xc: Planning

Kimberly A. Rector  
Clerk of the Board  
By:   
Deputy

**SUBMITTAL TO THE BOARD OF SUPERVISORS COUNTY OF RIVERSIDE,  
STATE OF CALIFORNIA**

<b>FINANCIAL DATA</b>	<b>Current Fiscal Year:</b>	<b>Next Fiscal Year:</b>	<b>Total Cost:</b>	<b>Ongoing Cost</b>
<b>COST</b>	\$ 0	\$ 0	\$ 0	\$ 0
<b>NET COUNTY COST</b>	\$ 0	\$ 0	\$ 0	\$ 0
<b>SOURCE OF FUNDS:</b> Applicant Fees 100%			<b>Budget Adjustment:</b>	No
			<b>For Fiscal Year:</b>	24/25

**C.E.O. RECOMMENDATION:** Approve

**BACKGROUND:**

Conditional Use Permit No. 190058 and Development Agreement No. 1900049 were presented to the Board of Supervisors at a public hearing on June 15, 2021. The Board approved the Conditional Use Permit at this hearing 5-0, and subsequently adopted Ordinance No. 664.78 on June 22, 2021, thus approving the Development Agreement.

**Project**

This proposal is a request by the applicant for an amendment to the approved Development Agreement – DA1900049 – regarding the Additional and Public Benefit Agreement. The changes are as follows:

- Change to the Additional Public Benefit Amount from \$80,000.00 with an increase of 7% to \$60,000.00 with an increase of 5%. The additional public benefit is tied to Phase 1 only and not Phase 2.
- Change to Annual Baseline Public Benefit in two phases:

Phase 1 (Open Now)

- Mature Cultivation: 4,391 Sq. Ft. X \$ 4.50 /Sq. Ft. = \$19,759
- Immature Cultivation: 1,721 Sq. Ft. X \$ .50 /Sq. Ft. = \$860.50
- Retail: 1,094 Sq. Ft. X \$16.00 /Sq. Ft. = \$17,504
- Distribution: 4,295 Sq. Ft. X \$3.00 /Sq. Ft. = \$12,885

Phase 1 Total: \$51,008.50

Phase 2 (To open at a later date)

- Manufacturing: 1,559 Sq. Ft. X \$4.00 /Sq. Ft. = \$6,236

Phase 2 Total: \$6,236

**SUBMITTAL TO THE BOARD OF SUPERVISORS COUNTY OF RIVERSIDE,  
STATE OF CALIFORNIA**

More specifically, Paragraph 4.2.1. of the adopted document entitled "Annual Public Benefit Base Payment" and Paragraph 4.3 entitled "Annual Additional Benefit." These sections indicate that the "owner shall pay to County an amount equal to the base payment calculated per Section 1.1.2 of this Agreement ("Base Payment"); provided, however that such initial annual base payment shall be prorated based on the number of whole months remaining between the date of payment and the first following June 30<sup>th</sup>. The base payment for Phase 1 shall be due at the certificate of occupancy for that phase. The base payment for Phase 2 shall be due at certificate of occupancy for that phase. The applicant is requesting that section 1.1.2 (Exhibit "F") be revised to capture the changes listed above.

Pursuant to State law, a development agreement is a legislative act that must be approved by ordinance. Adoption of Ordinance No. 664.107 will approve Amendment No. 1 to Development Agreement No. 1900049, consistent with the Board's action on June 15, 2021 and Government Code section 65867.5.

**Impact on Citizens and Businesses:**

The proposed project is categorically exempt under CEQA, which means that it belongs to a class of projects that have been determined to not have a significant effect on the environment. As detailed in the Planning Commission Staff Report, which is attached hereto and incorporated by reference, the original project was deemed to be exempt under CEQA and no exceptions pursuant to State CEQA Guidelines section 15300.2 were found to apply. As these changes to the Development Agreement would not change any of those prior findings, no further findings under CEQA are required. Accordingly, there will be no impacts on residents or businesses.

**ATTACHMENTS:**

- Attachment A – Amendment No. 1 to Development Agreement No. 1900049
- Attachment B – Ordinance No. 664.107 Approving Amendment No. 1 to Development Agreement No. 1900049
- Attachment C – Planning Commission Staff Report

  
Jason Farin, Principal Management Analyst 8/21/2024

  
Aaron Gettis, Chief of Deputy County Counsel 8/20/2024



# RIVERSIDE COUNTY PLANNING DEPARTMENT

57

*John Hildebrand*  
*Planning Director*

**DATE:** July 30, 2024

**TO:** Clerk of the Board of Supervisors

**FROM:** Planning Department – Riverside – **Jose Merlan, Principal Planner 5-0314 (BOS date 8/27/2024)**

**SUBJECT:** MT#25603 - DA1900049 Amendment No. 1 to CUP190058  
(Charge your time to these case numbers)

**DEVELOPMENT AGREEMENT 1900049 AMENDMENT NO. 1 to CONDITIONAL USE PERMIT 190058** – CEQA Exempt per Section 15061(b)(3) – Applicant: Sam Kapukchyan, Cannatopia LLC – Fourth Supervisorial District – Thousand Palms District – Western Coachella Valley Area Plan – Community Development: Light Industrial (LI) – **Location:** north of Watt Court, and east of Rio Del Sol Road, specifically located at 72242 Watt Ct., Thousand Palms CA – 0.76 Acres – Zoning: Manufacturing Service Commercial (MS-C) – **REQUEST:** DA1900049 Amendment No. 1 would make changes to the payment timing of the manufacturing baseline and additional public benefit component as well as modifications to the public baseline and additional community benefits for the other components (cultivation, retail and distribution). APN(s) 650-380-007 and 650-380-008. – Project Planner: Jose Merlan at 951-955-0314 or email at [jmerlan@rivco.org](mailto:jmerlan@rivco.org)

**Board of Supervisors Hearing Date:** June 15, 2021  
**BOS Vote:** 5-0

**The attached item(s) require the following action(s) by the Board of Supervisors:**

- Place on Administrative Action
- Set for Hearing (Legislative Action Required; CZ, GPA, SP, SPA)
- Labels provided If Set For Hearing  10 Day  20 Day  30 day
- Publish in Newspaper: (4th Dist) Desert Sun and Press Enterprise
- CEQA Exempt  10 Day  20 Day  30 day
- Notify Property Owners (app/agencies/property owner labels provided)

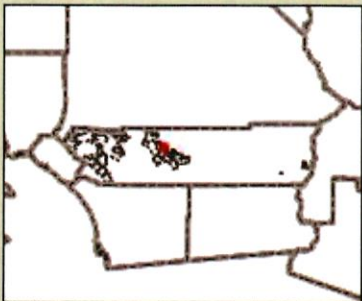
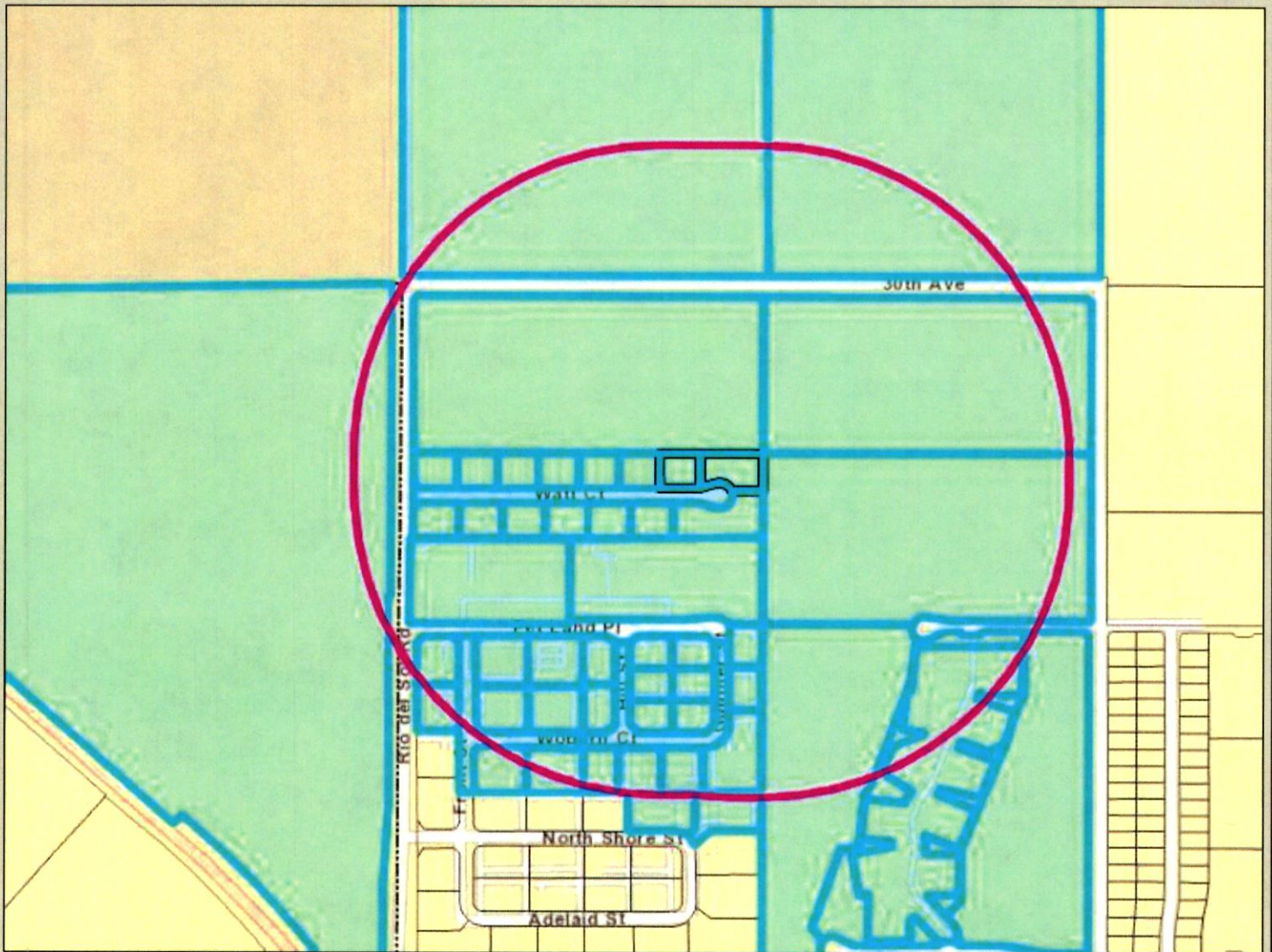
**Designate Newspaper used by Planning Department for Notice of Hearing:**  
(4th Dist) Desert Sun and Press Enterprise

Riverside Office · 4080 Lemon Street, 12th Floor  
P.O. Box 1409, Riverside, California 92502-1409  
(951) 955-3200 · Fax (951) 955-1811

Desert Office · 77-588 Duna Court, Suite H  
Palm Desert, California 92211  
(760) 863-8277 · Fax (760) 863-7040

# DA1900049 (CUP190058)

1200-foot radius map



### Legend

-  County Boundary
-  Cities
-  Parcels
-  World Street Map

### Notes



0 752 1,505 Feet

**\*IMPORTANT\*** Maps and data are to be used for reference purposes only. Map features are approximate, and are not necessarily accurate to surveying or engineering standards. The County of Riverside makes no warranty or guarantee as to the content (the source is often third party), accuracy, timeliness, or completeness of any of the data provided, and assumes no legal responsibility for the information contained on this map. Any use of this product with respect to accuracy and precision shall be the sole responsibility of the user.

REPORT PRINTED ON... 7/29/2024 10:19:22 AM

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OFFICE OF THE  
CLERK OF THE BOARD OF SUPERVISORS  
1st FLOOR, COUNTY ADMINISTRATIVE CENTER  
P.O. BOX 1147, 4080 LEMON STREET  
RIVERSIDE, CA 92502-1147  
PHONE: (951) 955-1060 FAX: (951) 955-1071

**KIMBERLY A. RECTOR**  
Clerk of the Board of Supervisors

**APRIL BOYDD**  
Assistant Clerk of the Board

August 1, 2024

THE PRESS ENTERPRISE  
ATTN: LEGALS  
P.O. BOX 792  
RIVERSIDE, CA 92501

PH : (951) 368-9229  
E-MAIL: [legals@pe.com](mailto:legals@pe.com)

**RE: NOTICE OF PUBLIC HEARING: DEVELOPMENT AGREEMENT 1900049  
AMENDMENT NO. 1 to CONDITIONAL USE PERMIT 190058**

To Whom It May Concern:

Attached is a copy for publication in your newspaper for **One (1) time on Friday, August 16, 2024.**

We require your affidavit of publication immediately upon completion of the last publication.

Your invoice must be submitted to this office, **WITH TWO CLIPPINGS OF THE PUBLICATION.**

NOTE: PLEASE COMPOSE THIS PUBLICATION INTO A SINGLE COLUMN FORMAT.

Thank you in advance for your assistance and expertise.

Sincerely,

*Cindy Fernandez*

Clerk of the Board Assistant to:  
KIMBERLY A. RECTOR, CLERK OF THE BOARD

**NOTICE OF PUBLIC HEARING BEFORE THE BOARD OF SUPERVISORS OF RIVERSIDE COUNTY ON DEVELOPMENT AGREEMENT AMENDMENT AND CONDITIONAL USE PERMIT, FOURTH SUPERVISORIAL DISTRICT**

NOTICE IS HEREBY GIVEN that a public hearing at which all interested persons will be heard, will be held before the Board of Supervisors of Riverside County, California, on the 1<sup>st</sup> Floor Board Chambers, County Administrative Center, 4080 Lemon Street, Riverside, on **Tuesday, August 27, 2024 at 10:00 A.M.** or as soon as possible thereafter, to consider the Planning Commission's recommendation to approve **Development Agreement No. 1900049, Amendment No. 1 to Conditional Use Permit No. 190058**. DA1900049 Amendment No. 1 would make changes to the payment timing of the manufacturing baseline and additional public benefit component as well as modifications to the public baseline and additional community benefits for the other components (cultivation, retail and distribution). APN(s) 650-380-007 and 650-380-008. This proposed project is located north of Watt Court, and east of Rio Del Sol Road, specifically located at 72242 Watt Ct., Thousand Palms CA in the Fourth Supervisorial District.

FOR FURTHER INFORMATION REGARDING THIS PROJECT, PLEASE CONTACT JOSE MERLAN, PROJECT PLANNER, AT (951) 955-0314 OR EMAIL [JMERLAN@RIVCO.ORG](mailto:JMERLAN@RIVCO.ORG).

Any person wishing to testify in support of or in opposition to the project may do so in writing between the date of this notice and the public hearing or may appear and be heard at the time and place noted above. All written comments received prior to the public hearing will be submitted to the Board of Supervisors and the Board of Supervisors will consider such comments, in addition to any oral testimony, before making a decision on the project.

If you challenge the above item in court, you may be limited to raising only those issues you or someone else raised at the public hearing described in this notice, or in written correspondence to the Planning Department or Board of Supervisors at, or prior to, the public hearing. Be advised that as a result of the public hearing and the consideration of all public comment, written and oral, the Board of Supervisors may amend, in whole or in part, the project and/or the related environmental document. Accordingly, the designations, development standards, design or improvements, or any properties or lands within the boundaries of the project, may be changed in a way other than specifically proposed.

Alternative formats available upon request to individuals with disabilities. If you require reasonable accommodation, please contact Clerk of the Board at (951) 955-1069.

Please send all written correspondence to: Clerk of the Board, 4080 Lemon Street, 1st Floor, Post Office Box 1147, Riverside, CA 92502-1147 or email [cob@rivco.org](mailto:cob@rivco.org)

Dated: August 1, 2024

Kimberly A. Rector, Clerk of the Board  
By: Cindy Fernandez, Clerk of the Board Assistant

# CERTIFICATE OF POSTING

(Original copy, duly executed, must be attached to  
the original document at the time of filing)

I, Cindy Fernandez, Clerk of the Board Assistant to Kimberly A. Rector, Clerk of the Board of Supervisors, for the County of Riverside, do hereby certify that I am not a party to the within action or proceeding; that on August 1, 2024, I forwarded to Riverside County Clerk & Recorder's Office a copy of the following document:

## NOTICE OF PUBLIC HEARING

DA1900049, AMD. # 1 TO CUP190058

to be posted in the office of the County Clerk at 2724 Gateway Drive, Riverside, California 92507.  
Upon completion of posting, the County Clerk will provide the required certification of posting.

**Board Agenda Date:** August 27, 2024 @ 10:00 a.m.

SIGNATURE: Cindy Fernandez DATE: August 1, 2024  
Cindy Fernandez



# CERTIFICATE OF MAILING

(Original copy, duly executed, must be attached to  
the original document at the time of filing)

I, Cindy Fernandez, Clerk of the Board Assistant to Kimberly A. Rector, Clerk of the Board of Supervisors, for the County of Riverside, do hereby certify that I am not a party to the within action or proceeding; that on August 1, 2024, I mailed a copy of the following document:

## NOTICE OF PUBLIC HEARING

DA1900049, AMD. # 1 TO CUP190058

to the parties listed in the attached labels, by depositing said copy with postage thereon fully prepaid, in the United States Post Office, 3890 Orange St., Riverside, California, 92501.

**Board Agenda Date:** August 27, 2024 @ 10:00 a.m.

SIGNATURE: Cindy Fernandez DATE: August 1, 2024  
Cindy Fernandez



**Peter Aldana**  
**Riverside County**  
**Assessor-County Clerk-Recorder**  
2724 Gateway Drive  
Riverside, CA 92507  
(951) 486-7000  
www.rivcoacr.org

**Receipt: 24-222179**

<b>Product</b>	<b>Name</b>	<b>Extended</b>
FISH	CLERK FISH AND GAME FILINGS	\$0.00
	# Pages	1
	Document #	E-202400845
	Filing Type	8
	State Fee Prev Charged	false
	No Charge Clerk Fee	false
<b>Total</b>		<b>\$0.00</b>
Change (Cash)		\$0.00



State of California - Department of Fish and Wildlife  
**2024 ENVIRONMENTAL DOCUMENT FILING FEE**  
**CASH RECEIPT**  
 DFW 753.5a (REV. 01/01/24) Previously DFG 753.5a

RECEIPT NUMBER: 24-222179
STATE CLEARINGHOUSE NUMBER (If applicable)

SEE INSTRUCTIONS ON REVERSE. TYPE OR PRINT CLEARLY.

LEAD AGENCY CLERK OF THE BOARD OF SUPERVISORS	LEAD AGENCY EMAIL COB@RIVCO.ORG	DATE 08/01/2024
COUNTY/STATE AGENCY OF FILING RIVERSIDE	DOCUMENT NUMBER E-202400845	
PROJECT TITLE DA1900049, CUP190058		

PROJECT APPLICANT NAME CLERK OF THE BOARD OF SUPERVISORS	PROJECT APPLICANT EMAIL COB@RIVCO.ORG	PHONE NUMBER (951) 955-1069
PROJECT APPLICANT ADDRESS 4080 LEMON STREET FIRST FLOOR,	CITY RIVERSIDE	STATE CALI
		ZIP CODE 92501

PROJECT APPLICANT (Check appropriate box)

- Local Public Agency    
  School District    
  Other Special District    
  State Agency    
  Private Entity

CHECK APPLICABLE FEES:

- Environmental Impact Report (EIR) \$4,051.25 \$ \_\_\_\_\_  
 Mitigated/Negative Declaration (MND)(ND) \$2,916.75 \$ \_\_\_\_\_  
 Certified Regulatory Program (CRP) document - payment due directly to CDFW \$1,377.25 \$ \_\_\_\_\_  
 Exempt from fee  
      Notice of Exemption (attach)  
      CDFW No Effect Determination (attach)  
 Fee previously paid (attach previously issued cash receipt copy)

- Water Right Application or Petition Fee (State Water Resources Control Board only) \$850.00 \$ \_\_\_\_\_  
 County documentary handling fee \$ \_\_\_\_\_ \$0.00  
 Other \$ \_\_\_\_\_

PAYMENT METHOD:

- Cash     Credit     Check     Other   
 TOTAL RECEIVED \$ \_\_\_\_\_ \$0.00

SIGNATURE X <i>J Rodriguez</i>	AGENCY OF FILING PRINTED NAME AND TITLE Deputy Irma Rodriguez
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**NOTICE OF PUBLIC HEARING BEFORE THE BOARD OF SUPERVISORS OF RIVERSIDE COUNTY ON DEVELOPMENT AGREEMENT AMENDMENT AND CONDITIONAL USE PERMIT, FOURTH SUPERVISORIAL DISTRICT**

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Alternative formats available upon request to individuals with disabilities. If you require reasonable accommodation, please contact Clerk of the Board at (951) 955-1069.

Please send all written correspondence to: Clerk of the Board, 4080 Lemon Street, 1st Floor, Post Office Box 1147, Riverside, CA 92502-1147 or email [cob@rivco.org](mailto:cob@rivco.org)

Dated: August 1, 2024

Kimberly A. Rector, Clerk of the Board  
By: Cindy Fernandez, Clerk of the Board Assistant

**F I L E D / P O S T E D**

County of Riverside  
Peter Aldana  
Assessor-County Clerk-Recorder

E-202400845  
08/01/2024 04:23 PM Fee: \$ 0.00  
Page 1 of 1

Removed: By: Deputy  


648150034  
ARAWAY LTD  
7400 ROBLIN BLVD  
HEADINGLY MB R4H1A5

648150035  
TALLIEU CONST LTD  
7400 ROBLIN BLVD  
HEADINGLY MB R4H1A5

650020024  
COUNTY OF RIVERSIDE  
P O BOX 1180  
RIVERSIDE CA 92502

650020025  
ANIMAL SAMARITANS SPCA INC  
72120 PET LAND PL  
THOUSAND PALMS CA 92276

650020029  
COACHELLA INV #1  
PO BOX 230698  
PORTLAND OR 97281

650020030  
COACHELLA INV #1  
PO BOX 230698  
PORTLAND OR 97281

650020031  
COACH RVST  
2800 NIAGARA LN N  
PLYMOUTH MN 55447

650350001  
REFRIGERATION SUPPLIES  
DISTRIBUTOR  
26021 ATLANTIC OCEAN DR  
LAKE FOREST CA 92630

650350002  
JRP REALTY CA  
30643 FRONT ST  
THOUSAND PALMS CA 92276

650350004  
AIRGAS WEST INC  
3737 WORSHAM AVE  
LONG BEACH CA 90808

650350005  
DOUGLAS G. DENBOER  
637 BIG CANYON DR W  
PALM SPRINGS CA 92264

650350006  
N617KM  
26021 ATLANTIC OCEAN  
LAKE FOREST CA 92630

650350009  
ANTHONY KEVIN PAGNINI  
5727 WILDBRIAR  
RCH PALOS VRD CA 90275

650350011  
BERNARD WHITE & SONS  
42215 WASHINGTON ST # A329  
PALM DESERT CA 92211

650350012  
BERNARD WHITE & SONS  
42215 WASHINGTON ST # A329  
PALM DESERT CA 92211

650350013  
ADM PROP  
28 HAMMOND STE F  
IRVINE CA 92618

650350014  
BERNARD WHITE & SONS  
42215 WASHINGTON ST # A329  
PALM DESERT CA 92211

650350017  
WHITE BROTHERS INV CO  
42215 WASHINGTON ST # A329  
PALM DESERT CA 92211

650350018  
THALASSA TRUST DATED 4/22/2006  
170 NEWPORT CENTER DR STE 220  
NEWPORT BEACH CA 92660

650350019  
ANTKAR INV  
72230 WOBURN CT  
THOUSAND PLMS CA 92276

650350020  
ANTKAR INV  
72230 WOBURN CT  
THOUSAND PALMS CA 92276

650350021  
J F DISTRIBUTION INC  
28261 AVENIDA LA VISTA  
CATHEDRAL CITY CA 92234

650350022  
COMMERCIAL LLC BOSCH  
30630 HILL ST  
THOUSAND PALMS CA 92276

650350023  
BRANDON OBRIEN  
30670 HILL ST  
THOUSAND PALMS CA 92276

650350024  
LIGHTSOURCE  
30690 HILL ST  
THOUSAND PALMS CA 92276

650350025  
THOUSAND PALMS BUSINESS PARK  
OWNERS ASSN  
P O BOX 13164  
PALM DESERT CA 92255

650350026  
THOUSAND PALMS BUSINESS PARK  
OWNERS ASSN  
P O BOX 13164  
PALM DESERT CA 92255

650350032  
ANTHONY KEVIN PAGNINI  
5727 WILDBRIAR  
RCH PALOS VRD CA 90275

650350033  
WHITE BROTHERS INV CO  
42215 WASHINGTON ST # A329  
PALM DESERT CA 92211

650350034  
THOUSAND PALMS BUSINESS PARK  
OWNERS ASSN  
38858 LOBELIA CIR  
PALM DESERT CA 92211

650350036  
EMILY R. MASSULLO  
24 GREENCROFT DR  
CHAMPAIGN IL 61821

650360011  
MARC ROY STEWART  
13 OAKMONT DR  
RANCHO MIRAGE CA 92270

650360012  
DOUG DENBOER  
637 BIG CANYON DR W  
PALM SPRINGS CA 92264

650380001  
WATT COURT  
10573 W PICO BLVD # 223  
LOS ANGELES CA 90064

650380002  
WATT COURT  
10573 W PICO BLVD # 223  
LOS ANGELES CA 90064

650380003  
BAILARD PROPERTIES LLC  
72082 WATT CT  
THOUSAND PALMS CA 92276

650380004  
TJEKJAUW TAN  
49470 AVENIDA MONTERO  
LA QUINTA CA 92253

650380005  
MAY FAMILY TRUST DTD 10/4/02  
31410 RESERVE DR # 5  
THOUSAND PALMS CA 92276

650380006  
WATT CT  
31410 RESERVE DR STE 5  
THOUSAND PALMS CA 92276

650380007  
SAMUEL KAPUKCHYAN  
3856 WINFORD DR  
TARZANA CA 91356

650380008  
SAMUEL KAPUKCHYAN  
3856 WINFORD DR  
TARZANA CA 91356

650380011  
DOUGLAS ROBERT ALMS  
38703 VISTA DR  
CATHEDRAL CITY CA 92234

650380012  
DOUGLAS ROBERT ALMS  
38703 VISTA DR  
CATHEDRAL CITY CA 92234

650380013  
NAVID PAJOUFAR  
19020 N INDIAN CYN # 4H  
N PALM SPGS CA 92258

650380014  
STEVEN LABRANO  
12 VIA DULCINEA  
PALM DESERT CA 92260

650380015  
STEVEN RUSSELL LABRANO  
12 VIA DULCINEA  
PALM DESERT CA 92260

650380016  
MERRITT WILLIAMS  
12300 VIA RONCOLE  
SARATOGA CA 95070

650380017  
BRANDIS U S A  
595 HORNBY NO 600  
VC BC CANADA

650380018  
GRANDMARK DESERT PROP  
515 VISTA BONITA  
PALM DESERT CA 92260

650390001  
THOUSAND PALMS APARTMENTS II LTD  
100 PACIFICA STE 203  
IRVINE CA 92618

650390002  
THOUSAND PALMS APARTMENTS LTD  
PARTNERSHIP  
151 KALMUS DR STE J5  
COSTA MESA CA 92626

650390003  
DESERT RECREATION DIST  
45305 OASIS  
INDIO CA 92201

650390004  
THOUSAND PALMS APARTMENTS LTD  
PARTNERSHIP  
151 KALMUS DR STE J5  
COSTA MESA CA 92626

670240017  
RIO DEL SOL @ VARNER  
622 N PALM CANYON DR  
PALM SPRINGS CA 92262



Sam Kapukchyan  
3856 Winford Dr.  
Tarzana, CA 91356

Chris Brizuela  
MSA Consulting  
34200 Bob Hope Dr.  
Rancho Mirage, CA 92270

C  
NOTICE OF PUBLIC HEARING BEFORE THE BOARD OF SUPERVISORS OF RIVERSIDE COUNTY ON GENERAL PLAN AMENDMENT, TENTATIVE TRACT MAP, AND PLOT PLAN. FIRST SUPERVISORIAL DISTRICT

NOTICE IS HEREBY GIVEN that a public hearing at which all interested persons will be heard, will be held before the Board of Supervisors of Riverside County, California, on the 1<sup>st</sup> Floor Board Chambers, County Administrative Center, 4080 Lemon Street, Riverside, on **Tuesday, August 27, 2024 at 10:00 A.M.** or as soon as possible thereafter, to consider the Planning Commission's recommendation to **General Plan Amendment No. 190009, Tentative Tract Map No. 37743 and Plot Plan No. 200017**. The General Plan Amendment (GPA 190009) is to amend the land use designation from Community Development: Medium Density Residential (CD: MDR) to Community Development: Medium High Density Residential (CD: MHDR) to allow for 72 dwelling units on 9.17 acres. A development density change from five units to eight units per acre. Tentative Map No. 37743 is a Schedule "A" Subdivision Map that includes the subdivision of 9.17 gross acres into 72 parcels. Plot Plan No. 200017 is for the site design and development of 72 single-family detached units, open space area and a water quality basin. APN: 255-150-001. This proposed project is located: north of Center Street, south of Teresa Street, east of Mt. Vernon Avenue, and west of Carlin Lane in the First Supervisorial District.

The Riverside County Planning Department has determined that the above project will not have a significant effect on the environment and has recommended adoption of a mitigated negative declaration. The Board of Supervisors will consider the proposed project and the proposed mitigated negative declaration, at a public hearing. The mitigated negative declaration for the proposed project is available for review online on the Planning Department website at: <https://planning.rctlma.org/ttm37743-noi>.

**Public Review Period: The public review period to comment on the environmental document is from July 19, 2024, to August 19, 2024, at 5:00 pm.**

On August 2, 2023, the Planning Commission voted 2-2 in a tie. As such, staff's recommended motion did not carry. Planning staff will bring the same recommended motion to the Board of Supervisors for approval. . The Planning Department meeting documents for the proposed project may be viewed online under the Planning Commission hearing date on the Public Hearing page of the Planning Department website: <https://planning.rctlma.org/Public-Hearings>.

FOR FURTHER INFORMATION REGARDING THIS PROJECT, PLEASE CONTACT JOSE MERLAN, PROJECT PLANNER, AT (951) 955-0314 OR EMAIL [JMERLAN@RIVCO.ORG](mailto:JMERLAN@RIVCO.ORG).

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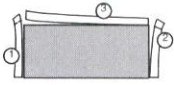
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Dated: July 16, 2024

Kimberly A. Rector, Clerk of the Board  
By: Cindy Fernandez, Clerk of the Board Assistant

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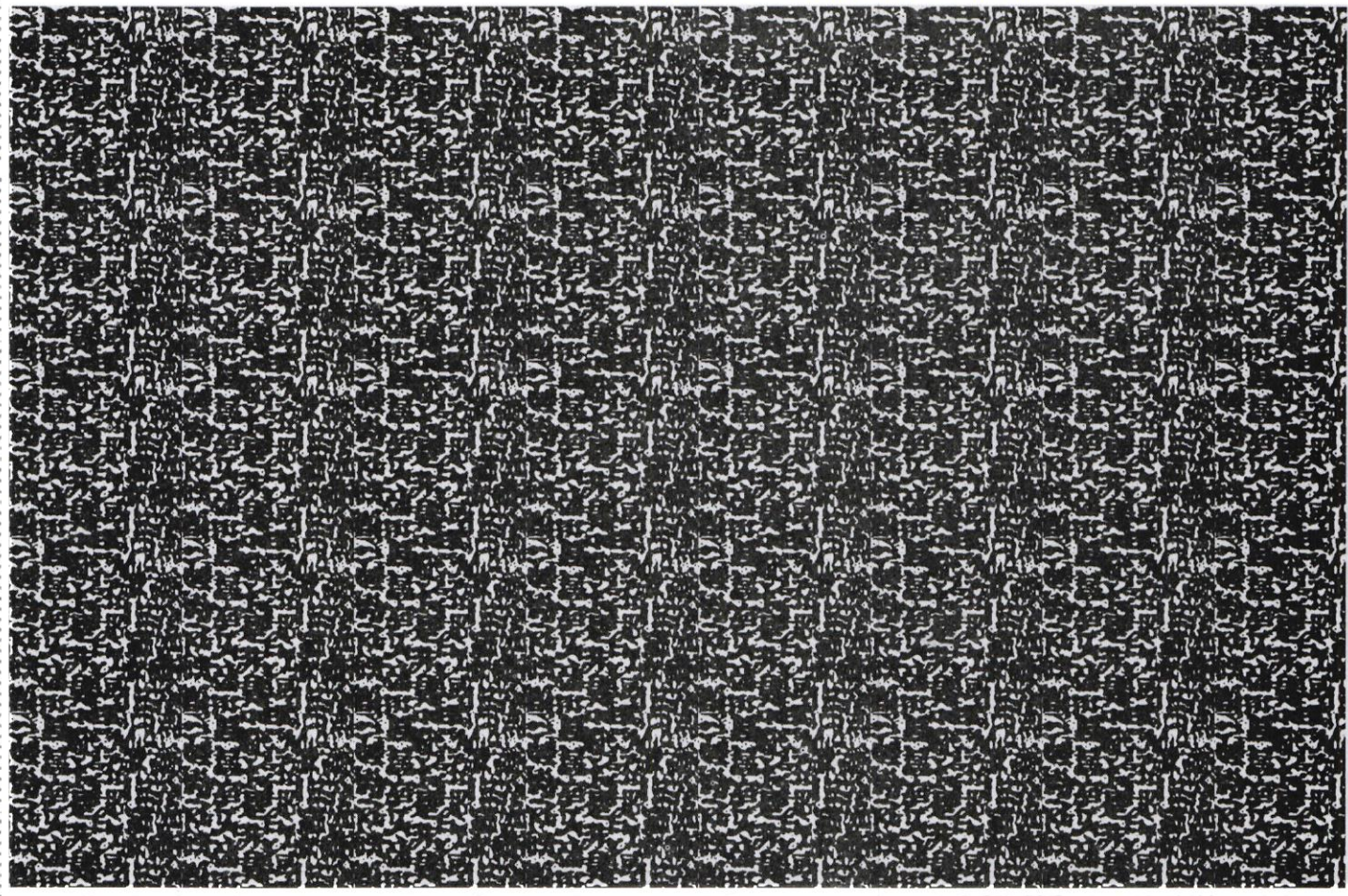
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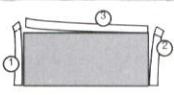
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Dated: July 16, 2024

Kimberly A. Rector, Clerk of the Board  
By: Cindy Fernandez, Clerk of the Board Assistant

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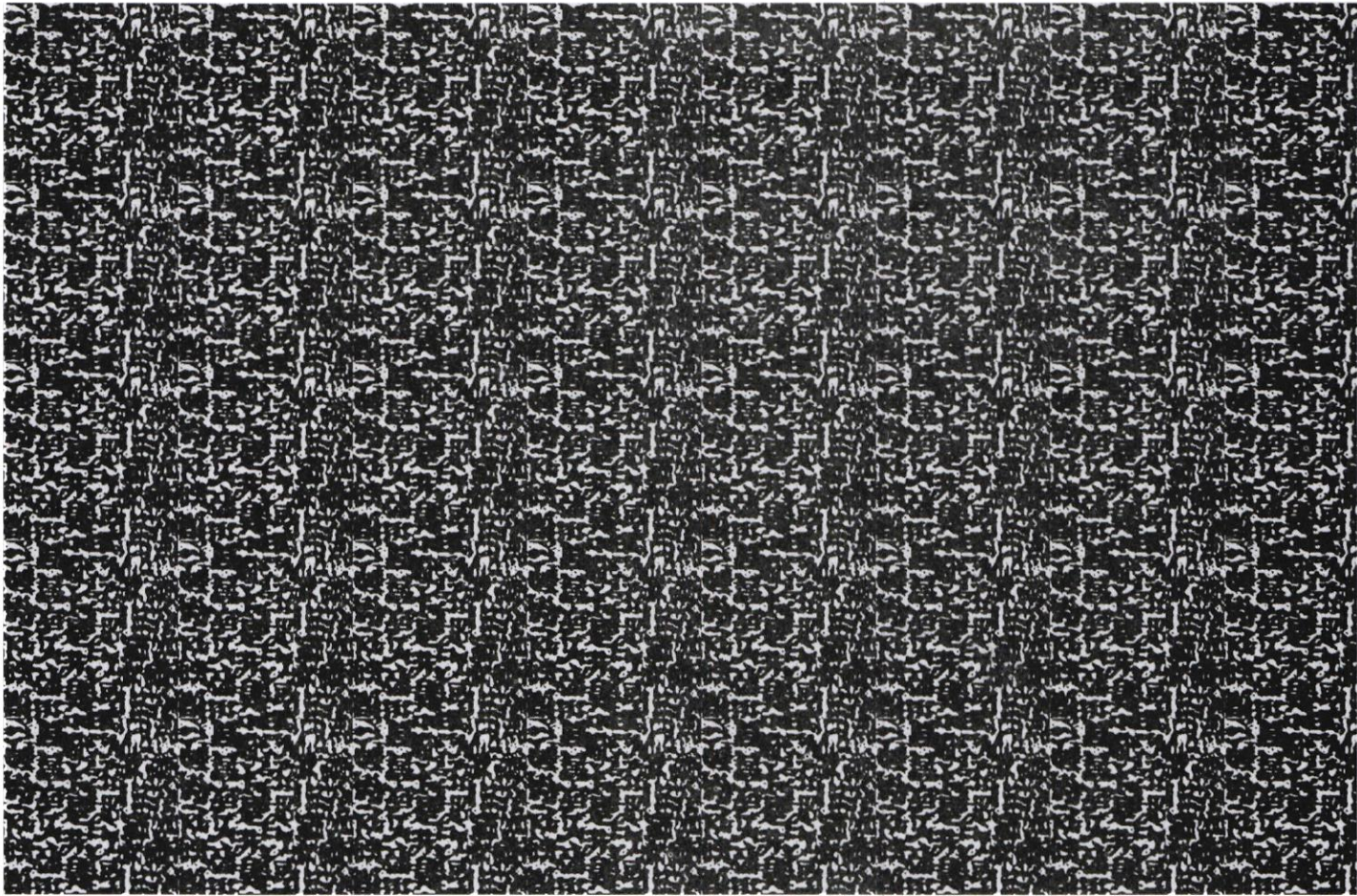
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NOTICE OF PUBLIC HEARING BEFORE THE BOARD OF SUPERVISORS OF RIVERSIDE COUNTY ON DEVELOPMENT AGREEMENT AMENDMENT AND CONDITIONAL USE PERMIT, FOURTH SUPERVISORIAL DISTRICT NOTICE IS HEREBY GIVEN that a public hearing at which all interested persons will be heard, will be held before the Board of Supervisors of Riverside County, California, on the 1st Floor Board Chambers, County Administrative Center, 4080 Lemon Street, Riverside, on Tuesday, August 27, 2024 at 10:00 A.M. or as soon as possible thereafter, to consider the Planning Commission's recommendation to approve Development Agreement No. 1900049, Amendment No. 1 to Conditional Use Permit No. 190058. DA1900049 Amendment No. 1 would make changes to the payment timing of the manufacturing baseline and additional public benefit component as well as modifications to the public baseline and additional community benefits for the other components (cultivation, retail and distribution). APN(s) 650-380-007 and 650-380-008. This proposed project is located north of Watt Court, and east of Rio Del Sol Road, specifically located at 72242 Watt Ct., Thousand Palms CA in the Fourth Supervisorial District. FOR FURTHER INFORMATION REGARDING THIS PROJECT, PLEASE CONTACT JOSE MERLAN, PROJECT PLANNER, AT (951) 955-0314 OR EMAIL JMERLAN@RIVCO.ORG. Any person wishing to testify in support of or in opposition to the project may do so in writing between the date of this notice and the public hearing or may appear and be heard at the time and place noted above. All written comments received prior to the public hearing will be submitted to the Board of Supervisors and the Board of Supervisors will consider

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Publication: The Press-Enterprise

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**FILE NO. 0011685039**

## PROOF OF PUBLICATION

I am a citizen of the United States. I am over the age of eighteen years and not party to or interested in the above-entitled matter. I am an authorized representative of THE PRESS-ENTERPRISE, a newspaper of general circulation, printed and published daily in the County of Riverside, and which newspaper has been adjudicated a newspaper of general circulation by the Superior Court of the County of Riverside, State of California, under date of April 25, 1952, Case Number 54446, under date of March 29, 1957, Case Number 65673, under date of August 25, 1995, Case Number 267864, and under date of September 16, 2013, Case Number RIC 1309013; that the notice, of which the annexed is a printed copy, has been published in said newspaper in accordance with the instructions of the person(s) requesting publication, and not in any supplement thereof on the following dates, to wit:

**08/16/2024**

I certify (or declare) under the penalty of perjury that the foregoing is true and correct.

Date: August 16, 2024.  
At: Riverside, California



Signature

## NOTICE OF PUBLIC HEARING BEFORE THE BOARD OF SUPERVISORS OF RIVERSIDE COUNTY ON DEVELOPMENT AGREEMENT AMENDMENT AND CONDITIONAL USE PERMIT, FOURTH SUPERVISORIAL DISTRICT

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Dated: August 1, 2024  
Kimberly A. Rector, Clerk of the Board

By: Cindy Fernandez, Clerk of the Board Assistant

**The Press-Enterprise**  
**Published: 8/16/24**



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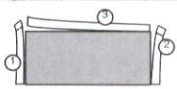
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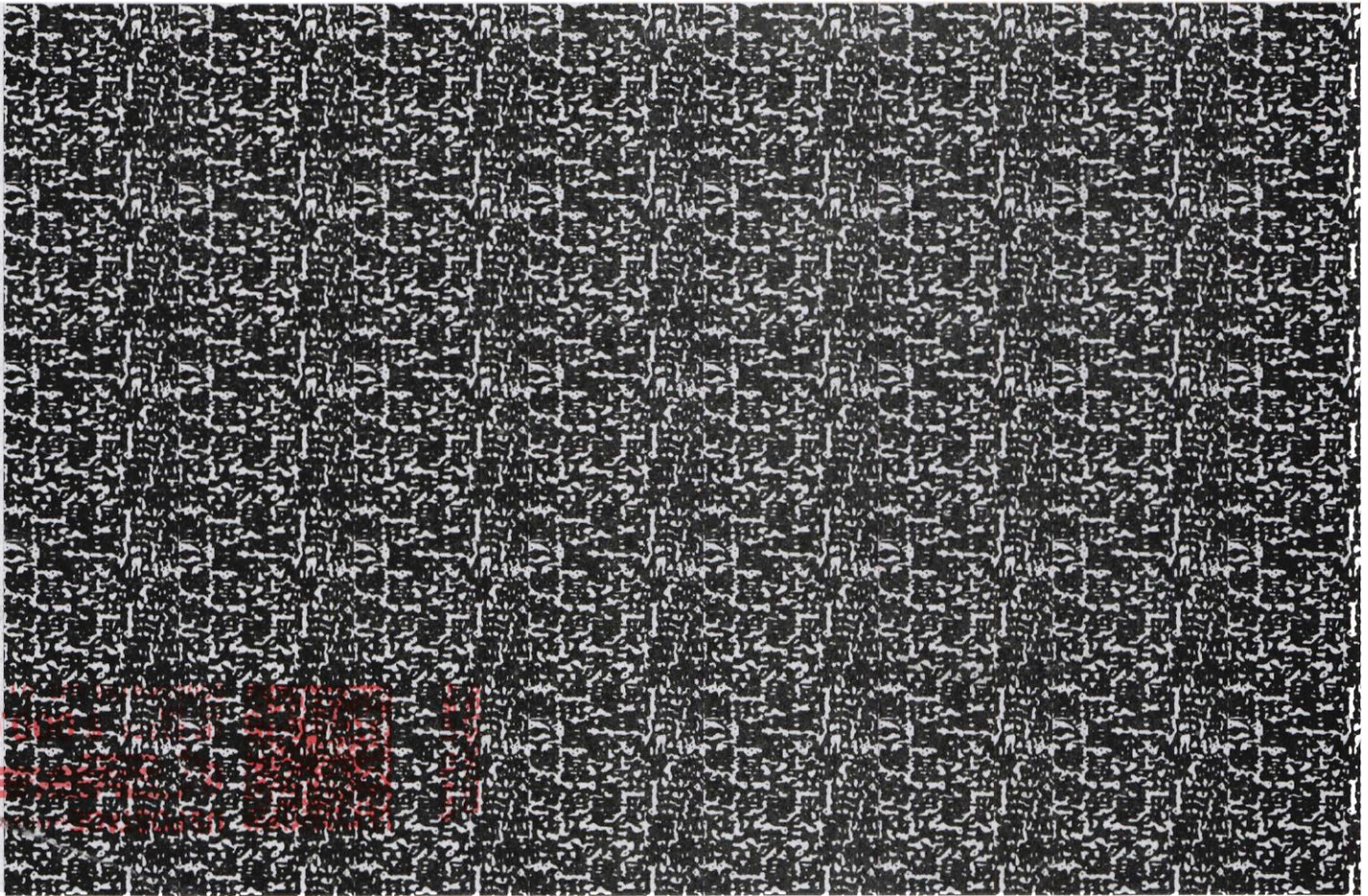
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A DEVELOPMENT AGREEMENT BETWEEN

COUNTY OF RIVERSIDE

AND

SAMUEL KAPUKCHYAN

AND

KAPPKUSH, INC.

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AMENDMENT NO. 1

DEVELOPMENT AGREEMENT NO. 1900049

This Development Agreement (hereinafter "Agreement") is entered into effective on the date it is recorded with the Riverside County Recorder (hereinafter the "Effective Date") by and among the COUNTY OF RIVERSIDE (hereinafter "COUNTY"), and the persons and entities listed below (hereinafter "OWNER"):

Samuel Kapukchyan  
Kappkush, Inc.

RECITALS

WHEREAS, COUNTY is authorized to enter into binding development agreements with persons having legal or equitable interests in real property for the development of such property, pursuant to Article 11, Section 7 of the California Constitution and Section 65864, et seq. of the Government Code; and,

WHEREAS, COUNTY has adopted Procedures and Requirements of the County of Riverside for the Consideration of Development Agreements (hereinafter "Procedures and Requirements"), pursuant to Section 65865 of the Government Code; and,

WHEREAS, OWNER has requested COUNTY to enter into a development agreement and proceedings have been taken in accordance with the Procedures and Requirements of COUNTY; and,

WHEREAS, by electing to enter into this Agreement, COUNTY shall bind future Boards of Supervisors of COUNTY by the obligations specified herein and limit the future exercise of certain governmental and proprietary powers of COUNTY; and,

WHEREAS, the terms and conditions of this Agreement have undergone extensive review by COUNTY and the Board of Supervisors and have been found to be fair, just and reasonable; and,

WHEREAS, the best interests of the citizens of Riverside County and the public health, safety and welfare will be served by entering into this Agreement; and,

WHEREAS, all of the procedures of the California Environmental Quality Act (Public Resources Code, Section 21000 et seq.) have been met with respect to the Project and the Agreement; and,

WHEREAS, this Agreement and the Project are consistent with the Riverside County General Plan and any specific plan applicable thereto; and,

WHEREAS, all actions taken and approvals given by COUNTY have been duly taken or

approved in accordance with all applicable legal requirements for notice, public hearings, findings, votes, and other procedural matters; and,

WHEREAS, this Agreement will confer substantial private benefits on OWNER by granting vested rights to develop the Property in accordance with the provisions of this Agreement; and,

WHEREAS, OWNER proposes to develop the Property to be used for the Commercial Cannabis Activity described in Exhibit E (“the Development Plan”); and,

WHEREAS, Riverside County Ordinance 348.4898 (hereafter “Ordinance 348.4898”) establishes a regulatory permitting process for Commercial Cannabis Activities and prohibits all Commercial Cannabis Activities in all land use zones without the benefit of a land use permit issued by the COUNTY; and,

WHEREAS, Board of Supervisors Policy No. B-9 further sets forth provisions to be included in development agreements in order to implement applicable General Plan provisions, to ensure that the County does not disproportionately bear the burden of commercial cannabis activities throughout the County, to ensure the County receives public benefits for the commercial cannabis activities, to ensure there are adequate resources available for enforcement of permitted and unpermitted commercial cannabis activities, and to give cannabis owners and property owners certainty as to the County’s requirements; and,

WHEREAS, this Agreement complies with the provisions of both Ordinance No. 348.4898 and Board Policy B-9; and,

WHEREAS, this Agreement will eliminate uncertainty in planning and provide for the orderly development of the Property, ensure progressive installation of necessary improvements, provide for public services appropriate to the development of the Project, and generally serve the purposes for which development agreements under Sections 65864, et seq. of the Government Code are intended; and,

WHEREAS, OWNER has incurred and will in the future incur substantial costs in order to assure development of the Property in accordance with this Agreement; and,

WHEREAS, OWNER has incurred and will in the future incur substantial costs in excess of the generally applicable requirements in order to assure vesting of legal rights to develop the Property in accordance with this Agreement.

## COVENANTS

NOW, THEREFORE, in consideration of the above recitals and of the mutual covenants hereinafter contained and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties agree as follows:

### 1. DEFINITIONS AND EXHIBITS.

1.1 Definitions. The following terms when used in this Agreement shall be defined as

follows:

1.1.1 “Agreement” means this Development Agreement.

1.1.2 “Base Rate” means the calculated amount set forth in Exhibit “F”, and which is payable to COUNTY annually pursuant to Subsections 4.2.1 and 4.2.2 of this Agreement and increased annually by 2% from and after the date of this agreement.

1.1.3 “Commercial Cannabis Activity” means the cultivation, possession, manufacture, distribution, processing, storing, laboratory testing, packaging, labeling, transportation, delivery or sale of Cannabis and cannabis products as provided for in Ordinance No. 348, as amended through Ordinance No. 348.4898, and any other subsequently adopted zoning ordinance amendment or subsequently adopted zoning ordinance.

1.1.4 “Conditional Use Permit” means the land use permit required by COUNTY to conduct Commercial Cannabis Activities.

1.1.5 “COUNTY” means the County of Riverside, a political subdivision of the State of California.

1.1.6 “Development” means the improvement of the Property for the purposes of completing the structures, improvements and facilities comprising the Project including, but not limited to: grading; the construction of infrastructure and public facilities related to the Project whether located within or outside the Property; the construction or reconstruction of buildings and structures; the tenant improvements of structures, and the installation of landscaping. When authorized by a Subsequent Development Approval as provided by this Agreement, “development” includes the maintenance, repair, reconstruction or redevelopment of any building, structure, improvement or facility after the construction and completion thereof.

1.1.7 “Development Approvals” means all permits and other entitlements for use subject to approval or issuance by COUNTY in connection with use of the Property and for development of the Property for Commercial Cannabis Activities including, but not limited to:

- (a) Conditional use permits, and site plans;
- (b) Zoning Amendments;
- (c) General Plan Amendments
- (d) Tentative and final subdivision and parcel maps;
- (e) Grading and building permits;
- (f) Any permits or entitlements necessary from the COUNTY;
- (g) Any easements necessary from COUNTY or any other land owner;
- (h) Specific plans and specific plan amendments;
- (i) Right of Entry agreements

1.1.8 “Development Exaction” means any requirement of the COUNTY in connection with or pursuant to any Land Use Regulation or Development Approval for the dedication of land, the construction of improvements or public facilities, or the payment of fees in order to lessen, offset, mitigate or compensate for the impacts of development on the environment or other public interests.

1.1.9 “Development Plan” means the Existing or Proposed Development Approvals and the Existing Land Use Regulations applicable to development of the Property.

1.1.10 “Effective Date” means the date this Agreement is recorded with the County Recorder.

1.1.11 “Existing Development Approvals” means all Development Approvals approved or issued prior to the Effective Date. Existing Development Approvals includes the Development Approvals incorporated herein as Exhibit “C” and all other Development Approvals which are a matter of public record on the Effective Date.

1.1.12 “Existing Land Use Regulations” means all Land Use Regulations in effect on the Effective Date. Existing Land Use Regulations includes the Land Use Regulations incorporated herein as Exhibit “D” and all other Land Use Regulations which are a matter of public record on the Effective Date.

1.1.13 “Land Use Regulations” means all ordinances, resolutions, codes, rules, regulations and official policies of COUNTY governing the development and use of land, including, without limitation, the permitted use of land, the density or intensity of use, subdivision requirements, the maximum height and size of proposed buildings and structures, the provisions for reservation or dedication of land for public purposes, and the design, improvement and construction standards and specifications applicable to the development of the property. “Land Use Regulations” does not include any COUNTY ordinance, resolution, code, rule, regulation or official policy, governing:

- (a) The conduct of businesses, professions, and occupations;
- (b) Taxes and assessments;
- (c) The control and abatement of nuisances;
- (d) The granting of encroachment permits and the conveyance of rights and interests which provide for the use of or the entry upon public property;
- (e) The exercise of the power of eminent domain.

1.1.14 “Mortgagee” means a mortgagee of a mortgage, a beneficiary under a deed of trust or any other security-device lender, and their successors and assigns.

1.1.15 “OWNER” means the owner of the PROPERTY and the persons and entities listed as OWNER on the first page of this Agreement. OWNER shall also include any of the following:

1. A person with an aggregate ownership interest of 20 percent or more in the Commercial Cannabis Activity for which a license or permit is being sought, unless the interest is solely a security, lien, or encumbrance.

2. The chief executive officer of a nonprofit or other entity for the Commercial Cannabis Activity.

3. A member of the board of directors of a nonprofit for the Commercial Cannabis Activity.

4. An individual who will be participating in the direction, control, or management of the person applying for a Commercial Cannabis Activity Conditional Use Permit or State license.”

1.1.16 “Project” means the development of the Property contemplated by the Development Plan as such Plan may be further defined, enhanced or modified pursuant to the provisions of this Agreement.

1.1.17 “Property” means the real property described on Exhibit “A” and shown on Exhibit “B” to this Agreement.

1.1.18 “Reservations of Authority” means the rights and authority excepted from the assurances and rights provided to OWNER under this Agreement and reserved to COUNTY under Section 3.5 of this Agreement.

1.1.19 “Subsequent Development Approvals” means all Development Approvals approved subsequent to the Effective Date in connection with development of the Property.

1.1.20 “Subsequent Land Use Regulations” means any Land Use Regulations adopted and effective after the Effective Date of this Agreement.

1.1.21 “Transfer” means sale, assignment, lease, sublease or any other transfer of a legal or equitable interest in the Property.

1.2 Exhibits. The following documents are attached to, and by this reference made a part of, this Agreement:

- Exhibit “A” - Legal Description of the Property
- Exhibit “B” - Map Showing Property and Its Location
- Exhibit “C” - Existing Development Approvals
- Exhibit “D” - Existing Land Use Regulations
- Exhibit “E” - Commercial Cannabis Activity Site Plan & Description
- Exhibit “F” - Applicable Annual Public Benefits Base Payments
- Exhibit “G” - Commercial Cannabis Area calculation exhibit.
- Exhibit “H” - Additional Public Benefits Exhibit

2. GENERAL PROVISIONS.

2.1 Binding Effect of Agreement. The Property is hereby made subject to this Agreement. Development of the Property is hereby authorized and shall be carried out only in accordance with the terms of this Agreement.

2.2 Ownership of Property. OWNER represents and covenants that it is the owner of a legal or equitable interest in the Property or a portion thereof.

2.3 Term. This Agreement shall commence on the Effective Date and shall continue for a period of ten years thereafter, unless this term is modified or extended for one additional five year term pursuant to the provisions of this Agreement and so long as the Project is in compliance with all applicable conditions of approval and County ordinances.

2.4 Transfer.

2.4.1 Right to Transfer. OWNER shall have the right to transfer the Property in whole or in part (provided that no such partial transfer shall violate the Subdivision Map Act, Government Code Section 66410, et seq., or Riverside County Ordinance No. 460) to any person, partnership, joint venture, firm or corporation at any time during the term of this Agreement; provided, however, that any such transfer shall include the assignment and assumption of the rights, duties and obligations arising under or from this Agreement and be made in strict compliance with the following conditions precedent:

(a) No transfer of any right or interest under this Agreement shall be made unless made together with the sale, transfer or assignment of all or a part of the Property.

(b) Concurrent with any such transfer or within fifteen (15) business days thereafter, OWNER shall notify COUNTY, in writing, of such transfer and shall provide COUNTY with an executed agreement by the transferee, in a form reasonably acceptable to COUNTY, providing therein that the transferee expressly and unconditionally assumes all the duties and obligations of OWNER under this Agreement.

Any transfer not made in strict compliance with the foregoing conditions shall constitute a default by OWNER under this Agreement. Notwithstanding the failure of any transferee to execute the agreement required by Paragraph (b) of this Subsection 2.4.1, the burdens of this Agreement shall be binding upon such transferee, but the benefits of this Agreement shall not inure to such transferee until and unless such agreement is executed.

2.4.2 Release of Transferring Owner. Notwithstanding any transfer, a transferring OWNER shall continue to be obligated under this Agreement unless such transferring OWNER is given a release in writing by COUNTY, which release shall be provided by COUNTY upon the full satisfaction by such transferring OWNER of the following conditions:

(a) OWNER no longer has a legal or equitable interest in all or any part of the Property.

(b) OWNER is not then in default under this Agreement.

(c) OWNER has provided COUNTY with the notice and executed agreement required under Paragraph (b) of Subsection 2.4.1 above.

(d) The transferee provides COUNTY with security equivalent to any security previously provided by OWNER to secure performance of its obligations hereunder.

2.4.3 Subsequent Transfer. Any subsequent transfer after an initial transfer shall be made only in accordance with and subject to the terms and conditions of this Section.

2.5 Amendment or Cancellation of Agreement. This Agreement may be amended or cancelled in whole or in part only by written consent of all parties in the manner provided for in Government Code Section 65868. This provision shall not limit any remedy of COUNTY or OWNER as provided by this Agreement.

2.6 Termination. This Agreement shall be deemed terminated and of no further effect upon the occurrence of any of the following events:

(a) Expiration of the stated term of this Agreement as set forth in Section 2.3.

(b) Entry of a final judgment by a court of competent jurisdiction setting aside, voiding or annulling the adoption of the ordinance approving this Agreement. For purposes of clarity this termination section excludes entry of a final judgment by a court of competent jurisdiction setting aside, voiding, or annulling the adoption of Board of Supervisors' Policy No. B-9.

(c) The adoption of a referendum measure overriding or repealing the ordinance approving this Agreement.

(d) OWNER's election to terminate this Agreement. If OWNER elects not to develop all or a portion of the Property as a Commercial Cannabis Activity, OWNER shall provide notice of such election to the COUNTY, such notice by OWNER shall (i) seek to terminate this Agreement as to the portion of the Property that is the subject of such notice of termination; and (ii) shall acknowledge that the Conditional Use Permit (CUP No. 190058) shall be null and void as to the Property that is the subject of such notice of termination. Following receipt of OWNER's notice of election to terminate this Agreement, OWNER and COUNTY shall execute an appropriate instrument in recordable form evidencing such termination and shall cause such instrument to be an amendment to this Agreement to be



processed in accordance with COUNTY's Procedures and Requirements for the Consideration of Development Agreements set forth in Resolution No. 2020-124.

(e) When OWNER no longer has a legal or equitable interest in the Property or has ceased operations on the Property for a period of ninety (90) consecutive days and no evidence demonstrating continuing and ongoing use of the Property consistent with the approved Conditional Use Permit No. 190058.

(f) Federal Enforcement of the Federal Controlled Substances Act against OWNER or the COUNTY. The parties understand that cannabis is still classified as a Schedule I Drug under the Federal Controlled Substances Act, 21 U.S.C. §§ 801 et seq. In the event there is federal enforcement of the Federal Controlled Substances Act against the COUNTY for the COUNTY's enactment of a comprehensive, regulatory framework for commercial cannabis activities or against OWNER for OWNER's own commercial cannabis activities, this Agreement shall be deemed terminated and of no further effect.

(g) Revocation of a Commercial Cannabis Activity Conditional Use Permit or State License.

Upon the termination of this Agreement, no party shall have any further right or obligation hereunder except with respect to any obligation to have been performed prior to such termination or with respect to any default in the performance of the provisions of this Agreement which has occurred prior to such termination or with respect to any obligations which are specifically set forth as surviving this Agreement.

## 2.7 Notices.

(a) As used in this Agreement, "notice" includes, but is not limited to, the communication of notice, request, demand, approval, statement, report, acceptance, consent, waiver, appointment, or other communication required or permitted hereunder.

(b) All notices shall be in writing and shall be considered given either:

(i) when delivered in person to the recipient named below; (ii) on the date of delivery shown on the return receipt, after deposit in the United States mail in a sealed envelope as either registered or certified mail with return receipt requested, and postage and postal charges prepaid, and addressed to the recipient named below; (iii) on the next business day when delivered by overnight United States mail or courier service; or (iv) on the date of delivery shown in the facsimile records of the party sending the facsimile after transmission by facsimile to the recipient named below. All notices shall be addressed as follows:

If to COUNTY:  
Clerk of the Board of Supervisors  
Riverside County Administrative Center  
4080 Lemon Street, First Floor

Riverside, CA 92502  
Fax No. (951) 955-1071  
with copies to:

County Executive Officer  
Riverside County Administrative Center  
4080 Lemon Street, 4th Floor  
Riverside, CA 92501  
Fax No. (951) 955-1105

and

Assistant TLMA Director — Planning and Land Use  
Transportation and Land Management Agency  
Riverside County Administrative Center,  
4080 Lemon Street, 12th Floor  
Riverside, CA 92501  
Fax No. (951) 955-1817

and

County Counsel  
County of Riverside  
3960 Orange Street, Suite 500  
Riverside, CA 92501  
Fax No. (951) 955-6363

If to OWNER:

Samuel Kapukchyan  
83856 Winford Drive  
Tarzana, CA 91356

Kappkush, Inc.  
C/O Narine Kapukchyan  
3856 Winford Drive  
Tarzana, CA 91356

(c) Either party may, by notice given at any time, require subsequent notices to be given to another person or entity, whether a party or an officer or representative of a party, or to a different address, or both. Notices given before actual receipt of notice of change shall not be invalidated by any such change.

### 3. DEVELOPMENT OF THE PROPERTY.

3.1 Rights to Develop. Subject to the terms of this Agreement including the Reservations of Authority, OWNER shall have a vested right to develop the Property in accordance with, and to the extent of, the Development Plan. The Existing Development Approvals shall not expire and shall remain valid for the Term of this Agreement so long as the Project remains in compliance with all conditions of approval for the Existing Development Approvals and in compliance with this Agreement. The Project shall remain subject to all Subsequent Development Approvals required to complete the Project as contemplated by the Development Plan. Except as otherwise provided in this Agreement, the permitted uses of the Property, the density and intensity of use, the maximum height and size of proposed buildings and structures, and provisions for reservation and dedication of land for public purposes shall be those set forth in the Development Plan.

3.2 Effect of Agreement on Land Use Regulations. Except as otherwise provided under the terms of this Agreement including the Reservations of Authority, the rules, regulations and official policies governing permitted uses of the Property, the density and intensity of use of the Property, the maximum height and size of proposed buildings and structures, and the design, improvement and construction standards and specifications applicable to development of the Property shall be the Existing Land Use Regulations. In connection with any Subsequent Development Approval, COUNTY shall exercise its discretion in accordance with the Development Plan, and as provided by this Agreement including, but not limited to, the Reservations of Authority. COUNTY shall accept for processing, review and action all applications for Subsequent Development Approvals, and such applications shall be processed in the normal manner for processing such matters.

3.3 Timing of Development. The parties acknowledge that OWNER cannot at this time predict when or the rate at which phases of the Property will be developed. Such decisions depend upon numerous factors which are not within the control of OWNER, such as market orientation and demand, interest rates, absorption, completion and other similar factors. Since the California Supreme Court held in Pardee Construction Co. v. City of Camarillo (1984) 37 Cal.3d 465, that the failure of the parties therein to provide for the timing of development resulted in a later adopted initiative restricting the timing of development to prevail over such parties' agreement, it is the parties' intent to cure that deficiency by acknowledging and providing that OWNER shall have the right to develop the Property in such order and at such rate and at such times as OWNER deems appropriate within the exercise of its subjective business judgment.

3.3.1 Timing Related to Building Permit. OWNER shall show substantial progress towards obtaining a building permit, as determined by the Planning Director, within two (2) years of the final approval of the conditional use permit. Subject to the Planning Director's discretion, if substantial progress has not occurred, the Agreement must return to the Board of Supervisors at a noticed public hearing where the Board of Supervisors has the discretion to cancel, modify, or extend the Agreement and/or the approved conditional use permit at that time.

3.4 Changes and Amendments. The parties acknowledge that refinement and further development of the Project will require Subsequent Development Approvals and may demonstrate that changes are appropriate and mutually desirable in the Existing Development Approvals. In the event OWNER finds that a change in the Existing Development Approvals is necessary or appropriate, OWNER shall apply for a Subsequent Development Approval to effectuate such change and COUNTY shall process and act on such application in accordance with the Existing Land Use Regulations, except as otherwise provided by this Agreement including the Reservations of Authority. If approved, any such change in the Existing Development Approvals shall be incorporated herein as an addendum to Exhibit "C", and may be further changed from time to time as provided in this Section. Unless otherwise required by law, as determined in COUNTY's reasonable discretion, a change to the Existing Development Approvals shall be deemed "minor" and not require an amendment to this Agreement provided such change does not:

- (a) Alter the permitted uses of the Property as a whole; or,
  - (b) Increase the density or intensity of use of the Property as a whole;
- or,
- (c) Increase the maximum height and size of permitted buildings or structures;
- or,
- (d) Delete a requirement for the reservation or dedication of land for public purposes within the Property as a whole; or,
  - (e) Constitute a project requiring a subsequent or supplemental environmental impact report pursuant to Section 21166 of the Public Resources Code.

3.5 Reservations of Authority.

3.5.1 Limitations. Reservations and Exceptions. Notwithstanding any other provision of this Agreement, the following Subsequent Land Use Regulations shall apply to the development of the Property.

- (a) Processing fees and charges of every kind and nature imposed by COUNTY to cover the estimated actual costs to COUNTY of processing applications for Development Approvals or for monitoring compliance with any Development Approvals granted or issued.
- (b) Procedural regulations relating to hearing bodies, petitions, applications, notices, findings, records, hearings, reports, recommendations, appeals and any other matter of procedure.
- (c) Regulations governing construction standards and specifications including, without limitation, the Building Code, Plumbing Code, Mechanical Code, Electrical Code, Fire Code and Grading Code applicable in the County.

(d) Regulations imposing Development Exactions. Development Exactions shall be applicable to development of the Property if such Development Exaction is applied uniformly to development, either throughout the COUNTY or within a defined area of benefit which includes the Property. No such subsequently adopted Development Exaction shall apply if its application to the Property would physically prevent development of the Property for the uses and to the density or intensity of development set forth in the Development Plan.

(e) Regulations which may be in conflict with the Development Plan but which are reasonably necessary to protect the public health and safety. To the extent possible, any such regulations shall be applied and construed so as to provide OWNER with the rights and assurances provided under this Agreement.

(f) Regulations which are not in conflict with the Development Plan. Any regulation, whether adopted by initiative or otherwise, limiting the rate or timing of development of the Property shall be deemed to conflict with the Development Plan and shall therefore not be applicable to the development of the Property.

(g) Regulations which are in conflict with the Development Plan provided OWNER has given written consent to the application of such regulations to development of the Property.

3.5.2 Subsequent Development Approvals. This Agreement shall not prevent COUNTY, in acting on Subsequent Development Approvals, from applying Subsequent Land Use Regulations which do not conflict with the Development Plan, nor shall this Agreement prevent COUNTY from denying or conditionally approving any Subsequent Development Approval on the basis of the Existing Land Use Regulations or any Subsequent Land Use Regulation not in conflict with the Development Plan.

3.5.3 Modification or Suspension by State or Federal Law. In the event that State or Federal laws or regulations, enacted after the Effective Date of this Agreement, prevent or preclude compliance with one or more of the provisions of this Agreement or require changes in plans, maps or permits approved by the COUNTY, such provisions of this Agreement shall be modified or suspended as may be necessary to comply with such State or Federal laws or regulations, provided, however, that this Agreement shall remain in full force and effect to the extent it is not inconsistent with such laws or regulations and to the extent such laws or regulations do not render such remaining provisions impractical to enforce.

3.5.4 Intent. The parties acknowledge and agree that COUNTY is restricted in its authority to limit its police power by contract and that the foregoing limitations, reservations and exceptions are intended to reserve to COUNTY all of its police power which cannot be so limited. This Agreement shall be construed, contrary to its stated terms, if necessary, to reserve to COUNTY all such power and authority which cannot be restricted by contract.

3.5.5. Application of State and Local Regulatory Laws Governing Commercial Cannabis Activities. The operation of Commercial Cannabis Activities is a highly regulated business activity, and it is subject to various state and local laws and regulations. This Agreement does not, and the County cannot and does not intend to, give OWNER the right to continue its operations without complying with applicable state and local laws governing its operations. OWNER shall be responsible for obtaining, and maintaining throughout the entire term of this Agreement, all applicable state licenses, permits, approvals, and consents, even if the applicable state laws and regulations are altered following the Effective Date.

3.6. Public Works. If OWNER is required by this Agreement to construct any public works facilities which will be dedicated to COUNTY or any other public agency upon completion, and if required by applicable laws to do so, OWNER shall perform such work in the same manner and subject to the same requirements as would be applicable to COUNTY or such other public agency if it would have undertaken such construction.

3.7 Provision of Real Property Interests by COUNTY. In any instance where OWNER is required to construct any public improvement on land not owned by OWNER, OWNER shall at its sole cost and expense provide or cause to be provided, the real property interests necessary for the construction of such public improvements. In the event OWNER is unable, after exercising reasonable efforts to acquire the real property interests necessary for the construction of such public improvements, and if so instructed by OWNER and upon OWNER'S provision of adequate security for costs COUNTY may reasonably incur, COUNTY shall negotiate the purchase of the necessary real property interests to allow OWNER to construct the public improvements as required by this Agreement and, if necessary, in accordance with the procedures established by law, use its power of eminent domain to acquire such required real property interests. OWNER shall pay all costs associated with such acquisition or condemnation proceedings. This Section 3.7 is not intended by the parties to impose upon the OWNER an enforceable duty to acquire land or construct any public improvements on land not owned by OWNER, except to the extent that the OWNER elects to proceed with the development of the Project, and then only in accordance with valid conditions imposed by the COUNTY upon the development of the Project under the Subdivision Map Act, Government Code Section 66410 et seq., or other legal authority.

3.8 Regulation by Other Public Agencies. It is acknowledged by the parties that other public agencies not within the control of COUNTY possess authority to regulate aspects of the development of the Property separately from or jointly with COUNTY and this Agreement does not limit the authority of such other public agencies. For example, pursuant to Government Code Section 66477 and Section 10.35 of Riverside County Ordinance No. 460, another local public agency may provide local park and recreation services and facilities and in that event, it is permitted, and therefore shall be permitted by the parties, to participate jointly with COUNTY to determine the location of land to be dedicated or in lieu fees to be paid for local park purposes, provided that COUNTY shall exercise its authority subject to the terms of this Agreement.

3.9 Tentative Tract Map Extension. Notwithstanding the provisions of Section 66452.6(a)(1) of the Government Code, regarding extensions of time for approved tentative maps subject to a development agreement, no tentative subdivision map or tentative parcel map, heretofore or hereafter

approved in connection with development of the Property, shall be granted an extension of time except in accordance with the Subdivision Map Act and Existing Land Use Regulations.

3.10 Vesting Tentative Maps. If any tentative or final subdivision map, or tentative or final parcel map, heretofore or hereafter approved in connection with development of the Property, is a vesting map under the Subdivision Map Act (Government Code Section 66410, et seq.) and Riverside County Ordinance No. 460 and if this Agreement is determined by a final judgment to be invalid or unenforceable insofar as it grants a vested right to develop to OWNER, then and to that extent the rights and protections afforded OWNER under the laws and ordinances applicable to vesting maps shall supersede the provisions of this Agreement. Except as set forth immediately above, development of the Property shall occur only as provided in this Agreement, and the provisions in this Agreement shall be controlling over any conflicting provision of law or ordinance concerning vesting maps.

#### 4. PUBLIC BENEFITS.

4.1 Intent. The parties acknowledge and agree that development of the Property will detrimentally affect public interests which will not be fully addressed by the Development Plan and further acknowledge and agree that this Agreement confers substantial private benefits on OWNER which should be balanced by commensurate public benefits. Accordingly, the parties intend to provide consideration to the public to balance the private benefits conferred on OWNER by providing more fully for the satisfaction of public interests.

##### 4.2 Public Benefits for Commercial Cannabis Activities.

4.2.1 Annual Public Benefit Base Payments. Prior to the issuance of the certificate of occupancy, for any part of the Commercial Cannabis Activity, OWNER shall pay to COUNTY an amount equal to the base payment calculated per Section 1.1.2 of this Agreement ("Base Payment"); provided, however, that such initial annual base payment shall be prorated based on the number of whole months remaining between the date of payment and the first following June 30th. The base payment for Phase 1 shall be due at the certificate of occupancy for that phase. The base payment for Phase 2 shall be due at certificate of occupancy for that phase.

4.2.2 Subsequent Annual Base Payments. The Annual Base Payment shall be subject to annual increases in an amount of 2%. Prior to the first July 1<sup>st</sup> following the initial Base Payment and each July 1<sup>st</sup> thereafter during the term of the Agreement, OWNER shall pay to COUNTY an amount equal to the Base Payment plus the 2% annual increase.

4.3 Annual Additional Public Benefits. OWNER shall perform Additional Public Benefits identified in Exhibit "H" that will benefit the community in which the Commercial Cannabis Activity is located. Prior to the issuance of the certificate of occupancy, for any part of the Commercial Cannabis Activity, OWNER shall pay to COUNTY an amount equal to the additional annual public benefit set forth in Exhibit "H" of this Agreement ("Additional Public Benefit"); provided, however, that such initial annual payment shall be

prorated based on the number of whole months remaining between the date of payment and the first following June 30th. The annual additional public benefit payment for Phase 1 shall be due at the certificate of occupancy for that phase. The additional public benefit payment for Phase 2 shall be due at certificate of occupancy for that phase, or December 31, 2026, whichever event occurs first.

4.3.1 Subsequent Annual Additional Public Benefits. The Additional Public Benefit provided in Exhibit "H" shall be subject to annual increases in an amount of 5%. Prior to the first July 1<sup>st</sup> following the initial Additional Public Benefit payment and each July 1<sup>st</sup> thereafter during the term of the Agreement, OWNER shall pay to COUNTY an amount equal to the Additional Public Benefit plus the 5% annual increase.

4.4 Taxes. Nothing herein shall be construed to relieve OWNER from paying and remitting all applicable federal, state, and local taxes applicable to the Project, including but not limited to, income taxes, property taxes, local sales and use taxes, and any taxes imposed on cannabis activities and cannabis products pursuant to the Medicinal and Adult-Use Cannabis Regulation and Safety Act.

4.5 Assessments. Nothing herein shall be construed to relieve the Property from assessments levied against it by the County pursuant to any statutory procedure for the assessment of property to pay for infrastructure and/or services which benefit the Property.

4.6 New Taxes. Any subsequently enacted County taxes, including but not limited to any taxes on commercial cannabis activities, shall apply to the Project. In the event that County taxes are enacted specifically for commercial cannabis activities and cannabis products, the parties agree that this Agreement may be modified in accordance with Section 2.5 to reduce the OWNER's total public benefit payment (the sum total of the Base Rate plus the Additional Public Benefit) by an amount equal to the amount of the tax imposed on the OWNER for commercial cannabis activities and cannabis products. The parties acknowledge that the intent of being able to modify the Agreement in the event County taxes are enacted on the commercial cannabis activities and cannabis products is to enable the authority to adjust the total public benefit amount due and payable under this Agreement by the OWNER.

4.7 Vote on Future Assessments and Fees. In the event that any assessment, fee or charge which is applicable to the Property is subject to Article XIID of the California Constitution and OWNER does not return its ballot, OWNER agrees, on behalf of itself and its successors that the County may count OWNER's ballot as affirmatively voting in favor of such assessment, fee or charge.

5. **FINANCING OF PUBLIC IMPROVEMENTS.** If deemed appropriate, COUNTY and OWNER will cooperate in the formation of any special assessment district, community facilities district or alternate financing mechanism to pay for the construction and/or maintenance and operation of public infrastructure facilities required as part of the Development Plan. OWNER also agrees that it will not initiate and/or cooperate in the formation of any such special assessment district, community facilities district or alternate financing mechanism involving any other public agency without the prior written consent of the COUNTY.



Should the Property be included within such a special assessment district, community facilities district or other financing entity, the following provisions shall be applicable:

(a) In the event OWNER conveys any portion of the Property and/or public facilities constructed on any portion of the Property to COUNTY or any other public entity and said Property is subject to payment of taxes and/or assessments, such taxes and/or assessments shall be paid in full by OWNER prior to completion of any such conveyance.

(b) If OWNER is in default in the payment of any taxes and/or assessments, OWNER shall be considered to be in default of this Agreement and COUNTY may, in its sole discretion, initiate proceedings pursuant to Section 8.4 of this Agreement. Notwithstanding the foregoing, it is acknowledged and agreed by the parties that nothing contained in this Agreement shall be construed as requiring COUNTY or the COUNTY Board of Supervisors to form any such district or to issue and sell bonds.

## 6. REVIEW FOR COMPLIANCE.

6.1 Annual Review. The TLMA Director, in consultation with the County Executive Officer and County Counsel, shall review this Agreement annually, on or before the Effective Date, in order to ascertain the good faith compliance by OWNER with the terms of the Agreement. In order to facilitate this review, OWNER shall submit an annual monitoring report, in a form specified by the TLMA Director providing all information necessary to evaluate such good faith compliance as determined by the TLMA Director. OWNER shall pay the annual review and administration fee set forth in Ordinance No. 671 prior to submission of each annual monitoring report. Prior to the issuance of any grading permit or building permit for any part of the Project, OWNER shall prepay a fee deposit and administration fee as set forth in Ordinance No. 671 (the "Monitoring Fee Prepayment"). The Monitoring Fee Prepayment shall be retained by the COUNTY until termination of this Agreement, may be used by the COUNTY at any time if there is a failure to pay any part of the annual monitoring and administration fees required under Ordinance No. 671, and shall be promptly replenished by OWNER up to the original required amount after notice by COUNTY to OWNER. Failure by OWNER to submit an annual monitoring report, on or before the Effective Date of each year in the form specified by the TLMA Director, to pay any part of the annual monitoring and administration fee required under Ordinance No. 671, to make the Monitoring Fee Prepayment or to replenish the Monitoring Fee Prepayment shall constitute a default by OWNER under this Agreement.

6.2 Special Review. The Board of Supervisors may order a special review of compliance with this Agreement at any time. The TLMA Director, in consultation with the County Executive Officer and County Counsel, shall conduct such special reviews.

6.3 Property Inspection. In accordance with applicable regulations set forth in the Medicinal and Adult Use Cannabis Regulation and Safety Act and upon twenty-four (24) hour written notice, OWNER shall allow COUNTY representatives access to the Property and all buildings and structures located on the Property to determine compliance with CUP No. 190058 and this Agreement.

6.4. Records Inspection. Upon written request by the COUNTY, OWNER shall provide records to the COUNTY demonstrating compliance with this Agreement and CUP No. 190058 including, but not limited to, ownership of Property, local hiring and local ownership programs.

6.5 Procedure.

(a) During either an annual review or a special review, OWNER shall be required to demonstrate good faith compliance with the terms of the Agreement. The burden of proof on this issue shall be on OWNER.

(b) Upon completion of an annual review or a special review, the TLMA Director shall submit a report to the Board of Supervisors setting forth the evidence concerning good faith compliance by OWNER with the terms of this Agreement and his recommended finding on that issue.

(c) If the Board finds on the basis of substantial evidence that OWNER has complied in good faith with the terms and conditions of this Agreement, the review shall be concluded.

(d) If the Board makes a preliminary finding that OWNER has not complied in good faith with the terms and conditions of this Agreement, the Board may modify or terminate this Agreement as provided in Section 6.4 and Section 6.5. Notice of default as provided under Section 8.4 of this Agreement shall be given to OWNER prior to or concurrent with, proceedings under Section 6.4 and Section 6.5.

6.6 Proceedings Upon Modification or Termination. If, upon a preliminary finding under Section 6.3, COUNTY determines to proceed with modification or termination of this Agreement, COUNTY shall give written notice to OWNER of its intention so to do. The notice shall be given at least ten calendar days prior to the scheduled hearing and shall contain:

(a) The time and place of the hearing;

(b) A statement as to whether or not COUNTY proposes to terminate or to modify the Agreement; and,

(c) Such other information as is reasonably necessary to inform OWNER of the nature of the proceeding.

6.7 Hearing on Modification or Termination. At the time and place set for the hearing on modification or termination, OWNER shall be given an opportunity to be heard and shall be entitled to present written and oral evidence. OWNER shall be required to demonstrate good faith compliance with the terms and conditions of this Agreement. The burden of proof on this issue shall be on OWNER. If the Board of Supervisors finds, based upon substantial evidence, that OWNER has not complied in good faith with the terms or conditions of the Agreement, the Board may terminate this Agreement or modify this Agreement and impose such conditions as are reasonably necessary to protect the interests of the County. The decision of the Board of

Supervisors shall be final, subject only to judicial review pursuant to Section 1094.5 of the Code of Civil Procedure.

6.8 Certificate of Agreement Compliance. If, at the conclusion of an annual or special review, OWNER is found to be in compliance with this Agreement, COUNTY shall, upon request by OWNER, issue a Certificate of Agreement Compliance ("Certificate") to OWNER stating that after the most recent annual or special review and based upon the information known or made known to the TLMA Director and Board of Supervisors that (1) this Agreement remains in effect, and (2) OWNER is not in default. The Certificate shall be in recordable form, shall contain information necessary to communicate constructive record notice of the finding of compliance, shall state whether the Certificate is issued after an annual or a special review and shall state the anticipated date of commencement of the next annual review. OWNER may record the Certificate with the County Recorder. Whether or not the Certificate is relied upon by transferees or OWNER, COUNTY shall not be bound by a Certificate if a default existed at the time of the Periodic or Special Review, but was concealed from or otherwise not known to the TLMA Director or Board of Supervisors.

## 7. INCORPORATION AND ANNEXATION.

7.1 Intent. If all or any portion of the Property is annexed to or otherwise becomes a part of a city or another county, it is the intent of the parties that this Agreement shall survive and be binding upon such other jurisdiction.

7.2 Incorporation. If at any time during the term of this Agreement, a city is incorporated comprising all or any portion of the Property, the validity and effect of this Agreement shall be governed by Section 65865.3 of the Government Code.

7.3 Annexation. OWNER and COUNTY shall oppose, in accordance with the procedures provided by law, the annexation to any city of all or any portion of the Property unless both OWNER and COUNTY give written consent to such annexation.

## 8. DEFAULT AND REMEDIES.

8.1 Remedies in General. It is acknowledged by the parties that COUNTY would not have entered into this Agreement if it were to be liable in damages under this Agreement, or with respect to this Agreement or the application thereof.

In general, each of the parties hereto may pursue any remedy at law or equity available for the breach of any provision of this Agreement, except that COUNTY shall not be liable in damages to OWNER, or to any successor in interest of OWNER, or to any other person, and OWNER covenants not to sue for damages or claim any damages:

(a) For any breach of this Agreement or for any cause of action which arises out of this Agreement; or

(b) For the taking, impairment or restriction of any right or interest conveyed or provided under or pursuant to this Agreement; or

(c) Arising out of or connected with any dispute, controversy or issue regarding the application, validity, interpretation or effect of the provisions of this Agreement.

Notwithstanding anything in this Article 8 to the contrary, OWNER's liability to COUNTY in connection with this Agreement shall be limited to direct damages and shall exclude any other liability, including without limitation liability for special, indirect, punitive or consequential damages in contract, tort, warranty, strict liability or otherwise.

8.2 Specific Performance. The parties acknowledge that money damages and remedies at law generally are inadequate and specific performance and other non-monetary relief are particularly appropriate remedies for the enforcement of this Agreement and should be available to all parties for the following reasons:

(a) Money damages are unavailable against COUNTY as provided in Section 8.1 above.

(b) Due to the size, nature and scope of the project, it may not be practical or possible to restore the Property to its natural condition once implementation of this Agreement has begun. After such implementation, OWNER may be foreclosed from other choices it may have had to utilize the Property or portions thereof. OWNER has invested significant time and resources and performed extensive planning and processing of the Project in agreeing to the terms of this Agreement and will be investing even more significant time and resources in implementing the Project in reliance upon the terms of this Agreement, and it is not possible to determine the sum of money which would adequately compensate OWNER for such efforts.

8.3 General Release. Except for non-damage remedies, including the remedy of specific performance and judicial review as provided for in Section 8, OWNER, for itself, its successors and assignees, hereby releases the COUNTY, its officers, agents, employees, and independent contractors from any and all claims, demands, actions, or suits of any kind or nature whatsoever arising out of any liability, known or unknown, present or future, including, but not limited to, any claim or liability, based or asserted, pursuant to Article I, Section 19 of the California Constitution, the Fifth Amendment of the United States Constitution, or any other law or ordinance which seeks to impose any other monetary liability or damages, whatsoever, upon the COUNTY because it entered into this Agreement or because of the terms of this Agreement. OWNER hereby waives the provisions of Section 1542 of the Civil Code which provides:

A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS THE CREDITOR OR RELEASING PARTY DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE AND THAT, IF KNOWN BY HIM OR HER WOULD HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR OR RELEASED PARTY.

SK  
OWNER Initials

NK  
OWNER Initials

8.4 Termination or Modification of Agreement for Default of OWNER. Subject to the provisions contained in Subsection 2.5 herein, COUNTY may terminate or modify this Agreement for any failure of OWNER to perform any material duty or obligation of OWNER under this Agreement, or to comply in good faith with the terms of this Agreement (hereinafter referred to as "default"); provided, however, COUNTY may terminate or modify this Agreement pursuant to this Section only after providing written notice to OWNER of default setting forth the nature of the default and the actions, if any, required by OWNER to cure such default and, where the default can be cured, OWNER has failed to take such actions and cure such default within 60 days after the effective date of such notice or, in the event that such default cannot be cured within such 60 day period but can be cured within a longer time, has failed to commence the actions necessary to cure such default within such 60 day period and to diligently proceed to complete such actions and cure such default.

8.5 Termination of Agreement for Default of COUNTY. OWNER may terminate this Agreement only in the event of a default by COUNTY in the performance of a material term of this Agreement and only after providing written notice to COUNTY of default setting forth the nature of the default and the actions, if any, required by COUNTY to cure such default and, where the default can be cured, COUNTY has failed to take such actions and cure such default within 60 days after the effective date of such notice or, in the event that such default cannot be cured within such 60 day period but can be cured within a longer time, has failed to commence the actions necessary to cure such default within such 60 day period and to diligently proceed to complete such actions and cure such default.

8.6 Attorneys' Fees. In any action at law or in equity to enforce or interpret this Agreement, or otherwise arising out of this Agreement, including without limitation any action for declaratory relief or petition for writ of mandate, the parties shall bear their own attorneys' fees.

## 9. THIRD PARTY LITIGATION.

9.1 General Plan Litigation. COUNTY has determined that this Agreement is consistent with its General Plan, and that the General Plan meets all requirements of law. OWNER has reviewed the General Plan and concurs with COUNTY's determination. The parties acknowledge that:

- (a) Litigation may be filed challenging the legality, validity and adequacy of the General Plan; and,
- (b) If successful, such challenges could delay or prevent the performance of this Agreement and the development of the Property.

COUNTY shall have no liability in damages under this Agreement for any failure of COUNTY to perform under this Agreement or the inability of OWNER to develop the Property as contemplated by the Development Plan of this Agreement as the result of a judicial determination that on the Effective Date, or at any time thereafter, the General Plan, or portions thereof, are invalid or inadequate or not in compliance with law.

9.2 Third Party Litigation Concerning Agreement. OWNER shall defend, at its expense, including attorneys' fees, indemnify, and hold harmless COUNTY, its officers, agents, employees and independent contractors from any claim, action or proceeding against COUNTY, its officers, agents, employees or independent contractors to attack, set aside, void, or annul the approval of this Agreement or the approval of any permit granted pursuant to this Agreement. COUNTY shall promptly notify OWNER of any such claim, action or proceeding, and COUNTY shall cooperate in the defense. If COUNTY fails to promptly notify OWNER of any such claim, action or proceeding, or if COUNTY fails to cooperate in the defense, OWNER shall not thereafter be responsible to defend, indemnify, or hold harmless COUNTY. COUNTY may in its discretion participate in the defense of any such claim, action or proceeding.

9.3 Indemnity. In addition to the provisions of 9.2 above, OWNER shall indemnify and hold COUNTY, its officers, agents, employees and independent contractors free and harmless from any liability whatsoever, based or asserted upon any act or omission of OWNER, its officers, agents, employees, subcontractors and independent contractors, for property damage, bodily injury, or death (OWNER's employees included) or any other element of damage of any kind or nature, relating to or in any way connected with or arising from the activities contemplated hereunder, including, but not limited to, the study, design, engineering, construction, completion, failure and conveyance of the public improvements, save and except claims for damages arising through the sole active negligence or sole willful misconduct of COUNTY. OWNER shall defend, at its expense, including attorneys' fees, COUNTY, its officers, agents, employees and independent contractors in any legal action based upon such alleged acts or omissions. COUNTY may in its discretion participate in the defense of any such legal action.

9.4 Environment Assurances. OWNER shall indemnify and hold COUNTY, its officers, agents, employees and independent contractors free and harmless from any liability, based or asserted, upon any act or omission of OWNER, its officers, agents, employees, subcontractors, predecessors in interest, successors, assigns and independent contractors for any violation of any federal, state or local law, ordinance or regulation relating to industrial hygiene or to environmental conditions on, under or about the Property, including, but not limited to, soil and groundwater conditions, and OWNER shall defend, at its expense, including attorneys' fees, COUNTY, its officers, agents, employees and independent contractors in any action based or asserted upon any such alleged act or omission. COUNTY may in its discretion participate in the defense of any such action.

9.5 Reservation of Rights. With respect to Sections 9.2, 9.3 and 9.4 herein, COUNTY reserves the right to either (1) approve the attorney(s) which OWNER selects, hires or otherwise engages to defend COUNTY hereunder, which approval shall not be unreasonably withheld, or (2) conduct its own defense, provided, however, that OWNER shall reimburse COUNTY forthwith for any and all reasonable expenses incurred for such defense, including attorneys' fees, upon billing and accounting therefor.

9.6 Survival. The provisions of Sections 8.1 through 8.3, inclusive, Section 8.6 and Sections 9.1 through 9.6, inclusive, shall survive the termination of this Agreement.

## 10. MORTGAGEE PROTECTION.

The parties hereto agree that this Agreement shall not prevent or limit OWNER, in any manner, at OWNER's sole discretion, from encumbering the Property or any portion thereof or any improvement thereon by any mortgage, deed of trust or other security device securing financing with respect to the Property. COUNTY acknowledges that the lenders providing such financing may require certain Agreement interpretations and modifications and agrees upon request, from time to time, to meet with OWNER and representatives of such lenders to negotiate in good faith any such request for interpretation or modification. COUNTY will not unreasonably withhold its consent to any such requested interpretation or modification provided such interpretation or modification is consistent with the intent and purposes of this Agreement. Any Mortgagee of the Property shall be entitled to the following rights and privileges:

(a) Neither entering into this Agreement nor a breach of this Agreement shall defeat, render invalid, diminish or impair the lien of any mortgage on the Property made in good faith and for value, unless otherwise required by law.

(b) The Mortgagee of any mortgage or deed of trust encumbering the Property, or any part thereof, which Mortgagee, has submitted a request in writing to the COUNTY in the manner specified herein for giving notices, shall be entitled to receive written notification from COUNTY of any default by OWNER in the performance of OWNER's obligations under this Agreement.

(c) If COUNTY timely receives a request from a Mortgagee requesting a copy of any notice of default given to OWNER under the terms of this Agreement, COUNTY shall provide a copy of that notice to the Mortgagee within ten (10) days of sending the notice of default to OWNER. The Mortgagee shall have the right, but not the obligation, to cure the default during the remaining cure period allowed such party under this Agreement.

(d) Any Mortgagee who comes into possession of the Property, or any part thereof, pursuant to foreclosure of the mortgage or deed of trust, or deed in lieu of such foreclosure, shall take the Property, or part thereof, subject to the terms of this Agreement. No Mortgagee (including one who acquires title or possession to the Property, or any portion thereof, by foreclosure, trustee's sale, deed in lieu of foreclosure, lease termination, eviction or otherwise) shall have any obligation to construct or complete construction of improvements, or to guarantee such construction or completion; provided, however, that a Mortgagee shall not be entitled to devote the Property to solar power plant use except in full compliance with this Agreement. A Mortgagee in possession shall not have an obligation or duty under this Agreement to perform any of OWNER's obligations or other affirmative covenants of OWNER hereunder, or to guarantee such performance; provided, however, that to the extent that any covenant to be performed by OWNER is a condition precedent to the performance of a covenant by COUNTY, the performance thereof shall continue to be a condition precedent to COUNTY's performance hereunder. All payments called for under Section 4 of this Agreement shall be a condition precedent to COUNTY's performance under this Agreement. Any transfer by any Mortgagee in possession shall be subject to the provisions of Section 2.4 of this Agreement.

11. MISCELLANEOUS PROVISIONS.

11.1 Recordation of Agreement. This Agreement and any amendment, modification, termination or cancellation thereof shall be recorded with the County Recorder by the Clerk of the Board of Supervisors within the period required by Section 65868.5 of the Government Code.

11.2 Entire Agreement. This Agreement sets forth and contains the entire understanding and agreement of the parties, and there are no oral or written representations, understandings or ancillary covenants, undertakings or agreements which are not contained or expressly referred to herein. No testimony or evidence of any such representations, understandings or covenants shall be admissible in any proceeding of any kind or nature to interpret or determine the terms or conditions of this Agreement.

11.3 Severability. If any term, provision, covenant or condition of this Agreement shall be determined invalid, void or unenforceable, the remainder of this Agreement shall not be affected thereby to the extent such remaining provisions are not rendered impractical to perform taking into consideration the purposes of this Agreement. Notwithstanding the foregoing, the provision of the Public Benefits set forth in Sections 4.2 and 4.3 of this Agreement, including the payments set forth therein, are essential elements of this Agreement and COUNTY would not have entered into this Agreement but for such provisions, and therefore in the event such provisions are determined to be invalid, void or unenforceable, this entire Agreement shall be null and void and of no force and effect whatsoever.

11.4 Interpretation and Governing Law. This Agreement and any dispute arising hereunder shall be governed and interpreted in accordance with the laws of the State of California. This Agreement shall be construed as a whole according to its fair language and common meaning to achieve the objectives and purposes of the parties hereto, and the rule of construction to the effect that ambiguities are to be resolved against the drafting party shall not be employed in interpreting this Agreement, all parties having been represented by counsel in the negotiation and preparation hereof.

11.5 Section Headings. All section headings and subheadings are inserted for convenience only and shall not affect any construction or interpretation of this Agreement.

11.6 Gender and Number. As used herein, the neuter gender includes the masculine and feminine, the feminine gender includes the masculine, and the masculine gender includes the feminine. As used herein, the singular of any word includes the plural.

11.7 Joint and Several Obligations. If this Agreement is signed by more than one OWNER, all obligations of such OWNERS under this Agreement shall be joint and several, and the default of any such OWNER shall be the default of all such OWNERS.

11.8 Time of Essence. Time is of the essence in the performance of the provisions of this Agreement as to which time is an element.

11.9 Waiver. Failure by a party to insist upon the strict performance of any of the provisions of this Agreement by the other party, or the failure by a party to exercise its rights upon



the default of the other party; shall not constitute a waiver of such party's right to insist and demand strict compliance by the other party with the terms of this Agreement thereafter.

11.10 No Third Party Beneficiaries. Unless expressly stated herein, this Agreement is made and entered into for the sole protection and benefit of the parties and their successors and assigns. No other person shall have any right of action based upon any provision of this Agreement.

11.11 Force Majeure. Neither party shall be deemed to be in default where failure or delay in performance of any of its obligations under this Agreement is caused by floods, earthquakes, other Acts of God, fires, wars, riots or similar hostilities, strikes and other labor difficulties beyond the party's control, (including the party's employment force). If any such events shall occur, the term of this Agreement and the time for performance by either party of any of its obligations hereunder may be extended by the written agreement of the parties for the period of time that such events prevented such performance, provided that the term of this Agreement shall not be extended under any circumstances for more than five (5) years.

11.12 Mutual Covenants. The covenants contained herein are mutual covenants and also constitute conditions to the concurrent or subsequent performance by the party benefited thereby of the covenants to be performed hereunder by such benefited party.

11.13 Successors in Interest. The burdens of this Agreement shall be binding upon, and the benefits of this Agreement shall inure to, all successors in interest to the parties to this Agreement. All provisions of this Agreement shall be enforceable as equitable servitudes and constitute covenants running with the land. Each covenant to do or refrain from doing some act hereunder with regard to development of the Property: (a) is for the benefit of and is a burden upon every portion of the Property; (b) runs with the Property and each portion thereof; and, (c) is binding upon each party and each successor in interest during ownership of the Property or any portion thereof.

11.14 Counterparts. This Agreement may be executed by the parties in counterparts, which counterparts shall be construed together and have the same effect as if all of the parties had executed the same instrument.

11.15 Jurisdiction and Venue. Any action at law or in equity arising under this Agreement or brought by a party hereto for the purpose of enforcing, construing or determining the validity of any provision of this Agreement shall be filed and tried in the Riverside Historic Courthouse of the Superior Court of the County of Riverside, State of California, and the parties hereto waive all provisions of law providing for the filing, removal or change of venue to any other court.

11.16 Project as a Private Undertaking. It is specifically understood and agreed by and between the parties hereto that the development of the Project is a private development, that neither party is acting as the agent of the other in any respect hereunder, and that each party is an independent contracting entity with respect to the terms, covenants and conditions contained in this Agreement. No partnership, joint venture or other association of any kind is formed by this Agreement. The only relationship between COUNTY and OWNER is that of a government entity regulating the development of private property and the owner of such property.

11.17 Further Actions and Instruments. Each of the parties shall cooperate with and provide reasonable assistance to the other to the extent contemplated hereunder in the performance of all obligations under this Agreement and the satisfaction of the conditions of this Agreement. Upon the request of either party at any time, the other party shall promptly execute, with acknowledgement or affidavit if reasonably required, and file or record such required instruments and writings and take any actions as may be reasonably necessary under the terms of this Agreement to carry out the intent and to fulfill the provisions of this Agreement or to evidence or consummate the transactions contemplated by this Agreement.

11.18 Eminent Domain. No provision of this Agreement shall be construed to limit or restrict the exercise by COUNTY of its power of eminent domain. As used herein, "Material Condemnation" means a condemnation of all or a portion of the Property that will have the effect of preventing development of the Project in accordance with this Agreement. In the event of a Material Condemnation, OWNER may (i) request the COUNTY to amend this Agreement and/or to amend the Development Plan, which amendment shall not be unreasonably withheld, (ii) decide, in its sole discretion, to challenge the condemnation, or (iii) request that COUNTY agree to terminate this Agreement by mutual agreement, which agreement shall not be unreasonably withheld, by giving a written request for termination to the COUNTY.

11.19 Agent for Service of Process. In the event OWNER is not a resident of the State of California or it is an association, partnership or joint venture without a member, partner or joint venturer resident of the State of California, or it is a foreign corporation, then in any such event, OWNER shall file with the TLMA Director, upon its execution of this Agreement, a designation of a natural person residing in the State of California, giving his or her name, residence and business addresses, as its agent for the purpose of service of process in any court action arising out of or based upon this Agreement, and the delivery to such agent of a copy of any process in any such action shall constitute valid service upon OWNER. If for any reason service of such process upon such agent is not feasible, then in such event OWNER may be personally served with such process out of this County and such service shall constitute valid service upon OWNER. OWNER is amenable to the process so served, submits to the jurisdiction of the Court so obtained and waives any and all objections and protests thereto. OWNER for itself, assigns and successors hereby waives the provisions of the Hague Convention (Convention on the Service Abroad of Judicial and Extra Judicial Documents in Civil or Commercial Matters, 20 U.S.T. 361, T.I.A.S. No. 6638).

11.20 Designation of COUNTY Officials. Except for functions to be performed by the Board of Supervisors, COUNTY may, at any time and in its sole discretion, substitute any COUNTY official to perform any function identified in this Agreement as the designated responsibility of any other official. COUNTY shall provide notice of such substitution pursuant to Section 2.7; provided, however, the failure to give such notice shall not affect the authority of the substitute official in any way.

11.21 Authority to Execute. The person executing this Agreement on behalf of OWNER warrants and represents that he has the authority to execute this Agreement on behalf of his corporation, partnership or business entity and warrants and represents that he has the authority to bind OWNER to the performance of its obligations hereunder.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the day and year set forth below.

COUNTY OF RIVERSIDE, a political subdivision of the State of California

Dated: \_\_\_\_\_

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

Chuck Washington  
Chair, Board of Supervisors

ATTEST:

KIMBERLY RECTOR  
Clerk of the Board

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

Deputy  
(SEAL)

FORM APPROVED COUNTY COUNSEL

BY: Aaron C. Gettis 7-23-24  
AARON C. GETTIS DATE

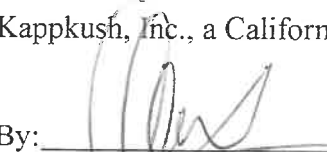
OWNER:

Dated: June 5 2024

By:   
\_\_\_\_\_  
Samuel Kapukchyan

Kappkush, Inc., a California Corporation

Dated: June 5. 2024

By:   
\_\_\_\_\_  
Natine Kapukchyan  
Chief Executive Officer and Secretary

(ALL SIGNATURES SHALL BE ACKNOWLEDGED BEFORE A NOTARY PUBLIC.  
EXECUTION ON BEHALF OF ANY CORPORATION SHALL BE BY TWO  
CORPORATE OFFICERS.)

**CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT**

CIVIL CODE § 1189

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

State of California

County of Los Angeles

On 6-5-2024 before me, Gagik Karagezian Notary Public

Date Here Insert Name and Title of the Officer

personally appeared Samuel Kapukchyan

Name(s) of Signer(s)

Narine Kapukchyan

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

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

WITNESS my hand and official seal.



Signature Gagik Karagezian  
Signature of Notary Public

Place Notary Seal Above

**OPTIONAL**

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

**Description of Attached Document**

Title or Type of Document: Development Agreement

Document Date: June 5, 2024 Number of Pages: \_\_\_\_\_

Signer(s) Other Than Named Above: \_\_\_\_\_

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

Signer's Name: Samuel Kapukchyan

- Corporate Officer — Title(s): \_\_\_\_\_
- Partner —  Limited  General
- Individual  Attorney in Fact
- Trustee  Guardian or Conservator
- Other: \_\_\_\_\_

Signer Is Representing: \_\_\_\_\_

Signer's Name: Narine Kapukchyan

- Corporate Officer — Title(s): \_\_\_\_\_
- Partner —  Limited  General
- Individual  Attorney in Fact
- Trustee  Guardian or Conservator
- Other: \_\_\_\_\_

Signer Is Representing: \_\_\_\_\_

EXHIBIT "A"

Amendment No. 1

Development Agreement No. 1900049

LEGAL DESCRIPTION OF PROPERTY

All that certain real property situated in the County of Riverside, State of California, described as follows:

Parcels 7 and 8 of Parcel Map 32789, in the County of Riverside, State of California, as per map recorded in Book 215 Page(s) 41 through 43 of Parcel Maps, in the Office of the County Recorder of said County.

EXCEPTING THEREFROM one-sixteenth of all coal, oil gas and other mineral deposits in said land as reserved in Patent recorded June 9, 1943 in Book 585 Page 28 of Official Records, in the Office of the County Recorder of said County.

ALSO EXCEPTING THEREFROM 15/32nds of all oil, gas, coal and mineral deposits in and on said land as reserved by Della S. Lindley, a single woman, in deed recorded August 8, 1960 as Instrument No. 69601 of Official Records.

APN: 650-380-007; 650-380-008

EXHIBIT "B"

Amendment No. 1

Development Agreement No. 1900049

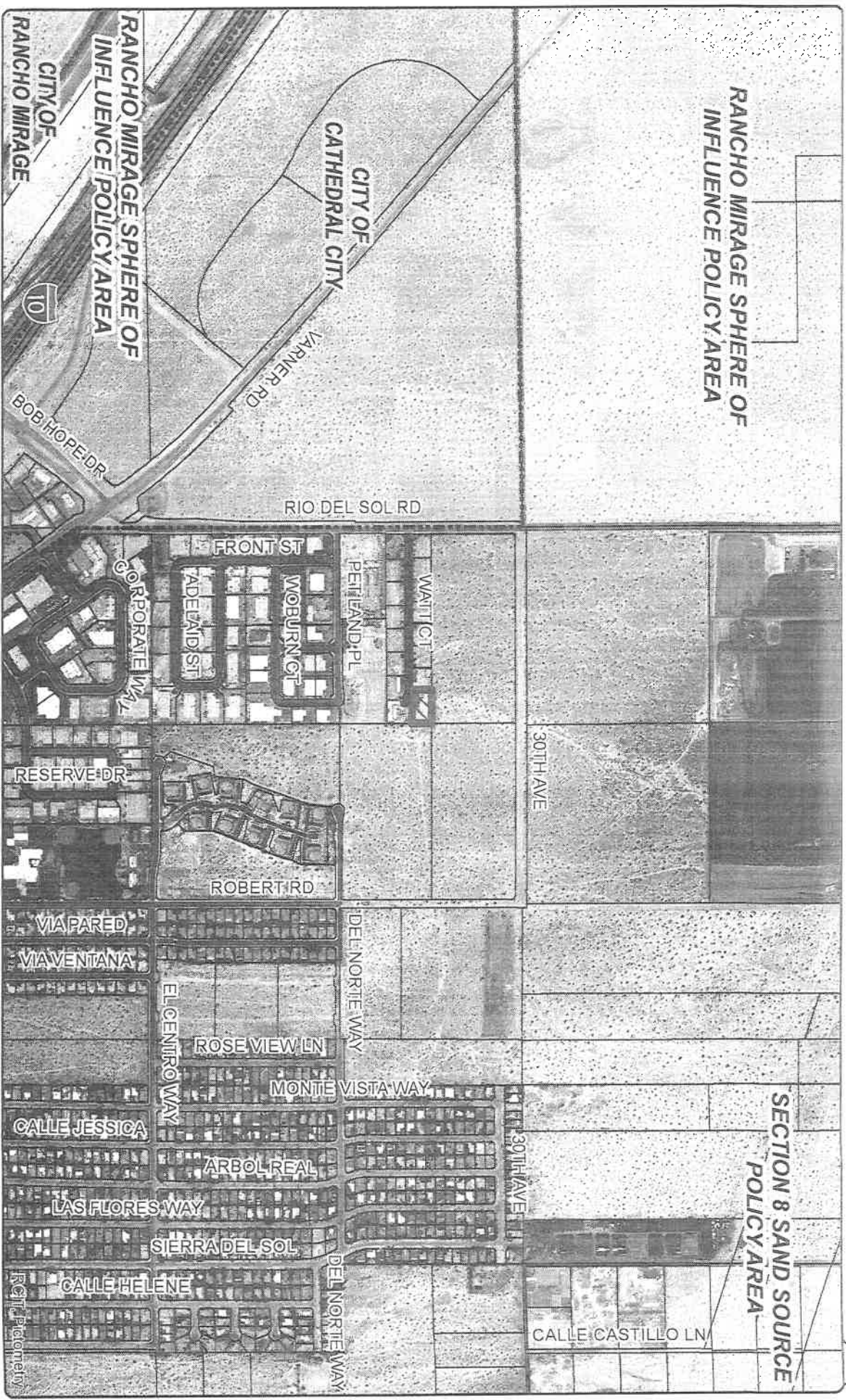
MAP OF PROPERTY AND ITS LOCATION

Supervisor: Perez  
District 4

Supervisor: Perez  
District 4

**RIVERSIDE COUNTY PLANNING DEPARTMENT**  
**CUP190058 DA1900049**  
**VICINITY/POLICY AREAS**

Date Drawn: 01/13/2021  
Vicinity Map



Zoning Dist: Thousand Palms

Author: Vinnie Nguyen



DISCLAIMER: This map is a representation of the information provided and is not intended to be used as a legal document. The information is provided for informational purposes only. The user of this map is advised to consult with a professional surveyor or engineer for any legal or engineering purposes. The user of this map is advised to consult with a professional surveyor or engineer for any legal or engineering purposes. The user of this map is advised to consult with a professional surveyor or engineer for any legal or engineering purposes.



EXHIBIT "C"

Amendment No. 1

Development Agreement No. 1900049

EXISTING DEVELOPMENT APPROVALS

LAND DIVISIONS

Parcel Map No. 32789

OTHER DEVELOPMENT APPROVALS

Plot Plan No. 17461

Plot Plan No. 17646

Plot Plan No. 22775

Plot Plan No. 23410

Conditional Use Permit No. 190058

The development approvals listed above include the approved maps and all conditions of approval.

COPIES OF THE EXISTING DEVELOPMENT APPROVALS LISTED ABOVE ARE ON FILE IN THE RIVERSIDE COUNTY PLANNING DEPARTMENT AND ARE INCORPORATED HEREIN BY REFERENCE.

EXHIBIT "D"

Amendment No. 1

Development Agreement No. 1900049

EXISTING LAND USE REGULATIONS

1. Riverside County Comprehensive General Plan as amended through Resolution No. 2021-108
2. Ordinance No. 348 as amended through Ordinance No. 348.5014
3. Ordinance No. 448 as amended through Ordinance No. 448.A
4. Ordinance No. 457 as amended through Ordinance No. 457.106
5. Ordinance No. 458 as amended through Ordinance No. 458.17
6. Ordinance No. 460 as amended through Ordinance No. 460.154
7. Ordinance No. 461 as amended through Ordinance No. 461.11
8. Ordinance No. 509 as amended through Ordinance No. 509.2
9. Ordinance No. 547 as amended through Ordinance No. 547.7
10. Ordinance No. 555 as amended through Ordinance No. 555.20
11. Ordinance No. 617 as amended through Ordinance No. 617.4
12. Ordinance No. 650 as amended through Ordinance No. 650.7
13. Ordinance No. 659 as amended through Ordinance No. 659.13
14. Ordinance No. 663 as amended through Ordinance No. 663.10
15. Ordinance No. 671 as amended through Ordinance No. 671.22
16. Ordinance No. 673 as amended through Ordinance No. 673.7
17. Ordinance No. 679 as amended through Ordinance No. 679.4
18. Ordinance No. 682 as amended through Ordinance No. 682.6
19. Ordinance No. 726 as amended through Ordinance No. 726

20. Ordinance No. 743 as amended through Ordinance No. 743.3
21. Ordinance No. 748 as amended through Ordinance No. 748.1
22. Ordinance No. 749 as amended through Ordinance No. 749.1
23. Ordinance No. 752 as amended through Ordinance No. 752.2
24. Ordinance No. 754 as amended through Ordinance No. 754.3
25. Ordinance No. 787 as amended through Ordinance No. 787.10
26. Ordinance No. 806 as amended through Ordinance No. 806
27. Ordinance No. 810 as amended through Ordinance No. 810.3
28. Ordinance No. 817 as amended through Ordinance No. 817.1
29. Ordinance No. 824 as amended through Ordinance No. 824.17
30. Ordinance No. 847 as amended through Ordinance No. 847.1
31. Ordinance No. 859 as amended through Ordinance No. 859.3
32. Ordinance No. 875 as amended through Ordinance No. 875.1
33. Ordinance No. 915 as amended through Ordinance No. 915
34. Ordinance No. 925 as amended through Ordinance No. 925.1
35. Ordinance No. 926 as amended through Ordinance No. 926
36. Ordinance No. 927 as amended through Ordinance No. 927.2
37. Ordinance No. 931 as amended through Ordinance No. 931
38. Resolution No. 2020-124 Establishing Procedures and Requirements for  
the Consideration of Development Agreements
39. Board of Supervisors Policy No. B-9 Commercial Cannabis Activities

COPIES OF THE EXISTING LAND USE REGULATIONS LISTED ABOVE ARE ON FILE IN THE RIVERSIDE COUNTY PLANNING DEPARTMENT AND ARE INCORPORATED HEREIN BY REFERENCE.

EXHIBIT "E"

Amendment No. 1

Development Agreement No. 1900049

COMMERCIAL CANNABIS ACTIVITY SITE PLAN & DESCRIPTION

As shown on the attached site plan, CUP No. 190058 permits a Cannabis Micro Business within an existing 13,060 square foot building on an approximately 33,000 square foot lot. The Cannabis Micro Business will include 4,391 square feet of indoor cultivation, 1,559 square feet of manufacturing, 1,094 square feet of retail, 1,721 square feet of nursery, and 4,295 square feet of distribution along with supporting storage, office, employee break area, and reception areas.

Phase 1 includes the 4,391 square feet of indoor cultivation, 1,094 square feet of retail, 1,721 square feet of nursery, and 4,295 square feet of distribution space. Phase 2 includes the 1,559 square feet of manufacturing.



EXHIBIT "F"

Amendment No. 1

Development Agreement No. 1900049

APPLICABLE PUBLIC BASE BENEFITS PAYMENTS

The Cannabis Micro Business operating at the Property pursuant to CUP No. 190058 includes an existing 13,060 square foot building on an approximately 33,000 square foot lot, which will include indoor cultivation, nursery, retail, manufacturing, distribution and supporting storage, office, employee break area, and reception areas as more specifically shown on Exhibit "G". In accordance with Board Policy B-9, the base public benefit is the following: \$4.50 per square foot for the indoor cultivation, \$4.00 per square foot for the manufacturing, \$16.00 per square foot for the retail, \$3.00 per square foot for the distribution and \$0.50 per square foot for the nursery. Therefore, the public base benefit payment will be \$57,245.00 and will increase annually at a rate of 2%.

Phase 1 public base benefits payment is calculated at 4,391 square feet multiplied by \$4.50 per square foot for indoor cultivation; 1,721 square feet multiplied by \$0.50 per square foot for nursery cultivation; 1,094 square feet multiplied by \$16.00 per square foot for retail; and 4,295 square feet multiplied by \$3.00 per square foot for distribution. The total for phase 1 public benefit is \$51,009.00.

Phase 2 public base benefits payment is calculated at 1,559 square feet multiplied by \$4.00 per square foot for a total of \$6,236.00.

## EXHIBIT "G"

### Amendment No. 1

Development Agreement No. 1900049

#### CANNABIS AREA CALCULATION EXHIBIT

The Cannabis Area calculation includes the following: 4,391 square feet for the indoor cultivation, 1,559 square feet for the manufacturing, 1,094 square feet for the retail, 1,721 square feet for the nursery and 4,295 square feet for the distribution totaling a 13,060 square foot building. The 13,060 building will be used for the Cannabis Micro Business as shown in this Exhibit "G".

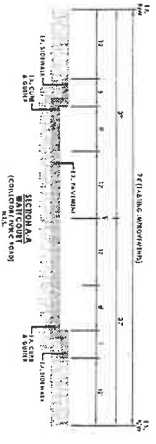
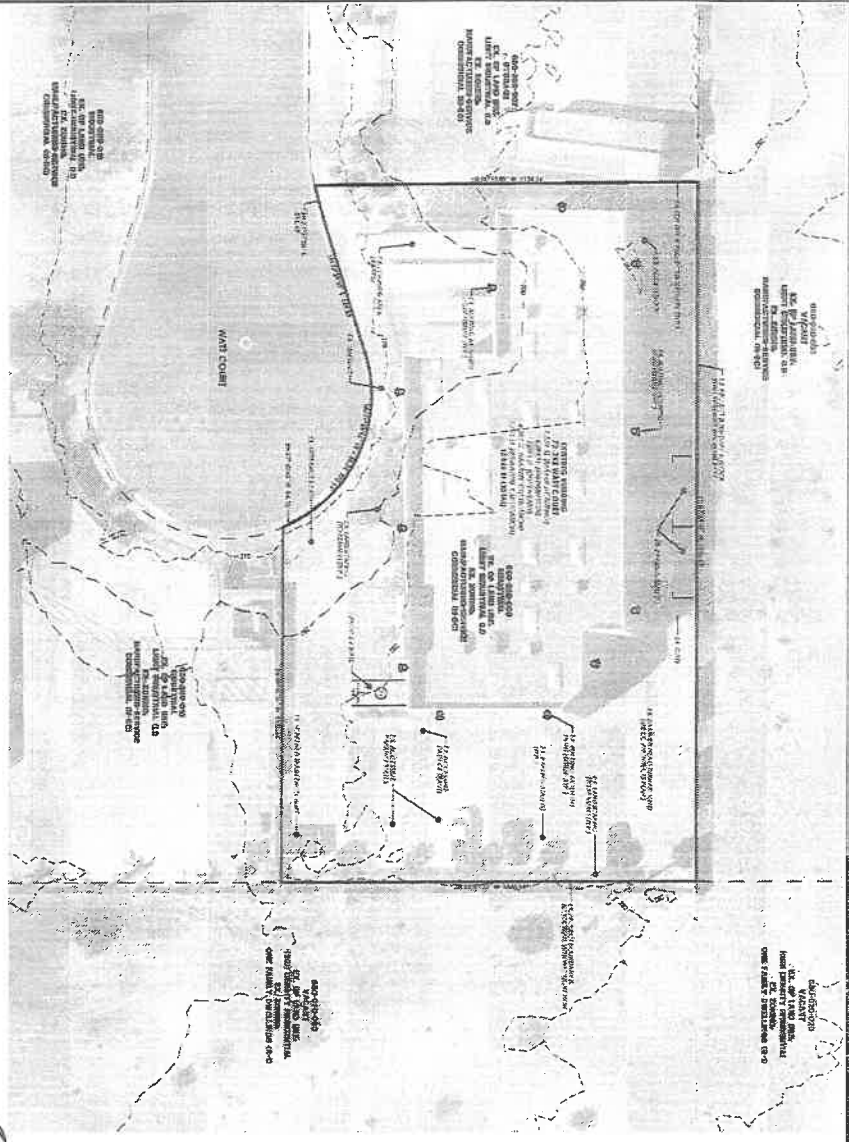
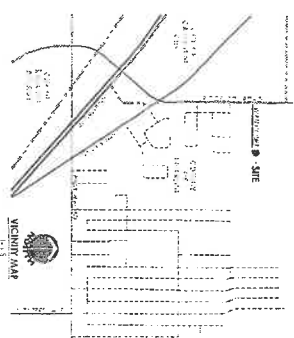
Phase 1 includes the 4,391 square feet of indoor cultivation, 1,094 square feet of retail, 1,721 square feet of nursery, and 4,295 square feet of distribution space. Phase 2 includes the 1,559 square feet of manufacturing.

# CONDITIONAL USE PERMIT PROPOSED SITE PLAN CUP NO. 190058

EXHIBIT DATE: FEBRUARY 11, 2021

NO.	DATE	REVISION
REVISIONS		

DATA TABLE		
APPLICANT:	WATERBURY TRADING COMPANY, INC.	
ADDRESS:	1000 W. 10TH STREET, SUITE 100, DENVER, CO 80202	
CONTACT:	BOB BROWN, PROJECT MANAGER	PHONE: 303.733.1111
LAND OWNER:	WATERBURY TRADING COMPANY, INC.	
ADDRESS:	1000 W. 10TH STREET, SUITE 100, DENVER, CO 80202	
CONTRACT:	190058-001	DATE: 02/11/2021
CONTRACT:	190058-001	DATE: 02/11/2021



**ABBREVIATIONS**

10'	10 FEET
15'	15 FEET
20'	20 FEET
30'	30 FEET
40'	40 FEET
50'	50 FEET
60'	60 FEET
70'	70 FEET
80'	80 FEET
90'	90 FEET
100'	100 FEET
120'	120 FEET
150'	150 FEET
200'	200 FEET
300'	300 FEET
400'	400 FEET
500'	500 FEET
600'	600 FEET
700'	700 FEET
800'	800 FEET
900'	900 FEET
1000'	1000 FEET

**LEGEND**

▲	PROPOSED BUILDING FOOTPRINT
□	EXISTING BUILDING FOOTPRINT
○	PROPOSED PARKING SPACE
○	EXISTING PARKING SPACE
—	PROPOSED DRIVEWAY
—	EXISTING DRIVEWAY
—	PROPOSED SIDEWALK
—	EXISTING SIDEWALK
—	PROPOSED UTILITY LINE
—	EXISTING UTILITY LINE
—	PROPOSED FENCE LINE
—	EXISTING FENCE LINE
—	PROPOSED CURB
—	EXISTING CURB
—	PROPOSED DRIVEWAY CURB
—	EXISTING DRIVEWAY CURB
—	PROPOSED SIDEWALK CURB
—	EXISTING SIDEWALK CURB
—	PROPOSED DRIVEWAY CURB
—	EXISTING DRIVEWAY CURB
—	PROPOSED SIDEWALK CURB
—	EXISTING SIDEWALK CURB
—	PROPOSED DRIVEWAY CURB
—	EXISTING DRIVEWAY CURB
—	PROPOSED SIDEWALK CURB
—	EXISTING SIDEWALK CURB



EXHIBIT "H"

Amendment No. 1

Development Agreement No. 1900049

COMMERCIAL CANNABIS ACTIVITY PUBLIC BENEFIT

The additional annual public benefit provided by the OWNER shall be \$60,000.00 with an annual increase of 5%. The additional public benefit is tied to phase 1 only, and not phase 2. The COUNTY will utilize this additional annual public benefit within the surrounding community for additional public benefits including, but not limited to, code enforcement, public safety services, infrastructure improvements, community enhancement programs, and other similar public benefits as solely determined by the COUNTY's Board of Supervisors. Additionally, OWNER will make efforts to hire locally and participate in community events, career opportunity events, as well as educational and wellness seminars within the surrounding community.



**SUBMITTAL TO THE BOARD OF SUPERVISORS  
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA**



**ITEM: 21.2  
(ID # 15397)**

**MEETING DATE:**

Tuesday, June 15, 2021

**FROM:** TLMA-PLANNING:

**SUBJECT:** TRANSPORTATION AND LAND MANAGEMENT AGENCY/PLANNING: Public Hearing on Conditional Use Permit No. 190058, Development Agreement No. 1900049 and associated Ordinance No. 664.78 – CEQA EXEMPT - Applicant: Kappkush, Inc.– Representative: MSA Consulting – Fourth Supervisorial District – Thousand Palms District - Western Coachella Valley Area Plan – Light Industrial (LI) (0.25 - 0.60 FAR) – Zoning: Manufacturing-Service Commercial (M-SC) – Location: The site is located North of Watt Court, and East of Rio Del Sol Road, specifically located at 72242 Watt CT, Thousand Palms CA – 0.76 Acres – REQUEST: Conditional Use Permit No. 190058 is a proposal to utilize an existing 13,060 square-foot, two-story building as a Cannabis Microbusiness facility. The Cannabis Microbusiness will include 6,112 square feet for indoor cultivation (mature/immature), 1,559 square feet of manufacturing, 1,094 square feet of retail, and 4,295 square feet of distribution, along with supporting storage, office, employee break area, and reception areas. The associated development agreement (DA No. 1900049) has a term of 10 years, will grant the applicant vesting rights to develop the project in accordance with the terms of DA No. 1900049 and CUP No. 190058 and will provide community benefits to the Western Coachella Valley Area. District 4. [Applicant Fees 100%]

**RECOMMENDED MOTION:** That the Board of Supervisors:

1. **FIND** that the project is **EXEMPT** from the California Environmental Quality Act (CEQA), pursuant to State CEQA Guidelines Section 15061 (b)(3) (Common Sense), Section 15301 (Existing Facilities), and Section 15303 (New Construction or Conversion of Small Structures) based on the findings and conclusions in the staff report;

Continued on Page 2

**ACTION: Policy**

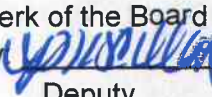
  
John Hildebrand, Planning Director 6/7/2021

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**MINUTES OF THE BOARD OF SUPERVISORS**

On motion of Supervisor Perez, seconded by Supervisor Jeffries and duly carried by unanimous vote, IT WAS ORDERED that the above matter is approved as recommended, and that the above Ordinance 664.78 is approved as introduced with a waiver of reading.

Ayes: Jeffries, Spiegel, Washington, Perez, and Hewitt  
Nays: None  
Absent: None  
Date: June 15, 2021  
xc: Transp., COB

Kecia R. Harper  
Clerk of the Board  
By   
Deputy

**SUBMITTAL TO THE BOARD OF SUPERVISORS COUNTY OF RIVERSIDE,  
STATE OF CALIFORNIA**

**RECOMMENDED MOTION:** That the Board of Supervisors:

2. **APPROVE Conditional Use Permit No. 190058**, subject to the attached Advisory Notification Document and Conditions of Approval and based upon the findings and conclusions provided in this staff report, subject to adoption of Ordinance No. 664.78; and
3. **INTRODUCE, READ TITLE and WAIVE FURTHER READING OF, and ADOPT** on successive weeks Ordinance No. 664.78, an ordinance of the County of Riverside approving **DEVELOPMENT AGREEMENT NO. 1900049**, based upon the findings in the staff report.

Continued on Page 3

**SUBMITTAL TO THE BOARD OF SUPERVISORS COUNTY OF RIVERSIDE,  
STATE OF CALIFORNIA**

<b>FINANCIAL DATA</b>	<b>Current Fiscal Year:</b>	<b>Next Fiscal Year:</b>	<b>Total Cost:</b>	<b>Ongoing Cost</b>
<b>COST</b>	\$ N/A	\$ N/A	\$ N/A	\$ N/A
<b>NET COUNTY COST</b>	\$ N/A	\$ N/A	\$ N/A	\$ N/A
<b>SOURCE OF FUNDS:</b> Applicant Fees 100%			<b>Budget Adjustment:</b> No	
			<b>For Fiscal Year:</b> 20/21	

**C.E.O. RECOMMENDATION:** Approve

**BACKGROUND:**

**Cannabis Background**

On October 23, 2018, Agenda Item 19.1, the Board of Supervisors adopted Ordinance No. 348.4898, which established the permitting process and regulations for Commercial Cannabis Activities in the unincorporated County areas.

On May 19, 2020, the Board of Supervisors approved the second year of the Cannabis Regulatory Program, allowing interested parties to directly submit applications for Conditional Use Permits that will be evaluated through the environmental and public review and hearing process on a case-by-case basis.

The application for Conditional Use Permit No. 190058 (CUP190058) and Development Agreement No. 1900049 (DA1900049) was submitted on October 30, 2019.

**Project Details**

CUP190058 is a proposal for a Cannabis Microbusiness facility that will occupy an approximately 13,060-square-foot, existing two-story building on a 0.76-acre lot with parking and landscaping and the following use of space: 6,112 square feet for indoor cultivation (mature/immature), 1,559 square feet for manufacturing, 1,094 square feet for retail, and 4,295 square feet for distribution.

Retail store hours of operation will be 6:00 a.m. to 10:00 p.m., 7-days a week and delivery hours will be 6:00 a.m. to 10:00 p.m., 7-days a week.

The project includes twenty-one (21) off-street parking spaces which consists of eighteen (18) standard parking spaces, two (2) accessible parking spaces, and one (1) space allocated for electric vehicle parking, meeting the off-street requirement for microbusiness cannabis at 1 stall per 200 square feet, and 2 employees per 3 stalls that requires a minimum of sixteen (16) parking spaces. The site also includes a trash enclosure located on the southeast corner of the property. Furthermore, landscaping, and internal walkways are proposed throughout the site, and the property is accessed from Watt Court via a single driveway.

**SUBMITTAL TO THE BOARD OF SUPERVISORS COUNTY OF RIVERSIDE,  
STATE OF CALIFORNIA**

**Development Agreement**

The applicant proposed entering into the attached Development Agreement No. 1900049 (DA) with the County for the Project. The DA is consistent with the General Plan and with Board Policy B-9. Additionally, the Advisory Notification Document, Conditions of Approval, and entitlement approvals are incorporated in the exhibits of the DA and will ensure that the Project is developed in a way that would not conflict with the public's health, safety or general welfare. The DA has a term of 10 years (with the option for a 5-year extension subject to mutual approval) and will grant the applicant vesting rights to develop the Project in accordance with the terms of the DA. In exchange, the DA provides certain public benefits that go beyond the basic requirements of the County including annual public benefit payments, which will be used for additional public safety services, infrastructure improvements or community enhancement programs.

Development Agreement No. 1900049 requires the applicant to make the following payments:

- 1) An initial deposit-based fee of \$5,000 for annual inspections and the administration of the development agreement program.
- 2) A baseline Public Benefits payment of \$57,245, which will be increased 2% per year. The baseline payment amount shall be allocated 45% to the Code Enforcement Department, and the remaining 55% will be transferred to the Executive Office for deposit into the General Fund, to be allocated as part of the annual budget process and generally spent on cannabis regulatory activity performed by the District Attorney's Cannabis Regulation Task Force, the Sheriff's Office, Public Health, County Counsel, and the Agricultural Commissioner's office. The percentages above are based on the expected regulatory costs that were used to establish the baseline Public Benefits fee, as approved by the Board on January 29, 2019. The Code Enforcement Department will serve as the main regulatory arm of the County in monitoring that the businesses will comply with their conditions of approval and respond to public concerns.
- 3) An annual Additional Public Benefit payment of \$80,000 which will increase 7% per year. This payment shall be held by TLMA in an account specifically for the Bermuda Dunes area, to be allocated by the Board of Supervisors to projects and services that benefit the community.

Per state law, a development agreement is a legislative act that must be approved by ordinance. Proposed Ordinance No. 664.78 an ordinance of the County of Riverside Approving Development Agreement No. 1900049, incorporates by reference DA No. 1900049 consistent with Government Code section 65867.5.

**Planning Commission**

**SUBMITTAL TO THE BOARD OF SUPERVISORS COUNTY OF RIVERSIDE,  
STATE OF CALIFORNIA**

On March 3, 2021, the Planning Commission voted 5-0 in favor of recommending approval to the Board of Supervisors.

**Impact on Residents and Businesses**

The proposed project is categorically exempt under CEQA, which means that it belongs to a class of projects that have been determined to not have a significant effect on the environment. As detailed in the Planning Commission Staff Report, which is attached hereto and incorporated by reference, no exceptions pursuant to State CEQA Guidelines section 15300.2 apply. Accordingly, there will be no impacts on residents or businesses.

**SUPPLEMENTAL:**

**Additional Fiscal Information**

All fees are paid by the applicant; there is no General Fund obligation.

**ATTACHMENTS:**

- A. PLANNING COMMISSION MINUTES, MEMO, AND STAFF REPORT (WITH AND/COA/Exhibits)
- B. ORDINANCE NO. 664.78
- C. DEVELOPMENT AGREEMENT No. 1900049
- D. DRAFT NOTICE OF EXEMPTION



Jason Farin, Principal Management Analyst

6/9/2021



Gregory V. Priamos, Director County Counsel

6/8/2021





## Boydd, April

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**From:** albia miller <stopbuildinganything@gmail.com>  
**Sent:** Tuesday, June 8, 2021 10:02 AM  
**To:** COB  
**Attachments:** 21.2 County adenda june 8 2021 JBL .docx

Offices of Miller, Catlin, Rivera

P.O. Box 1341 Elsinore, California 92531

June 8, 2021

**21.2 TRANSPORTATION AND LAND MANAGEMENT AGENCY/PLANNING: PUBLIC HEARING ON SPECIFIC PLAN NO. 106 AMENDMENT NO. 17, GENERAL PLAN AMENDMENT NO. 170001, CHANGE OF ZONE NO. 7347, TENTATIVE TRACT MAP NO. 37078, PLOT PLAN NO. 170003, AND ADOPT MITIGATED NEGATIVE DECLARATION—Applicant: JBL Investments, Inc.—Allen Su—Representative: MDS, LLC—Third Supervisorial District—Rancho California Zoning Area—Southwest Area Plan—Commercial Retail (CR), Commercial Office (CO), Light Industrial (LI), Open Space: Conservation (OS:C)—Location: northwest of Winchester Rd./SR-79, north of Jean Nicholas Rd., easterly of Leon Rd., southerly of Whisper Heights Pkwy.—Zoning: Scenic Highway Commercial (C-P-S), Commercial Office (C-O), Industrial Park (I-P), Open Area Combining Zone-Residential Developments (R-5)—30.62 gross acres—REQUEST: The Change of Zone is a proposal to change the zoning classification of the project site from Scenic Highway Commercial (C-P-S), Commercial Office (C-O), Industrial Park (I-P), and Open Area Combining Zone-Residential Developments (R-5) to General Residential (R-3). The Tentative Tract Map is a Schedule "A" Subdivision of 30.62 acres into 3 residential lots and 4 open space lots. The 3 numbered residential lots would be subdivided into 154 condo units. The Plot Plan is a development plan for 154 single-family detached condo units. APN 480-160-023. District 3. [Applicant Fees 100%]**

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The last action that Leon Road Winchester Area needs is more housing at 154 Condos. There are 96 houses and apartment Communities in Winchester area of Riverside County. This would add almost 2000 cars and truck delivery vehicle trips a day to the over 500 thousand a day because of the attack by LA., San Diego, Orange County, Pasadena developers. These people must work in warehouses in Moreno or Mead Valley. How will first responders get to all the traffic accidents? It is so alarming to hear the four ambulance sirens everyday, now. This will further contribute to the intense noise generated by freeway traffic or Domenigoni Freeway. Whisper Heights will have to change their name to Loud Mouth Developers and Riverside county Planners. The only change of zone should be to Protected Undevelopable due to damage to the Environment and Quality of Life. PUDEQL.

Russel Brady, the planner, needs to work on Monorails around Riverside county and not more building of any kind. The out of town Pasadena developer applicant, JBL Investments a subsidiary of weapons manufacturer with representative MDS, LLC needs to disband their real estate and development division and any weapons manufacturing and move onto Monorail development. The Gold Line Monorail in Pasadena stops at Arcadia and needs to connect to Pomona.

This very unthoughtout Plan is part of the Dutch Valley Specific Plan since 1973. Therefore the overly High density that is already there is not meeting the needs of the rising pollution and Green house gases and lack of Agricultural Space.



**PLANNING COMMISSION  
MINUTE ORDER  
MARCH 3, 2021**

**I. AGENDA ITEM 4.1**

**CONDITIONAL USE PERMIT NO. 190058 and DEVELOPMENT AGREEMENT NO. 1900049 – Exempt from the California Environmental Quality Act (CEQA)**, pursuant to State CEQA Guidelines Section 15061 (b)(3) (Common Sense), Section 15301 (Existing Facilities), and Section 15303 (New Construction or Conversion of Small Structures) – CEQ190153 – Applicant: Kappkush, Inc. – Fourth Supervisorial District – Thousand Palms District – Western Coachella Valley Area Plan: Light Industrial (LI) (0.25 - 0.60 FAR) – Location: Northerly of Watt Court, easterly of Rio Del Sol Road, southerly of 30<sup>th</sup> Avenue, and westerly of Roberts Road – 1.28 Acres – Zoning: Manufacturing – Service Commercial (M-SC).

**II. PROJECT DESCRIPTION:**

Conditional Use Permit No. 190058 proposes to occupy an existing facility to be utilized for a microbusiness use. Development Agreement No. 1900049, is a proposal whereby the applicant enters into a development agreement with the County of Riverside, consistent with the County's Cannabis Ordinance, and it includes terms for providing a community benefit to the Western Coachella Valley Area. APN: 650-380-008.

**III. MEETING SUMMARY:**

The following staff presented the subject proposal: Robert Flores, Principal Planner  
Project Planner: Mina Morgan at (951) 955-6035 or email at [mimorgan@rivco.org](mailto:mimorgan@rivco.org).

Spoke in favor:

Narine Kapukchyan, Applicant, Kappkush

Noel Ramos, Interested Party, 760-799-1384, [nramos@wilson-meade.com](mailto:nramos@wilson-meade.com)

No one spoke in a neutral position.

**IV. CONTROVERSIAL ISSUES:**

None.

**V. PLANNING COMMISSION ACTION:**

Public Comments: Closed

Motion by Commissioner Sanchez, 2<sup>nd</sup> by Commissioner Thornhill

By a vote of 5-0

The Planning Commission Recommends that the Board of Supervisors take the following actions:

**FIND** the project exempt from the California Environmental Quality Act (CEQA); and,

**TENTATIVELY** Approve Development Agreement No. 1900049; and,

**APPROVE** Conditional Use Permit No. 190058, subject to the conditions of approval.



*Charissa Leach, P.E.*  
*Assistant TLMA Director*

# RIVERSIDE COUNTY PLANNING DEPARTMENT

## Memorandum

**DATE:** March 2, 2021  
**TO:** Planning Commission  
**FROM:** Mina Morgan, Project Planner  
**RE:** Item 4.1 – Updated Site and Floor Plans for CUP190058

The purpose of this memo is to provide updated plans for CUP1900058 and explain the date change to the AND documents relating to updated exhibits. The applicant was asked to show a breakdown of the proposed operation by square footage to help with the Development Agreement assessments. The updated plans make no proposed additions or modifications to the existing building. This is simply a breakdown of the square footage, as illustrated on the attached plans. The AND document was updated to refer to the latest version of the above plans.

Riverside Office · 4080 Lemon Street, 12th Floor  
P.O. Box 1409, Riverside, California 92502-1409  
(951) 955-3200 · Fax (951) 955-1811

Desert Office · 77588 El Duna Court, Suite H  
Palm Desert, California 92211  
(760) 863-8277 · Fax (760) 863-7040

OWNER:  
 RAINBOW BAGUO  
 27500 BAYVIEW BLVD  
 WOODLAND HILLS CA  
 91367-3662  
 WWW.CALIFANRISKEN.COM

72242 WATT COURT,  
 THOUSAND PALMS, CA 92276  
 CANNABIS CULTIVATION, DISPENSARY, NONVOLATILE  
 MANUFACTURING & DISTRIBUTION FACILITY

(N) FLOOR PLAN  
 102820 SL  
**A2**

**WALL LEGEND**  
 [Symbol] E/W WALLS TO REMAIN  
 [Symbol] 1/4" x 4" DRY LABEL E/W SPEC ON ICE SHEETS  
 [Symbol] 1/2" x 1/2" DRY BACKING BOARD PARTITION WALL, 1/2" Gypsum Core Construction @ 12" OC, 1/2" TYPE X Gypsum Core on Both Sides

**DOOR SCHEDULE & NOTES**

**DOOR SCHEDULE**

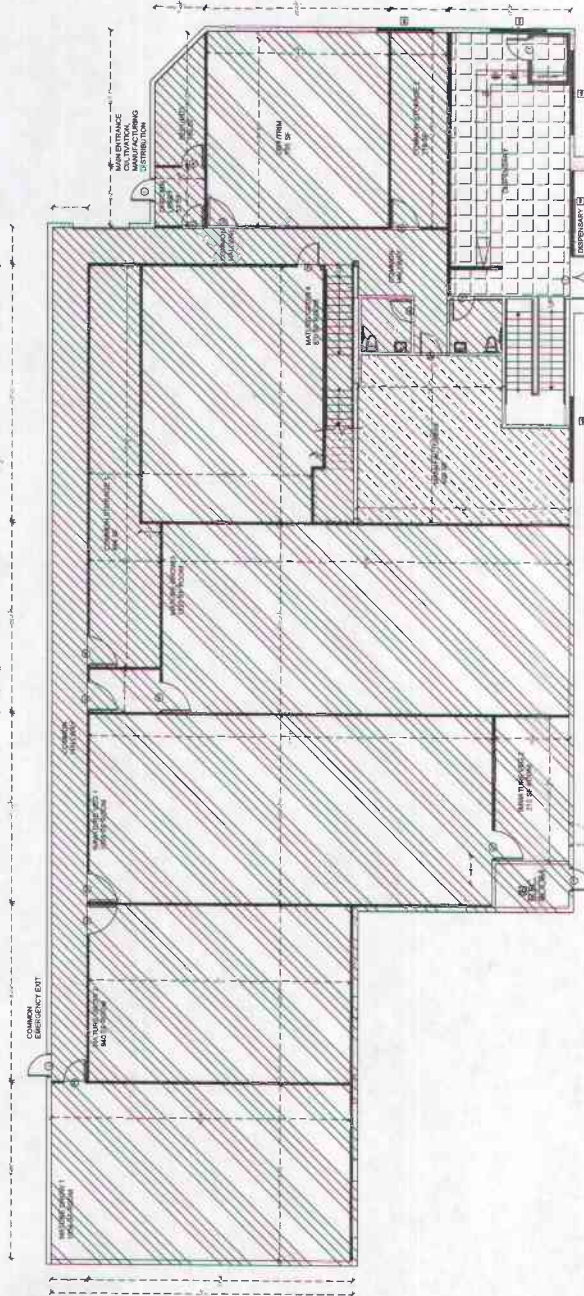
[Symbol]	GLASS DOOR		
[Symbol]	GLASS DOOR WITH OPERABLE PANEL		
[Symbol]	GLASS DOOR WITH OPERABLE PANEL AND TRANSOM		
[Symbol]	GLASS DOOR WITH OPERABLE PANEL AND TRANSOM AND SIDE LIGHT		
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**NOTES:**  
 1. ALL DOORS SHALL BE 36" WIDE BY 80" HIGH.  
 2. ALL GLASS SHALL BE 1/2" CLEAR GLASS.  
 3. ALL GLASS SHALL BE 1/2" CLEAR GLASS WITH 1/8" WIRE GLASS INLETS.  
 4. ALL GLASS SHALL BE 1/2" CLEAR GLASS WITH 1/8" WIRE GLASS INLETS AND TRANSOM.  
 5. ALL GLASS SHALL BE 1/2" CLEAR GLASS WITH 1/8" WIRE GLASS INLETS AND TRANSOM AND SIDE LIGHT.  
 6. ALL GLASS SHALL BE 1/2" CLEAR GLASS WITH 1/8" WIRE GLASS INLETS AND TRANSOM AND SIDE LIGHT AND TRANSOM.  
 7. ALL GLASS SHALL BE 1/2" CLEAR GLASS WITH 1/8" WIRE GLASS INLETS AND TRANSOM AND SIDE LIGHT AND TRANSOM AND SIDE LIGHT AND TRANSOM.  
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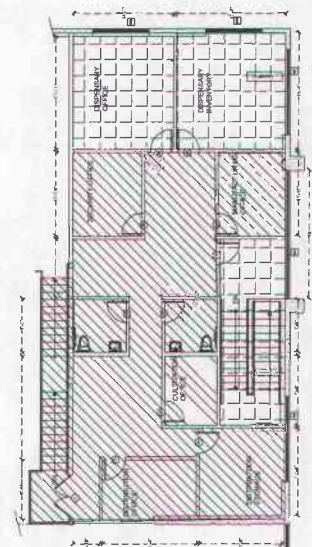
**WINDOW SCHEDULE**

[Symbol]	OPERATIONAL		
[Symbol]	FIXED PANES		
[Symbol]	FIXED PANES WITH OPERABLE PANEL		
[Symbol]	FIXED PANES WITH OPERABLE PANEL AND TRANSOM		
[Symbol]	FIXED PANES WITH OPERABLE PANEL AND TRANSOM AND SIDE LIGHT		

**MANU.**  
**DISP.**  
**DIST.**  
**CULT.**



**1/2: (N) 1ST FLOOR PLAN, 1/8"=1'**



**2/A2: (N) 2ND FLOOR PLAN, 1/8"=1'**

Use	Total Square Footage
Microbusiness Cultivation NOT TO EXCEED 10,000 SF	
Retail	1,084
Manufacturing	1,559
Distribution	4,295
Mature Cultivation	4,391
Immature Cultivation	1,721
<b>=13,060</b>	
<b>MATURE PLANTS: ROOM SF</b>	
MATURE CANOPY 7332.52 SF	
-ROOM 1 - 1769.25	
-ROOM 2 - 1546.60	
-ROOM 3 - 2538.40	
-ROOM 4 - 1490.00	
<b>IMMATURE CANOPY 1761 SF</b>	
-ROOM 1 - 1608	
-ROOM 2 - 153	
<b>DRY/TRIM RM: 705 SF</b>	
<b>TOTAL: 9798.52</b>	
<b>MATURE GROW LIGHTS: 400 LED</b>	

# CONDITIONAL USE PERMIT PROPOSED SITE PLAN CUP NO. 190058

EXHIBIT DATE FEBRUARY 11, 2021

NO.	DATE	DESCRIPTION

APPLICANT		DATA TABLE	

LEGAL DESCRIPTION:  
PARCEL 1 AND 8 IN PALM SPRING IN THE COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, AS SHOWN BY MAP ON THE 1974 21547 RECORDS OF RIVERSIDE COUNTY, CALIFORNIA.

LAND USE DESCRIPTION	SF	ACREAGE
EXISTING GROSS ACREAGE	530,184 SF	10.78 AC
EXISTING TOTAL BUILDING AREA	13,063 SF	0.30 AC

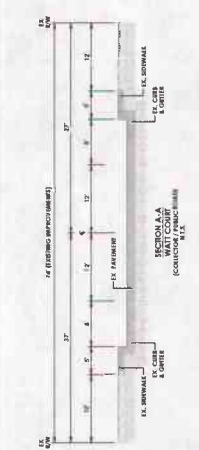
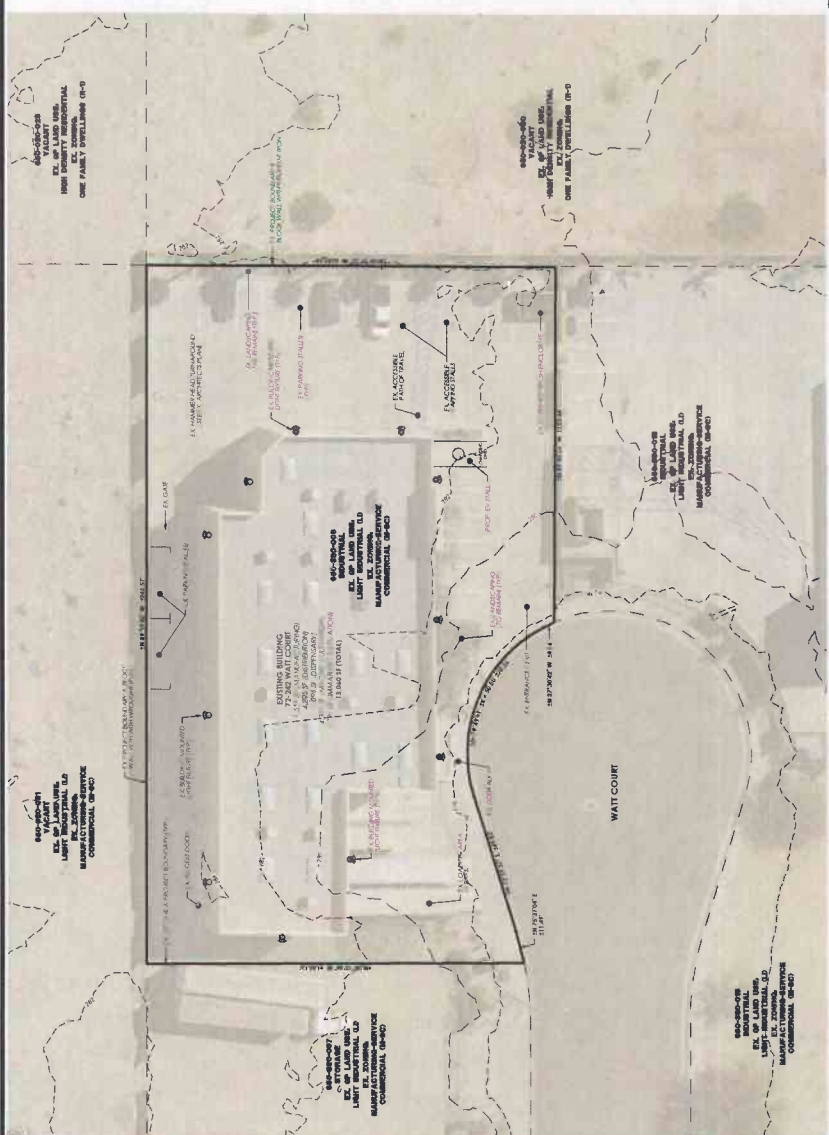
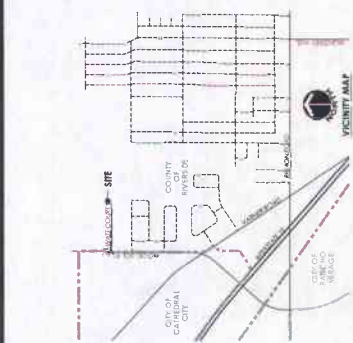
EXISTING WAREHOUSE BUILDING	BUILDING SF	PARKING RATIO	COUNT

PROPOSED ZONING	MANUFACTURING-SERVICE COMMERCIAL (M-SC)

PROPOSED GENERAL PLAN LAND USE	LIGHT INDUSTRIAL (LI)

PROPOSED GENERAL PLAN LAND USE	LIGHT INDUSTRIAL (LI)

PROPOSED GENERAL PLAN LAND USE	LIGHT INDUSTRIAL (LI)



**LEGEND**

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**ABBREVIATIONS**

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**COUNTY OF RIVERSIDE  
PLANNING DEPARTMENT  
STAFF REPORT**

**Agenda Item No.**

**4 . 1**

**Planning Commission Hearing: March 3, 2021**

**PROPOSED PROJECT**

<b>Case Number(s):</b>	CUP190058 and DA1900049	<b>Applicant(s):</b>	
<b>CEQA Exempt</b>	Section 15061(b)(3), and Section 15301,		Kappkush, Inc.
<b>Area Plan:</b>	Western Coachella Valley	<b>Representative(s):</b>	
<b>Zoning Area/District:</b>	Thousand Palms District		MSA Consulting
<b>Supervisory District:</b>	Fourth District	 John Hildebrand Interim Planning Director	
<b>Project Planner:</b>	Mina Morgan		
<b>Project APN(s):</b>	650-380-008		

**PROJECT DESCRIPTION AND LOCATION**

**Conditional Use Permit No. 190058** is a proposal to utilize an existing 13,060 sf two-story building to be used as a cannabis microbusiness facility on a 0.76-acre lot with parking and landscaping. The cannabis microbusiness will include 4,391 square feet of indoor cultivation, 1,559 square feet of manufacturing, 1,094 square feet of retail, 1,721 square feet of nursery, and 4,295 square feet of distribution along with supporting storage, office, employee break area, and reception areas.

**Development Agreement No. 1900049 (DA No. 1900049)** has a term of 10 years and will grant the applicant vesting rights to develop the Project in accordance with the terms of DA No. 1900049 and CUP No. 190058, and will provide community benefits to the Western Coachella Valley Area.

The project site is located north of Watt Court and east of Rio Del Sol Road. The project address is 72242 Watt CT, Thousand Palm CA.

The above is hereinafter referred to as "the project" or "Project."

**PROJECT RECOMMENDATION**

**STAFF RECOMMENDATIONS:**

**THAT THE PLANNING COMMISSION RECOMMEND THAT THE BOARD OF SUPERVISORS TAKE THE FOLLOWING ACTIONS:**

**FIND** that the project is **EXEMPT** from the California Environmental Quality Act (CEQA), pursuant to State CEQA Guidelines Section 15061 (b) (3) (Common Sense), Section 15301 (Existing Facilities), and Section 15303 (New Construction or Conversion of Small Structures) based on the findings and conclusions in the staff report; and,



**TENTATIVELY APPROVE Development Agreement No. 1900049**, based upon the findings in this staff report, pending final adoption of the Development Agreement ordinance by the Board of Supervisors; and,

**APPROVE Conditional Use Permit No. 190058**, subject to the attached Advisory Notification Document and Conditions of Approval and based upon the findings and conclusions provided in this staff report, subject to final approval of the Development Agreement ordinance by the Board of Supervisors.

**PROJECT DATA**

**Land Use and Zoning:**

Specific Plan:	N/A
Specific Plan Land Use:	N/A
Existing General Plan Foundation Component:	Community Development (CD)
Proposed General Plan Foundation Component:	N/A
Existing General Plan Land Use Designation:	Light Industrial (LI)
Proposed General Plan Land Use Designation:	N/A
Policy / Overlay Area:	N/A
Surrounding General Plan Land Uses	
North:	Light Industrial (LI)
East:	High Density Residential (HDR)
South:	Light Industrial (LI)
West:	Light Industrial (LI)
Existing Zoning Classification:	Manufacturing-Service Commercial (M-SC)
Proposed Zoning Classification:	N/A
Surrounding Zoning Classifications	
North:	Manufacturing-Service Commercial (M-SC)
East:	One-Family Dwellings (R-1)
South:	Manufacturing-Service Commercial (M-SC)
West:	Manufacturing-Service Commercial (M-SC)
Existing Use:	Vacant Building
Surrounding Uses	
North:	Vacant Land
South:	Existing Industrial Building
East:	Vacant Land
West:	Vacant Land

**Project Details:**

<i>Item</i>	<i>Value</i>	<i>Min./Max. Development Standard</i>
Project Site (Acres):	0.76	N/A
Existing Building Area (SQFT):	12,999	N/A
Building Height (FT):	34'	Maximum 50'

**Parking:**

<i>Type of Use</i>	<i>Building Area (In SF)</i>	<i>Parking Ratio</i>	<i>Spaces Required</i>	<i>Spaces Provided</i>
Commercial Cannabis Activities – Retail	1,102	1 spaces / 200 sq. ft. of gross floor area	6	6
Commercial Cannabis Activities – Cultivation / Distribution	11,897	2 Employees per 3 stalls (14 Employees Total)	10	15
<b>TOTAL:</b>	<b>12,999</b>		<b>16</b>	<b>21</b>

**Located Within:**

City's Sphere of Influence:	Yes – Cathedral City
Community Service Area ("CSA"):	No
Special Flood Hazard Zone:	Yes – Coachella Valley Water District
Agricultural Preserve:	No – Not In An Agricultural Preserve
Liquefaction Area:	Yes – Moderate
Subsidence Area:	Yes – Susceptible
Fault Zone:	No – Not In A Fault Zone
Fire Zone:	No – Not In A Fire Hazard Zone
Mount Palomar Observatory Lighting Zone:	No – Not in a Mt. Palomar Observatory Zone.
WRCMSHCP Criteria Cell:	No
CVMSHCP Conservation Boundary:	No
Stephens Kangaroo Rat ("SKR") Fee Area:	No
Airport Influence Area ("AIA"):	No

**PROJECT LOCATION MAP**



Figure 1: Project Location Map

**PROJECT BACKGROUND AND ANALYSIS**

**Background:**

**Cannabis Background:**

On October 23, 2018, the Board of Supervisors adopted Ordinance No. 348.4898 that established the permitting process and regulations for commercial cannabis activities.

Applicants requesting to establish commercial cannabis retail, microbusiness, and/or cultivation uses were required to submit a request for proposal “RFP” cannabis package. Applicants who ranked highest were allowed to proceed with the Conditional Use Permit process. On July 2, 2019, the Board of Supervisors accepted the Cannabis RFP response package rankings list, which allowed the highest-ranking applicants to begin the land use review process for their proposed project. In the first year of implementation, 50 cannabis cultivation applications and 19 cannabis retail applications began the land use review process.

On May 19, 2020, the Board of Supervisors approved the second year of the Cannabis Regulatory Program, allowing interested parties to directly submit applications for Conditional Use Permits that will be evaluated through the environmental and public review and hearing process on a case-by-case basis. The application for Conditional Use Permit No. 190058 (CUP190058) and Development Agreement No. 1900049 (DA1900049) was submitted on October 30, 2019.

**Project Details:**

The proposed project will occupy an approximately 13,060-square-foot, two-story building to be used as a cannabis microbusiness facility on a 0.76-acre lot with parking and landscaping. The project includes twenty-one (21) off-street parking spaces which consists of eighteen (18) standard parking spaces, two (2) accessible parking space, and one (1) space allocated for electric vehicle parking, meeting the off-street requirement for microbusiness cannabis at 1 stall per 200 square feet, and 2 employees per 3 stalls that requires a minimum of sixteen (16) parking spaces. The site also includes a trash enclosure located on the southeast corner of the property. Furthermore, landscaping and internal walkways are proposed throughout the site, and the property is accessed from Watt Court via a single driveway.

Furthermore, the subject project proposes to install a full electronic surveillance security system throughout the property, to enhance the overall security monitoring on the subject site. In addition to the electronic security components on the property, armed security officers will be active on the subject site with specific tasks in place. All Security Officers will arrive fifteen (15) minutes prior to their start time to assure that the premises is safe for employees to enter and will escort employees to their vehicles at closing. Three (3) daytime Armed Security Officers will be provided during hours of operation, one (1) Armed Security Officer will be stationed inside the Showroom area to check in patients and monitor all activity on the Showroom floor; one (1) Security Officer will be stationed outside of the building to monitor ingress and egress from the building and manage the parking area; one (1) Armed Security Officer will be inside the Security Room to maintain video surveillance of the exterior and interior of the building by CCTV for any potential threats.

One (1) Armed Security Officer will be provided for overnight surveillance of the location and will be responsible for monitoring the inside and outside of the location by CCTV for any potential threats.

In addition to the four (4) Armed Security Officers listed above, one (1) Armed Security Officer will be assigned to only monitor the Cultivation area and provide 24 hour surveillance of the location. The Security Officer will be responsible for monitoring the inside and outside of the location by CCTV for any potential threats.

The existing building in question is a legally permitted industrial building. The two-story building has a flat roof with glass windows and four rollup doors located on the south elevations of the building. In addition, the building contains an ADA ramp with steel hand handrails for easy accessibility when entering the building.

The proposed interior of the building area consists of spaces for retail sales, dry/trim room, check-in lobby, storage, manufacturing, and mature/immature plants room.

The business will operate between the hours of 6am to 10pm daily in accordance with Section 19.505 (i) of Ordinance No. 348. Deliveries will operate daily during normal business hours, seven days per week.

**General Plan Consistency:**

The project site has a General Plan Foundation Component and Land Use Designation of Community Development (CD): Light Industrial (LI). The Community Development General Plan Foundation Component depicts areas where urban and suburban development is appropriate. This Foundation Component intends to provide a breadth of land uses that foster variety and choice, accommodate a range of lifestyles, living and working conditions, and accommodate diverse community settings.

The Light Industrial (LI) land use designation provides for a wide variety of industrial and related uses, including other service facilities, and supporting retail uses. The project is consistent with the Community Development General Plan Foundation Component and Light Industrial (LI) Land Use Designation as it would provide other service facilities and a supporting retail use.

**Zoning Consistency:**

The project site is zoned Manufacturing-Service Commercial (M-SC). Pursuant to Section 19.518 of Ordinance No. 348, cannabis microbusinesses are allowed in the M-SC Zone with an approved conditional use permit and development agreement. CUP No. 190058 was submitted to the County of Riverside on October 30th, 2019, and DA No. 1900049 was submitted on October 30th, 2019. The applicant has submitted this CUP application to obtain the required entitlements to establish a new cannabis microbusiness on the property. As further described in the findings section, the project meets all the applicable development standards for the M-SC Zone and those outlined in Section 19.519 of Ordinance No. 348, including design, height, setbacks, and parking requirements.

The project has a previously approved landscape plan in accordance with the County of Riverside Ordinance No. 348 and Ordinance No. 859.

## **ENVIRONMENTAL REVIEW AND ENVIRONMENTAL FINDINGS**

This project is exempt from California Environmental Quality Act (CEQA) review pursuant to Article 19 - Categorical Exemptions, Section 15301 (Existing Facilities), which provides: Class I consists of the operation, repair, maintenance, permitting, leasing, licensing, or minor alteration of existing public or private structures, facilities, mechanical equipment, or topographical features, involving negligible or no expansion of existing or former use. The key consideration is whether the project involves negligible or no expansion of an existing use. The existing site has already been utilized for ongoing commercial uses at the site. Interior or exterior alterations involving such things as interior partitions, plumbing, and electrical conveyance would be required, which would not significantly expand the capability of the site or substantively increase the proposed use of the site beyond what already occurs. In this case, the proposed project would not expand the existing structures and has not proposed any significant construction or improvements for the project site. Therefore, the project as proposed, would not expand upon the existing permitted buildings, would not expand the use of the site beyond those uses that already occur, and therefore the Project complies with the guidelines of the California Environmental Quality Act (CEQA), (Article 19, Section 15301 Class 1, Existing Facilities).

This proposed project is also exempt from California Environmental Quality Act (CEQA) review pursuant to State CEQA Guidelines Section 15061 (Common Sense Exemption) because Section (b) (3) provides: The activity is covered by the general rule that CEQA applies only to projects, which have the potential for causing a significant effect on the environment. Where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment, the activity is not subject to CEQA. The proposed Project will continue to utilize the site as a commercial land use and will not result in any additional impacts related to traffic, air quality, or public safety, beyond what would occur at the commercial retail establishment for which the subject building was originally constructed and entitled. As the land is already developed, there are no potential impacts related to aesthetics, biological and cultural resources, hydrology, or other similar potential impacts that would occur via the Change of Zone that would alter the potentially permitted uses on the site since the change in permitted uses would still have to fit within the current physical context of the site and building on it. In addition, as the State has created various rules and regulations as they relate to cannabis waste, particularly for cannabis cultivators

(the State actually treats cannabis as an organic waste, versus a hazardous waste). Therefore, the project meets the requirements for CEQA exemption per Section 15061(b)(3) as there is no potential that the Project as proposed would have a significant physical impact on the environment.

In addition, the project will not result in any specific or general exceptions to the use of the categorical exemptions as detailed under State CEQA Guidelines Section 15300.2. The Project would not have a significant effect on the environment due to unusual circumstances; would not result in a cumulative impact; would not impact any historic resources; and is not located on a hazardous site or location, thus, no potentially significant environmental impacts are anticipated to occur. The County of Riverside regulates the effects of soils and geological constraints primarily through the enforcement of the California Building Code (CBC), which requires the implementation of engineering solutions for constraints to development posed by subsidence. Moreover, the project's proposed cannabis use does not qualify as an unusual circumstance as the State of California does not consider waste generated by a retail use to be hazardous. Additionally, the project is required to maintain any applicable permits from the Riverside County Fire Department, the Riverside County Department of Environmental Health, the Riverside County Department of Waste Resources and the Agricultural Commissioner

Based upon the identified exemptions above, the County of Riverside TLMA hereby concludes that the Project would not have a significant effect on the environment and the Project as proposed is exempt under CEQA. No further environmental analysis is warranted.

## **FINDINGS AND CONCLUSIONS**

**In order for the County to approve the proposed project, the following findings are required to be made:**

### **Land Use Findings:**

1. The project has a General Plan Land Use Designation of Light Industrial (LI). The Light Industrial land use designation provides for other service facilities and supporting retail uses. The proposed project is consistent with this land use designation because the project will provide a supporting retail use. Additionally, the Community Development General Plan Foundation Component depicts areas where urban and suburban development is appropriate. It is the intent of this Foundation Component to provide a breadth of land uses that foster variety and choice, accommodate a range of lifestyles, living and working conditions, and accommodate diverse community settings. The goal is to accommodate a balance of jobs, housing, and services within communities to help achieve other aspects of the General Plan Vision, such as mobility, open space, and air quality goals.

The project is consistent with the Community Development General Plan Foundation Component and Light Industrial Land Use Designation as it would provide retail, services, and job opportunities within the surrounding community.

2. The site has a Zoning Classification of Manufacturing-Service Commercial (M-SC), which is consistent with the Riverside County General Plan, including the applicable Foundation Component and Land Use Designation. The M-SC Zone conditionally allows specified commercial cannabis uses which implements the CD: LI General Plan Land Use Designation that encourages local and regional retail and services.

3. The proposed use, a commercial cannabis microbusiness facility, is allowed in the proposed M-SC Zoning Classification with an approved Conditional Use Permit and Development Agreement.
4. The uses surrounding the properties to the north, east and west are vacant land, and industrial to the south, leading to no likelihood of incompatibility of uses.

**Conditional Use Permit Findings:**

1. The proposed use will not be detrimental to the health, safety or general welfare of the community. As discussed below, the proposed project's use is consistent with the present and future uses in the surrounding area. Additionally, the project has received departmental approvals and has been designed and conditioned to protect the health, safety, and general welfare of the community. Furthermore, with the advisory notification document and conditions of approval, the proposed project will not be detrimental to the health, safety or general welfare of the community, and is subject to those conditions necessary to protect the health, safety and general welfare of the community.
2. The proposed project conforms to the logical development of the land and is compatible with the present and future logical development of the surrounding property, as the project site is surrounded by properties which are designated Community Development: Light Industrial (CD:LI) that would be similar light manufacturing/industrial and commercial and service uses as the proposed project. The proposed use, a cannabis microbusiness facility would provide community services and job opportunities within the surrounding community.
3. All use permits which permit the construction of more than one structure on a single legally divided parcel shall, in addition to all other requirements, be subject to a condition which prohibits the sale of any existing or subsequently constructed structures on the parcel until the parcel is divided and a final map recorded in accordance with Ordinance No. 460 in such a manner that each building is located on a separate legally divided parcel. The project includes an existing single building on a single parcel, so this situation does not exist for this project.

**Permit Requirements for All Commercial Cannabis Activities:**

1. Section 19.505 of Ordinance No. 348 sets forth requirements that all Commercial Cannabis Activities, including commercial cannabis retailers, must comply with, including, among others, submitting an appropriate application, obtaining and maintaining a state license, being sited and operated in such a way that controls odors, being limited in hours of operation, and implementing sufficient security measures. All of these requirements have either already been met or are required in the attached project's Conditions of Approval or Advisory Notification Document which are incorporated herein by this reference. Specifically, Planning. 6, Planning. 9, Planning 14 and 15 and other sections of the Advisory Notification Document address odor, hours of operation, security, and other requirements of Section 19.505.
2. While security has been raised as a concern relating to cannabis-related activities, a standard requirement of the advisory notification document (Planning. 14 and 15) requires sufficient security measures to deter and prevent the unauthorized entrance into areas containing Cannabis or Cannabis Products, to deter and prevent theft of Cannabis or Cannabis Produces, and to ensure emergency access per applicable Fire Code standards. These requirements include the following:

- a) A plan to prevent individuals from loitering on the lot if they are not engaging in activity expressly related to the Commercial Cannabis Activity.
- b) 24-hour emergency contact information for the owner or an on-site employee which shall be provided to the County.
- c) A professionally installed, maintained and monitored alarm system.
- d) Except for Live Cannabis Plants being cultivated at a cultivation facility and limited amounts of Cannabis for display purposes, all Cannabis and Cannabis Products shall be stored in a secured and locked structure and in a secured and locked safe room, safe, or vault, and in a manner as to prevent diversion, theft, and loss.
- e) 24-hour security surveillance cameras to monitor all entrances and exits to a Commercial Cannabis Activity, all interior spaces within the Commercial Cannabis Activity that are open and accessible to the public, and all interior spaces where Cannabis, cash or currency is being stored for any period of time on a regular basis. The permittee for a Commercial Cannabis Activity shall be responsible for ensuring that the security surveillance camera's footage is accessible. Video recordings shall be maintained for a minimum of 90 days and shall be made available to the County upon request.

With the implementation of these required measures, security concerns relating to the Commercial Cannabis Activity have been fully addressed.

**Cannabis Retailer Minimum Standards:**

1. The project is not located within 1,000 feet from any Child Day Care Center, K-12 school, public park, or Youth Center or variance has been approved allowing a shorter distance but not less than allowed by State law. This is met because a radius map buffering 1,200 feet from the subject site was prepared by Riverside County Geographic Information Systems and has not identified any Child Day Care Center, K-12 school, public park, or Youth Centers within 1,000 feet of the site.
2. The project is located within 1,000 feet of another existing or approved Cannabis Retailer. The project in question is located approximate 800' feet from another proposed microbusiness facility. Although the two sites are located within a close proximity of each other, they won't be conflicting with each since, the project in question proposes a microbusiness facility that entails a retail component, however, the conflicting microbusiness facility does not propose a retail component, thus the 1,000' feet separation is not applicable in this situation.
3. The project is not located within 500 feet of a smoke shop or similar facility because a radius map buffering 1,200 feet from the subject site was prepared by Riverside County Geographic Information Systems and has not identified any smoke shop or similar facility within 500 feet of the site.
4. The project is not located on a lot containing a residential dwelling unit because a property characteristic report as prepared by the Planning Department has not identified any residential dwelling units located at the subject site.
5. The development standards of the M-SC Zoning Classification are as follows:



- A. There is a minimum lot requirement of 10,000 square feet with a minimum average width of 75 feet, except that a lot size not less than 7,000 square feet and an average width of not less than 65 feet may be permitted when sewers are available and will be utilized for the development. No subdivision is proposed at this time for this standard to apply to, but regardless the project site meets lot size requirements.
- B. Setbacks.
- i. Where the front, side, or rear yard adjoins a lot zoned R-R, R-1, R-A, R-2, R-3, R-4, R-6, R-T, R-T-R, or W-2-M, the minimum setback shall be 25 feet from the property line. The building in question measures approximately 50' feet from the building to the residentially zoned property line and thus, meets the minimum requirements.
  - ii. Where the front, side, or rear yard adjoins a lot with zoning classification other than those specified in the prior section, there is no minimum setback. This condition applies on the north and west sides where no street frontage exists. The project is compliant with this provision.
  - iii. A 25-foot setback is required from property lines that adjoin a front, side, or rear yard adjoins a street. The existing building in question is a previously approved commercial building that meet the setback requirements for the M-SC zone requirements before.
  - iv. Within the exception of those portions of the setback area for which landscaping is required by Subsection E. below, the setback area may only be used for driveways, automobile parking, or landscaping. As stated previously, the building in question is a legally approved commercial building that met the minimum development standards which include landscaping.
- C. The M-SC zone classification establishes a height limit of 50 feet for buildings. The project is compliant with this provision as the height of the existing building is 34' feet. The other provisions related to building or structure height do not apply to the project.
- D. The M-SC zone establishes a masonry wall requirement for any industrial use permitted in this article on each property line that adjoins a parcel specifically zoned for residential use unless otherwise approved by the hearing office or body. The project in question meets this provision, and the property in question has an existing block wall with wrought iron fencing.
- E. The M-SC zone establishes landscaping requirements. These requirements include a minimum of ten percent of the site shall be landscaped, a minimum ten foot strip of landscaping adjacent to street right-of-way, and a minimum 20 foot strip adjacent to certain residential zones. The structure in question is a legally permitted commercial building, with no proposed development/construction.
- F. Automobile storage space shall be provided as required by Ordinance No. 348, Section 18.12. The project meets these requirements because the project requires 15 parking spaces and has proposed 21 parking spaces.

- G. Trash collection areas are required to be screened by landscaping or architectural features in such a manner as not to be visible from a public street or from any adjacent residential area. The proposed project includes a trash enclosure to ensure that the site is aesthetically appealing.
  - H. The M-SC zone establishes screening requirements for outside storage and service areas. No outside storage and service areas are proposed for this project, therefore this requirement does not apply.
  - I. All mechanical equipment used in this project included roof-mounted equipment, is screened.
  - J. Lighting is to be focused, directed and arranged to prevent glare or direct illumination on streets or adjoining property. The applicant has provided a photometric plan demonstrating compliance with this provision.
1. The project complies with the operational requirements set forth in Ordinance No. 348 Section 19.519.C. as shown below:
- A. *Entrances into the retail location of the Cannabis Retailer shall be separate from the reception area and locked at all times with entry strictly controlled. An electronic or mechanical entry system shall be utilized to limit access and entry to the retail location. As provided by the floor plan, Exhibit C, all retail, reception, employee offices, and inventory areas shall have electronic or mechanical secured access. The project has been conditioned to meet this standard. (Advisory Notification Document Planning-All No. 6 Cannabis Retail Operations – 1)*
  - B. *Cannabis Retailers may include the sale of Medical Cannabis, requiring an M-License from the State. Cannabis Retailers selling only Medical Cannabis shall verify consumers who enter the Premises are at least 18 years of age and that they hold a valid Physician's Recommendation. The project owner and management shall provide adequate training and education at the location as to these matters and require all customers to provide proper Identification to very consumers are of appropriate age. The project has been conditioned to meet this standard. (Advisory Notification Document Planning-All No. 12 Cannabis Retail Operations – 2)*
  - C. *Cannabis Retailers may include the sale of Adult Use Cannabis, requiring an A-license from the State. Cannabis Retailers selling only Adult Use Cannabis shall verify that consumers who enter the Premises are at least 21 years of age. The project owner and management shall provide adequate training and education at the location as to these matters and require all customers to provide proper Identification to very consumers are at least 21 years of age. The project has been conditioned to meet this standard. (Advisory Notification Document Planning-All No. 13 Cannabis Retail Operations – 3)*
  - D. *A Cannabis Retailers may include the sale of both Medical and Adult use Cannabis requiring both an A-License and an M-License from the State. All Cannabis Retailers selling both Medical and Adult Use Cannabis shall verify that consumers who enter the premises are at least 18 years of age and that they hold a valid Physician's Recommendation or are at least 21 years of age. The project owner and management shall provide adequate training and education at the location as to these matters and require all customers to provide proper Identification to very consumers are of appropriate age. The project has been conditioned to meet this standard. (Advisory Notification Document Planning-All No. 14 Cannabis Retail Operations – 4)*

- E. *Display areas shall include the smallest amount of Cannabis and Cannabis Products reasonably anticipated to meet sales during operating hours. The project has been conditioned to meet this standard. (Advisory Notification Document Planning-All No. 15 Cannabis Retail Operations – 5)*
- F. *Cannabis and Cannabis Products not in the display area shall be maintained in a locked secure area. The project has been conditioned to meet this standard. (Advisory Notification Document Planning-All No. 16 Cannabis Retail Operations – 6)*
- G. *Not more than 10% of the Cannabis Retailer floor area, up to a maximum of 50 square feet, shall be used for the sale of incidental goods such as, but not limited to, clothing, posters, or non-cannabis goods. The project meets this standard because the provide floor plan, Exhibit C shows notes the maximum of 50 square feet for incidental goods that will be displayed at the sales counter only. It has been conditioned that not more than 10% of the Cannabis Retailer floor area, up to a maximum of 50 square feet, shall be used for the sale of incidental goods such as, but not limited to, clothing, posters, or non-cannabis goods. The project has been conditioned to meet this standard. (Advisory Notification Document Planning-All No. 17 Cannabis Retail Operations – 7)*
- H. *Restroom facilities shall be locked and under the control of the Cannabis Retailer. As provided by the floor plan of the project, Exhibit C, the restroom facilities have a locking door to the designated room. The project has been conditioned to meet this standard. (Advisory Notification Document Planning-All No. 18 Cannabis Retail Operations – 8)*
- I. *Cannabis Retailers shall ensure that all Cannabis and Cannabis Products held for sale by the Cannabis Retailer are cultivated, manufactured, transported, distributed, and tested by California licensed and permitted facilities that are in full conformance with State and local laws and regulations. The project has been conditioned to meet this standard. (Advisory Notification Document Planning-All No. 19 Cannabis Retail Operations – 9)*
- J. *Cannabis Retailers shall not distribute any Cannabis or Cannabis Product unless such products are labeled and in a tamper-evident package in compliance with the California Business and Professions Code and any additional rules promulgated by a licensing authority. The project has been conditioned to meet this standard. (Advisory Notification Document Planning-All No. 7 Cannabis Retail Operations – 10)*
- K. *Cannabis Retailers shall not provide free samples of any type, including Cannabis Products, to any person and shall not allow any person to provide free samples on the Cannabis Retailer's lot. It has been conditioned the Cannabis Retailer shall not provide free samples of any type, including Cannabis Products, to any person and shall not allow any person to provide free samples on the Cannabis Retailer's lot. The project has been conditioned to meet this standard. (Advisory Notification Document Planning-All No. 8 Cannabis Retail Operations – 11)*
- L. *Deliveries shall be conducted in accordance with California Business and Professions Code Section 26090 or as may be amended and all state regulations pertaining to delivery of Cannabis Products. The project has been conditioned to meet this standard. (Advisory Notification Document Planning-All No. 9 Cannabis Retail Operations – 12)*

- M. *Cannabis or Cannabis Products shall not be sold or delivered by any means or method to any person within a motor vehicle.* The project has been conditioned to meet this standard. (Advisory Notification Document Planning-All No. 10 Cannabis Retail Operations – 13)
- N. *Cannabis Retailers shall not include a drive-in, drive-through or walk up window where retail sales of Cannabis or Cannabis Products are sold to persons or persons within or about a motor vehicle.* The project is not designed with a drive-in, drive-through, or walk up window and has further been conditioned to meet this standard. (Advisory Notification Document Planning-All No. 11 Cannabis Retail Operations – 14)

#### Manufacturing Operational Requirements

- 1. The project complies with the Manufacturing operational requirements set forth in Ordinance No. 348 Section 19.515.E. as shown below:
  - a. *Any compressed gases used in the manufacturing process shall not be stored on any lot within in containers that exceeds the amount which is approved by the Riverside County Fire Department and authorized by the conditional use permit.* The project has been conditioned to meet this standard. (Advisory Notification Document Planning-All No. 30 Manufacturing Operations – 1)
  - b. *Closed loop systems for compressed gas extraction systems must be commercially manufactured, bear a permanently affixed and visible serial number and certified by an engineer licensed by the State of California that the system was commercially manufactured, is safe for its intended use, and was built to codes of recognized and generally accepted good engineering practices.* The project has been conditioned to meet this standard. (Advisory Notification Document Planning-All No. 31 Manufacturing Operations – 2)
  - c. *Cannabis Manufacturing Facilities shall have a training program for persons using solvents or gases in a closed looped system to create cannabis extracts on how to use the system, to access applicable material safety data sheets and to handle and store the solvents and gases safely.* The project has been conditioned to meet this standard. (Advisory Notification Document Planning-All No. 32 Manufacturing Operations – 3)

#### Distribution Operational Requirements

- 1. The project complies with the Distribution operational requirements set forth in Ordinance No. 348 Section 19.521.C. as shown below:
  - a. *Cannabis and Cannabis Products shall only be transported between permitted and licensed Commercial Cannabis Activities.* The project has been conditioned to meet this standard. (Advisory Notification Document Planning-All No. 25 Distribution Operations – 1)
  - b. *In addition to the requirements of Ordinance No. 348 Section 19.505.Q. the following record keeping measures are required to be implemented for all Cannabis Distribution Facilities:*
    - i. *Prior to transporting Cannabis or Cannabis Products, a shipping manifest shall be completed as required by state law and regulations.* The project has been conditioned to meet this standard. (Advisory Notification Document Planning-All No. 26 Distribution Operations – 2)

- ii. *A copy of the shipping manifest shall be maintained during transportation and shall be made available upon request to law enforcement or any agents of the State or County charged with enforcement. The project has been conditioned to meet this standard. (Advisory Notification Document Planning-All No. 26 Distribution Operations – 2)*
- iii. *Cannabis Distribution Facilities shall maintain appropriate records of transactions and shipping manifests that demonstrate an organized method of storing and transporting Cannabis and Cannabis Products to maintain a clear chain of custody. The project has been conditioned to meet this standard. (Advisory Notification Document Planning-All No. 26 Distribution Operations – 2)*
- c. *Cannabis Distribution Facilities shall ensure that appropriate samples of Cannabis or Cannabis Products are tested by a permitted and licensed testing facility prior to distribution and shall maintain a copy of the test results in its files. The project has been conditioned to meet this standard. (Advisory Notification Document Planning-All No. 27 Distribution Operations – 3)*
- d. *Cannabis Distribution Facilities shall not be open to the public. The Distribution component of the project is located on the second floor of the building and is not readily accessible to any public areas of the retail component of the project. The project has been conditioned to meet this standard. Advisory Notification Document Planning-All No. 28 Distribution Operations – 4)*
- e. *Cannabis Distribution Facilities shall not transport or store non-cannabis goods. The project has been conditioned to meet this standard. (Advisory Notification Document Planning-All No. 29 Distribution Operations – 5)*

#### Cultivation Operational and Water and Energy Conservation Requirements

- 1. The project complies with the Cultivation water and energy conservation requirements and operational requirements set forth in Ordinance No. 348 Section 19.511.G through I as shown below:
  - a. *ENERGY CONSERVATION MEASURES. All Cannabis Cultivation operations shall include adequate measures to address the projected energy demand for Cannabis cultivation at the lot. On-site renewable energy generation shall be required for all Indoor Cannabis Cultivation operations. Renewable energy systems shall be designed to have a generation potential equal to or greater than 20-percent of the anticipated energy demand. The project has been conditioned to meet this standard. (Advisory Notification Document Planning-All No. 20 Cultivation Operations – 1)*
  - b. *WATER CONSERVATION MEASURES. All Cannabis Cultivation operations shall include adequate measures that minimize use of water for cultivation on the lot. Water conservation measures, water capture systems, or grey water systems shall be incorporated into the operations in order to minimize use of water where feasible. The project has been conditioned to meet this standard. (Advisory Notification Document Planning-All No. 21 Cultivation Operations – 2)*
  - c. OPERATIONS.
    - i. *All Cannabis Cultivation lighting shall be fully shielded, downward casting and not spill over onto structures, other properties or the night sky. All Indoor and Mixed Light Cannabis*

*Cultivation operations shall be fully contained so that little to no light escapes. Light shall not escape at a level that is visible from neighboring properties between sunset and sunrise. The cultivation is proposed indoors and the portion of the building where it is proposed does not contain windows where any internal light would escape to be visible to neighboring properties. Furthermore, the project has been conditioned to meet this standard. (Advisory Notification Document Planning-All No. 22 Cultivation Operations – 3)*

- ii. *All Cannabis Cultivation operations shall accumulate or store garbage and refuse in a nonabsorbent, water-tight, vector resistant, durable, easily cleanable, galvanized metal or heavy plastic containers with tight fitting lids. No refuse container shall be filled beyond the capacity to completely close the lid. All garbage and refuse on the site shall not be accumulated or stored for more than seven calendar days, and shall be properly disposed of before the end of the seventh day. All waste, including but not limited to refuse, garbage, green waste and recyclables, must be disposed of in accordance with County and State laws and regulations. All waste generated from Cannabis Cultivation operations must be properly stored and secured to prevent access from the public. The project has been conditioned to meet this standard. (Advisory Notification Document Planning-All No. 23 Cultivation Operations – 4)*
- iii. *Onsite generators are prohibited, except as a source of energy in an emergencies. Onsite generators for emergency use shall be included in the conditional use permit. The project is proposed within an existing building with electricity service and does not propose a generator on site. Regardless, the project has been conditioned to meet this standard. (Advisory Notification Document Planning-All No. 24 Cultivation Operations – 5)*
- iv. *Cannabis Cultivation within the A-1, A-P, A-2, and A-D Zones shall not include the retail sales of Cannabis or Cannabis Products. The project is not located within these zones, so this standard is not applicable.*

**Cannabis Microbusiness Findings:**

1. The project complies with all the requirements of the State and County for the selling of Cannabis. This is met because the project has been conditioned to meet these requirements.
2. The project is not located within 1,000 feet from any Child Day Care Center, K-12 school, public park, or Youth Center or a variance has been approved allowing a shorter distance but not less than allowed by State law. This is met because a radius map buffering 1,200 feet from the subject site was prepared by Riverside County Geographic Information Systems and has not identified any Child Day Care Center, K-12 school, public park, or Youth Centers within 1,200 feet of the site. Therefore, the project meets this standard.
3. The project includes adequate measures that address enforcement priorities for Commercial Cannabis Activities including restricting access to minors, and ensuring that Cannabis and Cannabis Products are obtained from and supplied only to other permitted licensed sources within the State and not distributed out of State. This is met because the project has been conditioned to meet this requirement. (Advisory Notification Document No. 16 Planning - General - O. Permit and License Posting, Advisory Notification Document No. 11 Planning – General – K Monitoring Program)
4. For Cannabis Microbusiness facility with verified cannabis-related violations within the last 12 months prior to the adoption date of Ordinance No. 348.4898, the use will not contribute to repeat

violation on the lot and all applicable fees have been paid. This is met because no record of any cannabis-related violations within the last 12 months exist at the project site.

**Other Findings:**

1. The project site is not located within a Criteria Cell of the Western Riverside County Multiple Species Habitat Conservation Plan.
2. The project site is located within Cathedral City Sphere of Influence. The project was transmitted to the City and no comments were received.
3. The project site is not located within an Airport Influence Area ("AIA") boundary and is therefore not subject to the Airport Land Use Commission ("ALUC") review.
4. The project site is not located within the Mount Palomar Observatory Lighting Zone boundary.
5. The project site is not located within the Fee Assessment Area of the Stephen's Kangaroo Rat Habitat Conservation Plan ("SKRHCP").

**Fire Findings:**

1. The project site is not located within Fire Hazard Severity Zone or a Cal Fire State Responsibility Area ("SRA"). Advisory Notification Document were placed on CUP No. 190058 requiring compliance with Ordinance No. 348.

**Development Agreement:**

The applicant has proposed entering into the attached draft development agreement (DA No. 1900049) with the County for the Project. The DA is consistent with the General Plan and Board Policy B-9. Additionally, the advisory notification document, conditions of approval, and entitlement approvals are incorporated in the exhibits of the DA and will ensure that the project is developed in a way that would not conflict with the public's health, safety, or general welfare. The DA has a term of 10 years and will grant the applicant vesting rights to develop the Project in accordance with the terms of the DA. In exchange, the DA provides certain public benefits that go beyond the basic requirements of the County including annual public benefit payments, which will be used for additional public safety services, infrastructure improvements, or community enhancement programs.

**Approval Requirements and Conclusion:**

Based on the findings provided in this staff report and conditions of approval, the project is consistent with the General Plan and any applicable specific plan, complies with the development standards of the M-SC zoning classification, complies with the permit requirements for all Commercial Cannabis Activities, complies with the minimum standard requirements and will not be detrimental to the public health, safety or general welfare. Additionally, the project complies with all applicable requirements of State law and ordinances of Riverside County.

**PUBLIC HEARING NOTIFICATION AND COMMUNITY OUTREACH**

This project was advertised in the Press Enterprise and Desert Sun newspapers on February 16, 2021. Additionally, public hearing notices were mailed to property owners within 1,200 feet of the project site. As of the writing of this report, Planning Staff has not received any written communications or phone calls indicating support or opposition to the proposed project.

**REPORT:**

Prepared by Mina Morgan  
Reviewed by Leila Moshref-Danesh  
Reviewed by Shellie Clack  
Reviewed by Robert Flores  
Approved by John Hildebrand

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DEVELOPMENT AGREEMENT NO. 1900049

This Development Agreement (hereinafter "Agreement") is entered into effective on the date it is recorded with the Riverside County Recorder (hereinafter the "Effective Date") by and among the COUNTY OF RIVERSIDE (hereinafter "COUNTY"), and the persons and entities listed below (hereinafter "OWNER"):

[As required by Sections 103 and 103.5 of the *Procedures and Requirements of the County of Riverside for the Consideration of Development Agreements*, all owners of fee simple title to all or any part of the real property which is the subject of a development agreement shall be necessary parties to the agreement. Also, any person having a legal or equitable interest in such real property who is reasonably necessary to ensure the full implementation and performance of the development agreement throughout its term shall be a necessary party. No hearing on a development agreement shall be held until and unless all necessary parties have agreed in writing to join in the application of the development agreement.]

RECITALS

WHEREAS, COUNTY is authorized to enter into binding development agreements with persons having legal or equitable interests in real property for the development of such property, pursuant to Article 11, Section 7 of the California Constitution and Section 65864, et seq. of the Government Code; and,

WHEREAS, COUNTY has adopted Procedures and Requirements of the County of Riverside for the Consideration of Development Agreements (hereinafter "Procedures and Requirements"), pursuant to Section 65865 of the Government Code; and,

WHEREAS, OWNER has requested COUNTY to enter into a development agreement and proceedings have been taken in accordance with the Procedures and Requirements of COUNTY; and,

WHEREAS, by electing to enter into this Agreement, COUNTY shall bind future Boards of Supervisors of COUNTY by the obligations specified herein and limit the future exercise of certain governmental and proprietary powers of COUNTY; and,

WHEREAS, the terms and conditions of this Agreement have undergone extensive review by COUNTY and the Board of Supervisors and have been found to be fair, just and reasonable; and,

WHEREAS, the best interests of the citizens of Riverside County and the public health, safety and welfare will be served by entering into this Agreement; and,

WHEREAS, all of the procedures of the California Environmental Quality Act (Public Resources Code, Section 21000 et seq.) have been met with respect to the Project and the Agreement; and,

WHEREAS, this Agreement and the Project are consistent with the Riverside County General Plan and any specific plan applicable thereto; and,

WHEREAS, all actions taken and approvals given by COUNTY have been duly taken or approved in accordance with all applicable legal requirements for notice, public hearings, findings, votes, and other procedural matters; and,

WHEREAS, this Agreement will confer substantial private benefits on OWNER by granting vested rights to develop the Property in accordance with the provisions of this Agreement; and,

WHEREAS, OWNER proposes to develop the Property to be used for the Commercial Cannabis Activity described in Exhibit E (“the Development Plan”); and,

WHEREAS, Riverside County Ordinance 348.4898 (hereinafter “Ordinance No.

348.4898”) establishes a regulatory permitting process for Commercial Cannabis Activities and prohibits all Commercial Cannabis Activities in all land use zones without the benefit of a land use permit issued by the COUNTY; and,

WHEREAS, Board of Supervisors Policy No. B-9 further sets forth provisions to be included in development agreements in order to implement applicable General Plan provisions, to ensure that the County does not disproportionately bear the burden of commercial cannabis activities throughout the County, to ensure the County receives public benefits for the commercial cannabis activities, to ensure there are adequate resources available for enforcement of permitted and unpermitted commercial cannabis activities, and to give cannabis owners and property owners certainty as to the County’s requirements; and,

WHEREAS, this Agreement complies with the provisions of both Ordinance No. 348.4898 and Board Policy B-9; and,

WHEREAS, this Agreement will eliminate uncertainty in planning and provide for the orderly development of the Property, ensure progressive installation of necessary improvements, provide for public services appropriate to the development of the Project, and generally serve the purposes for which development agreements under Sections 65864, et seq. of the Government Code are intended; and,

WHEREAS, OWNER has incurred and will in the future incur substantial costs in order to assure development of the Property in accordance with this Agreement; and,

WHEREAS, OWNER has incurred and will in the future incur substantial costs in excess of the generally applicable requirements in order to assure vesting of legal rights to develop the Property in accordance with this Agreement.

#### COVENANTS

NOW, THEREFORE, in consideration of the above recitals and of the mutual covenants

hereinafter contained and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties agree as follows:

1. DEFINITIONS AND EXHIBITS.

1.1 Definitions. The following terms when used in this Agreement shall be defined as follows:

1.1.1 "Agreement" means this Development Agreement.

1.1.2 "Base Rate" means the calculated amount set forth in Exhibit "F", and which is payable to COUNTY annually pursuant to Subsections 4.2.1 and 4.2.2 of this Agreement and increased annually by 2% from and after the date of this agreement.

1.1.3 "Commercial Cannabis Activity" means the cultivation, possession, manufacture, distribution, processing, storing, laboratory testing, packaging, labeling, transportation, delivery or sale of Cannabis and cannabis products as provided for in Ordinance No. 348, as amended through Ordinance No. 348.4898, and any other subsequently adopted zoning ordinance amendment or subsequently adopted zoning ordinance.

1.1.4 "Conditional Use Permit" means the land use permit required by COUNTY to conduct Commercial Cannabis Activities.

1.1.5 "COUNTY" means the County of Riverside, a political subdivision of the State of California.

1.1.6 "Development" means the improvement of the Property for the purposes of completing the structures, improvements and facilities comprising the Project including, but not limited to: grading; the construction of infrastructure and public facilities related to the Project whether located within or outside the Property; the construction or re-

construction of buildings and structures; the tenant improvements of structures, and the installation of landscaping. When authorized by a Subsequent Development Approval as provided by this Agreement, “development” includes the maintenance, repair, reconstruction or redevelopment of any building, structure, improvement or facility after the construction and completion thereof.

1.1.7 “Development Approvals” means all permits and other entitlements for use subject to approval or issuance by COUNTY in connection with use of the Property and for development of the Property for Commercial Cannabis Activities including, but not limited to:

- (a) Conditional use permits, and site plans;
- (b) Zoning Amendments;
- (c) General Plan Amendments
- (d) Tentative and final subdivision and parcel maps;
- (e) Grading and building permits;
- (f) Any permits or entitlements necessary from the COUNTY;
- (g) Any easements necessary from COUNTY or any other land owner;
- (h) Specific plans and specific plan amendments;
- (i) Right of Entry agreements

1.1.8 “Development Exaction” means any requirement of the COUNTY in connection with or pursuant to any Land Use Regulation or Development Approval for the dedication of land, the construction of improvements or public facilities, or the payment of fees in order to lessen, offset, mitigate or compensate for the impacts of development on the environment or other public interests.

1.1.9 "Development Plan" means the Existing or Proposed Development Approvals and the Existing Land Use Regulations applicable to development of the Property.

1.1.10 "Effective Date" means the date this Agreement is recorded with the County Recorder.

1.1.11 "Existing Development Approvals" means all Development Approvals approved or issued prior to the Effective Date. Existing Development Approvals includes the Development Approvals incorporated herein as Exhibit "C" and all other Development Approvals which are a matter of public record on the Effective Date.

1.1.12 "Existing Land Use Regulations" means all Land Use Regulations in effect on the Effective Date. Existing Land Use Regulations includes the Land Use Regulations incorporated herein as Exhibit "D" and all other Land Use Regulations which are a matter of public record on the Effective Date.

1.1.13 "Land Use Regulations" means all ordinances, resolutions, codes, rules, regulations and official policies of COUNTY governing the development and use of land, including, without limitation, the permitted use of land, the density or intensity of use, subdivision requirements, the maximum height and size of proposed buildings and structures, the provisions for reservation or dedication of land for public purposes, and the design, improvement and construction standards and specifications applicable to the development of the property. "Land Use Regulations" does not include any COUNTY ordinance, resolution, code, rule, regulation or official policy, governing:

- (a) The conduct of businesses, professions, and occupations;
- (b) Taxes and assessments;
- (c) The control and abatement of nuisances;

- (d) The granting of encroachment permits and the conveyance of rights and interests which provide for the use of or the entry upon public property;
- (e) The exercise of the power of eminent domain.

1.1.14 "Mortgagee" means a mortgagee of a mortgage, a beneficiary under a deed of trust or any other security-device lender, and their successors and assigns.

1.1.15 "OWNER" means the owner of the PROPERTY and the persons and entities listed as OWNER on the first page of this Agreement. OWNER shall also include any of the following:

1. A person with an aggregate ownership interest of 20 percent or more in the Commercial Cannabis Activity for which a license or permit is being sought, unless the interest is solely a security, lien, or encumbrance.
2. The chief executive officer of a nonprofit or other entity for the Commercial Cannabis Activity.
3. A member of the board of directors of a nonprofit for the Commercial Cannabis Activity.
4. An individual who will be participating in the direction, control, or management of the person applying for a Commercial Cannabis Activity Conditional Use Permit or State license."

1.1.16 "Project" means the development of the Property contemplated by the Development Plan as such Plan may be further defined, enhanced or modified pursuant to the provisions of this Agreement.

1.1.17 "Property" means the real property described on Exhibit "A" and shown on Exhibit "B" to this Agreement.

1.1.18 "Reservations of Authority" means the rights and authority excepted from the assurances and rights provided to OWNER under this Agreement and reserved to COUNTY under Section 3.5 of this Agreement.

1.1.19 "Subsequent Development Approvals" means all Development Approvals approved subsequent to the Effective Date in connection with development of the Property.

1.1.20 "Subsequent Land Use Regulations" means any Land Use Regulations adopted and effective after the Effective Date of this Agreement.

1.1.21 "Transfer" means sale, assignment, lease, sublease or any other transfer of a legal or equitable interest in the Property.

1.2 Exhibits. The following documents are attached to, and by this reference made a part of, this Agreement:

- Exhibit "A" - Legal Description of the Property
- Exhibit "B" - Map Showing Property and Its Location
- Exhibit "C" - Existing Development Approvals
- Exhibit "D" - Existing Land Use Regulations
- Exhibit "E" - Commercial Cannabis Activity Site Plan & Description
- Exhibit "F" - Applicable Annual Public Benefits Base Payments
- Exhibit "G" - Commercial Cannabis Area calculation exhibit.
- Exhibit "H" - Additional Public Benefits Exhibit

## 2. GENERAL PROVISIONS.

2.1 Binding Effect of Agreement. The Property is hereby made subject to this Agreement. Development of the Property is hereby authorized and shall be carried out only in



accordance with the terms of this Agreement.

2.2 Ownership of Property. OWNER represents and covenants that it is the owner of a legal or equitable interest in the Property or a portion thereof.

2.3 Term. This Agreement shall commence on the Effective Date and shall continue for a period of ten years thereafter, unless this term is modified or extended for one additional five year term pursuant to the provisions of this Agreement and so long as the Project is in compliance with all applicable conditions of approval and County ordinances.

2.4 Transfer.

2.4.1 Right to Transfer. OWNER shall have the right to transfer the Property in whole or in part (provided that no such partial transfer shall violate the Subdivision Map Act, Government Code Section 66410, et seq., or Riverside County Ordinance No. 460) to any person, partnership, joint venture, firm or corporation at any time during the term of this Agreement; provided, however, that any such transfer shall include the assignment and assumption of the rights, duties and obligations arising under or from this Agreement and be made in strict compliance with the following conditions precedent:

(a) No transfer of any right or interest under this Agreement shall be made unless made together with the sale, transfer or assignment of all or a part of the Property.

(b) Concurrent with any such transfer or within fifteen (15) business days thereafter, OWNER shall notify COUNTY, in writing, of such transfer and shall provide COUNTY with an executed agreement by the transferee, in a form reasonably acceptable to COUNTY, providing therein that the transferee expressly and unconditionally assumes all the duties and obligations of OWNER under this Agreement.

Any transfer not made in strict compliance with the foregoing conditions shall constitute a default by OWNER under this Agreement. Notwithstanding the failure of any transferee to execute the agreement required by Paragraph (b) of this Subsection 2.4.1, the burdens of this Agreement shall be binding upon such transferee, but the benefits of this Agreement shall not inure to such transferee until and unless such agreement is executed.

2.4.2 Release of Transferring Owner. Notwithstanding any transfer, a transferring OWNER shall continue to be obligated under this Agreement unless such transferring OWNER is given a release in writing by COUNTY, which release shall be provided by COUNTY upon the full satisfaction by such transferring OWNER of the following conditions:

- (a) OWNER no longer has a legal or equitable interest in all or any part of the Property.
- (b) OWNER is not then in default under this Agreement.
- (c) OWNER has provided COUNTY with the notice and executed agreement required under Paragraph (b) of Subsection 2.4.1 above.
- (d) The transferee provides COUNTY with security equivalent to any security previously provided by OWNER to secure performance of its obligations hereunder.

2.4.3 Subsequent Transfer. Any subsequent transfer after an initial transfer shall be made only in accordance with and subject to the terms and conditions of this Section.

2.5 Amendment or Cancellation of Agreement. This Agreement may be amended or cancelled in whole or in part only by written consent of all parties in the manner provided for in Government Code Section 65868. This provision shall not limit any remedy of COUNTY or OWNER as provided by this Agreement.

2.6 Termination. This Agreement shall be deemed terminated and of no further effect upon the occurrence of any of the following events:

(a) Expiration of the stated term of this Agreement as set forth in Section 2.3.

(b) Entry of a final judgment by a court of competent jurisdiction setting aside, voiding or annulling the adoption of the ordinance approving this Agreement. For purposes of clarity this termination section excludes entry of a final judgment by a court of competent jurisdiction setting aside, voiding or annulling the adoption of Board of Supervisors' Policy No. B-9.

(c) The adoption of a referendum measure overriding or repealing the ordinance approving this Agreement.

(d) OWNER's election to terminate this Agreement. If OWNER elects not to develop all or a portion of the Property as a Commercial Cannabis Activity, OWNER shall provide notice of such election to the COUNTY, such notice by OWNER shall (i) seek to terminate this Agreement as to the portion of the Property that is the subject of such notice of termination; and (ii) shall acknowledge that the Conditional Use Permit (CUP No. 190058) shall be null and void as to the Property that is the subject of such notice of termination. Following receipt of OWNER's notice of election to terminate this Agreement, OWNER and COUNTY shall execute an appropriate instrument in recordable form evidencing such termination, and shall cause such instrument to be an amendment to this Agreement to be processed in accordance with COUNTY's Procedures and Requirements for the Consideration of Development Agreements set forth in Resolution No. 2020-124.

(e) When OWNER no longer has a legal or equitable interest in the Property or has ceased operations on the Property for a period of ninety (90) consecutive days and no evidence demonstrating continuing and ongoing use of the Property consistent with the approved Conditional Use Permit No. 190058.

(f) Federal Enforcement of the Federal Controlled Substances Act against OWNER or the COUNTY. The parties understand that cannabis is still classified as a Schedule I Drug under the Federal Controlled Substances Act, 21 U.S.C. §§ 801 et seq. In the event there is federal enforcement of the Federal Controlled Substances Act against the COUNTY for the COUNTY's enactment of a comprehensive, regulatory framework for commercial cannabis activities or against OWNER for OWNER's own commercial cannabis activities, this Agreement shall be deemed terminated and of no further effect.

(g) Revocation of a Commercial Cannabis Activity Conditional Use Permit or State License.

Upon the termination of this Agreement, no party shall have any further right or obligation hereunder except with respect to any obligation to have been performed prior to such termination or with respect to any default in the performance of the provisions of this Agreement which has occurred prior to such termination or with respect to any obligations which are specifically set forth as surviving this Agreement.

## 2.7 Notices.

(a) As used in this Agreement, "notice" includes, but is not limited to, the communication of notice, request, demand, approval, statement, report, acceptance, consent, waiver, appointment or other communication required or permitted hereunder.

(b) All notices shall be in writing and shall be considered given either:

(i) when delivered in person to the recipient named below; (ii) on the date of delivery shown on the return receipt, after deposit in the United States mail in a sealed envelope as either registered or certified mail with return receipt requested, and postage and postal charges prepaid, and addressed to the recipient named below; (iii) on the next business day when delivered by overnight United States mail or courier service; or (iv) on the date of delivery shown in the facsimile records of the party sending the facsimile after transmission by facsimile to the recipient named below. All notices shall be addressed as follows:

If to COUNTY:

Clerk of the Board of Supervisors

Riverside County Administrative Center

4080 Lemon Street, First Floor

Riverside, CA 92502

Fax No. (951) 955-1071

with copies to:

County Executive Officer

Riverside County Administrative Center

4080 Lemon Street, 4th Floor

Riverside, CA 92501

Fax No. (951) 955-1105

and

Assistant TLMA Director — Planning and Land Use

Transportation and Land Management Agency

Riverside County Administrative Center,

4080 Lemon Street, 12th Floor

Riverside, CA 92501

Fax No. (951) 955-1817

and

County Counsel

County of Riverside

3960 Orange Street, Suite 500

Riverside, CA 92501

Fax No. (951) 955-6363

If to OWNER:

Kappkush, Inc.

C/O Narine Kapukchyan

3856 Winford Drive

Tarzana, CA 91356

With a copy to: [Eric@shevinlaw.com](mailto:Eric@shevinlaw.com) (c) Either party may, by notice given at any time, require subsequent notices to be given to another person or entity, whether a party or an officer or representative of a party, or to a different address, or both. Notices given before actual receipt of notice of change shall not be invalidated by any such change.

### 3. DEVELOPMENT OF THE PROPERTY.

3.1 Rights to Develop. Subject to the terms of this Agreement including the Reservations of Authority, OWNER shall have a vested right to develop the Property in accordance with, and to the extent of, the Development Plan. The Existing Development Approvals shall not expire and shall remain valid for the Term of this Agreement so long as the Project remains in

compliance with all conditions of approval for the Existing Development Approvals and in compliance with this Agreement. The Project shall remain subject to all Subsequent Development Approvals required to complete the Project as contemplated by the Development Plan. Except as otherwise provided in this Agreement, the permitted uses of the Property, the density and intensity of use, the maximum height and size of proposed buildings and structures, and provisions for reservation and dedication of land for public purposes shall be those set forth in the Development Plan.

3.2 Effect of Agreement on Land Use Regulations. Except as otherwise provided under the terms of this Agreement including the Reservations of Authority, the rules, regulations and official policies governing permitted uses of the Property, the density and intensity of use of the Property, the maximum height and size of proposed buildings and structures, and the design, improvement and construction standards and specifications applicable to development of the Property shall be the Existing Land Use Regulations. In connection with any Subsequent Development Approval, COUNTY shall exercise its discretion in accordance with the Development Plan, and as provided by this Agreement including, but not limited to, the Reservations of Authority. COUNTY shall accept for processing, review and action all applications for Subsequent Development Approvals, and such applications shall be processed in the normal manner for processing such matters.

3.3 Timing of Development. The parties acknowledge that OWNER cannot at this time predict when or the rate at which phases of the Property will be developed. Such decisions depend upon numerous factors which are not within the control of OWNER, such as market orientation and demand, interest rates, absorption, completion and other similar factors. Since the California Supreme Court held in Pardee Construction Co. v. City of Camarillo (1984) 37 Cal.3d 465, that the failure of the parties therein to provide for the timing of development resulted in a later adopted

initiative restricting the timing of development to prevail over such parties' agreement, it is the parties' intent to cure that deficiency by acknowledging and providing that OWNER shall have the right to develop the Property in such order and at such rate and at such times as OWNER deems appropriate within the exercise of its subjective business judgment.

3.4 Changes and Amendments. The parties acknowledge that refinement and further development of the Project will require Subsequent Development Approvals and may demonstrate that changes are appropriate and mutually desirable in the Existing Development Approvals. In the event OWNER finds that a change in the Existing Development Approvals is necessary or appropriate, OWNER shall apply for a Subsequent Development Approval to effectuate such change and COUNTY shall process and act on such application in accordance with the Existing Land Use Regulations, except as otherwise provided by this Agreement including the Reservations of Authority. If approved, any such change in the Existing Development Approvals shall be incorporated herein as an addendum to Exhibit "C", and may be further changed from time to time as provided in this Section. Unless otherwise required by law, as determined in COUNTY's reasonable discretion, a change to the Existing Development Approvals shall be deemed "minor" and not require an amendment to this Agreement provided such change does not:

- (a) Alter the permitted uses of the Property as a whole; or,
  - (b) Increase the density or intensity of use of the Property as a whole;
- or,
- (c) Increase the maximum height and size of permitted buildings or structures;
- or,
- (d) Delete a requirement for the reservation or dedication of land for public purposes within the Property as a whole; or,
  - (e) Constitute a project requiring a subsequent or supplemental environmental



impact report pursuant to Section 21166 of the Public Resources Code.

3.5 Reservations of Authority.

3.5.1 Limitations, Reservations and Exceptions. Notwithstanding any other provision of this Agreement, the following Subsequent Land Use Regulations shall apply to the development of the Property.

(a) Processing fees and charges of every kind and nature imposed by COUNTY to cover the estimated actual costs to COUNTY of processing applications for Development Approvals or for monitoring compliance with any Development Approvals granted or issued.

(b) Procedural regulations relating to hearing bodies, petitions, applications, notices, findings, records, hearings, reports, recommendations, appeals and any other matter of procedure.

(c) Regulations governing construction standards and specifications including, without limitation, the Building Code, Plumbing Code, Mechanical Code, Electrical Code, Fire Code and Grading Code applicable in the County.

(d) Regulations imposing Development Exactions. Development Exactions shall be applicable to development of the Property if such Development Exaction is applied uniformly to development, either throughout the COUNTY or within a defined area of benefit which includes the Property. No such subsequently adopted Development Exaction shall apply if its application to the Property would physically prevent development of the Property for the uses and to the density or intensity of development set forth in the Development Plan.

(e) Regulations which may be in conflict with the Development Plan but

which are reasonably necessary to protect the public health and safety. To the extent possible, any such regulations shall be applied and construed so as to provide OWNER with the rights and assurances provided under this Agreement.

(f) Regulations which are not in conflict with the Development Plan. Any regulation, whether adopted by initiative or otherwise, limiting the rate or timing of development of the Property shall be deemed to conflict with the Development Plan and shall therefore not be applicable to the development of the Property.

(g) Regulations which are in conflict with the Development Plan provided OWNER has given written consent to the application of such regulations to development of the Property.

3.5.2 Subsequent Development Approvals. This Agreement shall not prevent COUNTY, in acting on Subsequent Development Approvals, from applying Subsequent Land Use Regulations which do not conflict with the Development Plan, nor shall this Agreement prevent COUNTY from denying or conditionally approving any Subsequent Development Approval on the basis of the Existing Land Use Regulations or any Subsequent Land Use Regulation not in conflict with the Development Plan.

3.5.3 Modification or Suspension by State or Federal Law. In the event that State or Federal laws or regulations, enacted after the Effective Date of this Agreement, prevent or preclude compliance with one or more of the provisions of this Agreement or require changes in plans, maps or permits approved by the COUNTY, such provisions of this Agreement shall be modified or suspended as may be necessary to comply with such State or Federal laws or regulations, provided, however, that this Agreement shall remain in full force and effect to the extent it is not inconsistent with such laws or regulations and to the

extent such laws or regulations do not render such remaining provisions impractical to enforce.

3.5.4 Intent. The parties acknowledge and agree that COUNTY is restricted in its authority to limit its police power by contract and that the foregoing limitations, reservations and exceptions are intended to reserve to COUNTY all of its police power which cannot be so limited. This Agreement shall be construed, contrary to its stated terms if necessary, to reserve to COUNTY all such power and authority which cannot be restricted by contract.

3.5.5. Application of State and Local Regulatory Laws Governing Commercial Cannabis Activities. The operation of Commercial Cannabis Activities is a highly regulated business activity, and it is subject to various state and local laws and regulations. This Agreement does not, and the County cannot and does not intend to, give OWNER the right to continue its operations without complying with applicable state and local laws governing its operations. OWNER shall be responsible for obtaining, and maintaining throughout the entire term of this Agreement, all applicable state licenses, permits, approvals, and consents, even if the applicable state laws and regulations are altered following the Effective Date.

3.6. Public Works. If OWNER is required by this Agreement to construct any public works facilities which will be dedicated to COUNTY or any other public agency upon completion, and if required by applicable laws to do so, OWNER shall perform such work in the same manner and subject to the same requirements as would be applicable to COUNTY or such other public agency if it would have undertaken such construction.

3.7 Provision of Real Property Interests by COUNTY. In any instance where OWNER is required to construct any public improvement on land not owned by OWNER, OWNER shall at

its sole cost and expense provide or cause to be provided, the real property interests necessary for the construction of such public improvements. In the event OWNER is unable, after exercising reasonable efforts to acquire the real property interests necessary for the construction of such public improvements, and if so instructed by OWNER and upon OWNER'S provision of adequate security for costs COUNTY may reasonably incur, COUNTY shall negotiate the purchase of the necessary real property interests to allow OWNER to construct the public improvements as required by this Agreement and, if necessary, in accordance with the procedures established by law, use its power of eminent domain to acquire such required real property interests. OWNER shall pay all costs associated with such acquisition or condemnation proceedings. This Section 3.7 is not intended by the parties to impose upon the OWNER an enforceable duty to acquire land or construct any public improvements on land not owned by OWNER, except to the extent that the OWNER elects to proceed with the development of the Project, and then only in accordance with valid conditions imposed by the COUNTY upon the development of the Project under the Subdivision Map Act, Government Code Section 66410 et seq., or other legal authority.

3.8 Regulation by Other Public Agencies. It is acknowledged by the parties that other public agencies not within the control of COUNTY possess authority to regulate aspects of the development of the Property separately from or jointly with COUNTY and this Agreement does not limit the authority of such other public agencies. For example, pursuant to Government Code Section 66477 and Section 10.35 of Riverside County Ordinance No. 460, another local public agency may provide local park and recreation services and facilities and in that event, it is permitted, and therefore shall be permitted by the parties, to participate jointly with COUNTY to determine the location of land to be dedicated or in lieu fees to be paid for local park purposes, provided that COUNTY shall exercise its authority subject to the terms of this Agreement.

3.9 Tentative Tract Map Extension. Notwithstanding the provisions of Section 66452.6(a)(1) of the Government Code, regarding extensions of time for approved tentative maps subject to a development agreement, no tentative subdivision map or tentative parcel map, heretofore or hereafter approved in connection with development of the Property, shall be granted an extension of time except in accordance with the Subdivision Map Act and Existing Land Use Regulations.

3.10 Vesting Tentative Maps. If any tentative or final subdivision map, or tentative or final parcel map, heretofore or hereafter approved in connection with development of the Property, is a vesting map under the Subdivision Map Act (Government Code Section 66410, et seq.) and Riverside County Ordinance No. 460 and if this Agreement is determined by a final judgment to be invalid or unenforceable insofar as it grants a vested right to develop to OWNER, then and to that extent the rights and protections afforded OWNER under the laws and ordinances applicable to vesting maps shall supersede the provisions of this Agreement. Except as set forth immediately above, development of the Property shall occur only as provided in this Agreement, and the provisions in this Agreement shall be controlling over any conflicting provision of law or ordinance concerning vesting maps.

3.11 Request for Proposal Responses. Unless superseded by the terms of this Agreement, development of the Property shall be consistent with the Request for Proposal Responses submitted to the COUNTY and associated with CAN XXX, incorporated herein by this reference.

#### 4. PUBLIC BENEFITS.

4.1 Intent. The parties acknowledge and agree that development of the Property will detrimentally affect public interests which will not be fully addressed by the Development Plan and further acknowledge and agree that this Agreement confers substantial private benefits on OWNER which should be balanced by commensurate public benefits. Accordingly, the parties

intend to provide consideration to the public to balance the private benefits conferred on OWNER by providing more fully for the satisfaction of public interests.

4.2 Public Benefits for Commercial Cannabis Activities.

4.2.1 Annual Public Benefit Base Payments. Prior to the issuance of the first grading permit or the first building permit, whichever occurs first, for any part of the Commercial Cannabis Activity, OWNER shall pay to COUNTY an amount equal to the base payment calculated per Section 1.1.2 of this Agreement (“Base Payment”); provided, however, that such initial annual Base Payment shall be prorated based on the number of whole months remaining between the date of payment and the first following June 30th.

4.2.2 Subsequent Annual Base Payments. The annual Base Payment shall be subject to annual increases in an amount of 2%. Prior to the first July 1<sup>st</sup> following the initial Base Payment and each July 1<sup>st</sup> thereafter during the term of the Agreement, OWNER shall pay to COUNTY an amount equal to the Base Payment plus the 2% annual increase.

4.3 Annual Additional Public Benefits. OWNER shall perform Additional Public Benefits identified in Exhibit “H” that will benefit the community in which the Commercial Cannabis Activity is located. Prior to the issuance of the certificate of occupancy for any part of the Commercial Cannabis Activity, OWNER shall pay to COUNTY fifty percent (50%) of the total additional public benefit amount set forth in Exhibit “H” of this Agreement (“Additional Public Benefit”) and the remaining fifty percent (50%) of the total Additional Public Benefit within six (6) months of the issuance of certificate of occupancy; provided, however, that such initial annual payment shall be prorated based on the number of whole months remaining between the date of payment and the first following June 30th.

4.3.1 Subsequent Annual Additional Public Benefits. The Additional Public

Benefit provided in Exhibit "H" shall be subject to annual increases in an amount of 7%. Prior to the first July 1<sup>st</sup> following the initial Additional Public Benefit payment and each July 1<sup>st</sup> thereafter during the term of the Agreement, OWNER shall pay to COUNTY an amount equal to the Additional Public Benefit plus the 7% annual increase.

4.4 Taxes. Nothing herein shall be construed to relieve OWNER from paying and remitting all applicable federal, state and local taxes applicable to the Project, including but not limited to, income taxes, property taxes, local sales and use taxes, and any taxes imposed on cannabis activities and cannabis products pursuant to the Medicinal and Adult-Use Cannabis Regulation and Safety Act.

4.5 Assessments. Nothing herein shall be construed to relieve the Property from assessments levied against it by the County pursuant to any statutory procedure for the assessment of property to pay for infrastructure and/or services which benefit the Property.

4.6 New Taxes. Any subsequently enacted County taxes, including but not limited to any taxes on commercial cannabis activities, shall apply to the Project. In the event that County taxes are enacted specifically for commercial cannabis activities and cannabis products, the parties agree that this Agreement may be modified in accordance with Section 2.5 to reduce the OWNER's total public benefit payment (the sum total of the Base Rate plus the Additional Public Benefit) by an amount equal to the amount of the tax imposed on the OWNER for commercial cannabis activities and cannabis products. The parties acknowledge that the intent of being able to modify the Agreement in the event County taxes are enacted on the commercial cannabis activities and cannabis products is to enable the authority to adjust the total public benefit amount due and payable under this Agreement by the OWNER.

4.7 Vote on Future Assessments and Fees. In the event that any assessment, fee or charge which is applicable to the Property is subject to Article XIII D of the California Constitution

and OWNER does not return its ballot, OWNER agrees, on behalf of itself and its successors that the County may count OWNER's ballot as affirmatively voting in favor of such assessment, fee or charge.

5. FINANCING OF PUBLIC IMPROVEMENTS. If deemed appropriate, COUNTY and OWNER will cooperate in the formation of any special assessment district, community facilities district or alternate financing mechanism to pay for the construction and/or maintenance and operation of public infrastructure facilities required as part of the Development Plan. OWNER also agrees that it will not initiate and/or cooperate in the formation of any such special assessment district, community facilities district or alternate financing mechanism involving any other public agency without the prior written consent of the COUNTY.

Should the Property be included within such a special assessment district, community facilities district or other financing entity, the following provisions shall be applicable:

(a) In the event OWNER conveys any portion of the Property and/or public facilities constructed on any portion of the Property to COUNTY or any other public entity and said Property is subject to payment of taxes and/or assessments, such taxes and/or assessments shall be paid in full by OWNER prior to completion of any such conveyance.

(b) If OWNER is in default in the payment of any taxes and/or assessments, OWNER shall be considered to be in default of this Agreement and COUNTY may, in its sole discretion, initiate proceedings pursuant to Section 8.4 of this Agreement.

Notwithstanding the foregoing, it is acknowledged and agreed by the parties that nothing contained in this Agreement shall be construed as requiring COUNTY or the COUNTY Board of Supervisors to form any such district or to issue and sell bonds.

6. REVIEW FOR COMPLIANCE.

6.1 Annual Review. The TLMA Director, in consultation with the County Executive



Officer and County Counsel, shall review this Agreement annually, on or before the Effective Date, in order to ascertain the good faith compliance by OWNER with the terms of the Agreement. In order to facilitate this review, OWNER shall submit an annual monitoring report, in a form specified by the TLMA Director providing all information necessary to evaluate such good faith compliance as determined by the TLMA Director. OWNER shall pay the annual review and administration fee set forth in Ordinance No. 671 prior to submission of each annual monitoring report. Prior to the issuance of any grading permit or building permit for any part of the Project, OWNER shall prepay a fee deposit and administration fee as set forth in Ordinance No. 671 (the "Monitoring Fee Prepayment"). The Monitoring Fee Prepayment shall be retained by the COUNTY until termination of this Agreement, may be used by the COUNTY at any time if there is a failure to pay any part of the annual monitoring and administration fees required under Ordinance No. 671, and shall be promptly replenished by OWNER up to the original required amount after notice by COUNTY to OWNER. Failure by OWNER to submit an annual monitoring report, on or before the Effective Date of each year in the form specified by the TLMA Director, to pay any part of the annual monitoring and administration fee required under Ordinance No. 671, to make the Monitoring Fee Prepayment or to replenish the Monitoring Fee Prepayment shall constitute a default by OWNER under this Agreement.

6.2 Special Review. The Board of Supervisors may order a special review of compliance with this Agreement at any time. The TLMA Director, in consultation with the County Executive Officer and County Counsel, shall conduct such special reviews.

6.3 Property Inspection. In accordance with applicable regulations set forth in the Medicinal and Adult Use Cannabis Regulation and Safety Act and upon twenty-four (24) hour written notice, OWNER shall allow COUNTY representatives access to the Property and all buildings and structures located on the Property to determine compliance with CUP No. 190058

and this Agreement.

6.4. Records Inspection. Upon written request by the COUNTY, OWNER shall provide records to the COUNTY demonstrating compliance with this Agreement, CUP No. 190058 and consistency with the Request for Proposal Responses associated with CAN XXX including, but not limited to, ownership of Property, local hiring and local ownership programs.

6.5 Procedure.

(a) During either an annual review or a special review, OWNER shall be required to demonstrate good faith compliance with the terms of the Agreement. The burden of proof on this issue shall be on OWNER.

(b) Upon completion of an annual review or a special review, the TLMA Director shall submit a report to the Board of Supervisors setting forth the evidence concerning good faith compliance by OWNER with the terms of this Agreement and his recommended finding on that issue.

(c) If the Board finds on the basis of substantial evidence that OWNER has complied in good faith with the terms and conditions of this Agreement, the review shall be concluded.

(d) If the Board makes a preliminary finding that OWNER has not complied in good faith with the terms and conditions of this Agreement, the Board may modify or terminate this Agreement as provided in Section 6.4 and Section 6.5. Notice of default as provided under Section 8.4 of this Agreement shall be given to OWNER prior to or concurrent with, proceedings under Section 6.4 and Section 6.5.

6.6 Proceedings Upon Modification or Termination. If, upon a preliminary finding under Section 6.3, COUNTY determines to proceed with modification or termination of this

Agreement, COUNTY shall give written notice to OWNER of its intention so to do. The notice shall be given at least ten calendar days prior to the scheduled hearing and shall contain:

- (a) The time and place of the hearing;
- (b) A statement as to whether or not COUNTY proposes to terminate or to modify the Agreement; and,
- (c) Such other information as is reasonably necessary to inform OWNER of the nature of the proceeding.

6.7 Hearing on Modification or Termination. At the time and place set for the hearing on modification or termination, OWNER shall be given an opportunity to be heard and shall be entitled to present written and oral evidence. OWNER shall be required to demonstrate good faith compliance with the terms and conditions of this Agreement. The burden of proof on this issue shall be on OWNER. If the Board of Supervisors finds, based upon substantial evidence, that OWNER has not complied in good faith with the terms or conditions of the Agreement, the Board may terminate this Agreement or modify this Agreement and impose such conditions as are reasonably necessary to protect the interests of the County. The decision of the Board of Supervisors shall be final, subject only to judicial review pursuant to Section 1094.5 of the Code of Civil Procedure.

6.8 Certificate of Agreement Compliance. If, at the conclusion of an annual or special review, OWNER is found to be in compliance with this Agreement, COUNTY shall, upon request by OWNER, issue a Certificate of Agreement Compliance ("Certificate") to OWNER stating that after the most recent annual or special review and based upon the information known or made known to the TLMA Director and Board of Supervisors that (1) this Agreement remains in effect and (2) OWNER is not in default. The Certificate shall be in recordable form, shall contain information necessary to communicate constructive record notice of the finding of

compliance, shall state whether the Certificate is issued after an annual or a special review and shall state the anticipated date of commencement of the next annual review. OWNER may record the Certificate with the County Recorder. Whether or not the Certificate is relied upon by transferees or OWNER, COUNTY shall not be bound by a Certificate if a default existed at the time of the Periodic or Special Review, but was concealed from or otherwise not known to the TLMA Director or Board of Supervisors.

7. INCORPORATION AND ANNEXATION.

7.1 Intent. If all or any portion of the Property is annexed to or otherwise becomes a part of a city or another county, it is the intent of the parties that this Agreement shall survive and be binding upon such other jurisdiction.

7.2 Incorporation. If at any time during the term of this Agreement, a city is incorporated comprising all or any portion of the Property, the validity and effect of this Agreement shall be governed by Section 65865.3 of the Government Code.

7.3 Annexation. OWNER and COUNTY shall oppose, in accordance with the procedures provided by law, the annexation to any city of all or any portion of the Property unless both OWNER and COUNTY give written consent to such annexation.

8. DEFAULT AND REMEDIES.

8.1 Remedies in General. It is acknowledged by the parties that COUNTY would not have entered into this Agreement if it were to be liable in damages under this Agreement, or with respect to this Agreement or the application thereof.

In general, each of the parties hereto may pursue any remedy at law or equity available for the breach of any provision of this Agreement, except that COUNTY shall not be liable in damages to OWNER, or to any successor in interest of OWNER, or to any other person, and OWNER

covenants not to sue for damages or claim any damages:

- (a) For any breach of this Agreement or for any cause of action which arises out of this Agreement; or
- (b) For the taking, impairment or restriction of any right or interest conveyed or provided under or pursuant to this Agreement; or
- (c) Arising out of or connected with any dispute, controversy or issue regarding the application, validity, interpretation or effect of the provisions of this Agreement.

Notwithstanding anything in this Article 8 to the contrary, OWNER's liability to COUNTY in connection with this Agreement shall be limited to direct damages and shall exclude any other liability, including without limitation liability for special, indirect, punitive or consequential damages in contract, tort, warranty, strict liability or otherwise.

8.2 Specific Performance. The parties acknowledge that money damages and remedies at law generally are inadequate and specific performance and other non-monetary relief are particularly appropriate remedies for the enforcement of this Agreement and should be available to all parties for the following reasons:

- (a) Money damages are unavailable against COUNTY as provided in Section 8.1 above.
- (b) Due to the size, nature and scope of the project, it may not be practical or possible to restore the Property to its natural condition once implementation of this Agreement has begun. After such implementation, OWNER may be foreclosed from other choices it may have had to utilize the Property or portions thereof. OWNER has invested significant time and resources and performed extensive planning and processing of the Project in agreeing to the terms of this Agreement and will be investing even more significant time and resources in implementing the Project in reliance upon the terms of

this Agreement, and it is not possible to determine the sum of money which would adequately compensate OWNER for such efforts.

8.3 General Release. Except for non-damage remedies, including the remedy of specific performance and judicial review as provided for in Section 8, OWNER, for itself, its successors and assignees, hereby releases the COUNTY, its officers, agents, employees, and independent contractors from any and all claims, demands, actions, or suits of any kind or nature whatsoever arising out of any liability, known or unknown, present or future, including, but not limited to, any claim or liability, based or asserted, pursuant to Article I, Section 19 of the California Constitution, the Fifth Amendment of the United States Constitution, or any other law or ordinance which seeks to impose any other monetary liability or damages, whatsoever, upon the COUNTY because it entered into this Agreement or because of the terms of this Agreement. OWNER hereby waives the provisions of Section 1542 of the Civil Code which provides:

A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS THE CREDITOR OR RELEASING PARTY DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE AND THAT, IF KNOWN BY HIM OR HER WOULD HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR OR RELEASED PARTY.

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OWNER Initials

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OWNER Initials

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OWNER Initials

8.4 Termination or Modification of Agreement for Default of OWNER. Subject to the provisions contained in Subsection 2.5 herein, COUNTY may terminate or modify this Agreement for any failure of OWNER to perform any material duty or obligation of OWNER under this Agreement, or to comply in good faith with the terms of this Agreement (hereinafter referred to as

“default”); provided, however, COUNTY may terminate or modify this Agreement pursuant to this Section only after providing written notice to OWNER of default setting forth the nature of the default and the actions, if any, required by OWNER to cure such default and, where the default can be cured, OWNER has failed to take such actions and cure such default within 60 days after the effective date of such notice or, in the event that such default cannot be cured within such 60 day period but can be cured within a longer time, has failed to commence the actions necessary to cure such default within such 60 day period and to diligently proceed to complete such actions and cure such default.

8.5 Termination of Agreement for Default of COUNTY. OWNER may terminate this Agreement only in the event of a default by COUNTY in the performance of a material term of this Agreement and only after providing written notice to COUNTY of default setting forth the nature of the default and the actions, if any, required by COUNTY to cure such default and, where the default can be cured, COUNTY has failed to take such actions and cure such default within 60 days after the effective date of such notice or, in the event that such default cannot be cured within such 60 day period but can be cured within a longer time, has failed to commence the actions necessary to cure such default within such 60 day period and to diligently proceed to complete such actions and cure such default.

8.6 Attorneys’ Fees. In any action at law or in equity to enforce or interpret this Agreement, or otherwise arising out of this Agreement, including without limitation any action for declaratory relief or petition for writ of mandate, the parties shall bear their own attorneys’ fees.

## 9. THIRD PARTY LITIGATION.

9.1 General Plan Litigation. COUNTY has determined that this Agreement is consistent with its General Plan, and that the General Plan meets all requirements of law. OWNER has reviewed the General Plan and concurs with COUNTY’s determination. The parties

acknowledge that:

(a) Litigation may be filed challenging the legality, validity and adequacy of the General Plan; and,

(b) If successful, such challenges could delay or prevent the performance of this Agreement and the development of the Property.

COUNTY shall have no liability in damages under this Agreement for any failure of COUNTY to perform under this Agreement or the inability of OWNER to develop the Property as contemplated by the Development Plan of this Agreement as the result of a judicial determination that on the Effective Date, or at any time thereafter, the General Plan, or portions thereof, are invalid or inadequate or not in compliance with law.

9.2 Third Party Litigation Concerning Agreement. OWNER shall defend, at its expense, including attorneys' fees, indemnify, and hold harmless COUNTY, its officers, agents, employees and independent contractors from any claim, action or proceeding against COUNTY, its officers, agents, employees or independent contractors to attack, set aside, void, or annul the approval of this Agreement or the approval of any permit granted pursuant to this Agreement. COUNTY shall promptly notify OWNER of any such claim, action or proceeding, and COUNTY shall cooperate in the defense. If COUNTY fails to promptly notify OWNER of any such claim, action or proceeding, or if COUNTY fails to cooperate in the defense, OWNER shall not thereafter be responsible to defend, indemnify, or hold harmless COUNTY. COUNTY may in its discretion participate in the defense of any such claim, action or proceeding.

9.3 Indemnity. In addition to the provisions of 9.2 above, OWNER shall indemnify and hold COUNTY, its officers, agents, employees and independent contractors free and harmless from any liability whatsoever, based or asserted upon any act or omission of OWNER, its officers, agents, employees, subcontractors and independent contractors, for property damage, bodily



injury, or death (OWNER's employees included) or any other element of damage of any kind or nature, relating to or in any way connected with or arising from the activities contemplated hereunder, including, but not limited to, the study, design, engineering, construction, completion, failure and conveyance of the public improvements, save and except claims for damages arising through the sole active negligence or sole willful misconduct of COUNTY. OWNER shall defend, at its expense, including attorneys' fees, COUNTY, its officers, agents, employees and independent contractors in any legal action based upon such alleged acts or omissions. COUNTY may in its discretion participate in the defense of any such legal action.

9.4 Environment Assurances. OWNER shall indemnify and hold COUNTY, its officers, agents, employees and independent contractors free and harmless from any liability, based or asserted, upon any act or omission of OWNER, its officers, agents, employees, subcontractors, predecessors in interest, successors, assigns and independent contractors for any violation of any federal, state or local law, ordinance or regulation relating to industrial hygiene or to environmental conditions on, under or about the Property, including, but not limited to, soil and groundwater conditions, and OWNER shall defend, at its expense, including attorneys' fees, COUNTY, its officers, agents, employees and independent contractors in any action based or asserted upon any such alleged act or omission. COUNTY may in its discretion participate in the defense of any such action.

9.5 Reservation of Rights. With respect to Sections 9.2, 9.3 and 9.4 herein, COUNTY reserves the right to either (1) approve the attorney(s) which OWNER selects, hires or otherwise engages to defend COUNTY hereunder, which approval shall not be unreasonably withheld, or (2) conduct its own defense, provided, however, that OWNER shall reimburse COUNTY forthwith for any and all reasonable expenses incurred for such defense, including attorneys' fees, upon billing and accounting therefor.

9.6 Survival. The provisions of Sections 8.1 through 8.3, inclusive, Section 8.6 and Sections 9.1 through 9.6, inclusive, shall survive the termination of this Agreement.

10. MORTGAGEE PROTECTION.

The parties hereto agree that this Agreement shall not prevent or limit OWNER, in any manner, at OWNER's sole discretion, from encumbering the Property or any portion thereof or any improvement thereon by any mortgage, deed of trust or other security device securing financing with respect to the Property. COUNTY acknowledges that the lenders providing such financing may require certain Agreement interpretations and modifications and agrees upon request, from time to time, to meet with OWNER and representatives of such lenders to negotiate in good faith any such request for interpretation or modification. COUNTY will not unreasonably withhold its consent to any such requested interpretation or modification provided such interpretation or modification is consistent with the intent and purposes of this Agreement. Any Mortgagee of the Property shall be entitled to the following rights and privileges:

(a) Neither entering into this Agreement nor a breach of this Agreement shall defeat, render invalid, diminish or impair the lien of any mortgage on the Property made in good faith and for value, unless otherwise required by law.

(b) The Mortgagee of any mortgage or deed of trust encumbering the Property, or any part thereof, which Mortgagee, has submitted a request in writing to the COUNTY in the manner specified herein for giving notices, shall be entitled to receive written notification from COUNTY of any default by OWNER in the performance of OWNER's obligations under this Agreement.

(c) If COUNTY timely receives a request from a Mortgagee requesting a copy of any notice of default given to OWNER under the terms of this Agreement, COUNTY shall provide a copy of that notice to the Mortgagee within ten (10) days of sending the notice of default to OWNER. The Mortgagee shall have the right, but not the obligation, to cure the default during the

remaining cure period allowed such party under this Agreement.

(d) Any Mortgagee who comes into possession of the Property, or any part thereof, pursuant to foreclosure of the mortgage or deed of trust, or deed in lieu of such foreclosure, shall take the Property, or part thereof, subject to the terms of this Agreement. No Mortgagee (including one who acquires title or possession to the Property, or any portion thereof, by foreclosure, trustee's sale, deed in lieu of foreclosure, lease termination, eviction or otherwise) shall have any obligation to construct or complete construction of improvements, or to guarantee such construction or completion; provided, however, that a Mortgagee shall not be entitled to devote the Property to solar power plant use except in full compliance with this Agreement. A Mortgagee in possession shall not have an obligation or duty under this Agreement to perform any of OWNER's obligations or other affirmative covenants of OWNER hereunder, or to guarantee such performance; provided, however, that to the extent that any covenant to be performed by OWNER is a condition precedent to the performance of a covenant by COUNTY, the performance thereof shall continue to be a condition precedent to COUNTY's performance hereunder. All payments called for under Section 4 of this Agreement shall be a condition precedent to COUNTY's performance under this Agreement. Any transfer by any Mortgagee in possession shall be subject to the provisions of Section 2.4 of this Agreement.

## 11. MISCELLANEOUS PROVISIONS.

11.1 Recordation of Agreement. This Agreement and any amendment, modification, termination or cancellation thereof shall be recorded with the County Recorder by the Clerk of the Board of Supervisors within the period required by Section 65868.5 of the Government Code.

11.2 Entire Agreement. This Agreement sets forth and contains the entire understanding and agreement of the parties, and there are no oral or written representations, understandings or ancillary covenants, undertakings or agreements which are not contained or expressly referred to

herein. No testimony or evidence of any such representations, understandings or covenants shall be admissible in any proceeding of any kind or nature to interpret or determine the terms or conditions of this Agreement.

11.3 Severability. If any term, provision, covenant or condition of this Agreement shall be determined invalid, void or unenforceable, the remainder of this Agreement shall not be affected thereby to the extent such remaining provisions are not rendered impractical to perform taking into consideration the purposes of this Agreement. Notwithstanding the foregoing, the provision of the Public Benefits set forth in Sections 4.2 and 4.3 of this Agreement, including the payments set forth therein, are essential elements of this Agreement and COUNTY would not have entered into this Agreement but for such provisions, and therefore in the event such provisions are determined to be invalid, void or unenforceable, this entire Agreement shall be null and void and of no force and effect whatsoever.

11.4 Interpretation and Governing Law. This Agreement and any dispute arising hereunder shall be governed and interpreted in accordance with the laws of the State of California. This Agreement shall be construed as a whole according to its fair language and common meaning to achieve the objectives and purposes of the parties hereto, and the rule of construction to the effect that ambiguities are to be resolved against the drafting party shall not be employed in interpreting this Agreement, all parties having been represented by counsel in the negotiation and preparation hereof.

11.5 Section Headings. All section headings and subheadings are inserted for convenience only and shall not affect any construction or interpretation of this Agreement.

11.6 Gender and Number. As used herein, the neuter gender includes the masculine and feminine, the feminine gender includes the masculine, and the masculine gender includes the feminine. As used herein, the singular of any word includes the plural.

11.7 Joint and Several Obligations. If this Agreement is signed by more than one OWNER, all obligations of such OWNERS under this Agreement shall be joint and several, and the default of any such OWNER shall be the default of all such OWNERS.

11.8 Time of Essence. Time is of the essence in the performance of the provisions of this Agreement as to which time is an element.

11.9 Waiver. Failure by a party to insist upon the strict performance of any of the provisions of this Agreement by the other party, or the failure by a party to exercise its rights upon the default of the other party; shall not constitute a waiver of such party's right to insist and demand strict compliance by the other party with the terms of this Agreement thereafter.

11.10 No Third Party Beneficiaries. Unless expressly stated herein, this Agreement is made and entered into for the sole protection and benefit of the parties and their successors and assigns. No other person shall have any right of action based upon any provision of this Agreement.

11.11 Force Majeure. Neither party shall be deemed to be in default where failure or delay in performance of any of its obligations under this Agreement is caused by floods, earthquakes, other Acts of God, fires, wars, riots or similar hostilities, strikes and other labor difficulties beyond the party's control, (including the party's employment force). If any such events shall occur, the term of this Agreement and the time for performance by either party of any of its obligations hereunder may be extended by the written agreement of the parties for the period of time that such events prevented such performance, provided that the term of this Agreement shall not be extended under any circumstances for more than five (5) years.

11.12 Mutual Covenants. The covenants contained herein are mutual covenants and also constitute conditions to the concurrent or subsequent performance by the party benefited thereby of the covenants to be performed hereunder by such benefited party.

11.13 Successors in Interest. The burdens of this Agreement shall be binding upon, and

the benefits of this Agreement shall inure to, all successors in interest to the parties to this Agreement. All provisions of this Agreement shall be enforceable as equitable servitudes and constitute covenants running with the land. Each covenant to do or refrain from doing some act hereunder with regard to development of the Property: (a) is for the benefit of and is a burden upon every portion of the Property; (b) runs with the Property and each portion thereof; and, (c) is binding upon each party and each successor in interest during ownership of the Property or any portion thereof.

11.14 Counterparts. This Agreement may be executed by the parties in counterparts, which counterparts shall be construed together and have the same effect as if all of the parties had executed the same instrument.

11.15 Jurisdiction and Venue. Any action at law or in equity arising under this Agreement or brought by a party hereto for the purpose of enforcing, construing or determining the validity of any provision of this Agreement shall be filed and tried in the Riverside Historic Courthouse of the Superior Court of the County of Riverside, State of California, and the parties hereto waive all provisions of law providing for the filing, removal or change of venue to any other court.

11.16 Project as a Private Undertaking. It is specifically understood and agreed by and between the parties hereto that the development of the Project is a private development, that neither party is acting as the agent of the other in any respect hereunder, and that each party is an independent contracting entity with respect to the terms, covenants and conditions contained in this Agreement. No partnership, joint venture or other association of any kind is formed by this Agreement. The only relationship between COUNTY and OWNER is that of a government entity regulating the development of private property and the owner of such property.

11.17 Further Actions and Instruments. Each of the parties shall cooperate with and provide reasonable assistance to the other to the extent contemplated hereunder in the performance

of all obligations under this Agreement and the satisfaction of the conditions of this Agreement. Upon the request of either party at any time, the other party shall promptly execute, with acknowledgement or affidavit if reasonably required, and file or record such required instruments and writings and take any actions as may be reasonably necessary under the terms of this Agreement to carry out the intent and to fulfill the provisions of this Agreement or to evidence or consummate the transactions contemplated by this Agreement.

11.18 Eminent Domain. No provision of this Agreement shall be construed to limit or restrict the exercise by COUNTY of its power of eminent domain. As used herein, "Material Condemnation" means a condemnation of all or a portion of the Property that will have the effect of preventing development of the Project in accordance with this Agreement. In the event of a Material Condemnation, OWNER may (i) request the COUNTY to amend this Agreement and/or to amend the Development Plan, which amendment shall not be unreasonably withheld, (ii) decide, in its sole discretion, to challenge the condemnation, or (iii) request that COUNTY agree to terminate this Agreement by mutual agreement, which agreement shall not be unreasonably withheld, by giving a written request for termination to the COUNTY.

11.19 Agent for Service of Process. In the event OWNER is not a resident of the State of California or it is an association, partnership or joint venture without a member, partner or joint venturer resident of the State of California, or it is a foreign corporation, then in any such event, OWNER shall file with the TLMA Director, upon its execution of this Agreement, a designation of a natural person residing in the State of California, giving his or her name, residence and business addresses, as its agent for the purpose of service of process in any court action arising out of or based upon this Agreement, and the delivery to such agent of a copy of any process in any such action shall constitute valid service upon OWNER. If for any reason service of such process upon such agent is not feasible, then in such event OWNER may be personally served with such

process out of this County and such service shall constitute valid service upon OWNER. OWNER is amenable to the process so served, submits to the jurisdiction of the Court so obtained and waives any and all objections and protests thereto. OWNER for itself, assigns and successors hereby waives the provisions of the Hague Convention (Convention on the Service Abroad of Judicial and Extra Judicial Documents in Civil or Commercial Matters, 20 U .S.T. 361, T.I.A.S. No. 6638).

11.20 Designation of COUNTY Officials. Except for functions to be performed by the Board of Supervisors, COUNTY may, at any time and in its sole discretion, substitute any COUNTY official to perform any function identified in this Agreement as the designated responsibility of any other official. COUNTY shall provide notice of such substitution pursuant to Section 2.7; provided, however, the failure to give such notice shall not affect the authority of the substitute official in any way.

11.21 Authority to Execute. The person executing this Agreement on behalf of OWNER warrants and represents that he has the authority to execute this Agreement on behalf of his corporation, partnership or business entity and warrants and represents that he has the authority to bind OWNER to the performance of its obligations hereunder.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]



IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the day and year set forth below.

COUNTY OF RIVERSIDE, a political subdivision of the State of California

Dated: \_\_\_\_\_

By: \_\_\_\_\_  
Karen Spiegel  
Chair, Board of Supervisors

ATTEST:

KECIA HARPER  
Clerk of the Board

By: \_\_\_\_\_  
Deputy  
(SEAL)

OWNER:

Dated: \_\_\_\_\_

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

Dated: \_\_\_\_\_

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

(ALL SIGNATURES SHALL BE ACKNOWLEDGED BEFORE A NOTARY PUBLIC.  
EXECUTION ON BEHALF OF ANY CORPORATION SHALL BE BY TWO  
CORPORATE OFFICERS.)

**EXHIBIT "A"**

**Development Agreement No. 1900049**

**LEGAL DESCRIPTION OF PROPERTY**

*(This exhibit will consist of the legal description of the subject property, as described on a provided current (no more than 30 days old) Title Report)*

**EXHIBIT "B"**

**Development Agreement No. 1900049**

**MAP OF PROPERTY AND ITS LOCATION**

*(This Exhibit will indicate the property's legal (metes and bounds, if required) boundary  
and its location)*

**EXHIBIT "C"**

**Development Agreement No. 1900049**

**EXISTING DEVELOPMENT APPROVALS**

*(This exhibit will list all existing Development Approvals of the subject property)*

**SPECIFIC PLAN**

**ZONING**

**LAND DIVISIONS**

**OTHER DEVELOPMENT APPROVALS**

The development approvals listed above include the approved maps and all conditions of approval.

**COPIES OF THE EXISTING DEVELOPMENT APPROVALS LISTED ABOVE ARE ON FILE IN THE RIVERSIDE COUNTY PLANNING DEPARTMENT AND ARE INCORPORATED HEREIN BY REFERENCE.**

EXHIBIT "D"

Development Agreement No. 1900049

EXISTING LAND USE REGULATIONS

1. Riverside County Comprehensive General Plan as amended through Resolution No. 2019-050
2. Ordinance No. 348 as amended through Ordinance No. 348.4933
3. Ordinance No. 448 as amended through Ordinance No. 448.A
4. Ordinance No. 457 as amended through Ordinance No. 457.105
5. Ordinance No. 458 as amended through Ordinance No. 458.16
6. Ordinance No. 460 as amended through Ordinance No. 460.154
7. Ordinance No. 461 as amended through Ordinance No. 461.10
8. Ordinance No. 509 as amended through Ordinance No. 509.2
9. Ordinance No. 547 as amended through Ordinance No. 547.7
10. Ordinance No. 555 as amended through Ordinance No. 555.20
11. Ordinance No. 617 as amended through Ordinance No. 617.4
12. Ordinance No. 650 as amended through Ordinance No. 650.6
13. Ordinance No. 659 as amended through Ordinance No. 659.13
14. Ordinance No. 663 as amended through Ordinance No. 663.10
15. Ordinance No. 671 as amended through Ordinance No. 671.21
16. Ordinance No. 673 as amended through Ordinance No. 673.4
17. Ordinance No. 679 as amended through Ordinance No. 679.4
18. Ordinance No. 682 as amended through Ordinance No. 682.4
19. Ordinance No. 726 as amended through Ordinance No. 726
20. Ordinance No. 743 as amended through Ordinance No. 743.3

21. Ordinance No. 748 as amended through Ordinance No. 748.1
22. Ordinance No. 749 as amended through Ordinance No. 749.1
23. Ordinance No. 752 as amended through Ordinance No. 752.2
24. Ordinance No. 754 as amended through Ordinance No. 754.3
25. Ordinance No. 787 as amended through Ordinance No. 787.9
26. Ordinance No. 806 as amended through Ordinance No. 806
27. Ordinance No. 810 as amended through Ordinance No. 810.2
28. Ordinance No. 817 as amended through Ordinance No. 817.1
29. Ordinance No. 824 as amended through Ordinance No. 824.15
30. Ordinance No. 847 as amended through Ordinance No. 847.1
31. Ordinance No. 859 as amended through Ordinance No. 859.3
32. Ordinance No. 875 as amended through Ordinance No. 875.1
33. Ordinance No. 915 as amended through Ordinance No. 915
34. Ordinance No. 925 as amended through Ordinance No. 925.1
35. Ordinance No. 926 as amended through Ordinance No. 926
36. Ordinance No. 927 as amended through Ordinance No. 927
37. Ordinance No. 931 as amended through Ordinance No. 931
38. Resolution No. 2020-124 Amending Procedures and Requirements for the  
Consideration of Development Agreements (Surface Mining)
39. Board of Supervisors Policy No. B-9 Commercial Cannabis Activities

COPIES OF THE EXISTING LAND USE REGULATIONS LISTED ABOVE ARE ON FILE IN THE RIVERSIDE COUNTY PLANNING DEPARTMENT AND ARE INCORPORATED HEREIN BY REFERENCE.

## EXHIBIT "E"

Development Agreement No. 1900049

### COMMERCIAL CANNABIS ACTIVITY SITE PLAN & DESCRIPTION

As shown on the attached site plan, CUP No. 190058 permits a Cannabis Micro Business within an existing 13,060 square foot building on an approximately 33,000 square foot lot. The Cannabis Micro Business will include 4,391 square feet of indoor cultivation, 1,559 square feet of manufacturing, 1,094 square feet of retail, 1,721 square feet of nursery, and 4,295 square feet of distribution along with supporting storage, office, employee break area, and reception areas.



## EXHIBIT "F"

Development Agreement No. 1900049

### APPLICABLE PUBLIC BASE BENEFITS PAYMENTS

The Cannabis Micro Business operating at the Property pursuant to CUP No. 190058 includes an existing 13,060 square foot building on an approximately 33,000 square foot lot, which will include indoor cultivation, nursery, retail, manufacturing, distribution and supporting storage, office, employee break area, and reception areas as more specifically shown on Exhibit "G". In accordance with Board Policy B-9, the base public benefit is the following: \$4.50 per square foot for the indoor cultivation, \$4.00 per square foot for the manufacturing, \$16.00 per square foot for the retail, \$3.00 per square foot for the distribution and \$0.50 per square foot for the nursery. Therefore, the public base benefit payment will be \$57,245.00 and will increase annually at a rate of 2%.

## EXHIBIT "G"

Development Agreement No. 1900049

### CANNABIS AREA CALCULATION EXHIBIT

The Cannabis Area calculation includes the following: 4,391 square feet for the indoor cultivation, 1,559 square feet for the manufacturing, 1,094 square feet for the retail, 1,721 square feet for the nursery and 4,295 square feet for the distribution totaling a 13,060 square foot building. The 13,060 building will be used for the Cannabis Micro Business as shown in this Exhibit "G".

EXHIBIT "H"

Development Agreement No. 1900049

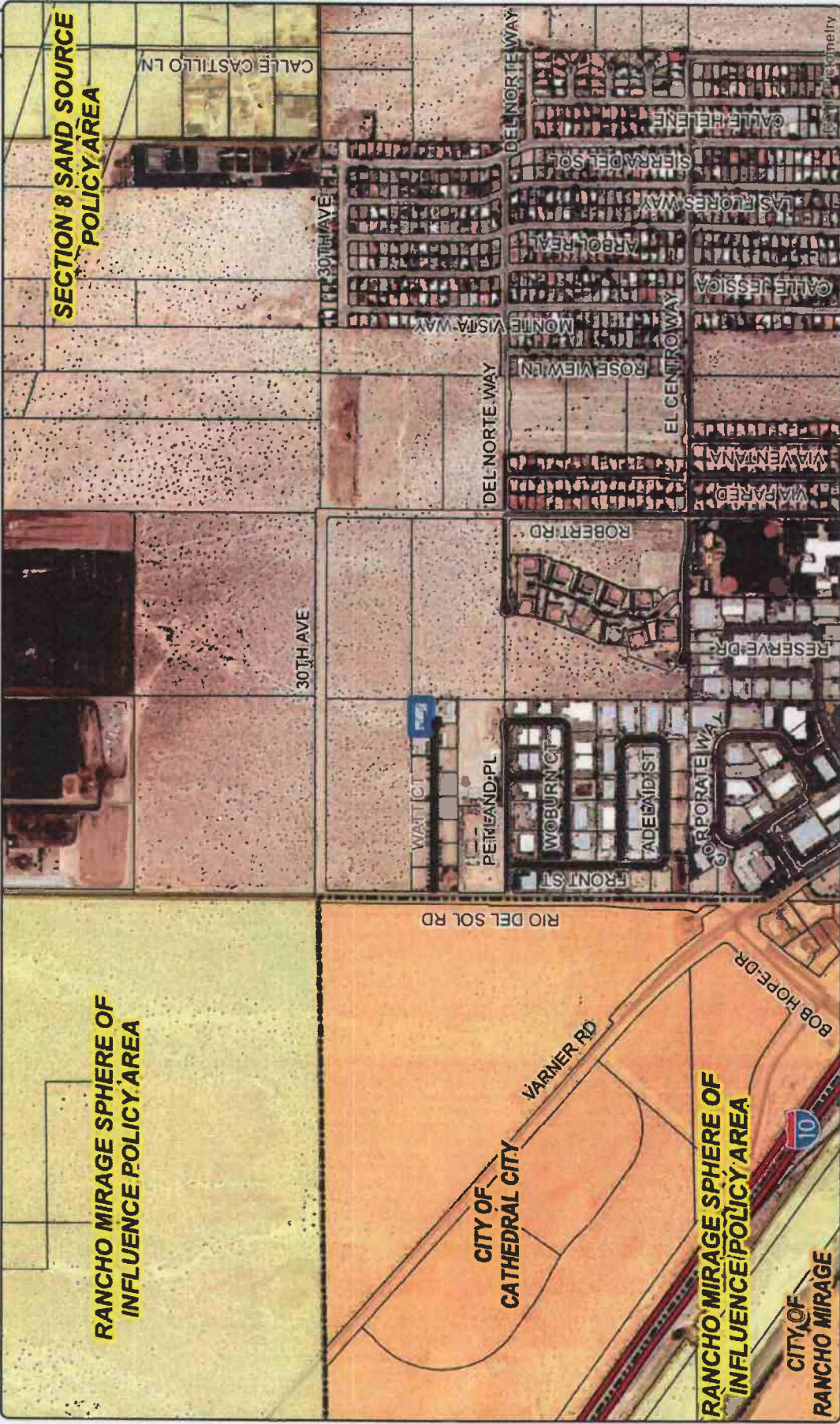
COMMERCIAL CANNABIS ACTIVITY PUBLIC BENEFIT

The additional annual public benefit provided by the OWNER shall be \$80,000.00 with an annual increase of 7%. The COUNTY will utilize this additional annual public benefit within the surrounding community for additional public benefits including, but not limited to, code enforcement, public safety services, infrastructure improvements, community enhancement programs and other similar public benefits as solely determined by the COUNTY's Board of Supervisors. Additionally, consistent with CAN XXX, OWNER will participate in community events, career opportunity events, as well as educational and wellness seminars within the surrounding community.

**RIVERSIDE COUNTY PLANNING DEPARTMENT**  
**CUP190058 DA1900049**  
**VICINITY/POLICY AREAS**

Supervisor: Perez  
 District 4

Date Drawn: 01/13/2021  
 Vicinity Map



Author: Vinnie Nguyen



Zoning Dist: Thousand Palms

8800040000: On October 7, 2003, the County of Riverside adopted a joint General Plan, including a joint land use designations for unincorporated Riverside County. This map is a vicinity map for the proposed project and is not intended to be used for other planning purposes. The project information, address and City of Riverside Planning Department office in Riverside is (951)940-3333 (Business Office) or in Palm Desert is (760)328-2277 (Business Office) or Website: [www.riversidecounty.net](http://www.riversidecounty.net)

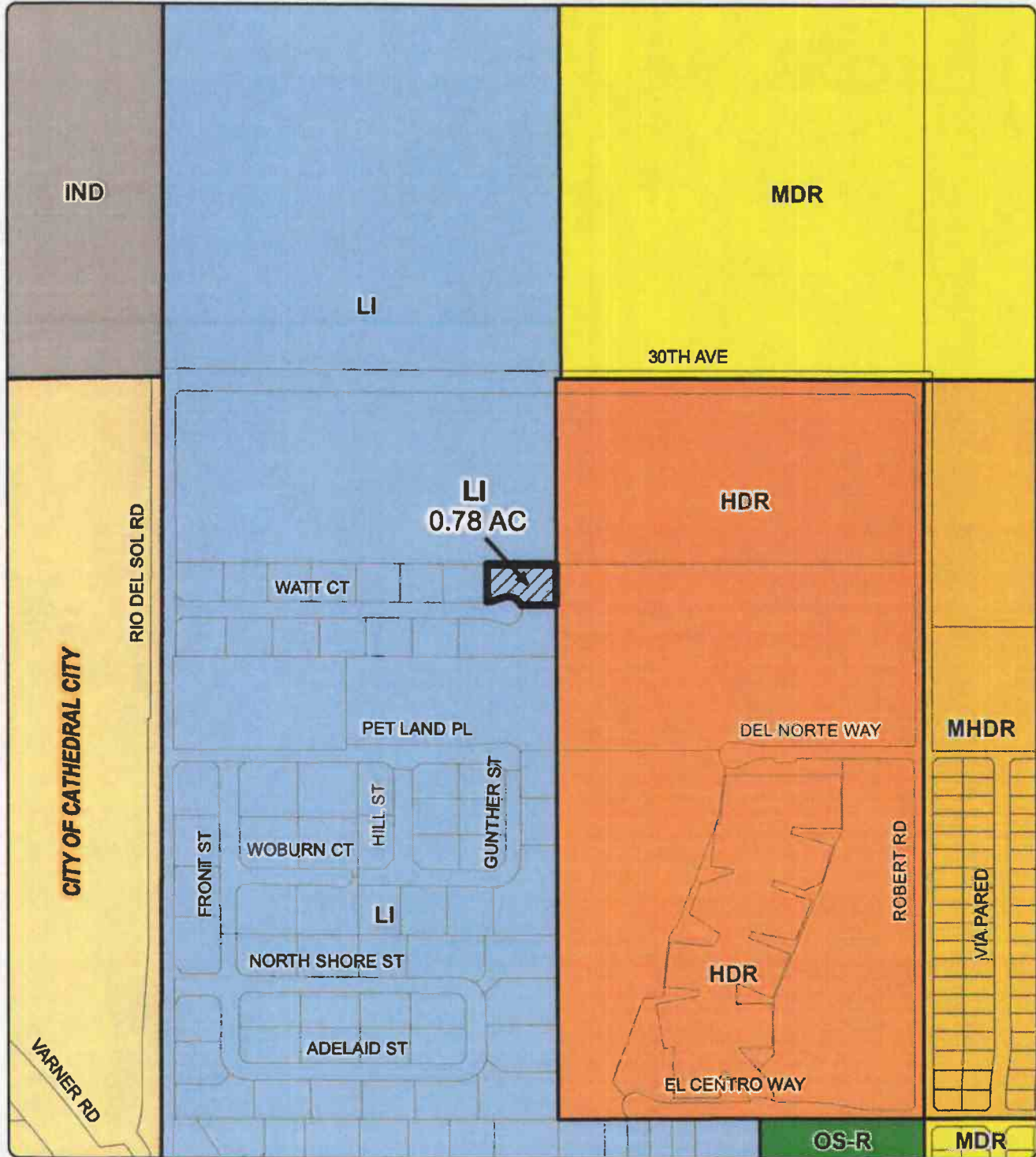
RIVERSIDE COUNTY PLANNING DEPARTMENT

CUP190058 DA1900049

Supervisor: Perez  
District 4

Date Drawn: 01/13/2021  
Exhibit 5

EXISTING GENERAL PLAN



Zoning Dist: Thousand Palms

Author: Vinnie Nguyen



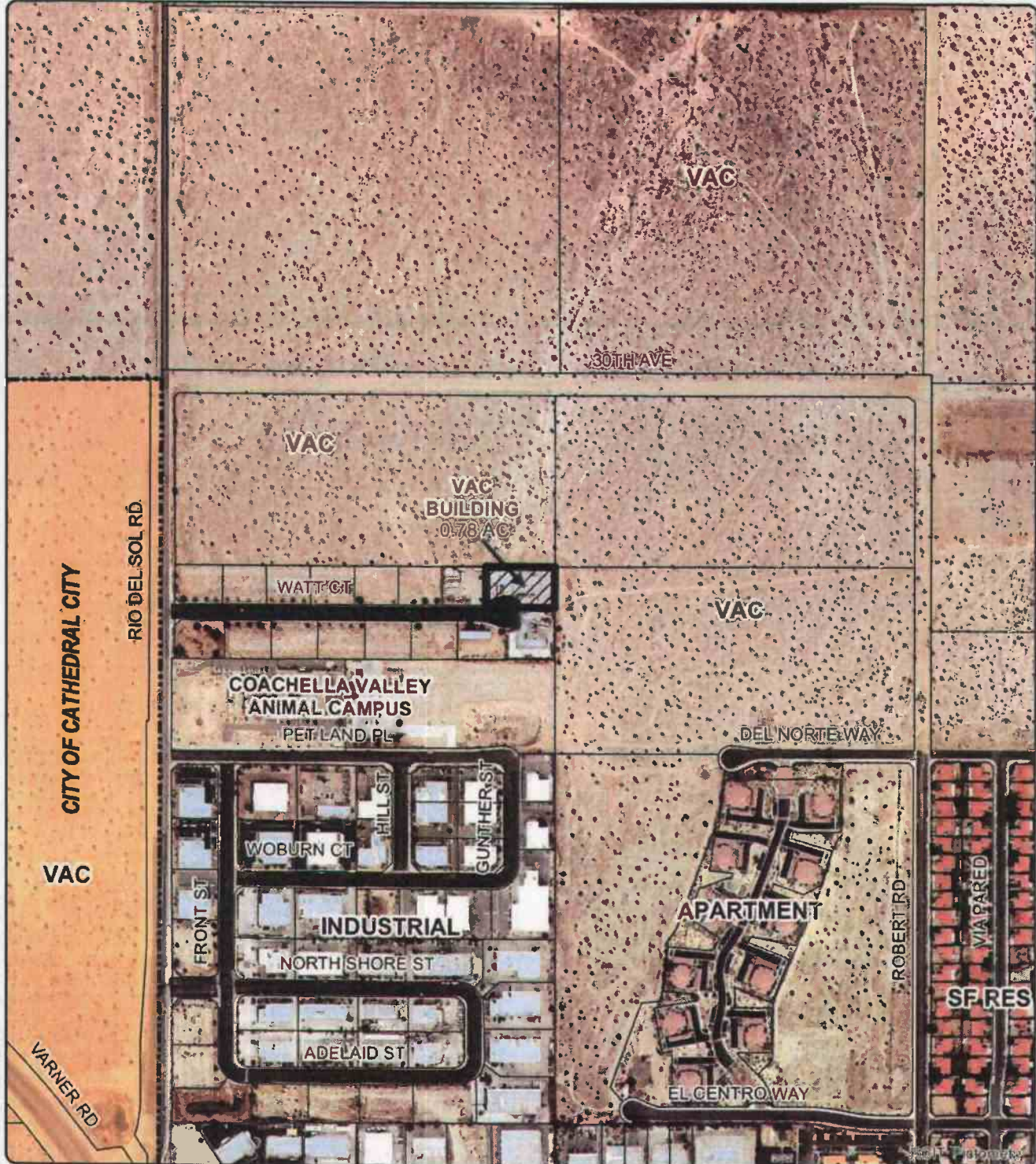
DISCLAIMER: On October 7, 2003, the County of Riverside adopted a new General Plan providing new land use designations for unincorporated Riverside County parcels. The new General Plan may contain different type of land use than is provided for under existing zoning. For further information, please contact the Riverside County Planning Department offices in Riverside at (951)955-3200 (Western County) or in Palms Desert at (760)863-8277 (Eastern County) or Website <http://www.riversidecounty.gov>

RIVERSIDE COUNTY PLANNING DEPARTMENT  
**CUP190058 DA1900049**

Supervisor: Perez  
 District 4

Date Drawn: 01/13/2021  
 Exhibit 1

**LAND USE**



Zoning Dist: Thousand Palms

Author: Vinnie Nguyen



DISCLAIMER: On October 7, 2008, the County of Riverside adopted a new General Plan providing new land use designations for unincorporated Riverside County parcels. The new General Plan may contain different types of land use than is provided for under existing zoning. For further information, please contact the Riverside County Planning Department offices in Riverside at (951)955-3200 (Western County) or in Palm Desert at (760)863-8277 (Eastern County) or Website <http://riverside.ca.gov>

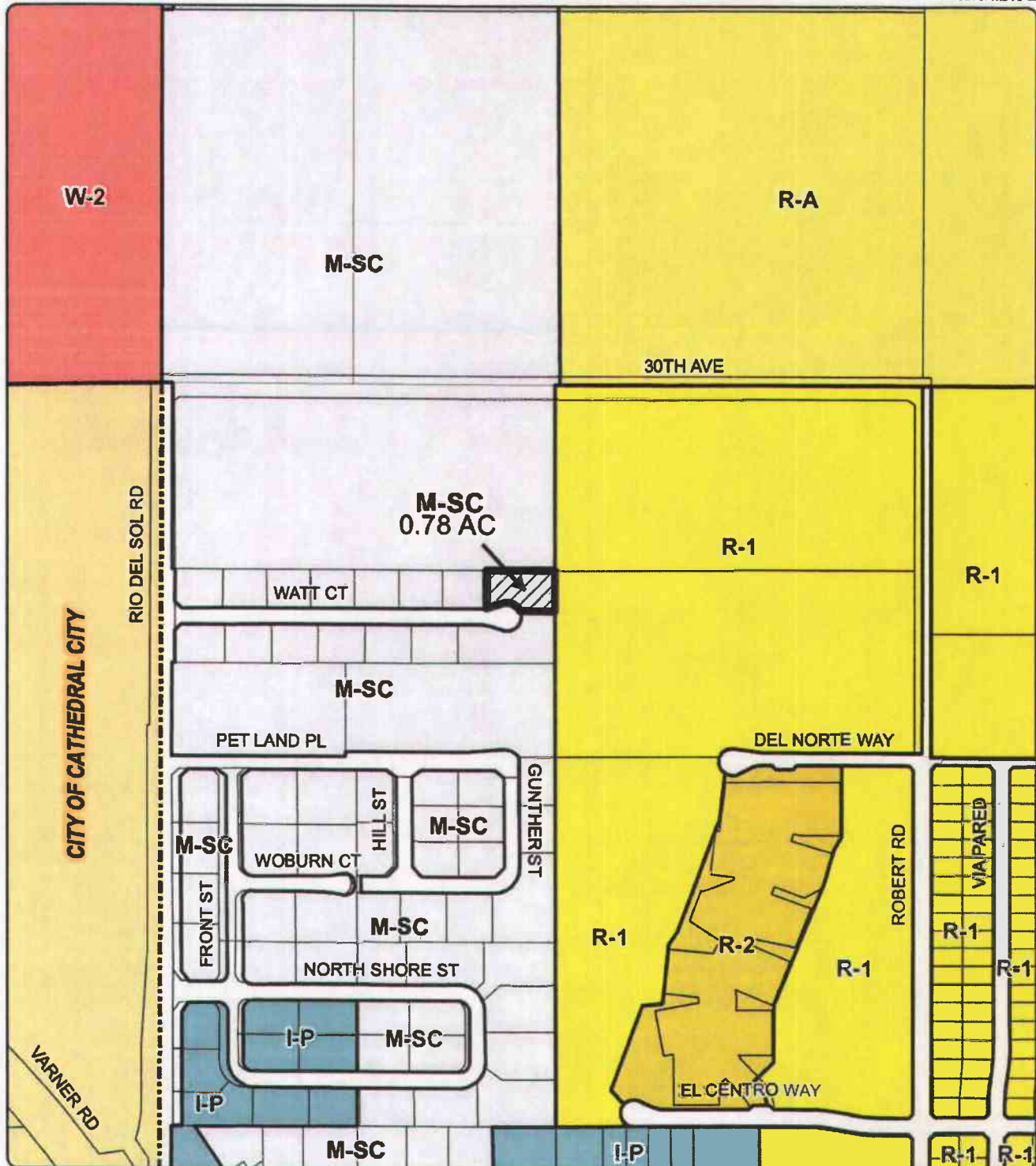
# RIVERSIDE COUNTY PLANNING DEPARTMENT

## CUP190058 DA1900049

Supervisor: Perez  
District 4

Date Drawn: 01/13/2021  
Exhibit 2

### EXISTING ZONING



Zoning Dist: Thousand Palms

Author: Vinnie Nguyen

DISCLAIMER: On October 7, 2003, the County of Riverside adopted a new General Plan providing new land use designations for unincorporated Riverside County parcels. The new General Plan may contain different types of land use than is provided for under existing zoning. For further information, please contact the Riverside County Planning Department offices in Riverside at (951)955-3200 (Western County) or in Palm Desert at (760)863-8277 (Eastern County) or Website <http://planning.rcidms.org>



# CONDITIONAL USE PERMIT PROPOSED SITE PLAN CUP NO. 190058

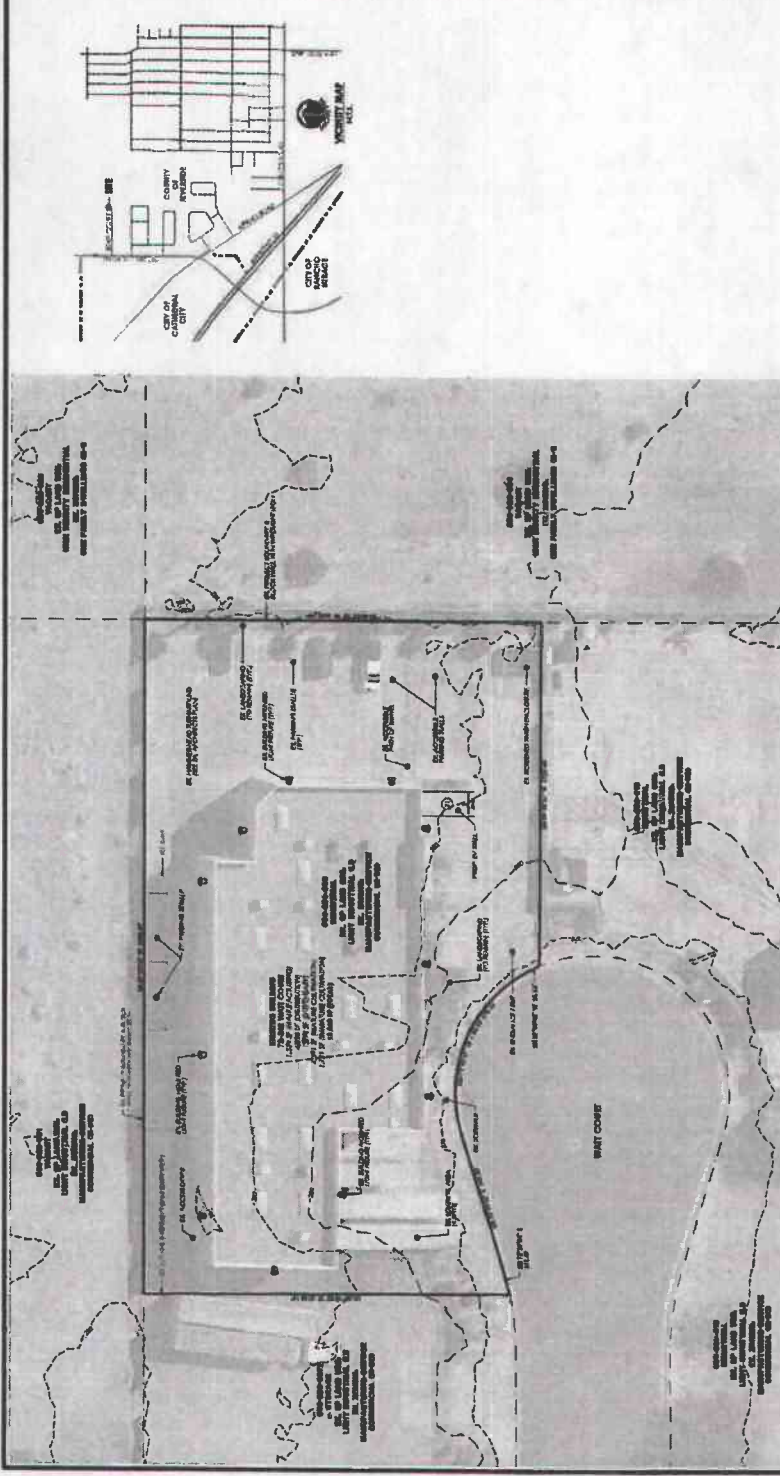
APPLICANT: LUPRITAL, INC.  
ADDRESS: 2540 WINDY LANE, IRVINE, CALIFORNIA 92618  
CONTACT: NURE DUKACIYAN, PH 949-475-0997  
LAND OWNER: E. HANSEN, L.L.C.  
ADDRESS: 21111 WINDY LANE, IRVINE, CALIFORNIA 92618  
TELEPHONE: 949-475-0997  
EXHIBIT PREPARED BY: MSA CONSULTING, INC.  
ADDRESS: 1300 S. MICHIGAN AVENUE, SUITE 200, ANAHEIM, CALIFORNIA 92805  
CONTRACT NO.: 1300S0013

### DATA TABLE

NO.	DESCRIPTION	REMARKS
1	APPLICANT	LUPRITAL, INC.
2	ADDRESS	2540 WINDY LANE, IRVINE, CALIFORNIA 92618
3	CONTACT	NURE DUKACIYAN, PH 949-475-0997
4	LAND OWNER	E. HANSEN, L.L.C.
5	ADDRESS	21111 WINDY LANE, IRVINE, CALIFORNIA 92618
6	TELEPHONE	949-475-0997
7	EXHIBIT PREPARED BY	MSA CONSULTING, INC.
8	ADDRESS	1300 S. MICHIGAN AVENUE, SUITE 200, ANAHEIM, CALIFORNIA 92805
9	CONTRACT NO.	1300S0013

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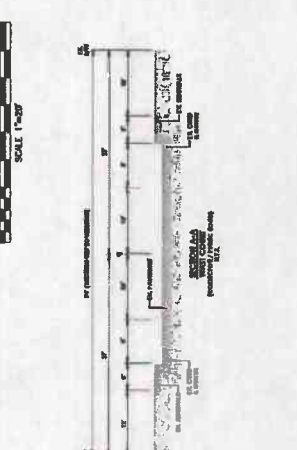
**MSA CONSULTING, INC.**  
A PROFESSIONAL CIVIL ENGINEERING AND SURVEYING FIRM  
1300 S. MICHIGAN AVENUE, SUITE 200, ANAHEIM, CALIFORNIA 92805  
PH 949-475-0997  
WWW.MSA-CONSULTING.COM



SCALE: 1"=50'

**ABBREVIATIONS**

AS	ASBESTOS
AV	AVIATION
CC	CONCRETE
CM	CONCRETE MASONRY
CS	CONCRETE SURFACE
CU	CONCRETE UNDERLAYMENT
DA	DRAINAGE
DB	DRAINAGE BASIN
DC	DRAINAGE CURB
DD	DRAINAGE DITCH
DE	DRAINAGE EASEMENT
DF	DRAINAGE FLOW
DG	DRAINAGE GULLY
DH	DRAINAGE HATCH
DI	DRAINAGE INLET
DJ	DRAINAGE JUNCTION
DK	DRAINAGE KICKOUT
DL	DRAINAGE LANE
DM	DRAINAGE MANHOLE
DN	DRAINAGE NETWORK
DO	DRAINAGE OPENING
DP	DRAINAGE PITCH
DQ	DRAINAGE PUMP
DR	DRAINAGE RAMP
DS	DRAINAGE SLOPE
DT	DRAINAGE TRENCH
DV	DRAINAGE VALVE
DW	DRAINAGE WALL
DX	DRAINAGE WINDOW
DY	DRAINAGE YIELD
DZ	DRAINAGE ZONE



**MSA CONSULTING, INC.**  
A PROFESSIONAL CIVIL ENGINEERING AND SURVEYING FIRM  
1300 S. MICHIGAN AVENUE, SUITE 200, ANAHEIM, CALIFORNIA 92805  
PH 949-475-0997  
WWW.MSA-CONSULTING.COM

**NOTES**

1. EXISTING SITE CONDITIONS AND UTILITIES SHALL BE MAINTAINED AND PROTECTED THROUGHOUT THE PROJECT.
2. CONSTRUCTION SHALL BE IN ACCORDANCE WITH THE SPECIFICATIONS AND REQUIREMENTS OF THE PROJECT CONTRACT AND ANY APPLICABLE REGULATIONS.
3. THE CONTRACTOR SHALL BE RESPONSIBLE FOR OBTAINING ALL NECESSARY PERMITS AND APPROVALS FROM THE APPLICABLE AGENCIES.
4. THE CONTRACTOR SHALL BE RESPONSIBLE FOR OBTAINING ALL NECESSARY PERMITS AND APPROVALS FROM THE APPLICABLE AGENCIES.
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10. THE CONTRACTOR SHALL BE RESPONSIBLE FOR OBTAINING ALL NECESSARY PERMITS AND APPROVALS FROM THE APPLICABLE AGENCIES.

**LEGEND**

---	PROPERTY LINE
---	EXISTING LOT LINE
---	EXISTING EASEMENT
---	EXISTING UTILITY
---	EXISTING CURB
---	EXISTING DRIVE
---	EXISTING SIDEWALK
---	EXISTING PAVEMENT
---	EXISTING GRAVEL
---	EXISTING ASPHALT
---	EXISTING CONCRETE
---	EXISTING BRICK
---	EXISTING STONE
---	EXISTING METAL
---	EXISTING WOOD
---	EXISTING GLASS
---	EXISTING PLASTER
---	EXISTING GYPSONUM
---	EXISTING CEILING
---	EXISTING FLOOR
---	EXISTING WALL
---	EXISTING ROOF
---	EXISTING FOUNDATION
---	EXISTING FOOTING
---	EXISTING PILING
---	EXISTING BULKHEAD
---	EXISTING CURB
---	EXISTING DRIVE
---	EXISTING SIDEWALK
---	EXISTING PAVEMENT
---	EXISTING GRAVEL
---	EXISTING ASPHALT
---	EXISTING CONCRETE
---	EXISTING BRICK
---	EXISTING STONE
---	EXISTING METAL
---	EXISTING WOOD
---	EXISTING GLASS
---	EXISTING PLASTER
---	EXISTING GYPSONUM
---	EXISTING CEILING
---	EXISTING FLOOR
---	EXISTING WALL
---	EXISTING ROOF
---	EXISTING FOUNDATION
---	EXISTING FOOTING
---	EXISTING PILING
---	EXISTING BULKHEAD

**REVISIONS**

NO.	DESCRIPTION	DATE
1	ISSUED FOR PERMIT	10/15/2024
2	REVISED PER SITE PLAN	10/15/2024
3	REVISED PER COMMENTS	10/15/2024
4	REVISED PER COMMENTS	10/15/2024
5	REVISED PER COMMENTS	10/15/2024
6	REVISED PER COMMENTS	10/15/2024
7	REVISED PER COMMENTS	10/15/2024
8	REVISED PER COMMENTS	10/15/2024
9	REVISED PER COMMENTS	10/15/2024
10	REVISED PER COMMENTS	10/15/2024



CONSTRUCTION  
 4270 CINDOLA AVE  
 WOODLAND HILLS, CA  
 WWW.CALPLANTSDIUM.COM  
 APPLICANT:  
 RAJON BODINO

7242 WATT COURT,  
 THOUSAND PALMS, CA 92276  
 CANNABIS CULTIVATION, DISPENSARY, NONVOLATILE  
 MANUFACTURING & DISTRIBUTION FACILITY

(N)  
 FLOOR PLAN  
 102830 SL

A2

**WALL LEGEND**  
 (H) WALLS TO REMAIN  
 (R) 4" EPS PANEL, 2" SPACER ON TOP, 2" BRICK  
 ON UNOCCUPIED PORTION WALL, SEE  
 WOOD STUD CONSTRUCTION & 2" OC TYPE  
 PARTITION TO BE CONSTRUCTION

**DOOR SCHEDULE & NOTES**

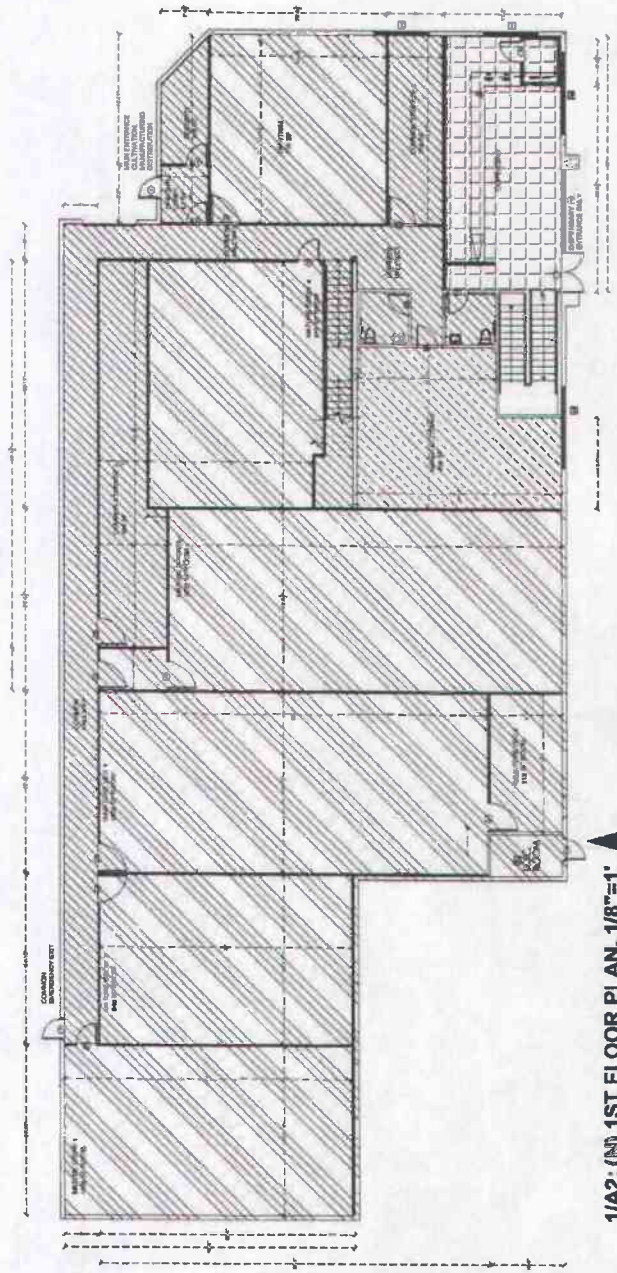
SYMBOL	DESCRIPTION
(Symbol)	DOOR TO REMAIN
(Symbol)	NEW DOOR
(Symbol)	GLASS DOOR
(Symbol)	GLASS PARTITION
(Symbol)	GLASS PARTITION WITH DOOR
(Symbol)	GLASS PARTITION WITH WINDOW
(Symbol)	GLASS PARTITION WITH DOOR AND WINDOW

**WINDOW SCHEDULE**  
 (Symbol) WINDOW TO REMAIN  
 (Symbol) NEW WINDOW  
 (Symbol) NEW WINDOW WITH SILL  
 (Symbol) NEW WINDOW WITH SILL AND CASE  
 (Symbol) NEW WINDOW WITH SILL AND CASE AND LINEN  
 (Symbol) NEW WINDOW WITH SILL AND CASE AND LINEN AND SILL  
 (Symbol) NEW WINDOW WITH SILL AND CASE AND LINEN AND SILL AND CASE

**WINDOW SCHEDULE**

SYMBOL	DESCRIPTION
(Symbol)	WINDOW TO REMAIN
(Symbol)	NEW WINDOW
(Symbol)	NEW WINDOW WITH SILL
(Symbol)	NEW WINDOW WITH SILL AND CASE
(Symbol)	NEW WINDOW WITH SILL AND CASE AND LINEN
(Symbol)	NEW WINDOW WITH SILL AND CASE AND LINEN AND SILL
(Symbol)	NEW WINDOW WITH SILL AND CASE AND LINEN AND SILL AND CASE

**MANU.**  
**DISP.**  
**DIST.**  
**CULT.**

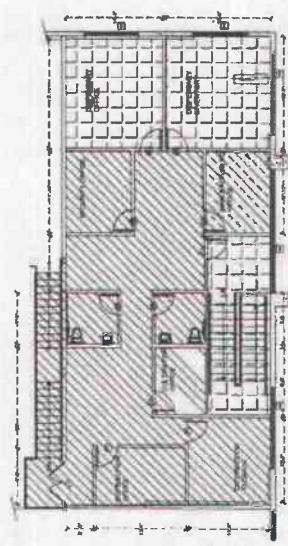


**1/A2: (N) 1ST FLOOR PLAN, 1/8"=1'**  
 NORTH


Microbusiness Cultivation  
 NOT TO EXCEED 10,000SF  
 Cannabis Use: Total Square Footage

Retail	1,094
Manufacturing	1,559
Distribution	4,285
Mature Cultivation	4,391
Immature cultivation	1,721
	= 13,060

IMMATURE CANOPY 1781 SF  
 -ROOM 1 - 1608  
 -ROOM 2 - 153  
 DRY/TRIM RM: 705 SF  
**TOTAL: 9798.52**  
**MATURE GROW LIGHTS: 400 LED**



**2/A2: (N) 2ND FLOOR PLAN, 1/8"=1'**  
 NORTH


**ROBERT H. RICCIARDI**  
 ARCHITECT  
 A PROFESSIONAL CORPORATION  
 77-89 GEMAL POB BLDG. SUITE 101  
 PALM BEACH, CALIFORNIA 92061  
 TELEPHONE (714) 835-0200  
 FAX (714) 835-0200

DATE: \_\_\_\_\_

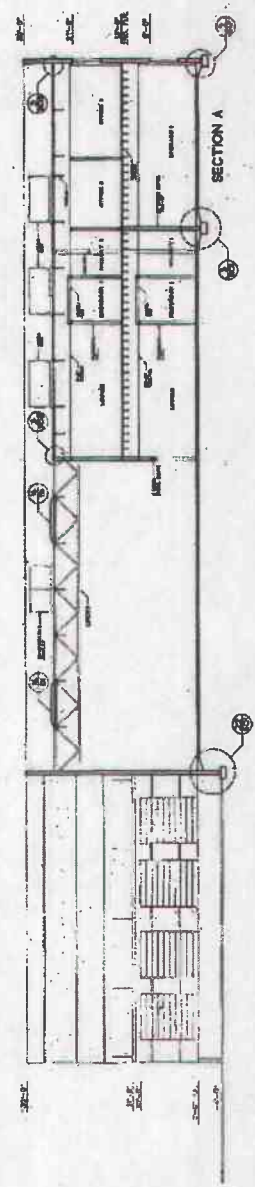
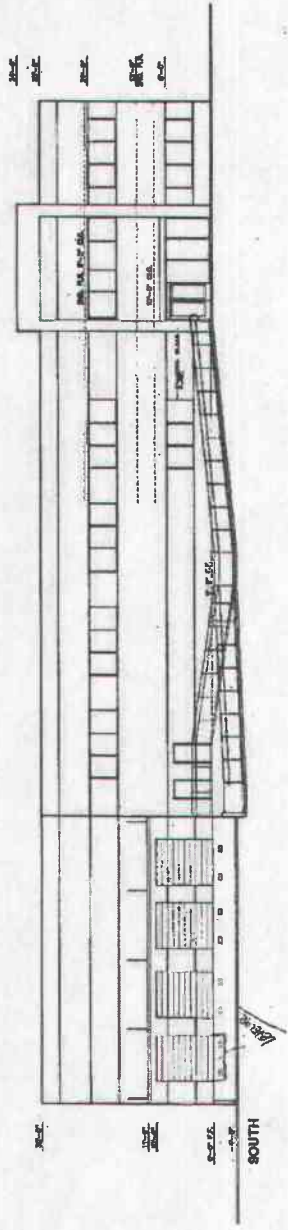
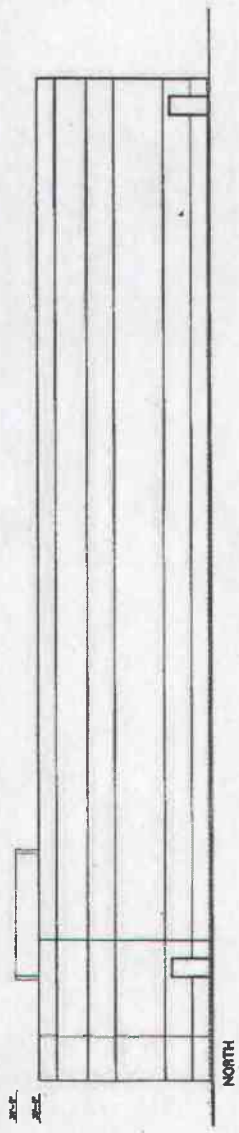
PROJECT: \_\_\_\_\_

NO. \_\_\_\_\_ DATE: \_\_\_\_\_

NAME: **AT INDUSTRIAL BUILDING FOR**  
**BRUCE MEYER**  
 75-02 WATT COURT  
 TORRANCE PALMS, CA 90501

**EXTERIOR ELEVATIONS & SECTION**

SCALE: \_\_\_\_\_  
 SHEET NO. **A4**  

ALL DIMENSIONS IN FEET AND INCHES  
 UNLESS OTHERWISE SPECIFIED  
 SEE NOTES ON SHEET A1





IN THE UNINCORPORATED AREA OF THE COUNTY OF RIVERSIDE, STATE OF CALIFORNIA

### CONDITIONAL USE PERMIT EXISTING ELEVATION PHOTOGRAPHS

SUBMIT DATE: OCTOBER 28, 2017

DATA TABLE			
APPLICANT	CANNAPURA, LLC		
ADDRESS	4 WINDY CIRCLE LAJOLLA VILLAGE, CALIFORNIA 92034		
COUNCIL	C188 RANCHO	TELEPHONE	(714) 442-8239
LAND OWNER	IF ENVIRONMENTAL, LLC		
ADDRESS	4700 HANCOCK DRIVE PALM SPRING, CALIFORNIA 92271		
TELEPHONE	951-260-1100	FAX	951-260-1102
ENGINE PREPARED BY	MSA CONSULTING, INC.		
ADDRESS	SUITE 202 MOORE DRIVE RANCHO RIVIERA, CALIFORNIA 92503		
TELEPHONE	951-737-4100	FAX	951-737-4111
ADDRESS/Parcel NUMBER	499-360-027 & 499-360-028		



WEST FACING ELEVATION



WEST FACING ELEVATION



NORTH & WEST FACING ELEVATION



EAST FACING ELEVATION



EAST & SOUTH FACING ELEVATION



SOUTH FACING ELEVATION

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**MSA CONSULTING, INC.**

PLANNING • CIVIL ENGINEERING • LAND SURVEYING  
2400 2nd Street, Suite 200, San Diego, CA 92101  
951-737-4100 • [www.msaconsulting.com](http://www.msaconsulting.com)

SHEET  
1  
OF  
1

R:\2017\LAJOLLA\LAJOLLA\_CUP\_Mining\_Permit\_Photos.dwg, 10/28/2017 11:52:41 PM, operators with Corribus, Inc.



**COUNTY OF RIVERSIDE  
TRANSPORTATION AND LAND MANAGEMENT AGENCY**

Juan C. Perez  
Agency Director



02/23/21, 9:13 am

CUP190058

**ADVISORY NOTIFICATION DOCUMENT**

The following notifications are included as part of the recommendation of approval for CUP190058. They are intended to advise the applicant of various Federal, State and County regulations applicable to this entitlement and the subsequent development of the subject property.

**Advisory Notification**

**Advisory Notification. 1            AND - Preamble**

This Advisory Notification Document is included as part of the justification for the recommendation of approval of this Plan CUP190058 and is intended to advise the applicant of various Federal, State and County regulations applicable to this entitlement and the subsequent development of the subject property in accordance with approval of that entitlement and are in addition to the applied conditions of approval.

**Advisory Notification. 2            AND - Project Description & Operational Limits**

Conditional Use Permit No. 190058 is a proposal to utilize an existing 13,060 sf two-story building to be used as a cannabis microbusiness facility on a 0.76-acre lot with parking and landscaping. The cannabis microbusiness will include 4,391 square feet of indoor cultivation, 1,559 square feet of manufacturing, 1,094 square feet of retail, 1,721 square feet of nursery, and 4,295 square feet of distribution along with supporting storage, office, employee break area, and reception areas.

**Advisory Notification. 3            AND - Exhibits**

The development of the premises shall conform substantially with that as shown on the following APPROVED EXHIBIT(S)

- Exhibit A (Site Plan), dated 2/20/20
- Exhibit B (Elevations), dated 5/13/08
- Exhibit C (Floor Plans), dated 9/28/20

**Advisory Notification. 4            AND - Federal, State & Local Regulation Compliance**

1. Compliance with applicable Federal Regulations, including, but not limited to:
  - National Pollutant Discharge Elimination System (NPDES)
  - Clean Water Act
  - Migratory Bird Treaty Act (MBTA)
2. Compliance with applicable State Regulations, including, but not limited to:
  - The current Water Quality Management Plan (WQMP) Permit issued by the applicable Regional Water Quality Control Board (RWQCB.)

## ADVISORY NOTIFICATION DOCUMENT

### Advisory Notification

#### Advisory Notification. 4                    AND - Federal, State & Local Regulation Compliance (cont.)

- Government Code Section 66020 (90 Days to Protest)
  - Government Code Section 66499.37 (Hold Harmless)
  - State Subdivision Map Act
  - Native American Cultural Resources, and Human Remains (Inadvertent Find)
  - School District Impact Compliance
  - Public Resources Code Section 5097.94 & Sections 21073 et al - AB 52 (Native Americans: CEQA)
3. Compliance with applicable County Regulations, including, but not limited to:
- Ord. No. 348 (Land Use Planning and Zoning Regulations)
  - Ord. No. 413 (Regulating Vehicle Parking)
  - Ord. No. 457 (Building Requirements)
  - Ord. No. 458 (Regulating Flood Hazard Areas & Implementing National Flood Insurance Program)
  - Ord. No. 460 (Division of Land)
  - Ord. No. 461 (Road Improvement Standards)
  - Ord. No. 484 (Control of Blowing Sand)
  - Ord. No. 625 (Right to Farm)
  - Ord. No. 716 (Abandoned, Neglected or Cruelly Treated Animals)
  - Ord. No. 771 (Controlling Potentially Dangerous & Dangerous Animals)
  - Ord. No. 878 (Regarding Noisy Animals)
  - Ord. No. 671 (Consolidated Fees)
  - Ord. No. 679 (Directional Signs for Subdivisions)
  - Ord. No. 787 (Fire Code)
  - Ord. No. 847 (Regulating Noise)
  - Ord. No. 857 (Business Licensing)
  - Ord. No. 859 (Water Efficient Landscape Requirements)
  - Ord. No. 915 (Regulating Outdoor Lighting)
  - Ord. No. 916 (Cottage Food Operations)
  - Ord. No. 927 (Regulating Short Term Rentals)
4. Mitigation Fee Ordinances
- Ord. No. 659 Development Impact Fees (DIF)
  - Ord. No. 663 Stephens Kangaroo Rat Habitat Conservation Plan (SKR)
  - Ord. No. 810 Western Riverside County Multiple Species Habitat Conservation Plan (WRCMSHCP)
  - Ord. No. 824 Western Riverside County Transportation Uniform Mitigation Fee (WR TUMF)

### BS-Plan Check

#### BS-Plan Check. 1

#### Gen - Custom

#### NOTIFICATIONS:

#### CODE/ORDINANCE REQUIREMENTS:

The applicant shall obtain the required building permit(s) from the building department prior to any construction on the property. All building plans and supporting documentation shall comply with current adopted California Building Codes, Riverside County Ordinances regulations in effect at the time of building plan submittal and fee payment to the Building Department. All Building Department plan

## ADVISORY NOTIFICATION DOCUMENT

### BS-Plan Check

#### BS-Plan Check. 1

#### Gen - Custom (cont.)

submittal and fee requirements shall apply.

**NOTE:** The new updated 2019 California Building Codes will be in effect as of January 1st 2020, as mandated by the state of California. Any building plan and fee payment submitted to the building department on or after January 1st, 2020 will be subject to the new updated California Building Code(s).

#### PERMIT ISSUANCE:

Per section 105.1 (2016 California Building Code, CBC): Where any owner or authorized agent intends to construct, enlarge, alter, repair, move, demolish or change the occupancy of a building or structure, or to erect, install, enlarge, alter, repair, remove, convert, or replace any electrical, gas, mechanical, or plumbing system, the regulation of which is governed by this code, or to cause any such work to be done, shall first make application to the building official and obtain the required permit.

The applicant shall obtain the required building permit(s) from the building department prior to any construction or placement of any building, structure or equipment on the property.

The applicant shall obtain an approved final building inspection and certificate of occupancy from the building department prior to any use or occupancy of the building, or structure.

At no time shall the approval of the planning case exhibit allow for the construction or use of any building, structure, or equipment. In residential applications, each separate structure will require a separate building permit.

#### PERMITTED BUILDINGS:

#### CWP:

Where any building, structure, equipment, alteration, use, change of use, or utility has been fully or partially constructed, placed or installed on a property without permit, the applicant shall comply with current Building Department policies and procedures with regards to construction without permit (CWP).

The applicant may obtain a demolition permit to remove the CWP Item from the property, or may begin the process to obtain the required building permit(s). Due to public safety concerns, time frames have been reduced to ensure that all minimum code and safety requirements per all applicable departments have been satisfied. Building plans and supporting documents and required verification documents shall be submitted to the building department with fee payment for review prior to any approval of the current planning case.

**NOTE:** Where a building and/or structure has been constructed, altered, or placed on the property without permit, the applicable building/structure shall not be occupied or in use until a final approved building inspection has been received. If the non-permitted/non-approved use and/or occupancy persists without full approval from applicable county departments, the applicant/owner is doing so at their own risk.

#### Plan Info

Plans prepared, stamped and signed by a design professional (California licensed Architect, or California Licensed Engineer) may not be altered with hand drawn information. The jurisdictional plan review and/or



### ADVISORY NOTIFICATION DOCUMENT

#### BS-Plan Check

##### BS-Plan Check. 1

##### Gen - Custom (cont.)

inspection staff is unable to determine when such information has been placed, and if in fact either the design professional or applicable park authority has in fact approved the added information. All added structural components, cabinets/counter, or utility additions shall be included within the printed designed plans.

#### ACCESSIBLE PATH OF TRAVEL:

1- Please provide a revised site plan to indicate the required continuous accessible paved path of travel.

The accessible path of travel details shall include;

1. Accessible path construction type (Asphalt or concrete).
2. Accessible path width.
3. Accessible path directional slope % and cross slope %.
4. All accessible ramp and curb cut-out locations and details where applicable.

The Accessible path of travel shall:

1. Connect to the public R.O.W.
2. Connect to all building(s).
3. Connect to all accessible parking loading/unloading areas.
4. Connect to accessible sanitary facilities.
5. Connect to areas of public accommodation.

Please be aware that the approved site plan with accessibility requirements should be included with any building plan submittals. The plan review staff may have additional comments depending on the additional information or revisions provided during the plan review process. Additional accessible requirements within the structure shall be reviewed during the building plan review.

2- Relocate the ADA parking to comply with the following:

Parking spaces complying with 11B- 502 (Parking Spaces) that serve a particular building or facility shall be located on the shortest accessible route from parking to an entrance

3-Where parking serves more than one accessible entrance, parking spaces complying with 11B-502 (Parking Spaces) shall be dispersed and located on the shortest accessible route to the accessible entrances.

#### EV PARKING:

Revise the site plan to show the required designated EV parking per CGC.

#### DISABLED ACCESS GUIDLINE:

EVCS are not considered parking spaces by the code. In addition, the required accessible parking spaces shall not double as required EVCS. 11B-208.1.

#### Required Number of Accessible EVCS

Where EVCS are provided for public use or common use, accessible EVCS shall be provided in accordance with the table below. (11B-228.3.1) (11B-228.3.2) (11B-228.3.2.1)

#### Electric Vehicle Charging Stations for Public Use and Common Use

Total Number of EVCS at a Facility <sup>1</sup>	Minimum Number (by type) of Accessible EVCS Required
Van Accessible	Standard Accessible    Ambulatory

**ADVISORY NOTIFICATION DOCUMENT**

**BS-Plan Check**

<b>BS-Plan Check. 1</b>	<b>Gen - Custom (cont.)</b>	
1 to 4 1	0	0
5 to 25 1	1	0
26 to 50 1	1	1
51 to 75 1	2	2
76 to 100 1	3	3

101 and over 1, plus 1 for each 300, or fraction thereof, over 100 3, plus 1 for each 60, or fraction thereof, over 100 3, plus 1 for each 50, or fraction thereof, over 100.

**EV PARKING:**

Revise the site plan to show the required designated EV parking per CGC.

**DISABLED ACCESS :**

EVCS are not considered parking spaces by the code. In addition, the required accessible parking spaces shall not double as required EVCS. 11B-208.1.

**Required Number of Accessible EVCS**

Where EVCS are provided for public use or common use, accessible EVCS shall be provided in accordance with the table below. (11B-228.3.1) (11B-228.3.2) (11B-228.3.2.1)

**Electric Vehicle Charging Stations for Public Use and Common Use**

**EVCS Locations**

Accessible EVCS that serve a particular building or facility shall be located on an accessible route to an accessible entrance. (11B-812.5.1) (11B-812.5.1)

Where EVCS do not serve a particular building or facility, accessible EVCS shall be located on an accessible route to an accessible pedestrian entrance of the EV charging facility. (11B-812.5.1) (11B-812.5.1)

Vehicle spaces and access aisles shall be designed so that persons using them are not required to travel behind vehicle spaces or parking spaces other than the vehicle space in which their vehicle has been left to charge. (11B-812.5.4)

**GREEN BUILDING CODE WASTE REDUCTION (Non Residential):**

Included within the building plan submittal documents to the Building Department for plan review, the applicant shall provide a copy of the approved construction waste management plan by the Riverside County Waste Management Department that:

1. Identifies the materials to be diverted from disposal by efficient usage, reuse on the project, or salvage for future use or sales.
2. Determines if materials will be sorted on site or mixed.
3. Identifies diversion facilities where material collected will be taken.
4. Specifies that the amount of materials diverted shall be calculated by weight or volume, but not both.

For information regarding compliance with the above provision and requirements, please contact the Waste Management Department @ (951) 486-3200.

**E Health**

**E Health. 1**

**ECP COMMENTS**

If contamination or the presence of a naturally occurring hazardous material is discovered at the site,

## ADVISORY NOTIFICATION DOCUMENT

### E Health

**E Health. 1** **ECP COMMENTS (cont.)**

assessment, investigation, and/or cleanup may be required. Contact Riverside County Environmental Health - Environmental Cleanup Programs at (951) 955-8980, for further information.

### Fire

**Fire. 1** **AND - Federal, State & Local Regulation Compliance**

1. Construction Permits Fire Department Review: Submittal of construction plans to the Office of the Fire Marshal for development, construction, installation and operational use permitting will be required. Final fire and life safety conditions will be addressed when the Office of the Fire Marshal reviews these plans. These conditions will be based on occupancy, use, California Building Code (CBC), California Fire Code, and related codes, which are in effect at the time of building plan submittal.
2. Prior to the issuance of the building permit, a hazardous materials inventory statement shall be submitted to the fire department for review and approval. The inventory shall be in an approved format as specified in the Riverside County Chemical Classification packet and include material safety data sheets. (CFC 5001.5.2)
3. Cannabis Facilities: Deferred submittals shall be required for Carbon Dioxide Gas Enrichments Systems and Plant Processing/Extraction Systems. Refer to the Riverside County Office of the Fire Marshal Technical Policy #TP16-004 and #TP16-005.
4. Knox Box and Gate Access: Buildings shall be provided with a Knox Box. The Knox Box shall be installed in an accessible location approved by the Office of the Fire Marshal. All electronically operated gates shall be provided with Knox key switches and automatic sensors for access. Ref. CFC 506.1
5. Addressing: All commercial buildings shall display street numbers in a prominent location on the address side and additional locations as required. Ref. CFC 505.1 and County of Riverside Office of the Fire Marshal Standard #07-01

### General

**General. 1** **General – Business Licensing**

Every person conducting a business within the unincorporated area of Riverside County, as defined in Riverside County Ordinance No. 857, shall obtain a business license. For more information regarding business registration, contact the Business Registration and License Program Office of the Building and Safety Department.

**General. 2** **General – Causes for Revocation**

In the event the use hereby permitted under this permit is found:





## **ADVISORY NOTIFICATION DOCUMENT**

### **General**

#### **General. 7**

#### **General – Unanticipated Resources (cont.)**

above, and continue monitoring of all future site grading activities as necessary.

### **Planning**

#### **Planning. 1**

#### **General - A. Application Requirements**

At the time of filing the application for a Commercial Cannabis Activity on a form provided by the Planning Department, the applicant shall also provide the applicable fee for processing the land use permit application. All entitlement fees shall be paid in full, prior to operating the cannabis business.

#### **Planning. 2**

#### **General - B. State License Required**

Obtain and maintain during the life of the Commercial Cannabis Activity the applicable California license issued pursuant to California Business and Professions Code Sections 19300.7 or 26050(a) as may be amended from time to time.

#### **Planning. 3**

#### **General - C. Suspension, Revocation, or Termination of State License**

Suspension of a license issued by the State of California, or by any State licensing authority, shall immediately suspend the ability of a Commercial Cannabis Activity to operate within the County until the State, or its respective State licensing authority, reinstates or reissues the State license. Revocation or termination of a license by the State of California, or by any State licensing authority, will also be grounds to revoke or terminate any conditional use permit granted to a Commercial Cannabis Activity pursuant to this Article.

#### **Planning. 4**

#### **General - D. Health and Safety**

Commercial Cannabis Activities shall at all times be operated in such a way as to ensure the health, safety, and welfare of the public. Commercial Cannabis Activities shall not create a public nuisance or adversely affect the health or safety of the nearby residents, businesses or employees working at the Commercial Cannabis Activity by creating dust, glare, heat, noise, noxious gasses, odor, smoke, traffic, vibration, unsafe conditions or other impacts, or be hazardous due to the use or storage of materials, processes, products, and runoff of water, pesticides or wastes.

#### **Planning. 5**

#### **General - E. Development Agreement**

No approval required by this ordinance shall be given for any permit for a Commercial Cannabis Activity unless the Board of Supervisors prior to or concurrently with approves a development agreement, pursuant to Section 18.26b of this ordinance, setting forth the terms and conditions under which the Commercial Cannabis Activity will operate in addition to the requirements of this ordinance, all other local ordinances and regulations, state law and such other terms and conditions that will protect and promote the public health, safety and welfare. No use or operation under any permit for a Commercial Cannabis Activity shall be allowed to begin until the development agreement is effective.

#### **Planning. 6**

#### **General - F. Nuisance Odors**



## ADVISORY NOTIFICATION DOCUMENT

### Planning

**Planning. 10**                                 **General - J. Inspections (cont.)**

A Commercial Cannabis Activity shall be subject to inspections by appropriate local and State agencies, including, but not limited to, the Riverside County Departments of Code Enforcement, Planning, Fire, Public Health, Environmental Health, the Agricultural Commissioner's Office and the Sheriff's Department.

**Planning. 11**                                 **General - K. Monitoring Program**

Permittees of a Commercial Cannabis Activity shall participate in the County's monitoring program to verify permit requirements such as, but not limited to, security measures, water use and State track-and-trace requirements.

**Planning. 12**                                 **General - L. Restriction on Alcohol and Tobacco Sales or Consumption**

Commercial Cannabis Activities shall not allow the sale, dispensing, or consumption of alcoholic beverages or tobacco on the site of the Commercial Cannabis Activity.

**Planning. 13**                                 **General - M. Restriction on Consumption**

Cannabis shall not be consumed or used on the lot of any Commercial Cannabis Activity.

**Planning. 14**                                 **General - N. Security - Part 1**

A Commercial Cannabis Activity shall implement sufficient security measures to deter and prevent the unauthorized entrance into areas containing Cannabis or Cannabis Products, to deter and prevent the theft of Cannabis or Cannabis Products at the Commercial Cannabis Activity and to ensure emergency access in accordance with applicable Fire Code standards. Guard dogs shall not be used at the Commercial Cannabis Activity as a security measure. Security measures shall include, but not be limited to, the following:

1. A plan to prevent individuals from loitering on the lot if they are not engaging in activity expressly related to the Commercial Cannabis Activity.
2. 24 hour emergency contact information for the owner or an on-site employee which shall be provided to the County.
3. A professionally installed, maintained, and monitored alarm system.
4. Except for Live Cannabis Plants being cultivated at a cultivation facility and limited amounts of Cannabis for display purposes, all Cannabis and Cannabis Products shall be stored in a secured and locked structure and in a secured and locked safe room, safe, or vault, and in a manner as to prevent diversion, theft, and loss.
5. 24 hour security surveillance cameras to monitor all entrances and exits to a Commercial Cannabis Activity, all interior spaces within the Commercial Cannabis Activity that are open and accessible to the public, and all interior spaces where Cannabis, cash or currency is being stored for any period of time on a regular basis. The permittee for a Commercial Cannabis Activity shall be responsible for ensuring that the



**ADVISORY NOTIFICATION DOCUMENT****Planning****Planning. 14****General - N. Security - Part 1 (cont.)**

security surveillance camera's footage is accessible. Video recordings shall be maintained for a minimum of 90 days, and shall be made available to the County upon request.

**Planning. 15****General - N. Security - Part 2**

6. Sensors shall be installed to detect entry and exit from all secure areas.

7. Panic buttons shall be installed in all Commercial Cannabis Activities.

8. Any bars installed on the windows or the doors of a Commercial Cannabis Activity shall be installed only on the interior of the building.

9. Security personnel must be licensed by the State of California Bureau of Security and Investigative Services.

10. A Commercial Cannabis Activity shall have the capability to remain secure during a power outage and all access doors shall not be solely controlled by an electronic access panel to ensure locks are not released during a power outage.

11. A Commercial Cannabis Activity shall cooperate with the County and, upon reasonable notice to the Commercial Cannabis Activity, allow the County to inspect or audit the effectiveness of the security plan for the Commercial Cannabis Activity.

12. The permittee for a Commercial Cannabis Activity shall notify the Riverside County Sheriff's Department immediately after discovering any of the following:

a. Significant discrepancies identified during inventory.

b. Diversion, theft, loss, or any criminal activity involving the Commercial Cannabis Activity or any agent or employee of the Commercial Cannabis Activity.

c. The loss or unauthorized alteration of records related to Cannabis, registering qualifying patients, primary caregivers, or employees or agents of the Commercial Cannabis Activity.

d. Any other breach of security.

13. Firearms shall not be permitted at a Commercial Cannabis Activity by an owner, manager, employee, volunteer or vendor other than those individuals authorized as a State Licensed Security Personnel.

14. Cannabis or Cannabis Products shall not be stored outside at any time.

**Planning. 16****General - O. Permit and License Posting**

The permittee shall post or cause to be posted at the Commercial Cannabis Activity all required County and State permits and licenses to operate. Such posting shall be in a central location, visible to the

## ADVISORY NOTIFICATION DOCUMENT

### Planning

**Planning. 16** **General - O. Permit and License Posting (cont.)**

patrons, and in all vehicles that deliver or transport Cannabis.

**Planning. 17** **General - P. Signage**

Signage for a Commercial Cannabis Activity shall comply with the following:

1. In addition to the requirements set forth in this section and California Business and Professions Code section 26152 as may be amended, business identification signage for a Commercial Cannabis Activity shall comply with Section 19.4 of this ordinance.
2. No Commercial Cannabis Activity shall advertise by having a person or device holding a sign or an air dancer sign advertising the activity to passersby, whether such person, device or air dancer is on the lot of the Commercial Cannabis Activity or elsewhere including, but not limited to, the public right-of-way.
3. No Commercial Cannabis Activity shall publish or distribute advertising or marketing that is attractive to children.
4. No Commercial Cannabis shall advertise or market Cannabis or Cannabis Products on motor vehicles.
5. Except for advertising signs inside a licensed Premises and provided that such advertising signs do not advertise or market Cannabis or Cannabis Products in a manner intended to encourage persons under 21 years of age to consume Cannabis or Cannabis Products, no Commercial Cannabis Activity shall advertise or market Cannabis or Cannabis Products on an advertising sign within 1,000 feet of a Child Day Care Center, a K-12 school, a public park or a Youth Center.
6. No signs placed on the lot of a Commercial Cannabis Activity shall obstruct any entrance or exit to the building or any window.
7. Each entrance to a Commercial Cannabis Activity shall be visibly posted with a clear and legible notice indicating that smoking, ingesting, or otherwise consuming Cannabis on the lot of the Commercial Cannabis Activity is prohibited.
8. Signage shall not be directly illuminated, internally or externally.
9. No banners, flags, billboards, or other prohibited signs may be used at any time.

**Planning. 18** **General - Q. Records**

1. Each owner and permittee of a Commercial Cannabis Activity shall maintain clear and adequate records and documentation demonstrating that all Cannabis or Cannabis Products have been obtained from and are provided to other permitted and licensed Cannabis operations. The County shall have the right to examine, monitor, and audit such records and documentation, which shall be made available to the County upon written request.
2. Each owner and permittee of a Commercial Cannabis Activity shall maintain a current register of the

## ADVISORY NOTIFICATION DOCUMENT

### Planning

#### Planning. 18

#### General - Q. Records (cont.)

names and contact information, including name, address, and telephone number, of anyone owning or holding an ownership interest in the Commercial Cannabis Activity, and of all the officers, managers, employees, agents and volunteers currently employed or otherwise engaged by the Commercial Cannabis Activity. The County shall have the right to examine, monitor, and audit such records and documentation, which shall be made available to the County upon request.

3. All Commercial Cannabis Activities 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, laboratory testing and distribution processes until purchase by or distribution to a qualified patient, primary caregiver for medical purpose or an adult 21 years of age or older who qualifies to purchase adult-use Cannabis.

#### Planning. 19

#### General - R. Water

All Commercial Cannabis Activities shall obtain a 'Will Serve' letter from the applicable water purveyor, indicating agreement to supply water for the Commercial Cannabis Activity. The letter shall include the activity proposed and any improvements required for service. For Commercial Cannabis Activities where water service is not available, conditions from the Department of Environmental Health for a permitted onsite, in-ground well will be required for the conditional use permit. Irrigation and domestic water supplies shall not include water transported by vehicle from off-site sources.

#### Planning. 20

#### General - S. Waste Water

All Commercial Cannabis Activities shall obtain a 'Will Serve' letter from the applicable sanitary sewer purveyor, indicating agreement to supply sewer for the Commercial Cannabis Activity. The letter shall include the activity proposed and any improvements required for service. For Commercial Cannabis Activities where sewer service is not available, conditions from the Department of Environmental Health will be required for the conditional use permit. Where sanitary sewer is not available, the applicant shall obtain clearance from the appropriate regional water quality control board.

#### Planning. 21

#### General - T. Parking

Parking shall be provided in accordance with Section 18.12 of this ordinance.

#### Planning. 22

#### General - U. Visibility

In no case shall Live Cannabis Plants be visible from a public or private road, sidewalk, park or common public viewing area.

#### Planning. 23

#### General - V. Hazardous Materials

All Commercial Cannabis Activities that utilize hazardous materials shall comply with applicable hazardous waste generator, Riverside County Ordinance No. 615, and hazardous materials handling, Riverside County Ordinance No. 651, requirements and maintain any applicable permits for these programs from the Riverside County Fire Department, the Riverside County Department of Environmental Health, the



## ADVISORY NOTIFICATION DOCUMENT

### Planning-All

#### **Planning-All. 2 Cannabis Microbusiness Operations – 2 (cont.)**

Cannabis Microbusiness Facilities may distribute, manufacture (without volatile solvents) and dispense Cannabis under a single Cannabis Microbusiness Facilities license issued by the State.

#### **Planning-All. 3 Cannabis Microbusiness Operations – 3**

Cannabis Microbusiness Facilities may cultivate Cannabis indoors in an area less than 10,000 square feet.

#### **Planning-All. 4 Cannabis Microbusiness Operations – 4**

Cannabis Microbusiness Facilities shall include at least three of the following Commercial Cannabis Activities, which shall be set forth in the conditional use permit; Indoor Cultivation up to 10,000 square feet, Manufacturing (with non-volatile solvents), Distribution, and Retail sales pursuant to State License requirements.

#### **Planning-All. 5 Cannabis Microbusiness Operations – 5**

Cannabis Microbusiness Facilities shall comply with the operational requirements set forth in Article XIXh of Ordinance No. 348 that apply to the specified uses authorized by the approved conditional use permits, and the water and energy conservation standards as applicable to Cannabis Microbusiness Facilities that includes cultivation.

#### **Planning-All. 6 Cannabis Retail Operations - 1**

Entrances into the retail location of the Cannabis Retailer shall be separate from the reception area and locked at all times with entry strictly controlled. An electronic or mechanical entry system shall be utilized to limit access and entry to the retail location.

#### **Planning-All. 7 Cannabis Retail Operations - 10**

Cannabis Retailers shall not distribute any Cannabis or Cannabis Product unless such products are labeled and in a tamper-evident package in compliance with the California Business and Professions Code and any additional rules promulgated by a licensing authority.

#### **Planning-All. 8 Cannabis Retail Operations - 11**

Cannabis Retailers shall not provide free samples of any type, including Cannabis Products, to any person and shall not allow any person to provide free samples on the Cannabis Retailer's lot.

#### **Planning-All. 9 Cannabis Retail Operations - 12**

Deliveries shall be conducted in accordance with California Business and Professions Code Section 26090 or as may be amended and all state regulations pertaining to delivery of Cannabis Products.

#### **Planning-All. 10 Cannabis Retail Operations - 13**

Cannabis or Cannabis Products shall not be sold or delivered by any means or method to any person

**ADVISORY NOTIFICATION DOCUMENT****Planning-All**

**Planning-All. 10**                      **Cannabis Retail Operations - 13 (cont.)**  
within a motor vehicle.

**Planning-All. 11**                      **Cannabis Retail Operations - 14**

Cannabis Retailers shall not include a drive-in, drive-through or walk up window where retail sales of Cannabis or Cannabis Products are sold to persons or persons within or about a motor vehicle.

**Planning-All. 12**                      **Cannabis Retail Operations - 2**

Cannabis Retailers may include the sale of Medical Cannabis, requiring an M-License from the State. Cannabis Retailers selling only Medical Cannabis shall verify consumers who enter the Premises are at least 18 years of age and that they hold a valid Physician's Recommendation.

**Planning-All. 13**                      **Cannabis Retail Operations - 3**

Cannabis Retailers may include the sale of Adult Use Cannabis, requiring an A-license from the State. Cannabis Retailers selling only Adult Use Cannabis shall verify that consumers who enter the Premises are at least 21 years of age.

**Planning-All. 14**                      **Cannabis Retail Operations - 4**

A Cannabis Retailers may include the sale of both Medical and Adult use Cannabis requiring both an A-License and an M-License from the State. All Cannabis Retailers selling both Medical and Adult Use Cannabis shall verify that consumers who enter the premises are at least 18 years of age and that they hold a valid Physician's Recommendation or are at least 21 years of age.

**Planning-All. 15**                      **Cannabis Retail Operations - 5**

Display areas shall include the smallest amount of Cannabis and Cannabis Products reasonably anticipated to meet sales during operating hours.

**Planning-All. 16**                      **Cannabis Retail Operations - 6**

Cannabis and Cannabis Products not in the display area shall be maintained in a locked secure area.

**Planning-All. 17**                      **Cannabis Retail Operations - 7**

Not more than 10% of the Cannabis Retailer floor area, up to a maximum of 50 square feet, shall be used for the sale of incidental goods such as, but not limited to, clothing, posters, or non-cannabis goods.

**Planning-All. 18**                      **Cannabis Retail Operations - 8**

Restroom facilities shall be locked and under the control of the Cannabis Retailer.

**Planning-All. 19**                      **Cannabis Retail Operations - 9**

## ADVISORY NOTIFICATION DOCUMENT

### Planning-All

#### **Planning-All. 19 Cannabis Retail Operations - 9 (cont.)**

Cannabis Retailers shall ensure that all Cannabis and Cannabis Products held for sale by the Cannabis Retailer are cultivated, manufactured, transported, distributed, and tested by California licensed and permitted facilities that are in full conformance with State and local laws and regulations.

#### **Planning-All. 20 Cultivation Operations - 1**

All Cannabis Cultivation operations shall include adequate measures to address the projected energy demand for Cannabis cultivation at the lot. On-site renewable energy generation shall be required for all Indoor Cannabis Cultivation operations. Renewable energy systems shall be designed to have a generation potential equal to or greater than 20-percent of the anticipated energy demand.

#### **Planning-All. 21 Cultivation Operations - 2**

All Cannabis Cultivation operations shall include adequate measures that minimize use of water for cultivation on the lot. Water conservation measures, water capture systems, or grey water systems shall be incorporated into the operations in order to minimize use of water where feasible.

#### **Planning-All. 22 Cultivation Operations - 3**

All Cannabis Cultivation lighting shall be fully shielded, downward casting and not spill over onto structures, other properties or the night sky. All Indoor and Mixed Light Cannabis Cultivation operations shall be fully contained so that little to no light escapes. Light shall not escape at a level that is visible from neighboring properties between sunset and sunrise.

#### **Planning-All. 23 Cultivation Operations - 4**

All Cannabis Cultivation operations shall accumulate or store garbage and refuse in a nonabsorbent, water-tight, vector resistant, durable, easily cleanable, galvanized metal or heavy plastic containers with tight fitting lids. No refuse container shall be filled beyond the capacity to completely close the lid. All garbage and refuse on the site shall not be accumulated or stored for more than seven calendar days, and shall be properly disposed of before the end of the seventh day. All waste, including but not limited to refuse, garbage, green waste and recyclables, must be disposed of in accordance with County and State laws and regulations. All waste generated from Cannabis Cultivation operations must be properly stored and secured to prevent access from the public.

#### **Planning-All. 24 Cultivation Operations - 5**

Onsite generators are prohibited, except as a source of energy in an emergencies. No generator is proposed with this Conditional Use Permit for any purposes.

#### **Planning-All. 25 Distribution Operations – 1**

Cannabis and Cannabis Products shall only be transported between permitted and licensed Commercial Cannabis Activities.

#### **Planning-All. 26 Distribution Operations – 2**

## ADVISORY NOTIFICATION DOCUMENT

### Planning-All

#### Planning-All. 26

#### Distribution Operations – 2 (cont.)

In addition to the requirements of Ordinance No. 348 Section 19.505.Q. and consistent with the California "Track and Trace" requirements, the following record keeping measures are required to be implemented for all Cannabis Distribution Facilities:

- i. Prior to transporting Cannabis or Cannabis Products, a shipping manifest shall be completed as required by state law and regulations.
- ii. A copy of the shipping manifest shall be maintained during transportation and shall be made available upon request to law enforcement or any agents of the State or County charged with enforcement.
- iii. Cannabis Distribution Facilities shall maintain appropriate records of transactions and shipping manifests that demonstrate an organized method of storing and transporting Cannabis and Cannabis Products to maintain a clear chain of custody.

#### Planning-All. 27

#### Distribution Operations – 3

Cannabis Distribution Facilities shall ensure that appropriate samples of Cannabis or Cannabis Products are tested by a permitted and licensed testing facility prior to distribution and shall maintain a copy of the test results in its files.

#### Planning-All. 28

#### Distribution Operations – 4

Cannabis Distribution Facilities shall not be open to the public. The Distribution component of the project is located on the second floor of the building and is not readily accessible to any public areas of the retail component of the project.

#### Planning-All. 29

#### Distribution Operations – 5

Cannabis Distribution Facilities shall not transport or store non-cannabis goods, excluding any non-cannabis goods associated with a retail component that may include up to 10% of its floor area for non-cannabis goods.

#### Planning-All. 30

#### Manufacturing Operations – 1

Any compressed gases used in the manufacturing process shall not be stored on any lot within in containers that exceeds the amount which is approved by the Riverside County Fire Department and authorized by the conditional use permit.

#### Planning-All. 31

#### Manufacturing Operations – 2

Closed loop systems for compressed gas extraction systems must be commercially manufactured, bear a permanently affixed and visible serial number and certified by an engineer licensed by the State of California that the system was commercially manufactured, is safe for its intended use, and was built to codes of recognized and generally accepted good engineering practices.

#### Planning-All. 32

#### Manufacturing Operations – 3

Cannabis Manufacturing Facilities shall have a training program for persons using solvents or gases in a



## ADVISORY NOTIFICATION DOCUMENT

### Planning-All

#### Planning-All. 32

#### Manufacturing Operations – 3 (cont.)

closed looped system to create cannabis extracts on how to use the system, to access applicable material safety data sheets and to handle and store the solvents and gases safely.

#### Planning-All. 33

#### Renewable Energy - Installed

In accordance with measure Ordinance No. 348 Section 19.511.G for cannabis cultivation, the proposed project shall be required to offset its energy demand by 20 percent through provision of renewable energy generation. In accordance with the prior condition titled "Renewable Energy", prior to occupancy, the renewable energy facility as approved with the prior condition shall be installed and ready for operation.

### Planning-PAL

#### Planning-PAL. 1

#### LOW PALEO POTENTIAL

According to the County's General Plan, this site has been mapped as having a "Low Potential" for paleontological resources. This category encompasses lands for which previous field surveys and documentation demonstrates a low potential for containing significant paleontological resources subject to adverse impacts. As such, this project is not anticipated to require any direct mitigation for paleontological resources. However, should fossil remains be encountered during site development:

1. All site earthmoving shall be ceased in the area of where the fossil remains are encountered. Earthmoving activities may be diverted to other areas of the site.
2. The owner of the property shall be immediately notified of the fossil discovery who will in turn immediately notify the County Geologist of the discovery.
3. The applicant shall retain a qualified paleontologist approved by the County of Riverside.
4. The paleontologist shall determine the significance of the encountered fossil remains.
5. Paleontological monitoring of earthmoving activities will continue thereafter on an as-needed basis by the paleontologist during all earthmoving activities that may expose sensitive strata. Earthmoving activities in areas of the project area where previously undisturbed strata will be buried but not otherwise disturbed will not be monitored. The supervising paleontologist will have the authority to reduce monitoring once he/she determines the probability of encountering any additional fossils has dropped below an acceptable level.
6. If fossil remains are encountered by earthmoving activities when the paleontologist is not onsite, these activities will be diverted around the fossil site and the paleontologist called to the site immediately to recover the remains.
7. Any recovered fossil remains will be prepared to the point of identification and identified to the lowest taxonomic level possible by knowledgeable paleontologists. The remains then will be curated (assigned and labeled with museum\* repository fossil specimen numbers and corresponding fossil site

## ADVISORY NOTIFICATION DOCUMENT

### Planning-PAL

#### Planning-PAL. 1                      LOW PALEO POTENTIAL (cont.)

numbers, as appropriate; places in specimen trays and, if necessary, vials with completed specimen data cards) and catalogued, an associated specimen data and corresponding geologic and geographic site data will be archived (specimen and site numbers and corresponding data entered into appropriate museum repository catalogs and computerized data bases) at the museum repository by a laboratory technician. The remains will then be accessioned into the museum repository fossil collection, where they will be permanently stored, maintained, and, along with associated specimen and site data, made available for future study by qualified scientific investigators. \* Per the County of Riverside "SABER Policy", paleontological fossils found in the County of Riverside should, by preference, be directed to the Western Science Center in the City of Hemet.

8. The property owner and/or applicant on whose land the paleontological fossils are discovered shall provide appropriate funding for monitoring, reporting, delivery and curating the fossils at the institution where the fossils will be placed, and will provide confirmation to the County that such funding has been paid to the institution.

### Transportation

#### Transportation. 1                      COUNTY WEB SITE

Additional information, standards, ordinances, policies, and design guidelines can be obtained from the Transportation Department Web site: <http://rctlma.org/trans/>. If you have questions, please call the Plan Check Section at (951) 955-6527.

#### Transportation. 2                      NO ADD'L ROAD IMPRVMENTS

No additional road improvements will be required at this time along Rio Del Sol Road due to existing improvements.

#### Transportation. 3                      NO ADD'L ON-SITE R-O-W

No additional on-site right-of-way dedication shall be required on Rio Del Sol Road since adequate right-of-way exists.

#### Transportation. 4                      STD INTRO (ORD 460/461)

With respect to the conditions of approval for the referenced tentative exhibit, the landowner shall provide all street improvements, street improvement plans and/or road dedications set forth herein in accordance with Riverside County Road Improvement Standards (Ordinance 461). It is understood that the exhibit correctly shows acceptable centerline elevations, all existing easements, traveled ways, and drainage courses with appropriate Q's, and that their omission or unacceptability may require the exhibit to be resubmitted for further consideration. This ordinance and all conditions of approval are essential parts and a requirement occurring in ONE is as binding as though occurring in all. All questions regarding the true meaning of the conditions shall be referred to the Transportation Department.

### Waste Resources

### ADVISORY NOTIFICATION DOCUMENT

#### Waste Resources

Waste Resources. 1

Waste - General (cont.)

Waste Resources. 1

Waste - General

Hazardous materials are not accepted at Riverside County landfills. In compliance with federal, state, and local regulations and ordinances, any hazardous waste generated in association with the project shall be disposed of at a permitted Hazardous Waste disposal facility. Hazardous waste materials include, but are not limited to, paint, batteries, oil, asbestos, and solvents. For further information regarding the determination, transport, and disposal of hazardous waste, please contact the Riverside County Department of Environmental Health, Environmental Protection and Oversight Division.

AB 341 focuses on increased commercial waste recycling as a method to reduce greenhouse gas (GHG) emissions. The regulation requires businesses and organizations that generate four or more cubic yards of waste per week and multifamily units of 5 or more, to recycle. A business shall take at least one of the following actions in order to reuse, recycle, compost, or otherwise divert commercial solid waste from disposal:

- Source separate recyclable and/or compostable material from solid waste and donate or self-haul the material to recycling facilities.
- Subscribe to a recycling service with their waste hauler.
- Provide recycling service to their tenants (if commercial or multi-family complex).
- Demonstrate compliance with the requirements of California Code of Regulations Title 14.

For more information, please visit:

[www.rivcowm.org/opencms/recycling/recycling\\_and\\_compost\\_business.html#mandatory](http://www.rivcowm.org/opencms/recycling/recycling_and_compost_business.html#mandatory)

Consider xeriscaping and using drought tolerant/low maintenance vegetation in all landscaped areas of the project.

The use of mulch and/or compost in the development and maintenance of landscaped areas within the project boundaries is recommended.

Recycle green waste through either onsite composting of grass, i.e., leaving the grass clippings on the lawn, or sending separated green waste to a composting facility.

AB 1826 requires businesses and multifamily complexes to arrange for organic waste recycling services. Those subject to AB 1826 shall take at least one of the following actions in order to divert organic waste from disposal:

- Source separate organic material from all other recyclables and donate or self-haul to a permitted organic waste processing facility.
- Enter into a contract or work agreement with gardening or landscaping service provider or refuse hauler to ensure the waste generated from those services meet the requirements of AB 1826.

Plan: CUP190058

Parcel: 650380008

80. Prior To Building Permit Issuance

E Health

080 - E Health. 1                      E Health Clearance                      Not Satisfied

Prior to issuance of the building permit, clearance must be obtained from the Department of Environmental Health.

080 - E Health. 2                      Sewer Will Serve                      Not Satisfied

A "Will Serve" letter is required from the sewer agency serving the project.

Planning

080 - Planning. 1                      Fee Status                      Not Satisfied

Prior to issuance of building permits for CUP190058, the Planning Department shall determine the status of the deposit based fees for project. If the case fees are in a negative state, the permit holder shall pay the outstanding balance.

Transportation

080 - Transportation. 1                      CVAG TUMF                      Not Satisfied

Prior to the issuance of a building permit, the applicant shall pay the Transportation Uniform Mitigation Fee (TUMF) in accordance with the fee schedule in effect at the time of issuance, pursuant to Ordinance No. 673.

Waste Resources

080 - Waste Resources. 1                      Waste Recycling Plan                      Not Satisfied

Prior to issuance of a building permit, a Waste Recycling Plan (WRP) shall be submitted to the Riverside County Department of Waste Resources for approval. At a minimum, the WRP must identify the materials (i.e., concrete, asphalt, wood, etc.) that will be generated by construction and development, the projected amounts, the measures/methods that will be taken to recycle, reuse, and/or reduce the amount of materials, the facilities and/or haulers that will be utilized, and the targeted recycling or reduction rate. During project construction, the project site shall have, at a minimum, two (2) bins: one for waste disposal and the other for the recycling of Construction and Demolition (C&D) materials. Additional bins are encouraged to be used for further source separation of C&D recyclable materials. Accurate record keeping (receipts) for recycling of C&D recyclable materials and solid waste disposal must be kept. Arrangements can be made through the franchise hauler.

90. Prior to Building Final Inspection

E Health

090 - E Health. 1                      E Health Clearance                      Not Satisfied

Prior to building permit final, clearance must be obtained from the Department of Environmental Health.

090 - E Health. 2                      Hazmat Clearance                      Not Satisfied

Obtain clearance from the Hazardous Materials Management Division.

02/23/21  
09:13

Riverside County PLUS  
CONDITIONS OF APPROVAL

Page 2

Plan: CUP190058

Parcel: 650380008

90. Prior to Building Final Inspection

Transportation

090 - Transportation. 1      SIDEWALKS      Not Satisfied

Existing sidewalks must be in good repair and meet all ADA standards for width, differential heaving, slopes, etc.

090 - Transportation. 2      STREETLIGHT      Not Satisfied

Existing street lights along the property frontage must be in working order prior to final occupancy.

Waste Resources

090 - Waste Resources. 1      Waste - Mandatory Commercial and Organics Recycling Corr      Not Satisfied

Prior to final inspection, the applicant shall complete a Mandatory Commercial Recycling and Organics Recycling Compliance form (Form D). Form D requires applicants to identify programs or plans that address commercial and organics recycling, in compliance with State legislation/regulation. Once completed, Form D shall be submitted to the Recycling Section of the Department of Waste Resources for approval. For more information go to: [www.rcwaste.org/business/planning/applications](http://www.rcwaste.org/business/planning/applications). To obtain Form D, please contact the Recycling Section at 951-486-3200, or email to: [Waste-CompostingRecycling@rivco.org](mailto:Waste-CompostingRecycling@rivco.org).



**RIVERSIDE COUNTY**  
**PLANNING DEPARTMENT**

*Charissa Leach, P.E.*  
*Assistant TLMA Director*

**DEVELOPMENT ADVISORY COMMITTEE (“DAC”)  
INITIAL CASE TRANSMITTAL  
RIVERSIDE COUNTY PLANNING DEPARTMENT – PALM DESERT  
77-588 El Duna Ct., Suite H  
Palm Desert, CA 92211**

DATE: December 24, 2019

**TO:**

Riv. Co. Transportation Dept. (Palm Desert)  
Riv. Co. Env. Health Dept. (Palm Desert)  
Riv. Co. Public Health Dept.  
Riv. Co. Fire Department (Palm Desert)  
Riv. Co. Building & Safety – Plan Check

Riv. Co. Trans. Dept. – Landscape Section  
Riv. Co. Sheriff's Dept.  
Riv. Co. Waste Resources Management Dept.  
Riv. Co. Airport Land Use Commission

Board of Supervisors - Supervisor: V. Manuel  
Perez  
Cathedral City Sphere of Influence

**CONDITIONAL USE PERMIT NO. 190058, DEVELOPMENT AGREEMENT NO. 1900049 – CEQ190153**  
– Applicant: Cannatopia, LLC– Fourth Supervisorial District – Thousand Palms District – Western Coachella Valley Area Plan: Light Industrial (LI) (0.25 - 0.60 FAR) – Location: North of Petland Place, East of Rio Del Sol Road, South of 28<sup>th</sup> Avenue, and West of Roberts Road – .78 Acres and .50 Acres – Zoning: Manufacturing – Service Commercial (M-SC) – **REQUEST:** Conditional Use Permit No. 190058 proposes to use an existing facility for a microbusiness use. Development Agreement No 1900049. Is a proposal whereby the applicant enters into a development agreement with the County of Riverside, consistent with the County’s Cannabis Ordinance, and it includes terms for providing a community benefit to the Rancho California Area.– APN: 650-380-008 & 007 – BBID: 420-427-069

**DAC staff members and other listed Riverside County Agencies, Departments and Districts staff:**  
A Bluebeam invitation has been emailed to appropriate staff members so they can view and markup the map(s) and/or exhibit(s) for the above-described project. Please have your markups completed and draft conditions in the Public Land Management System (PLUS) on or before the indicated DAC date. If it is determined that the attached map(s) and/or exhibit(s) are not acceptable, please have corrections in the system and DENY the PLUS routing on or before the above date. This case is scheduled for a **DAC internal review on January 16, 2020.** Once the route is complete, and the approval screen is approved with or without corrections, the project can be scheduled for a public hearing.

DATE: \_\_\_\_\_ SIGNATURE: \_\_\_\_\_

PLEASE PRINT NAME AND TITLE: \_\_\_\_\_

TELEPHONE: \_\_\_\_\_

*If you do not include this transmittal in your response, please include a reference to the case number and project planner's name. Thank you.*



**RIVERSIDE COUNTY**  
**PLANNING DEPARTMENT**

**Charissa Leach, P.E.**  
**Assistant TLMA Director**

Any questions regarding this project, should be directed to Mina Morgan, Project Planner at (951) 955-6035, or e-mail at [mimorgan@rivco.org](mailto:mimorgan@rivco.org) / MAILSTOP #: 1070

Public Hearing Path: Administrative Action:  DH:  PC:  BOS:

COMMENTS:

DATE: \_\_\_\_\_ SIGNATURE: \_\_\_\_\_

PLEASE PRINT NAME AND TITLE: \_\_\_\_\_

TELEPHONE: \_\_\_\_\_

*If you do not include this transmittal in your response, please include a reference to the case number and project planner's name. Thank you.*



# RIVERSIDE COUNTY PLANNING DEPARTMENT

*Charissa Leach, P.E.  
Assistant TLMA Director*

## APPLICATION FOR LAND USE AND DEVELOPMENT

CHECK ONE AS APPROPRIATE:

- PLOT PLAN                       PUBLIC USE PERMIT                       VARIANCE  
 CONDITIONAL USE PERMIT                       TEMPORARY USE PERMIT

REVISED PERMIT    Original Case No. \_\_\_\_\_

*INCOMPLETE APPLICATIONS WILL NOT BE ACCEPTED.*

### APPLICATION INFORMATION

Applicant Name: Kappkush, Inc.

Contact Person: Narine Kapukchyan                      E-Mail: kappfunding@gmail.com

Mailing Address: 3856 Winford Dr

Tarzana                      Street                      91356  
City                      Ca                      ZIP  
State

Daytime Phone No: (\_\_\_\_) (818) 497-5897                      Fax No: (\_\_\_\_) \_\_\_\_\_

Engineer/Representative Name: MSA Consulting, Inc.

Contact Person: Chris Brizuela                      E-Mail: cbrizuela@msaconsultinginc.com

Mailing Address: 34200 Bob Hope Drive

Rancho Mirage                      Street                      92270  
City                      Ca                      ZIP  
State

Daytime Phone No: ( 760 ) 320-9811                      Fax No: (\_\_\_\_) \_\_\_\_\_

Property Owner Name: IE Enterprises, LLC.

Contact Person: Bruce A. Meyer                      E-Mail: bmeyer@innovativeerpo.com

Mailing Address: 41800 Harrison Dr

Palm Desert                      Street                      92211  
City                      Ca                      ZIP  
State

Daytime Phone No: (\_\_\_\_) \_\_\_\_\_                      Fax No: (\_\_\_\_) \_\_\_\_\_

Riverside Office · 4080 Lemon Street, 12th Floor  
P.O. Box 1409, Riverside, California 92502-1409  
(951) 955-3200 · Fax (951) 955-1811

Desert Office · 77-588 El Duna Court, Suite H  
Palm Desert, California 92211  
(760) 863-8277 · Fax (760) 863-7555

*"Planning Our Future... Preserving Our Past"*



**APPLICATION FOR DEVELOPMENT AGREEMENT**

**DESCRIBE APPLICANT'S INTEREST IN THE PROPERTY**

Applicant has executed a Purchase and Sale Agreement with the Property Owner.

**\*NOTE: ATTACH DOCUMENTATION VERIFYING THE APPLICANT'S INTEREST AND AUTHORIZATION TO APPLY ON BEHALF OF THE OWNER (See Section 104 of Exhibit "A" of Resolution No. 2012-047)**

MARTINE KAPLAN  
PRINTED NAME OF APPLICANT

  
SIGNATURE OF APPLICANT

**DESCRIBE OWNER'S INTEREST IN THE PROPERTY**

Current Owner of Property:

BRUCE A. MEYER  
PRINTED NAME OF PROPERTY OWNER(S)

  
SIGNATURE OF PROPERTY OWNER(S)

PRINTED NAME OF PROPERTY OWNER(S)

SIGNATURE OF PROPERTY OWNER(S)

Check this box if additional persons or entities have an ownership interest in the subject property(ies) in addition to that indicated above, and attach a separate sheet that references the General Plan Amendment type and number and list those names, mailing addresses, phone and fax numbers, and e-mail addresses, and provide signatures of those persons or entities having an interest in the real property(ies) involved in this application.

**PROPERTY INFORMATION:**

Assessor's Parcel Number(s): APN: 650-380-008 & 650-380-007

Approximate Gross Acreage: pprox. 1.3 AC.

General location (nearby or cross streets): North of Pelland Pl. South of 28th Ave.  
East of Rio Del Sol Rd. West of Robert Rd.

This completed application form, together with all of the listed requirements provided on the Development Agreement Application Filing Instructions Handout, are required in order to file an application with the County of Riverside Planning Department.

Current Planning LMS Replacement Condensed Filing Instructions Application Forms 295-1070 DA Condensed Application.docx  
Created: 07/08/2015 Revised: 07/30/2018

**APPLICATION FOR LAND USE AND DEVELOPMENT**

**PROJECT PROPOSAL:**

Describe the proposed project.

Conditional Use Permit (CUP) and Development Agreement (DA) applications for proposed Cannabis Microbusiness use (CAN 190110) in existing building located at 72242 Watt Court within the unincorporated community of Thousand Palms.

Identify the applicable Ordinance No. 348 Section and Subsection reference(s) describing the proposed land use(s): Section 19.522 CANNABIS MICROBUSINESS FACILITIES

Number of existing lots: 2

EXISTING Buildings/Structures: Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>						
No.*	Square Feet	Height	Stories	Use/Function	To be Removed	Bldg. Permit No.
1	approx.13,000 sf	34 feet	1 plus MF	Industrial/warehouse building.	<input type="checkbox"/>	
2					<input type="checkbox"/>	
3					<input type="checkbox"/>	
4					<input type="checkbox"/>	
5					<input type="checkbox"/>	
6					<input type="checkbox"/>	
7					<input type="checkbox"/>	
8					<input type="checkbox"/>	
9					<input type="checkbox"/>	
10					<input type="checkbox"/>	

Place check in the applicable row, if building or structure is proposed to be removed.

PROPOSED Buildings/Structures: Yes <input type="checkbox"/> No <input type="checkbox"/>				
No.*	Square Feet	Height	Stories	Use/Function
1				
2				
3				
4				
5				
6				
7				
8				
9				
10				

PROPOSED Outdoor Uses/Areas: Yes <input type="checkbox"/> No <input type="checkbox"/>		
No.*	Square Feet	Use/Function
1		
2		
3		
4		
5		

**APPLICATION FOR LAND USE AND DEVELOPMENT**

6		
7		
8		
9		
10		

~~\* Match to Buildings/Structures/Outdoor Uses/Areas identified on Exhibit "A".~~

~~Check this box if additional buildings/structures exist or are proposed, and attach additional page(s) to identify them.)~~

Related cases filed in conjunction with this application:

Development Agreement (DA) and Cannabis RFP (CAN 190110).

Are there previous development applications filed on the subject property: Yes  No

If yes, provide Application No(s). Cannabis RFP (CAN 190110), PM32789.  
(e.g. Tentative Parcel Map, Zone Change, etc.)

Initial Study (EA) No. (if known) \_\_\_\_\_ EIR No. (if applicable): \_\_\_\_\_

Have any special studies or reports, such as a traffic study, biological report, archaeological report, geological or geotechnical reports, been prepared for the subject property? Yes  No

If yes, indicate the type of report(s) and provide a signed copy(ies): \_\_\_\_\_

Is the project located within 1,000 feet of a military installation, beneath a low-level flight path or within special use airspace as defined in Section 21098 of the Public Resources Code, and within an urbanized area as defined by Government Code Section 65944? Yes  No

Is this an application for a development permit? Yes  No

If the project located within either the Santa Ana River/San Jacinto Valley watershed, the Santa Margarita River watershed, or the Whitewater River watershed, check the appropriate checkbox below.

*If not known, please refer to [Riverside County's Map My County website](#) to determine if the property is located within any of these watersheds (search for the subject property's Assessor's Parcel Number, then select the "Geographic" Map Layer – then select the "Watershed" sub-layer)*

If any of the checkboxes are checked, click on the adjacent hyperlink to open the applicable Checklist Form. Complete the form and attach a copy as part of this application submittal package.

[Santa Ana River/San Jacinto Valley](#)

[Santa Margarita River](#)

[Whitewater River](#)

**APPLICATION FOR LAND USE AND DEVELOPMENT**

~~If the applicable Checklist has concluded that the application requires a preliminary project-specific Water Quality Management Plan (WQMP), such a plan shall be prepared and included with the submittal of this application.~~

**HAZARDOUS WASTE AND SUBSTANCES STATEMENT**

The development project and any alternatives proposed in this application are contained on the lists compiled pursuant to Section 65962.5 of the Government Code. Accordingly, the project applicant is required to submit a signed statement that contains the following information:

Name of Applicant: Kappkush, Inc. (Contact: Narine Kapukchyan)

Address: 3856 Winford Dr Tarzana, Ca 91356

Phone number: (818) 497-5897

Address of site (street name and number if available, and ZIP Code): 72242 Watt Court, Thousand Palms, Ca 92276


Local Agency: County of Riverside

Assessor's Book Page, and Parcel Number: PM 215/41 APNs: 650-380-007 & 650-380-008

Specify any list pursuant to Section 65962.5 of the Government Code: \_\_\_\_\_

Regulatory Identification number: \_\_\_\_\_

Date of list: \_\_\_\_\_

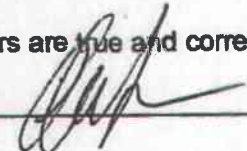
Applicant:  Date 02-29-2021

**HAZARDOUS MATERIALS DISCLOSURE STATEMENT**

Government Code Section 65850.2 requires the owner or authorized agent for any development project to disclose whether:

1. Compliance will be needed with the applicable requirements of Section 25505 and Article 2 (commencing with Section 25531) of Chapter 6.95 of Division 20 of the Health and Safety Code or the requirements for a permit for construction or modification from the air pollution control district or air quality management district exercising jurisdiction in the area governed by the County. Yes  No
2. The proposed project will have more than a threshold quantity of a regulated substance in a process or will contain a source or modified source of hazardous air emissions. Yes  No

I (we) certify that my (our) answers are true and correct.

Owner/Authorized Agent (1)  Date 02-29-2021

Owner/Authorized Agent (2) \_\_\_\_\_ Date \_\_\_\_\_

## **APPLICATION FOR LAND USE AND DEVELOPMENT**

---

**This completed application form, together with all of the listed requirements provided on the Land Use and Development Application Filing Instructions Handout, are required in order to file an application with the County of Riverside Planning Department.**

Y:\Current Planning\LMS Replacement\Condensed P.D. Application Forms\Land Use and Development Condensed application.docx  
Created: 04/29/2015 Revised: 08/03/2018



# RIVERSIDE COUNTY PLANNING DEPARTMENT

*Charissa Leach, P.E.,  
Assistant TLMA Director*

## INDEMNIFICATION AGREEMENT REQUIRED FOR ALL PROJECTS

The owner(s) of the property, at their own expense, agree to defend, indemnify and hold harmless the County of Riverside and its agents, officers, and employees from and against any lawsuit, claim, action, or proceeding (collectively referred to as "proceeding") brought against the County of Riverside, its agents, officers, attorneys and employees to attack, set aside, void, or annul the County's decision to approve any tentative map (tract or parcel), revised map, map minor change, reversion to acreage, conditional use permit, public use permit, surface mining permit, WECS permit, hazardous waste siting permit, temporary outdoor event permit, plot plan, substantial conformance, revised permit, variance, setback adjustment, general plan amendment, specific plan, specific plan amendment, specific plan substantial conformance, zoning amendments, and any associated environmental documents. This defense and indemnification obligation shall include, but not limited to, damages, fees and/or costs awarded against the County, if any, and cost of suit, attorney's fees and other costs, liabilities and expenses incurred in connection with such proceeding whether incurred by applicant, property owner, the County, and/or the parties initiating or bringing such proceeding.

*Don G. Meyer*

1-27-21

Property Owner(s) Signature(s) and Date

*Bruce A. Meyer*

Printed Name of Owner

*If the property is owned by multiple owners, the paragraph above must be signed by each owner. Attach additional sheets of this page, if necessary.*

*If the property owner is a corporate entity, Limited Liability Company, partnership or trust, the following documentation must also be submitted with this application:*

- If the property owner is a limited partnership, provide a copy of the LP-1, LP-2 (if an amendment) filed with the California Secretary of State.*
- If the property owner is a general partnership, provide a copy of the partnership agreement documenting who has authority to bind the general partnership and to sign on its behalf.*
- If the property owner is a corporation, provide a copy of the Articles of Incorporation and/or a corporate resolution documenting which officers have authority to bind the corporation and to sign on its behalf. The corporation must also be in good standing with the California Secretary of State.*
- If the property owner is a trust, provide a copy of the trust certificate.*

Riverside Office • 4080 Lemon Street, 12th Floor  
P.O. Box 1409, Riverside, California 92502-1409  
(951) 955-3200 • Fax (951) 955-1811

Desert Office • 77-588 El Duna Court, Suite H  
Palm Desert, California 92211  
(760) 863-8277 • Fax (760) 863-7040

*"Planning Our Future... Preserving Our Past"*

## **INDEMNIFICATION AGREEMENT REQUIRED FOR ALL PROJECTS**

- *If the property owner is a Limited Liability Corporation, provide a copy of the operating agreement for the LLC documenting who has authority to bind the LLC and to sign on its behalf.*

*If the signing entity is also a corporate entity, Limited Liability Company, partnership or trust, the above documentation must also be submitted with this application. For any out of State legal entities, provide documentation showing registration with the California Secretary of State.*

*In addition to the above, provide a copy of a Preliminary Title Report for the property subject to this application. The Preliminary Title Report must be issued by a title company licensed to conduct business in the State of California and dated less than six months prior to the date of submittal of this application. The Assistant TLMA Director may waive the requirement for a Preliminary Title Report if it can be shown to the satisfaction of the Assistant TLMA Director that the property owner(s) has owned the property consistently for at least the last five years.*

*If the application is for a plot plan for a Wireless Communication Facility, the property owner(s) and the cellular service provider must sign the indemnification paragraph above. If the application is for a plot plan for a wireless communication co-location, only the co-locating service provider needs to sign the indemnification paragraph above.*

## NOTICE OF PUBLIC HEARING

A PUBLIC HEARING has been scheduled, pursuant to Riverside County Land Use Ordinance No. 348, before the RIVERSIDE COUNTY PLANNING COMMISSION to consider a proposed project in the vicinity of your property, as described below:

**CONDITIONAL USE PERMIT NO. 190058 and DEVELOPMENT AGREEMENT NO. 1900049 – Exempt from the California Environmental Quality Act (CEQA)**, pursuant to State CEQA Guidelines Section 15061 (b)(3) (Common Sense), Section 15301 (Existing Facilities), and Section 15303 (New Construction or Conversion of Small Structures) – CEQ190153 – Applicant: Kappkush, Inc. – Fourth Supervisorial District – Thousand Palms District – Western Coachella Valley Area Plan: Light Industrial (LI) (0.25 - 0.60 FAR) – Location: Northerly of Watt Court, easterly of Rio Del Sol Road, southerly of 30<sup>th</sup> Avenue, and westerly of Roberts Road – .78 Acres – Zoning: Manufacturing – Service Commercial (M-SC) – **REQUEST:** Conditional Use Permit No. 190058 proposes to occupy an existing facility to be utilized for a microbusiness use. Development Agreement No. 1900049, is a proposal whereby the applicant enters into a development agreement with the County of Riverside, consistent with the County's Cannabis Ordinance, and it includes terms for providing a community benefit to the Western Coachella Valley Area. APN: 650-380-008.

TIME OF HEARING: 9:00 a.m. or as soon as possible thereafter.  
DATE OF HEARING: **MARCH 3, 2021**  
PLACE OF HEARING: RIVERSIDE COUNTY ADMINISTRATIVE CENTER  
BOARD CHAMBERS, 1ST FLOOR  
4080 LEMON STREET, RIVERSIDE, CA 92501

Pursuant to Executive Order N-25-20, this meeting will be conducted by teleconference and at the place of hearing, as listed above. Public access to the meeting location will be allowed but limited to comply with the Executive Order. Information on how to participate in the hearing will be available on the Planning Department website at: <https://planning.rctlma.org/>. For further information regarding this project please contact the Project Planner: Mina Morgan at (951) 955-6035 or email at [mimorgan@rivco.org](mailto:mimorgan@rivco.org), or go to the County Planning Department's Planning Commission agenda web page at <http://planning.rctlma.org/PublicHearings.aspx>.

The Riverside County Planning Department has determined that the above-described application is exempt from the provisions of the California Environmental Quality Act (CEQA). The Planning Commission will consider the proposed application at the public hearing. The case file for the proposed project is available for review via email by contacting the project planner. Please contact the project planner regarding additional viewing methods.

Any person wishing to comment on the proposed project may submit their comments in writing by mail or email, or by phone between the date of this notice and the public hearing; or, you may appear and be heard at the time and place noted above. You may participate remotely by registering with the Planning Department. All comments received prior to the public hearing will be submitted to the Planning Commission for consideration, in addition to any oral testimony, before making a decision on the proposed project. All correspondence received before and during the meeting will be distributed to the Planning Commission and retained for the official record.

If this project is challenged in court, the issues may be limited to those raised at the public hearing, described in this notice, or in written correspondence delivered to the Planning Commission at, or prior to, the public hearing. Be advised that as a result of public hearings and comment, the Planning Commission may amend, in whole or in part, the proposed project. Accordingly, the designations, development standards, design or improvements, or any properties or lands within the boundaries of the proposed project, may be changed in a way other than specifically proposed.

Please send all written correspondence to:  
RIVERSIDE COUNTY PLANNING DEPARTMENT  
Attn: Mina Morgan  
P.O. Box 1409, Riverside, CA 92502-1409



**PROPERTY OWNERS CERTIFICATION FORM**

I, VINNIE NGUYEN certify that on January 13, 2021

The attached property owners list was prepared by Riverside County GIS,

APN (s) or case numbers CUP190058 / DA1900049 for

Company or Individual's Name RCIT - GIS,

Distance buffered 1200'

Pursuant to application requirements furnished by the Riverside County Planning Department. Said list is a complete and true compilation of the owners of the subject property and all other property owners within 600 feet of the property involved, or if that area yields less than 25 different owners, all property owners within a notification area expanded to yield a minimum of 25 different owners, to a maximum notification area of 2,400 feet from the project boundaries, based upon the latest equalized assessment rolls. If the project is a subdivision with identified off-site access/improvements, said list includes a complete and true compilation of the names and mailing addresses of the owners of all property that is adjacent to the proposed off-site improvement/alignment.

I further certify that the information filed is true and correct to the best of my knowledge. I understand that incorrect or incomplete information may be grounds for rejection or denial of the application.

TITLE: GIS Analyst

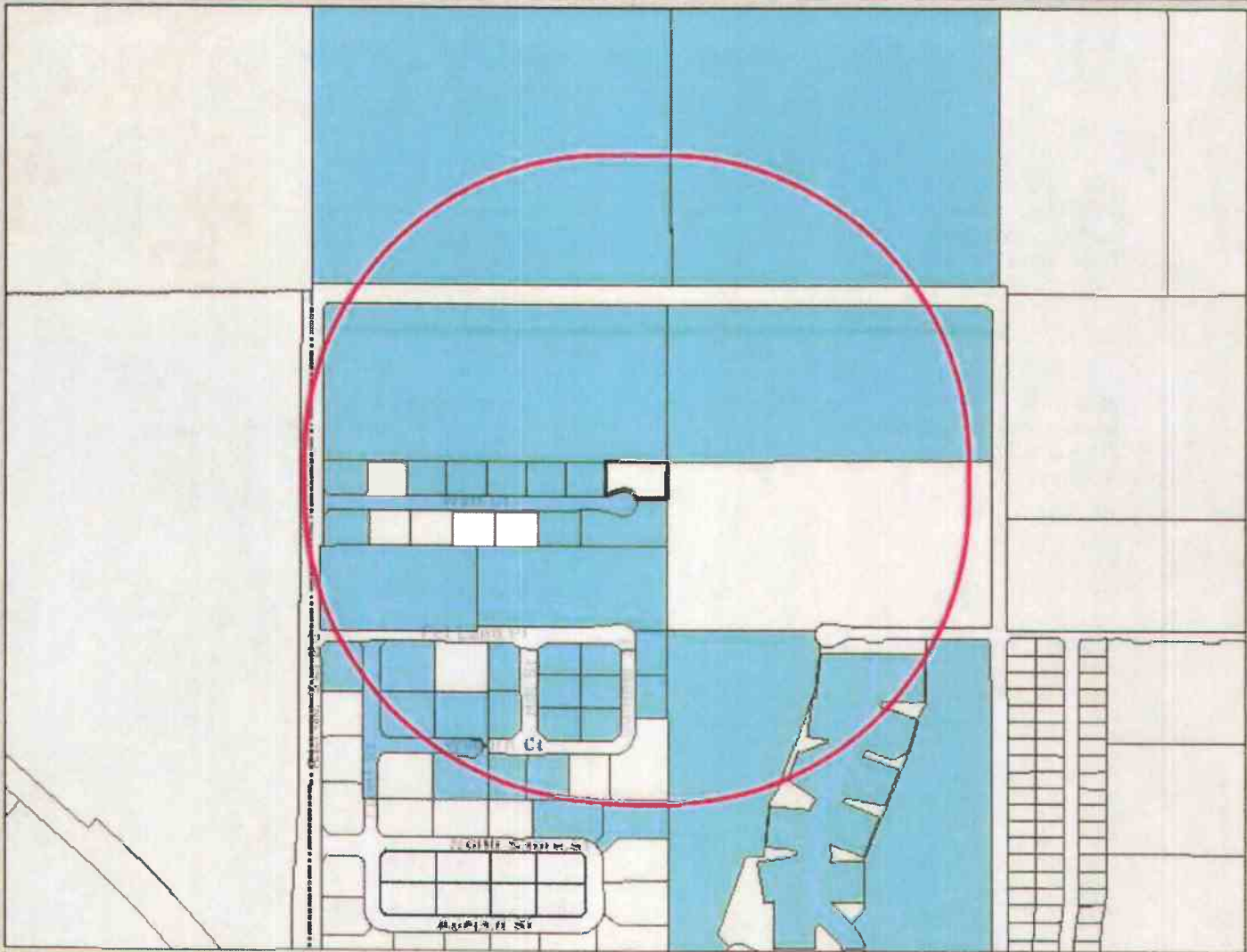
ADDRESS: 4080 Lemon Street 9<sup>TH</sup> Floor

Riverside, Ca. 92502

TELEPHONE NUMBER (8 a.m. – 5 p.m.): (951) 955-8158

# Riverside County GIS Mailing Labels

CUP190058 DA1900049 (1200 feet buffer )



## Legend

-  County Boundary
-  Cities
-  Parcels
-  World Street Map

## Notes



0 752 1,505 Feet

**\*IMPORTANT\*** Maps and data are to be used for reference purposes only. Map features are approximate, and are not necessarily accurate to surveying or engineering standards. The County of Riverside makes no warranty or guarantee as to the content (the source is often third party), accuracy, timeliness, or completeness of any of the data provided, and assumes no legal responsibility for the information contained on this map. Any use of this product with respect to accuracy and precision shall be the sole responsibility of the user.

REPORT PRINTED ON... 1/13/2021 3:38:56 PM

© Riverside County RCIT

650020031  
CARLOS ANTONIO G VIGON  
1007 S SEPULVEDA NO 383  
MANHATTAN BEACH CA 90266

648150034  
ARAWAY LTD  
7400 ROBLIN BLVD  
HEADINGLY MB R4H1A5

650350005  
DOUGLAS G. DENBOER  
637 BIG CANYON DR W  
PALM SPRINGS CA 92264

650350012  
BERNARD WHITE & SONS  
71905 HIGHWAY 111 STE E  
RANCHO MIRAGE CA 92270

650350017  
WHITE BROTHERS INV CO  
71905 HIGHWAY 111 STE E  
RANCHO MIRAGE CA 92270

650350034  
THOUSAND PALMS BUSINESS PARK OWNERS  
38858 LOBELIA CIR  
PALM DESERT CA 92211

648150035  
TALLIEU CONST LTD  
7400 ROBLIN BLVD  
HEADINGLY MB R4H1A5

650380016  
MERRITT WILLIAMS  
12300 VIA RONCOLE  
SARATOGA CA 95070

650350036  
RANCHO NINE HOLDINGS  
P O BOX 13164  
PALM DESERT CA 92255

650380011  
MARC ROY STEWART  
13 OAKMONT DR  
RANCHO MIRAGE CA 92270

650350019  
ANTKAR INV  
72230 WOBURN CT  
THOUSAND PLMS CA 92276

650350025  
THOUSAND PALMS BUSINESS PARK OWNERS  
P O BOX 13164  
PALM DESERT CA 92255

650390001  
THOUSAND PALMS APARTMENTS II LTD  
100 PACIFICA STE 203  
IRVINE CA 92618

650350011  
BERNARD WHITE & SONS  
71905 HWY 111 STE E  
RANCHO MIRAGE CA 92270

650350022  
JOSEPH C. BOSCH  
81594 CAMINO LOS MILAGROS  
INDIO CA 92203

850020024  
COUNTY OF RIVERSIDE  
P O BOX 1180  
RIVERSIDE CA 92502

650350001  
REFRIGERATION SUPPLIES DISTRIBUTOR  
26021 ATLANTIC OCEAN DR  
LAKE FOREST CA 92630

650350009  
ANTHONY KEVIN PAGNINI  
5727 WILDBRIAR  
RCH PALOS VRD CA 90275

650350013  
ADM PROP  
28 HAMMOND STE F  
IRVINE CA 92618

650350023  
BRANDON OBRIEN  
30670 HILL ST  
THOUSAND PALMS CA 92276

650380017  
BRANDIS U S A  
595 HORNBY NO 600  
VC BC CANADA

650390002  
THOUSAND PALMS APARTMENTS LTD  
151 KALMUS DR STE J5  
COSTA MESA CA 92626

650390003  
DESERT RECREATION DIST  
45305 OASIS  
INDIO CA 92201

650350024  
LIGHTSOURCE  
30690 HILL ST  
THOUSAND PALMS CA 92276

650380007  
IE ENTERPRISES  
41800 HARRISON DR  
PALM DESERT CA 92211

650380011  
MERRITT WILLIAMS  
1688 CERVATO CIR  
ALAMO CA 94507

650380005  
DAVID RONALD WILLIAMS  
1555 CLIVEDEN AVE  
DELTA BC CANADA

650380018  
GRANDMARK DESERT PROP  
515 VISTA BONITA  
PALM DESERT CA 92260

650020025  
ANIMAL SAMARITANS SPCA INC  
72120 PET LAND PL  
THOUSAND PALMS CA 92276

650020029  
COACHELLA INV #1  
PO BOX 230698  
PORTLAND OR 97281

650350006  
N617KM  
26021 ATLANTIC OCEAN  
LAKE FOREST CA 92630

650350018  
OTT REX C REVOCABLE LIVING TRUST  
51 FALCON PT  
RANCHO MIRAGE CA 92270

650350020  
ANTKAR INV  
72230 WOBURN CT  
THOUSAND PALMS CA 92276

650350021  
AK&B VENTURES  
3044 PAYNE RANCH RD  
CHINO HILLS CA 91709

650360012  
DOUG DENBOER  
637 BIG CANYON DR W  
PALM SPRINGS CA 92264

650380001  
WATT COURT  
10586 W PICO BLVD # 395  
LOS ANGELES CA 90064

650380006  
RESERVE 6  
31410 RESERVE DR STE 5  
THOUSAND PALMS CA 92276

650380003  
DAWSON JAMES BAILARD  
77928 PALAPAS RD STE C  
PALM DESERT CA 92211

650380004  
TJEKJAUW TAN  
49470 AVENIDA MONTERO  
LA QUINTA CA 92253

**WMW**  
**14205 Meridian Parkway**  
**Riverside, CA 92518**

**Kirkland West**  
**Habitat Defense Council**  
**PO Box 7821**  
**Laguna Niguel, Ca, 92607-7821**

**City Of Cathedral City**  
**68-700 Avenida Lalo Guerrero**  
**Cathedral City, CA 92234**

**Richard Drury**  
**Komalpreet Toor**  
**Lozeau Drury, LLP**  
**1939 Harrison Street, Suite 150**  
**Oakland, CA 94612**

**California Department of Fish and Wild Life**  
**Inland Deserts-Eastern Sierra Region**  
**3602 Inland Empire Blvd Suite C-220**  
**Ontario, CA 91764**

**Applicant:**

Narine Kapukchyan  
3856 Winford Dr  
Tarazana CA, 91356

**Engineer:**

MSA Consulting, Inc  
34200 Bob Hope Dr  
Rancho Mirage CA, 92270  
Attn: Christopher Brizuela

**Owner:**

Bruce Meyer  
41800 Harrison Dr  
Palm Desert CA, 92211

Recorded at request of  
Clerk, Board of Supervisors  
County of Riverside

When recorded return to  
Assistant TLMA Director – Planning and Land Use  
4080 Lemon Street, 12th Floor  
Riverside, CA 92501

DEVELOPMENT AGREEMENT NO. 1900049

A DEVELOPMENT AGREEMENT BETWEEN

COUNTY OF RIVERSIDE

AND

SAMUEL KAPUKCHYAN

KAPPKUSH, INC.



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DEVELOPMENT AGREEMENT NO. 190049

This Development Agreement (hereinafter "Agreement") is entered into effective on the date it is recorded with the Riverside County Recorder (hereinafter the "Effective Date") by and among the COUNTY OF RIVERSIDE (hereinafter "COUNTY"), and the persons and entities listed below (hereinafter "OWNER"):

Samuel Kapukchyan  
Kappkush, Inc.

RECITALS

WHEREAS, COUNTY is authorized to enter into binding development agreements with persons having legal or equitable interests in real property for the development of such property, pursuant to Article 11, Section 7 of the California Constitution and Section 65864, et seq. of the Government Code; and,

WHEREAS, COUNTY has adopted Procedures and Requirements of the County of Riverside for the Consideration of Development Agreements (hereinafter "Procedures and Requirements"), pursuant to Section 65865 of the Government Code; and,

WHEREAS, OWNER has requested COUNTY to enter into a development agreement and proceedings have been taken in accordance with the Procedures and Requirements of COUNTY; and,

WHEREAS, by electing to enter into this Agreement, COUNTY shall bind future Boards of Supervisors of COUNTY by the obligations specified herein and limit the future exercise of certain governmental and proprietary powers of COUNTY; and,

WHEREAS, the terms and conditions of this Agreement have undergone extensive review by COUNTY and the Board of Supervisors and have been found to be fair, just and reasonable; and,

WHEREAS, the best interests of the citizens of Riverside County and the public health, safety and welfare will be served by entering into this Agreement; and,

WHEREAS, all of the procedures of the California Environmental Quality Act (Public Resources Code, Section 21000 et seq.) have been met with respect to the Project and the Agreement; and,

WHEREAS, this Agreement and the Project are consistent with the Riverside County General Plan and any specific plan applicable thereto; and,

WHEREAS, all actions taken and approvals given by COUNTY have been duly taken or approved in accordance with all applicable legal requirements for notice, public hearings, findings,

votes, and other procedural matters; and,

WHEREAS, this Agreement will confer substantial private benefits on OWNER by granting vested rights to develop the Property in accordance with the provisions of this Agreement; and,

WHEREAS, OWNER proposes to develop the Property to be used for the Commercial Cannabis Activity described in Exhibit E (“the Development Plan”); and,

WHEREAS, Riverside County Ordinance 348.4898 (hereinafter “Ordinance No. 348.4898”) establishes a regulatory permitting process for Commercial Cannabis Activities and prohibits all Commercial Cannabis Activities in all land use zones without the benefit of a land use permit issued by the COUNTY; and,

WHEREAS, Board of Supervisors Policy No. B-9 further sets forth provisions to be included in development agreements in order to implement applicable General Plan provisions, to ensure that the County does not disproportionately bear the burden of commercial cannabis activities throughout the County, to ensure the County receives public benefits for the commercial cannabis activities, to ensure there are adequate resources available for enforcement of permitted and unpermitted commercial cannabis activities, and to give cannabis owners and property owners certainty as to the County’s requirements; and,

WHEREAS, this Agreement complies with the provisions of both Ordinance No. 348.4898 and Board Policy B-9; and,

WHEREAS, this Agreement will eliminate uncertainty in planning and provide for the orderly development of the Property, ensure progressive installation of necessary improvements, provide for public services appropriate to the development of the Project, and generally serve the purposes for which development agreements under Sections 65864, et seq. of the Government Code are intended; and,

WHEREAS, OWNER has incurred and will in the future incur substantial costs in order to assure development of the Property in accordance with this Agreement; and,

WHEREAS, OWNER has incurred and will in the future incur substantial costs in excess of the generally applicable requirements in order to assure vesting of legal rights to develop the Property in accordance with this Agreement.

#### COVENANTS

NOW, THEREFORE, in consideration of the above recitals and of the mutual covenants hereinafter contained and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties agree as follows:

1. DEFINITIONS AND EXHIBITS.

1.1 Definitions. The following terms when used in this Agreement shall be defined as follows:



1.1.1 "Agreement" means this Development Agreement.

1.1.2 "Base Rate" means the calculated amount set forth in Exhibit "F", and which is payable to COUNTY annually pursuant to Subsections 4.2.1 and 4.2.2 of this Agreement and increased annually by 2% from and after the date of this agreement.

1.1.3 "Commercial Cannabis Activity" means the cultivation, possession, manufacture, distribution, processing, storing, laboratory testing, packaging, labeling, transportation, delivery or sale of Cannabis and cannabis products as provided for in Ordinance No. 348, as amended through Ordinance No. 348.4898, and any other subsequently adopted zoning ordinance amendment or subsequently adopted zoning ordinance.

1.1.4 "Conditional Use Permit" means the land use permit required by COUNTY to conduct Commercial Cannabis Activities.

1.1.5 "COUNTY" means the County of Riverside, a political subdivision of the State of California.

1.1.6 "Development" means the improvement of the Property for the purposes of completing the structures, improvements and facilities comprising the Project including, but not limited to: grading; the construction of infrastructure and public facilities related to the Project whether located within or outside the Property; the construction or reconstruction of buildings and structures; the tenant improvements of structures, and the installation of landscaping. When authorized by a Subsequent Development Approval as provided by this Agreement, "development" includes the maintenance, repair, reconstruction or redevelopment of any building, structure, improvement or facility after the construction and completion thereof.

1.1.7 "Development Approvals" means all permits and other entitlements for use subject to approval or issuance by COUNTY in connection with use of the Property and for development of the Property for Commercial Cannabis Activities including, but not limited to:

- (a) Conditional use permits, and site plans;
- (b) Zoning Amendments;
- (c) General Plan Amendments
- (d) Tentative and final subdivision and parcel maps;
- (e) Grading and building permits;
- (f) Any permits or entitlements necessary from the COUNTY;
- (g) Any easements necessary from COUNTY or any other land owner;
- (h) Specific plans and specific plan amendments;
- (i) Right of Entry agreements

1.1.8 "Development Exaction" means any requirement of the COUNTY in connection with or pursuant to any Land Use Regulation or Development Approval for the

dedication of land, the construction of improvements or public facilities, or the payment of fees in order to lessen, offset, mitigate or compensate for the impacts of development on the environment or other public interests.

1.1.9 "Development Plan" means the Existing or Proposed Development Approvals and the Existing Land Use Regulations applicable to development of the Property.

1.1.10 "Effective Date" means the date this Agreement is recorded with the County Recorder.

1.1.11 "Existing Development Approvals" means all Development Approvals approved or issued prior to the Effective Date. Existing Development Approvals includes the Development Approvals incorporated herein as Exhibit "C" and all other Development Approvals which are a matter of public record on the Effective Date.

1.1.12 "Existing Land Use Regulations" means all Land Use Regulations in effect on the Effective Date. Existing Land Use Regulations includes the Land Use Regulations incorporated herein as Exhibit "D" and all other Land Use Regulations which are a matter of public record on the Effective Date.

1.1.13 "Land Use Regulations" means all ordinances, resolutions, codes, rules, regulations and official policies of COUNTY governing the development and use of land, including, without limitation, the permitted use of land, the density or intensity of use, subdivision requirements, the maximum height and size of proposed buildings and structures, the provisions for reservation or dedication of land for public purposes, and the design, improvement and construction standards and specifications applicable to the development of the property. "Land Use Regulations" does not include any COUNTY ordinance, resolution, code, rule, regulation or official policy, governing:

- (a) The conduct of businesses, professions, and occupations;
- (b) Taxes and assessments;
- (c) The control and abatement of nuisances;
- (d) The granting of encroachment permits and the conveyance of rights and interests which provide for the use of or the entry upon public property;
- (e) The exercise of the power of eminent domain.

1.1.14 "Mortgagee" means a mortgagee of a mortgage, a beneficiary under a deed of trust or any other security-device lender, and their successors and assigns.

1.1.15 "OWNER" means the owner of the PROPERTY and the persons and entities listed as OWNER on the first page of this Agreement. OWNER shall also include any of the following:

1. A person with an aggregate ownership interest of 20 percent or more

in the Commercial Cannabis Activity for which a license or permit is being sought, unless the interest is solely a security, lien, or encumbrance.

2. The chief executive officer of a nonprofit or other entity for the Commercial Cannabis Activity.

3. A member of the board of directors of a nonprofit for the Commercial Cannabis Activity.

4. An individual who will be participating in the direction, control, or management of the person applying for a Commercial Cannabis Activity Conditional Use Permit or State license.”

1.1.16 “Project” means the development of the Property contemplated by the Development Plan as such Plan may be further defined, enhanced or modified pursuant to the provisions of this Agreement.

1.1.17 “Property” means the real property described on Exhibit “A” and shown on Exhibit “B” to this Agreement.

1.1.18 “Reservations of Authority” means the rights and authority excepted from the assurances and rights provided to OWNER under this Agreement and reserved to COUNTY under Section 3.5 of this Agreement.

1.1.19 “Subsequent Development Approvals” means all Development Approvals approved subsequent to the Effective Date in connection with development of the Property.

1.1.20 “Subsequent Land Use Regulations” means any Land Use Regulations adopted and effective after the Effective Date of this Agreement.

1.1.21 “Transfer” means sale, assignment, lease, sublease or any other transfer of a legal or equitable interest in the Property.

1.2 Exhibits. The following documents are attached to, and by this reference made a part of, this Agreement:

- Exhibit “A” - Legal Description of the Property
- Exhibit “B” - Map Showing Property and Its Location
- Exhibit “C” - Existing Development Approvals
- Exhibit “D” - Existing Land Use Regulations
- Exhibit “E” - Commercial Cannabis Activity Site Plan & Description
- Exhibit “F” - Applicable Annual Public Benefits Base Payments
- Exhibit “G” - Commercial Cannabis Area calculation exhibit.
- Exhibit “H” - Additional Public Benefits Exhibit

## 2. GENERAL PROVISIONS.

2.1 Binding Effect of Agreement. The Property is hereby made subject to this Agreement. Development of the Property is hereby authorized and shall be carried out only in accordance with the terms of this Agreement.

2.2 Ownership of Property. OWNER represents and covenants that it is the owner of a legal or equitable interest in the Property or a portion thereof.

2.3 Term. This Agreement shall commence on the Effective Date and shall continue for a period of ten years thereafter, unless this term is modified or extended for one additional five year term pursuant to the provisions of this Agreement and so long as the Project is in compliance with all applicable conditions of approval and County ordinances.

2.4 Transfer.

2.4.1 Right to Transfer. OWNER shall have the right to transfer the Property in whole or in part (provided that no such partial transfer shall violate the Subdivision Map Act, Government Code Section 66410, et seq., or Riverside County Ordinance No. 460) to any person, partnership, joint venture, firm or corporation at any time during the term of this Agreement; provided, however, that any such transfer shall include the assignment and assumption of the rights, duties and obligations arising under or from this Agreement and be made in strict compliance with the following conditions precedent:

(a) No transfer of any right or interest under this Agreement shall be made unless made together with the sale, transfer or assignment of all or a part of the Property.

(b) Concurrent with any such transfer or within fifteen (15) business days thereafter, OWNER shall notify COUNTY, in writing, of such transfer and shall provide COUNTY with an executed agreement by the transferee, in a form reasonably acceptable to COUNTY, providing therein that the transferee expressly and unconditionally assumes all the duties and obligations of OWNER under this Agreement.

Any transfer not made in strict compliance with the foregoing conditions shall constitute a default by OWNER under this Agreement. Notwithstanding the failure of any transferee to execute the agreement required by Paragraph (b) of this Subsection 2.4.1, the burdens of this Agreement shall be binding upon such transferee, but the benefits of this Agreement shall not inure to such transferee until and unless such agreement is executed.

2.4.2 Release of Transferring Owner. Notwithstanding any transfer, a transferring OWNER shall continue to be obligated under this Agreement unless such transferring OWNER is given a release in writing by COUNTY, which release shall be provided by COUNTY upon the full satisfaction by such transferring OWNER of the following conditions:

(a) OWNER no longer has a legal or equitable interest in all or any part of the Property.

(b) OWNER is not then in default under this Agreement.

(c) OWNER has provided COUNTY with the notice and executed agreement required under Paragraph (b) of Subsection 2.4.1 above.

(d) The transferee provides COUNTY with security equivalent to any security previously provided by OWNER to secure performance of its obligations hereunder.

2.4.3 Subsequent Transfer. Any subsequent transfer after an initial transfer shall be made only in accordance with and subject to the terms and conditions of this Section.

2.5 Amendment or Cancellation of Agreement. This Agreement may be amended or cancelled in whole or in part only by written consent of all parties in the manner provided for in Government Code Section 65868. This provision shall not limit any remedy of COUNTY or OWNER as provided by this Agreement.

2.6 Termination. This Agreement shall be deemed terminated and of no further effect upon the occurrence of any of the following events:

(a) Expiration of the stated term of this Agreement as set forth in Section 2.3.

(b) Entry of a final judgment by a court of competent jurisdiction setting aside, voiding or annulling the adoption of the ordinance approving this Agreement. For purposes of clarity this termination section excludes entry of a final judgment by a court of competent jurisdiction setting aside, voiding or annulling the adoption of Board of Supervisors' Policy No. B-9.

(c) The adoption of a referendum measure overriding or repealing the ordinance approving this Agreement.

(d) OWNER's election to terminate this Agreement. If OWNER elects not to develop all or a portion of the Property as a Commercial Cannabis Activity, OWNER shall provide notice of such election to the COUNTY, such notice by OWNER shall (i) seek to terminate this Agreement as to the portion of the Property that is the subject of such notice of termination; and (ii) shall acknowledge that the Conditional Use Permit (CUP No. 190058) shall be null and void as to the Property that is the subject of such notice of termination. Following receipt of OWNER's notice of election to terminate this Agreement, OWNER and COUNTY shall execute an appropriate instrument in recordable form evidencing such termination, and shall cause such instrument to be an amendment to this Agreement to be processed in accordance with COUNTY's Procedures and Requirements for the Consideration of Development Agreements set forth in

Resolution No. 2020-124.

(e) When OWNER no longer has a legal or equitable interest in the Property or has ceased operations on the Property for a period of ninety (90) consecutive days and no evidence demonstrating continuing and ongoing use of the Property consistent with the approved Conditional Use Permit No. 190058.

(f) Federal Enforcement of the Federal Controlled Substances Act against OWNER or the COUNTY. The parties understand that cannabis is still classified as a Schedule I Drug under the Federal Controlled Substances Act, 21 U.S.C. §§ 801 et seq. In the event there is federal enforcement of the Federal Controlled Substances Act against the COUNTY for the COUNTY's enactment of a comprehensive, regulatory framework for commercial cannabis activities or against OWNER for OWNER's own commercial cannabis activities, this Agreement shall be deemed terminated and of no further effect.

(g) Revocation of a Commercial Cannabis Activity Conditional Use Permit or State License.

Upon the termination of this Agreement, no party shall have any further right or obligation hereunder except with respect to any obligation to have been performed prior to such termination or with respect to any default in the performance of the provisions of this Agreement which has occurred prior to such termination or with respect to any obligations which are specifically set forth as surviving this Agreement.

2.7 Notices.

(a) As used in this Agreement, "notice" includes, but is not limited to, the communication of notice, request, demand, approval, statement, report, acceptance, consent, waiver, appointment or other communication required or permitted hereunder.

(b) All notices shall be in writing and shall be considered given either:  
(i) when delivered in person to the recipient named below; (ii) on the date of delivery shown on the return receipt, after deposit in the United States mail in a sealed envelope as either registered or certified mail with return receipt requested, and postage and postal charges prepaid, and addressed to the recipient named below; (iii) on the next business day when delivered by overnight United States mail or courier service; or (iv) on the date of delivery shown in the facsimile records of the party sending the facsimile after transmission by facsimile to the recipient named below. All notices shall be addressed as follows:

If to COUNTY:

Clerk of the Board of Supervisors  
Riverside County Administrative Center  
4080 Lemon Street, First Floor  
Riverside, CA 92502

Fax No. (951) 955-1071

with copies to:

County Executive Officer  
Riverside County Administrative Center  
4080 Lemon Street, 4th Floor  
Riverside, CA 92501  
Fax No. (951) 955-1105

and

Assistant TLMA Director — Planning and Land Use  
Transportation and Land Management Agency  
Riverside County Administrative Center,  
4080 Lemon Street, 12th Floor  
Riverside, CA 92501  
Fax No. (951) 955-1817

and

County Counsel  
County of Riverside  
3960 Orange Street, Suite 500  
Riverside, CA 92501  
Fax No. (951) 955-6363

If to OWNER:

Samuel Kapukchyan  
3856 Winford Drive  
Tarzana, CA 91356

and

Kappkush, Inc.  
C/O Narine Kapukchyan  
3856 Winford Drive  
Tarzana, CA 91356

With a copy to: [Eric@shevinlaw.com](mailto:Eric@shevinlaw.com)

(c) Either party may, by notice given at any time, require subsequent notices to be given to another person or entity, whether a party or an officer or representative of a party, or to a different address, or both. Notices given before actual receipt of notice of change shall not be invalidated by any such change.

### 3. DEVELOPMENT OF THE PROPERTY.

3.1 Rights to Develop. Subject to the terms of this Agreement including the Reservations of Authority, OWNER shall have a vested right to develop the Property in accordance with, and to the extent of, the Development Plan. The Existing Development Approvals shall not expire and shall remain valid for the Term of this Agreement so long as the Project remains in compliance with all conditions of approval for the Existing Development Approvals and in compliance with this Agreement. The Project shall remain subject to all Subsequent Development Approvals required to complete the Project as contemplated by the Development Plan. Except as otherwise provided in this Agreement, the permitted uses of the Property, the density and intensity of use, the maximum height and size of proposed buildings and structures, and provisions for reservation and dedication of land for public purposes shall be those set forth in the Development Plan.

3.2 Effect of Agreement on Land Use Regulations. Except as otherwise provided under the terms of this Agreement including the Reservations of Authority, the rules, regulations and official policies governing permitted uses of the Property, the density and intensity of use of the Property, the maximum height and size of proposed buildings and structures, and the design, improvement and construction standards and specifications applicable to development of the Property shall be the Existing Land Use Regulations. In connection with any Subsequent Development Approval, COUNTY shall exercise its discretion in accordance with the Development Plan, and as provided by this Agreement including, but not limited to, the Reservations of Authority. COUNTY shall accept for processing, review and action all applications for Subsequent Development Approvals, and such applications shall be processed in the normal manner for processing such matters.

3.3 Timing of Development. The parties acknowledge that OWNER cannot at this time predict when or the rate at which phases of the Property will be developed. Such decisions depend upon numerous factors which are not within the control of OWNER, such as market orientation and demand, interest rates, absorption, completion and other similar factors. Since the California Supreme Court held in Pardee Construction Co. v. City of Camarillo (1984) 37 Cal.3d 465, that the failure of the parties therein to provide for the timing of development resulted in a later adopted initiative restricting the timing of development to prevail over such parties' agreement, it is the parties' intent to cure that deficiency by acknowledging and providing that OWNER shall have the right to develop the Property in such order and at such rate and at such times as OWNER deems appropriate within the exercise of its subjective business judgment.

3.4 Changes and Amendments. The parties acknowledge that refinement and further development of the Project will require Subsequent Development Approvals and may demonstrate that changes are appropriate and mutually desirable in the Existing Development Approvals. In the event OWNER finds that a change in the Existing Development Approvals is necessary or appropriate, OWNER shall apply for a Subsequent Development Approval to effectuate such change and COUNTY shall process and act on such application in accordance with the Existing Land Use Regulations, except as otherwise provided by this Agreement including the Reservations of Authority. If approved, any such change in the Existing Development Approvals shall be incorporated herein as an addendum to Exhibit "C", and may be further changed from time to time as provided in this Section. Unless otherwise required by law, as determined in COUNTY'S



reasonable discretion, a change to the Existing Development Approvals shall be deemed "minor" and not require an amendment to this Agreement provided such change does not:

- (a) Alter the permitted uses of the Property as a whole; or,
  - (b) Increase the density or intensity of use of the Property as a whole;
- or,
- (c) Increase the maximum height and size of permitted buildings or structures;
- or,
- (d) Delete a requirement for the reservation or dedication of land for public purposes within the Property as a whole; or,
  - (e) Constitute a project requiring a subsequent or supplemental environmental impact report pursuant to Section 21166 of the Public Resources Code.

### 3.5 Reservations of Authority.

3.5.1 Limitations. Reservations and Exceptions. Notwithstanding any other provision of this Agreement, the following Subsequent Land Use Regulations shall apply to the development of the Property.

(a) Processing fees and charges of every kind and nature imposed by COUNTY to cover the estimated actual costs to COUNTY of processing applications for Development Approvals or for monitoring compliance with any Development Approvals granted or issued.

(b) Procedural regulations relating to hearing bodies, petitions, applications, notices, findings, records, hearings, reports, recommendations, appeals and any other matter of procedure.

(c) Regulations governing construction standards and specifications including, without limitation, the Building Code, Plumbing Code, Mechanical Code, Electrical Code, Fire Code and Grading Code applicable in the County.

(d) Regulations imposing Development Exactions. Development Exactions shall be applicable to development of the Property if such Development Exaction is applied uniformly to development, either throughout the COUNTY or within a defined area of benefit which includes the Property. No such subsequently adopted Development Exaction shall apply if its application to the Property would physically prevent development of the Property for the uses and to the density or intensity of development set forth in the Development Plan.

(e) Regulations which may be in conflict with the Development Plan but which are reasonably necessary to protect the public health and safety. To the extent possible, any such regulations shall be applied and construed so as to provide OWNER with the rights and assurances provided under this Agreement.

(f) Regulations which are not in conflict with the Development Plan.

Any regulation, whether adopted by initiative or otherwise, limiting the rate or timing of development of the Property shall be deemed to conflict with the Development Plan and shall therefore not be applicable to the development of the Property.

(g) Regulations which are in conflict with the Development Plan provided OWNER has given written consent to the application of such regulations to development of the Property.

3.5.2 Subsequent Development Approvals. This Agreement shall not prevent COUNTY, in acting on Subsequent Development Approvals, from applying Subsequent Land Use Regulations which do not conflict with the Development Plan, nor shall this Agreement prevent COUNTY from denying or conditionally approving any Subsequent Development Approval on the basis of the Existing Land Use Regulations or any Subsequent Land Use Regulation not in conflict with the Development Plan.

3.5.3 Modification or Suspension by State or Federal Law. In the event that State or Federal laws or regulations, enacted after the Effective Date of this Agreement, prevent or preclude compliance with one or more of the provisions of this Agreement or require changes in plans, maps or permits approved by the COUNTY, such provisions of this Agreement shall be modified or suspended as may be necessary to comply with such State or Federal laws or regulations, provided, however, that this Agreement shall remain in full force and effect to the extent it is not inconsistent with such laws or regulations and to the extent such laws or regulations do not render such remaining provisions impractical to enforce.

3.5.4 Intent. The parties acknowledge and agree that COUNTY is restricted in its authority to limit its police power by contract and that the foregoing limitations, reservations and exceptions are intended to reserve to COUNTY all of its police power which cannot be so limited. This Agreement shall be construed, contrary to its stated terms if necessary, to reserve to COUNTY all such power and authority which cannot be restricted by contract.

3.5.5. Application of State and Local Regulatory Laws Governing Commercial Cannabis Activities. The operation of Commercial Cannabis Activities is a highly regulated business activity, and it is subject to various state and local laws and regulations. This Agreement does not, and the County cannot and does not intend to, give OWNER the right to continue its operations without complying with applicable state and local laws governing its operations. OWNER shall be responsible for obtaining, and maintaining throughout the entire term of this Agreement, all applicable state licenses, permits, approvals, and consents, even if the applicable state laws and regulations are altered following the Effective Date.

3.6. Public Works. If OWNER is required by this Agreement to construct any public works facilities which will be dedicated to COUNTY or any other public agency upon completion, and if required by applicable laws to do so, OWNER shall perform such work in the same manner

and subject to the same requirements as would be applicable to COUNTY or such other public agency if it would have undertaken such construction.

3.7 Provision of Real Property Interests by COUNTY. In any instance where OWNER is required to construct any public improvement on land not owned by OWNER, OWNER shall at its sole cost and expense provide or cause to be provided, the real property interests necessary for the construction of such public improvements. In the event OWNER is unable, after exercising reasonable efforts to acquire the real property interests necessary for the construction of such public improvements, and if so instructed by OWNER and upon OWNER'S provision of adequate security for costs COUNTY may reasonably incur, COUNTY shall negotiate the purchase of the necessary real property interests to allow OWNER to construct the public improvements as required by this Agreement and, if necessary, in accordance with the procedures established by law, use its power of eminent domain to acquire such required real property interests. OWNER shall pay all costs associated with such acquisition or condemnation proceedings. This Section 3.7 is not intended by the parties to impose upon the OWNER an enforceable duty to acquire land or construct any public improvements on land not owned by OWNER, except to the extent that the OWNER elects to proceed with the development of the Project, and then only in accordance with valid conditions imposed by the COUNTY upon the development of the Project under the Subdivision Map Act, Government Code Section 66410 et seq., or other legal authority.

3.8 Regulation by Other Public Agencies. It is acknowledged by the parties that other public agencies not within the control of COUNTY possess authority to regulate aspects of the development of the Property separately from or jointly with COUNTY and this Agreement does not limit the authority of such other public agencies. For example, pursuant to Government Code Section 66477 and Section 10.35 of Riverside County Ordinance No. 460, another local public agency may provide local park and recreation services and facilities and in that event, it is permitted, and therefore shall be permitted by the parties, to participate jointly with COUNTY to determine the location of land to be dedicated or in lieu fees to be paid for local park purposes, provided that COUNTY shall exercise its authority subject to the terms of this Agreement.

3.9 Tentative Tract Map Extension. Notwithstanding the provisions of Section 66452.6(a)(1) of the Government Code, regarding extensions of time for approved tentative maps subject to a development agreement, no tentative subdivision map or tentative parcel map, heretofore or hereafter approved in connection with development of the Property, shall be granted an extension of time except in accordance with the Subdivision Map Act and Existing Land Use Regulations.

3.10 Vesting Tentative Maps. If any tentative or final subdivision map, or tentative or final parcel map, heretofore or hereafter approved in connection with development of the Property, is a vesting map under the Subdivision Map Act (Government Code Section 66410, et seq.) and Riverside County Ordinance No. 460 and if this Agreement is determined by a final judgment to be invalid or unenforceable insofar as it grants a vested right to develop to OWNER, then and to that extent the rights and protections afforded OWNER under the laws and ordinances applicable to vesting maps shall supersede the provisions of this Agreement. Except as set forth immediately above, development of the Property shall occur only as provided in this Agreement, and the provisions in this Agreement shall be controlling over any conflicting provision of law or ordinance concerning vesting maps.

3.11 Request for Proposal Responses. Unless superseded by the terms of this Agreement, development of the Property shall be consistent with the Request for Proposal Responses submitted to the COUNTY and associated with CAN 190110, incorporated herein by this reference.

4. PUBLIC BENEFITS.

4.1 Intent. The parties acknowledge and agree that development of the Property will detrimentally affect public interests which will not be fully addressed by the Development Plan and further acknowledge and agree that this Agreement confers substantial private benefits on OWNER which should be balanced by commensurate public benefits. Accordingly, the parties intend to provide consideration to the public to balance the private benefits conferred on OWNER by providing more fully for the satisfaction of public interests.

4.2 Public Benefits for Commercial Cannabis Activities.

4.2.1 Annual Public Benefit Base Payments. Prior to the issuance of the first grading permit or the first building permit, whichever occurs first, for any part of the Commercial Cannabis Activity, OWNER shall pay to COUNTY an amount equal to the base payment calculated per Section 1.1.2 of this Agreement ("Base Payment"); provided, however, that such initial annual Base Payment shall be prorated based on the number of whole months remaining between the date of payment and the first following June 30th.

4.2.2 Subsequent Annual Base Payments. The annual Base Payment shall be subject to annual increases in an amount of 2%. Prior to the first July 1<sup>st</sup> following the initial Base Payment and each July 1<sup>st</sup> thereafter during the term of the Agreement, OWNER shall pay to COUNTY an amount equal to the Base Payment plus the 2% annual increase.

4.3 Annual Additional Public Benefits. OWNER shall perform Additional Public Benefits identified in Exhibit "H" that will benefit the community in which the Commercial Cannabis Activity is located. Prior to the issuance of the certificate of occupancy for any part of the Commercial Cannabis Activity, OWNER shall pay to COUNTY fifty percent (50%) of the total additional public benefit amount set forth in Exhibit "H" of this Agreement ("Additional Public Benefit") and the remaining fifty percent (50%) of the total Additional Public Benefit within six (6) months of the issuance of certificate of occupancy; provided, however, that such initial annual payment shall be prorated based on the number of whole months remaining between the date of payment and the first following June 30th.

4.3.1 Subsequent Annual Additional Public Benefits. The Additional Public Benefit provided in Exhibit "H" shall be subject to annual increases in an amount of 7%. Prior to the first July 1<sup>st</sup> following the initial Additional Public Benefit payment and each July 1<sup>st</sup> thereafter during the term of the Agreement, OWNER shall pay to COUNTY an amount equal to the Additional Public Benefit plus the 7% annual increase.

4.4 Taxes. Nothing herein shall be construed to relieve OWNER from paying and remitting all applicable federal, state and local taxes applicable to the Project, including but not limited to, income taxes, property taxes, local sales and use taxes, and any taxes imposed on cannabis activities and cannabis products pursuant to the Medicinal and Adult-Use Cannabis Regulation and Safety Act.

4.5 Assessments. Nothing herein shall be construed to relieve the Property from assessments levied against it by the County pursuant to any statutory procedure for the assessment of property to pay for infrastructure and/or services which benefit the Property.

4.6 New Taxes. Any subsequently enacted County taxes, including but not limited to any taxes on commercial cannabis activities, shall apply to the Project. In the event that County taxes are enacted specifically for commercial cannabis activities and cannabis products, the parties agree that this Agreement may be modified in accordance with Section 2.5 to reduce the OWNER's total public benefit payment (the sum total of the Base Rate plus the Additional Public Benefit) by an amount equal to the amount of the tax imposed on the OWNER for commercial cannabis activities and cannabis products. The parties acknowledge that the intent of being able to modify the Agreement in the event County taxes are enacted on the commercial cannabis activities and cannabis products is to enable the authority to adjust the total public benefit amount due and payable under this Agreement by the OWNER.

4.7 Vote on Future Assessments and Fees. In the event that any assessment, fee or charge which is applicable to the Property is subject to Article XIIIID of the California Constitution and OWNER does not return its ballot, OWNER agrees, on behalf of itself and its successors that the County may count OWNER's ballot as affirmatively voting in favor of such assessment, fee or charge.

5. **FINANCING OF PUBLIC IMPROVEMENTS**. If deemed appropriate, COUNTY and OWNER will cooperate in the formation of any special assessment district, community facilities district or alternate financing mechanism to pay for the construction and/or maintenance and operation of public infrastructure facilities required as part of the Development Plan. OWNER also agrees that it will not initiate and/or cooperate in the formation of any such special assessment district, community facilities district or alternate financing mechanism involving any other public agency without the prior written consent of the COUNTY.

Should the Property be included within such a special assessment district, community facilities district or other financing entity, the following provisions shall be applicable:

(a) In the event OWNER conveys any portion of the Property and/or public facilities constructed on any portion of the Property to COUNTY or any other public entity and said Property is subject to payment of taxes and/or assessments, such taxes and/or assessments shall be paid in full by OWNER prior to completion of any such conveyance.

(b) If OWNER is in default in the payment of any taxes and/or assessments, OWNER shall be considered to be in default of this Agreement and COUNTY may, in its sole discretion, initiate proceedings pursuant to Section 8.4 of this Agreement.

Notwithstanding the foregoing, it is acknowledged and agreed by the parties that nothing contained in this Agreement shall be construed as requiring COUNTY or the COUNTY Board of Supervisors to form any such district or to issue and sell bonds.

6. REVIEW FOR COMPLIANCE.

6.1 Annual Review. The TLMA Director, in consultation with the County Executive Officer and County Counsel, shall review this Agreement annually, on or before the Effective Date, in order to ascertain the good faith compliance by OWNER with the terms of the Agreement. In order to facilitate this review, OWNER shall submit an annual monitoring report, in a form specified by the TLMA Director providing all information necessary to evaluate such good faith compliance as determined by the TLMA Director. OWNER shall pay the annual review and administration fee set forth in Ordinance No. 671 prior to submission of each annual monitoring report. Prior to the issuance of any grading permit or building permit for any part of the Project, OWNER shall prepay a fee deposit and administration fee as set forth in Ordinance No. 671 (the "Monitoring Fee Prepayment"). The Monitoring Fee Prepayment shall be retained by the COUNTY until termination of this Agreement, may be used by the COUNTY at any time if there is a failure to pay any part of the annual monitoring and administration fees required under Ordinance No. 671, and shall be promptly replenished by OWNER up to the original required amount after notice by COUNTY to OWNER. Failure by OWNER to submit an annual monitoring report, on or before the Effective Date of each year in the form specified by the TLMA Director, to pay any part of the annual monitoring and administration fee required under Ordinance No. 671, to make the Monitoring Fee Prepayment or to replenish the Monitoring Fee Prepayment shall constitute a default by OWNER under this Agreement.

6.2 Special Review. The Board of Supervisors may order a special review of compliance with this Agreement at any time. The TLMA Director, in consultation with the County Executive Officer and County Counsel, shall conduct such special reviews.

6.3 Property Inspection. In accordance with applicable regulations set forth in the Medicinal and Adult Use Cannabis Regulation and Safety Act and upon twenty-four (24) hour written notice, OWNER shall allow COUNTY representatives access to the Property and all buildings and structures located on the Property to determine compliance with CUP No. 190058 and this Agreement.

6.4 Records Inspection. Upon written request by the COUNTY, OWNER shall provide records to the COUNTY demonstrating compliance with this Agreement, CUP No. 190058 and consistency with the Request for Proposal Responses associated with CAN 190110 including, but not limited to, ownership of Property, local hiring and local ownership programs.

6.5 Procedure.

(a) During either an annual review or a special review, OWNER shall be required to demonstrate good faith compliance with the terms of the Agreement. The burden of proof on this issue shall be on OWNER.

(b) Upon completion of an annual review or a special review, the TLMA Director shall submit a report to the Board of Supervisors setting forth the evidence concerning good faith compliance by OWNER with the terms of this Agreement and his recommended finding on that issue.

(c) If the Board finds on the basis of substantial evidence that OWNER has complied in good faith with the terms and conditions of this Agreement, the review shall be concluded.

(d) If the Board makes a preliminary finding that OWNER has not complied in good faith with the terms and conditions of this Agreement, the Board may modify or terminate this Agreement as provided in Section 6.4 and Section 6.5. Notice of default as provided under Section 8.4 of this Agreement shall be given to OWNER prior to or concurrent with, proceedings under Section 6.4 and Section 6.5.

**6.6 Proceedings Upon Modification or Termination.** If, upon a preliminary finding under Section 6.3, COUNTY determines to proceed with modification or termination of this Agreement, COUNTY shall give written notice to OWNER of its intention so to do. The notice shall be given at least ten calendar days prior to the scheduled hearing and shall contain:

(a) The time and place of the hearing;

(b) A statement as to whether or not COUNTY proposes to terminate or to modify the Agreement; and,

(c) Such other information as is reasonably necessary to inform OWNER of the nature of the proceeding.

**6.7 Hearing on Modification or Termination.** At the time and place set for the hearing on modification or termination, OWNER shall be given an opportunity to be heard and shall be entitled to present written and oral evidence. OWNER shall be required to demonstrate good faith compliance with the terms and conditions of this Agreement. The burden of proof on this issue shall be on OWNER. If the Board of Supervisors finds, based upon substantial evidence, that OWNER has not complied in good faith with the terms or conditions of the Agreement, the Board may terminate this Agreement or modify this Agreement and impose such conditions as are reasonably necessary to protect the interests of the County. The decision of the Board of Supervisors shall be final, subject only to judicial review pursuant to Section 1094.5 of the Code of Civil Procedure.

**6.8 Certificate of Agreement Compliance.** If, at the conclusion of an annual or special review, OWNER is found to be in compliance with this Agreement, COUNTY shall, upon request by OWNER, issue a Certificate of Agreement Compliance ("Certificate") to OWNER stating that after the most recent annual or special review and based upon the information known or made known to the TLMA Director and Board of Supervisors that (1) this Agreement remains in effect and (2) OWNER is not in default. The Certificate shall be in recordable form, shall contain information necessary to communicate constructive record notice of the finding of compliance, shall state whether the Certificate is issued after an annual or a special review and

cure such default within such 60 day period and to diligently proceed to complete such actions and cure such default.

8.5 Termination of Agreement for Default of COUNTY. OWNER may terminate this Agreement only in the event of a default by COUNTY in the performance of a material term of this Agreement and only after providing written notice to COUNTY of default setting forth the nature of the default and the actions, if any, required by COUNTY to cure such default and, where the default can be cured, COUNTY has failed to take such actions and cure such default within 60 days after the effective date of such notice or, in the event that such default cannot be cured within such 60 day period but can be cured within a longer time, has failed to commence the actions necessary to cure such default within such 60 day period and to diligently proceed to complete such actions and cure such default.

8.6 Attorneys' Fees. In any action at law or in equity to enforce or interpret this Agreement, or otherwise arising out of this Agreement, including without limitation any action for declaratory relief or petition for writ of mandate, the parties shall bear their own attorneys' fees.

## 9. THIRD PARTY LITIGATION.

9.1 General Plan Litigation. COUNTY has determined that this Agreement is consistent with its General Plan, and that the General Plan meets all requirements of law. OWNER has reviewed the General Plan and concurs with COUNTY's determination. The parties acknowledge that:

(a) Litigation may be filed challenging the legality, validity and adequacy of the General Plan; and,

(b) If successful, such challenges could delay or prevent the performance of this Agreement and the development of the Property.

COUNTY shall have no liability in damages under this Agreement for any failure of COUNTY to perform under this Agreement or the inability of OWNER to develop the Property as contemplated by the Development Plan of this Agreement as the result of a judicial determination that on the Effective Date, or at any time thereafter, the General Plan, or portions thereof, are invalid or inadequate or not in compliance with law.

9.2 Third Party Litigation Concerning Agreement. OWNER shall defend, at its expense, including attorneys' fees, indemnify, and hold harmless COUNTY, its officers, agents, employees and independent contractors from any claim, action or proceeding against COUNTY, its officers, agents, employees or independent contractors to attack, set aside, void, or annul the approval of this Agreement or the approval of any permit granted pursuant to this Agreement. COUNTY shall promptly notify OWNER of any such claim, action or proceeding, and COUNTY shall cooperate in the defense. If COUNTY fails to promptly notify OWNER of any such claim, action or proceeding, or if COUNTY fails to cooperate in the defense, OWNER shall not thereafter be responsible to defend, indemnify, or hold harmless COUNTY. COUNTY may in its discretion participate in the defense of any such claim, action or proceeding.



9.3 Indemnity. In addition to the provisions of 9.2 above, OWNER shall indemnify and hold COUNTY, its officers, agents, employees and independent contractors free and harmless from any liability whatsoever, based or asserted upon any act or omission of OWNER, its officers, agents, employees, subcontractors and independent contractors, for property damage, bodily injury, or death (OWNER's employees included) or any other element of damage of any kind or nature, relating to or in any way connected with or arising from the activities contemplated hereunder, including, but not limited to, the study, design, engineering, construction, completion, failure and conveyance of the public improvements, save and except claims for damages arising through the sole active negligence or sole willful misconduct of COUNTY. OWNER shall defend, at its expense, including attorneys' fees, COUNTY, its officers, agents, employees and independent contractors in any legal action based upon such alleged acts or omissions. COUNTY may in its discretion participate in the defense of any such legal action.

9.4 Environment Assurances. OWNER shall indemnify and hold COUNTY, its officers, agents, employees and independent contractors free and harmless from any liability, based or asserted, upon any act or omission of OWNER, its officers, agents, employees, subcontractors, predecessors in interest, successors, assigns and independent contractors for any violation of any federal, state or local law, ordinance or regulation relating to industrial hygiene or to environmental conditions on, under or about the Property, including, but not limited to, soil and groundwater conditions, and OWNER shall defend, at its expense, including attorneys' fees, COUNTY, its officers, agents, employees and independent contractors in any action based or asserted upon any such alleged act or omission. COUNTY may in its discretion participate in the defense of any such action.

9.5 Reservation of Rights. With respect to Sections 9.2, 9.3 and 9.4 herein, COUNTY reserves the right to either (1) approve the attorney(s) which OWNER selects, hires or otherwise engages to defend COUNTY hereunder, which approval shall not be unreasonably withheld, or (2) conduct its own defense, provided, however, that OWNER shall reimburse COUNTY forthwith for any and all reasonable expenses incurred for such defense, including attorneys' fees, upon billing and accounting therefor.

9.6 Survival. The provisions of Sections 8.1 through 8.3, inclusive, Section 8.6 and Sections 9.1 through 9.6, inclusive, shall survive the termination of this Agreement.

## 10. MORTGAGEE PROTECTION.

The parties hereto agree that this Agreement shall not prevent or limit OWNER, in any manner, at OWNER's sole discretion, from encumbering the Property or any portion thereof or any improvement thereon by any mortgage, deed of trust or other security device securing financing with respect to the Property. COUNTY acknowledges that the lenders providing such financing may require certain Agreement interpretations and modifications and agrees upon request, from time to time, to meet with OWNER and representatives of such lenders to negotiate in good faith any such request for interpretation or modification. COUNTY will not unreasonably withhold its consent to any such requested interpretation or modification provided such interpretation or modification is consistent with the intent and purposes of this Agreement. Any Mortgagee of the Property shall be entitled to the following rights and privileges:

(a) Neither entering into this Agreement nor a breach of this Agreement shall defeat, render invalid, diminish or impair the lien of any mortgage on the Property made in good faith and for value, unless otherwise required by law.

(b) The Mortgagee of any mortgage or deed of trust encumbering the Property, or any part thereof, which Mortgagee, has submitted a request in writing to the COUNTY in the manner specified herein for giving notices, shall be entitled to receive written notification from COUNTY of any default by OWNER in the performance of OWNER's obligations under this Agreement.

(c) If COUNTY timely receives a request from a Mortgagee requesting a copy of any notice of default given to OWNER under the terms of this Agreement, COUNTY shall provide a copy of that notice to the Mortgagee within ten (10) days of sending the notice of default to OWNER. The Mortgagee shall have the right, but not the obligation, to cure the default during the remaining cure period allowed such party under this Agreement.

(d) Any Mortgagee who comes into possession of the Property, or any part thereof, pursuant to foreclosure of the mortgage or deed of trust, or deed in lieu of such foreclosure, shall take the Property, or part thereof, subject to the terms of this Agreement. No Mortgagee (including one who acquires title or possession to the Property, or any portion thereof, by foreclosure, trustee's sale, deed in lieu of foreclosure, lease termination, eviction or otherwise) shall have any obligation to construct or complete construction of improvements, or to guarantee such construction or completion; provided, however, that a Mortgagee shall not be entitled to devote the Property to solar power plant use except in full compliance with this Agreement. A Mortgagee in possession shall not have an obligation or duty under this Agreement to perform any of OWNER's obligations or other affirmative covenants of OWNER hereunder, or to guarantee such performance; provided, however, that to the extent that any covenant to be performed by OWNER is a condition precedent to the performance of a covenant by COUNTY, the performance thereof shall continue to be a condition precedent to COUNTY's performance hereunder. All payments called for under Section 4 of this Agreement shall be a condition precedent to COUNTY's performance under this Agreement. Any transfer by any Mortgagee in possession shall be subject to the provisions of Section 2.4 of this Agreement.

## 11. MISCELLANEOUS PROVISIONS.

11.1 Recordation of Agreement. This Agreement and any amendment, modification, termination or cancellation thereof shall be recorded with the County Recorder by the Clerk of the Board of Supervisors within the period required by Section 65868.5 of the Government Code.

11.2 Entire Agreement. This Agreement sets forth and contains the entire understanding and agreement of the parties, and there are no oral or written representations, understandings or ancillary covenants, undertakings or agreements which are not contained or expressly referred to herein. No testimony or evidence of any such representations, understandings or covenants shall be admissible in any proceeding of any kind or nature to interpret or determine the terms or conditions of this Agreement.

11.3 Severability. If any term, provision, covenant or condition of this Agreement shall be determined invalid, void or unenforceable, the remainder of this Agreement shall not be affected

thereby to the extent such remaining provisions are not rendered impractical to perform taking into consideration the purposes of this Agreement. Notwithstanding the foregoing, the provision of the Public Benefits set forth in Sections 4.2 and 4.3 of this Agreement, including the payments set forth therein, are essential elements of this Agreement and COUNTY would not have entered into this Agreement but for such provisions, and therefore in the event such provisions are determined to be invalid, void or unenforceable, this entire Agreement shall be null and void and of no force and effect whatsoever.

11.4 Interpretation and Governing Law. This Agreement and any dispute arising hereunder shall be governed and interpreted in accordance with the laws of the State of California. This Agreement shall be construed as a whole according to its fair language and common meaning to achieve the objectives and purposes of the parties hereto, and the rule of construction to the effect that ambiguities are to be resolved against the drafting party shall not be employed in interpreting this Agreement, all parties having been represented by counsel in the negotiation and preparation hereof.

11.5 Section Headings. All section headings and subheadings are inserted for convenience only and shall not affect any construction or interpretation of this Agreement.

11.6 Gender and Number. As used herein, the neuter gender includes the masculine and feminine, the feminine gender includes the masculine, and the masculine gender includes the feminine. As used herein, the singular of any word includes the plural.

11.7 Joint and Several Obligations. If this Agreement is signed by more than one OWNER, all obligations of such OWNERS under this Agreement shall be joint and several, and the default of any such OWNER shall be the default of all such OWNERS.

11.8 Time of Essence. Time is of the essence in the performance of the provisions of this Agreement as to which time is an element.

11.9 Waiver. Failure by a party to insist upon the strict performance of any of the provisions of this Agreement by the other party, or the failure by a party to exercise its rights upon the default of the other party; shall not constitute a waiver of such party's right to insist and demand strict compliance by the other party with the terms of this Agreement thereafter.

11.10 No Third Party Beneficiaries. Unless expressly stated herein, this Agreement is made and entered into for the sole protection and benefit of the parties and their successors and assigns. No other person shall have any right of action based upon any provision of this Agreement.

11.11 Force Majeure. Neither party shall be deemed to be in default where failure or delay in performance of any of its obligations under this Agreement is caused by floods, earthquakes, other Acts of God, fires, wars, riots or similar hostilities, strikes and other labor difficulties beyond the party's control, (including the party's employment force). If any such events shall occur, the term of this Agreement and the time for performance by either party of any of its obligations hereunder may be extended by the written agreement of the parties for the period of time that such events prevented such performance, provided that the term of this Agreement shall not be extended

under any circumstances for more than five (5) years.

11.12 Mutual Covenants. The covenants contained herein are mutual covenants and also constitute conditions to the concurrent or subsequent performance by the party benefited thereby of the covenants to be performed hereunder by such benefited party.

11.13 Successors in Interest. The burdens of this Agreement shall be binding upon, and the benefits of this Agreement shall inure to, all successors in interest to the parties to this Agreement. All provisions of this Agreement shall be enforceable as equitable servitudes and constitute covenants running with the land. Each covenant to do or refrain from doing some act hereunder with regard to development of the Property: (a) is for the benefit of and is a burden upon every portion of the Property; (b) runs with the Property and each portion thereof; and, (c) is binding upon each party and each successor in interest during ownership of the Property or any portion thereof.

11.14 Counterparts. This Agreement may be executed by the parties in counterparts, which counterparts shall be construed together and have the same effect as if all of the parties had executed the same instrument.

11.15 Jurisdiction and Venue. Any action at law or in equity arising under this Agreement or brought by a party hereto for the purpose of enforcing, construing or determining the validity of any provision of this Agreement shall be filed and tried in the Riverside Historic Courthouse of the Superior Court of the County of Riverside, State of California, and the parties hereto waive all provisions of law providing for the filing, removal or change of venue to any other court.

11.16 Project as a Private Undertaking. It is specifically understood and agreed by and between the parties hereto that the development of the Project is a private development, that neither party is acting as the agent of the other in any respect hereunder, and that each party is an independent contracting entity with respect to the terms, covenants and conditions contained in this Agreement. No partnership, joint venture or other association of any kind is formed by this Agreement. The only relationship between COUNTY and OWNER is that of a government entity regulating the development of private property and the owner of such property.

11.17 Further Actions and Instruments. Each of the parties shall cooperate with and provide reasonable assistance to the other to the extent contemplated hereunder in the performance of all obligations under this Agreement and the satisfaction of the conditions of this Agreement. Upon the request of either party at any time, the other party shall promptly execute, with acknowledgement or affidavit if reasonably required, and file or record such required instruments and writings and take any actions as may be reasonably necessary under the terms of this Agreement to carry out the intent and to fulfill the provisions of this Agreement or to evidence or consummate the transactions contemplated by this Agreement.

11.18 Eminent Domain. No provision of this Agreement shall be construed to limit or restrict the exercise by COUNTY of its power of eminent domain. As used herein, "Material Condemnation" means a condemnation of all or a portion of the Property that will have the effect of preventing development of the Project in accordance with this Agreement. In the event of a

Material Condemnation, OWNER may (i) request the COUNTY to amend this Agreement and/or to amend the Development Plan, which amendment shall not be unreasonably withheld, (ii) decide, in its sole discretion, to challenge the condemnation, or (iii) request that COUNTY agree to terminate this Agreement by mutual agreement, which agreement shall not be unreasonably withheld, by giving a written request for termination to the COUNTY.

11.19 Agent for Service of Process. In the event OWNER is not a resident of the State of California or it is an association, partnership or joint venture without a member, partner or joint venturer resident of the State of California, or it is a foreign corporation, then in any such event, OWNER shall file with the TLMA Director, upon its execution of this Agreement, a designation of a natural person residing in the State of California, giving his or her name, residence and business addresses, as its agent for the purpose of service of process in any court action arising out of or based upon this Agreement, and the delivery to such agent of a copy of any process in any such action shall constitute valid service upon OWNER. If for any reason service of such process upon such agent is not feasible, then in such event OWNER may be personally served with such process out of this County and such service shall constitute valid service upon OWNER. OWNER is amenable to the process so served, submits to the jurisdiction of the Court so obtained and waives any and all objections and protests thereto. OWNER for itself, assigns and successors hereby waives the provisions of the Hague Convention (Convention on the Service Abroad of Judicial and Extra Judicial Documents in Civil or Commercial Matters, 20 U .S.T. 361, T.I.A.S. No. 6638).

11.20 Designation of COUNTY Officials. Except for functions to be performed by the Board of Supervisors, COUNTY may, at any time and in its sole discretion, substitute any COUNTY official to perform any function identified in this Agreement as the designated responsibility of any other official. COUNTY shall provide notice of such substitution pursuant to Section 2.7; provided, however, the failure to give such notice shall not affect the authority of the substitute official in any way.

11.21 Authority to Execute. The person executing this Agreement on behalf of OWNER warrants and represents that he has the authority to execute this Agreement on behalf of his corporation, partnership or business entity and warrants and represents that he has the authority to bind OWNER to the performance of its obligations hereunder.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the day and year set forth below.

COUNTY OF RIVERSIDE, a political subdivision of  
the State of California

Dated: \_\_\_\_\_

By: \_\_\_\_\_  
Karen Spiegel  
Chair, Board of Supervisors

ATTEST:

KECIA HARPER  
Clerk of the Board

By: \_\_\_\_\_  
Deputy  
(SEAL)

FORM APPROVED COUNTY COUNSEL  
BY:  6/4/21  
MICHILLE CLACK DATE

Dated: 4/27/2021

OWNER:

By:



Samuel Kapukchyan

Kappkush, Inc., a California Corporation

Dated: 4.27.2021

By:



Narine Kapukchyan  
Chief Executive Officer and Secretary

(ALL SIGNATURES SHALL BE ACKNOWLEDGED BEFORE A NOTARY PUBLIC.  
EXECUTION ON BEHALF OF ANY CORPORATION SHALL BE BY TWO  
CORPORATE OFFICERS.)

## ACKNOWLEDGMENT

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

State of California  
County of Los Angeles )

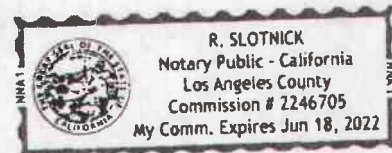
On April 27, 2021 before me, RSlotnick, Notary Public  
(insert name and title of the officer)

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

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

WITNESS my hand and official seal.

Signature  (Seal)





## ACKNOWLEDGMENT

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

State of California  
County of Los Angeles

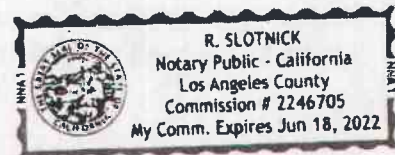
On April 27, 2021 before me, RSlotnick, Notary Public  
(insert name and title of the officer)

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

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

WITNESS my hand and official seal.

Signature  (Seal)



## ACKNOWLEDGMENT

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

State of California  
County of Los Angeles

On April 27, 2021 before me, RSlotnick, Notary Public  
(insert name and title of the officer)

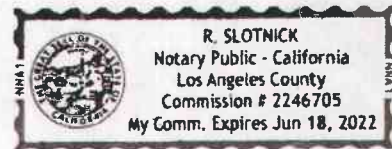
personally appeared Samuel Kapukchyan,  
who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are  
subscribed to the within instrument and acknowledged to me that he/she/they executed the same in  
his/her/their authorized capacity(ies), and that by his/her/their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

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

WITNESS my hand and official seal.

Signature 

(Seal)



**EXHIBIT "A"**

**Development Agreement No. 1900049**

**LEGAL DESCRIPTION OF PROPERTY**

**All that certain real property situated in the County of Riverside, State of California, described as follows:**

**Parcels 7 and 8 of Parcel Map 32789, in the County of Riverside, State of California, as per map recorded in Book 215 Page(s) 41 through 43 of Parcel Maps, in the Office of the County Recorder of said County.**

**EXCEPTING THEREFROM one-sixteenth of all coal, oil gas and other mineral deposits in said land as reserved in Patent recorded June 9, 1943 in Book 585 Page 28 of Official Records, in the Office of the County Recorder of said County.**

**ALSO EXCEPTING THEREFROM 15/32nds of all oil, gas, coal and mineral deposits in and on said land as reserved by Della S. Lindley, a single woman, in deed recorded August 8, 1960 as Instrument No. 69601 of Official Records.**

**APN: 650-380-007; 650-380-008**

**EXHIBIT "B"**

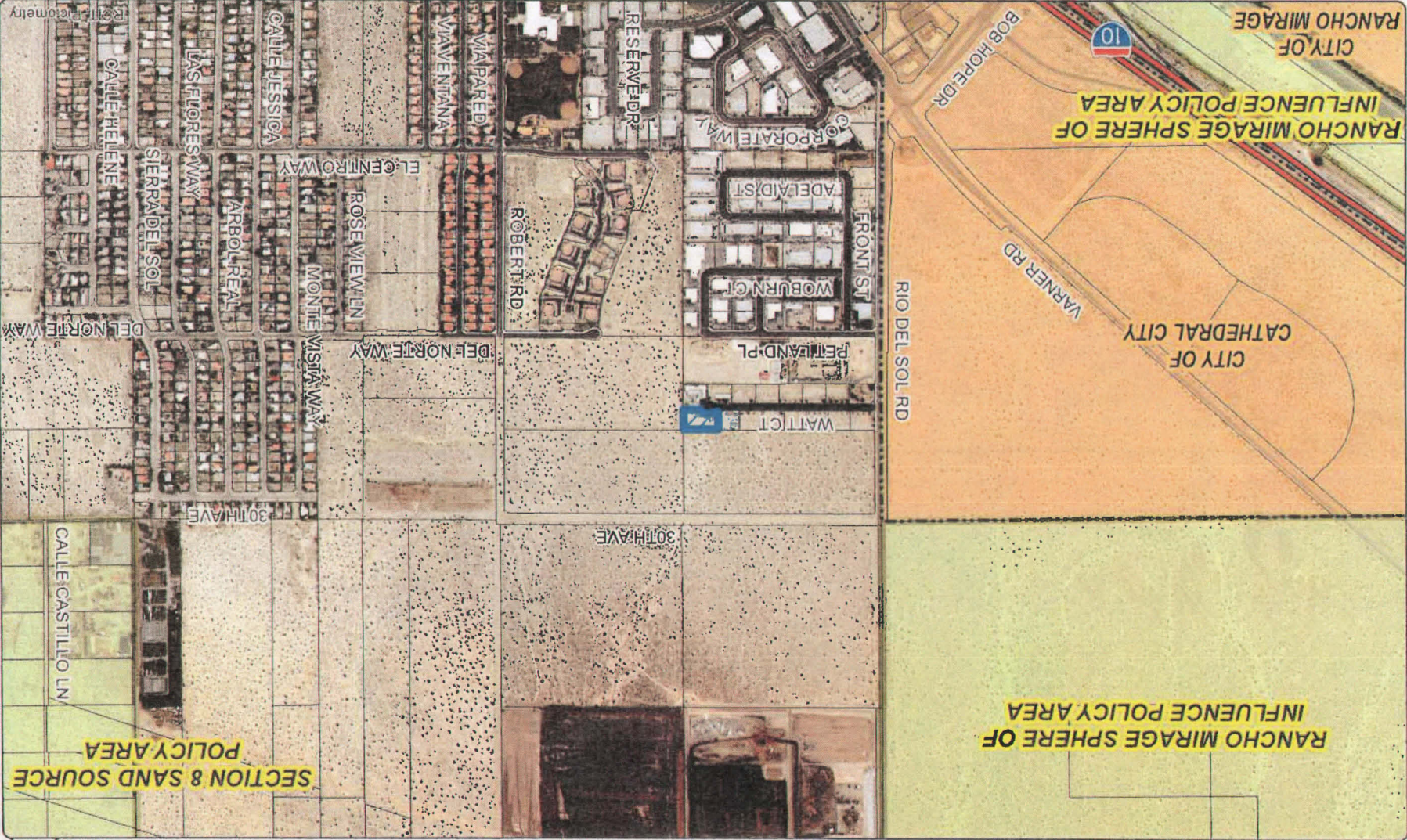
**Development Agreement No. 1900049**

**MAP OF PROPERTY AND ITS LOCATION**

**RIVERSIDE COUNTY PLANNING DEPARTMENT**  
**CUP190058 DA1900049**  
**VICINITY/POLICY AREAS**

Supervisor: Perez  
 District 4

Date Drawn: 01/13/2021  
 Vicinity Map



Author: Vinnie Nguyen

Zoning Dist: Thousand Palms

DISCLAIMER: On October 7, 2003, the County of Riverside adopted a new General Plan. This new General Plan may contain different types of land use in general than the existing zoning. For further information, please contact the Riverside County Planning Department offices in Riverside at (951)950-2300 (Riverside County) or at Palm Desert at (760)663-4377 (Imperial County) or Hemet at (951)950-2300 (Riverside County).

**EXHIBIT "C"**

**Development Agreement No. 1900049**

**EXISTING DEVELOPMENT APPROVALS**

**LAND DIVISIONS**

**Parcel Map No. 32789**

**OTHER DEVELOPMENT APPROVALS**

**Plot Plan No. 17461**

**Plot Plan No. 17646**

**Plot Plan No. 22775**

**Plot Plan No. 23410**

**Conditional Use Permit No. 190058**

**The development approvals listed above include the approved maps and all conditions of approval.**

**COPIES OF THE EXISTING DEVELOPMENT APPROVALS LISTED ABOVE ARE ON FILE IN THE RIVERSIDE COUNTY PLANNING DEPARTMENT AND ARE INCORPORATED HEREIN BY REFERENCE.**

EXHIBIT "D"

Development Agreement No. 1900049

EXISTING LAND USE REGULATIONS

1. Riverside County Comprehensive General Plan as amended through Resolution No. 2019-050
2. Ordinance No. 348 as amended through Ordinance No. 348.4950
3. Ordinance No. 448 as amended through Ordinance No. 448.A
4. Ordinance No. 457 as amended through Ordinance No. 457.105
5. Ordinance No. 458 as amended through Ordinance No. 458.16
6. Ordinance No. 460 as amended through Ordinance No. 460.154
7. Ordinance No. 461 as amended through Ordinance No. 461.10
8. Ordinance No. 509 as amended through Ordinance No. 509.2
9. Ordinance No. 547 as amended through Ordinance No. 547.7
10. Ordinance No. 555 as amended through Ordinance No. 555.20
11. Ordinance No. 617 as amended through Ordinance No. 617.4
12. Ordinance No. 650 as amended through Ordinance No. 650.6
13. Ordinance No. 659 as amended through Ordinance No. 659.13
14. Ordinance No. 663 as amended through Ordinance No. 663.10
15. Ordinance No. 671 as amended through Ordinance No. 671.21
16. Ordinance No. 673 as amended through Ordinance No. 673.4
17. Ordinance No. 679 as amended through Ordinance No. 679.4
18. Ordinance No. 682 as amended through Ordinance No. 682.4
19. Ordinance No. 726 as amended through Ordinance No. 726
20. Ordinance No. 743 as amended through Ordinance No. 743.3

21. Ordinance No. 748 as amended through Ordinance No. 748.1
22. Ordinance No. 749 as amended through Ordinance No. 749.1
23. Ordinance No. 752 as amended through Ordinance No. 752.2
24. Ordinance No. 754 as amended through Ordinance No. 754.3
25. Ordinance No. 787 as amended through Ordinance No. 787.9
26. Ordinance No. 806 as amended through Ordinance No. 806
27. Ordinance No. 810 as amended through Ordinance No. 810.2
28. Ordinance No. 817 as amended through Ordinance No. 817.1
29. Ordinance No. 824 as amended through Ordinance No. 824.15
30. Ordinance No. 847 as amended through Ordinance No. 847.1
31. Ordinance No. 859 as amended through Ordinance No. 859.3
32. Ordinance No. 875 as amended through Ordinance No. 875.1
33. Ordinance No. 915 as amended through Ordinance No. 915
34. Ordinance No. 925 as amended through Ordinance No. 925.1
35. Ordinance No. 926 as amended through Ordinance No. 926
36. Ordinance No. 927 as amended through Ordinance No. 927
37. Ordinance No. 931 as amended through Ordinance No. 931
38. Resolution No. 2020-124 Amending Procedures and Requirements for the  
Consideration of Development Agreements
39. Board of Supervisors Policy No. B-9 Commercial Cannabis Activities

**COPIES OF THE EXISTING LAND USE REGULATIONS LISTED ABOVE ARE ON FILE IN THE RIVERSIDE COUNTY PLANNING DEPARTMENT AND ARE INCORPORATED HEREIN BY REFERENCE.**



**EXHIBIT "E"**

**Development Agreement No. 1900049**

**COMMERCIAL CANNABIS ACTIVITY SITE PLAN & DESCRIPTION**

As shown on the attached site plan, CUP No. 190058 permits a Cannabis Micro Business within an existing 13,060 square foot building on an approximately 33,000 square foot lot. The Cannabis Micro Business will include 4,391 square feet of indoor cultivation, 1,559 square feet of manufacturing, 1,094 square feet of retail, 1,721 square feet of nursery, and 4,295 square feet of distribution along with supporting storage, office, employee break area, and reception areas.

# CONDITIONAL USE PERMIT PROPOSED SITE PLAN CUP NO. 190058

EXHIBIT DATE: FEBRUARY 11, 2021

NO.	DATE	DESCRIPTION	REVISIONS
1			

### DATA TABLE

APPLICANT:	LYSTON INC.
ADDRESS:	1500 S. GARDEN AVENUE, SUITE 100, GARDEN GROVE, CALIFORNIA 92640
CONTACT:	MARK ELLIOTT, 949-448-8887
LAND OWNER:	RE SUBMITTED, LLC
ADDRESS:	1500 S. GARDEN AVENUE, SUITE 100, GARDEN GROVE, CALIFORNIA 92640
TEL/FAX:	PHONE: 949-448-8887 FAX: 949-448-8887
DEVELOPER:	MSA CONSULTING, INC.
ADDRESS:	1500 S. GARDEN AVENUE, SUITE 100, GARDEN GROVE, CALIFORNIA 92640
CONTACT:	MARK ELLIOTT, 949-448-8887
ASSISTANT PLANNING MANAGER:	650-348-3483

**LOCAL DESCRIPTION:**  
 PARCEL 1 AND 2 IN THE 1915999 NINE-COURT OF MERCED, STATE OF CALIFORNIA, 431-519-1177  
 MAP ON THE PUBLIC RECORDS OF MERCED COUNTY, CALIFORNIA.

**LAND USE DESCRIPTION:**  
 3 ACRES  
 1500 S. GARDEN AVENUE, SUITE 100, GARDEN GROVE, CALIFORNIA 92640

**EXISTING ZONING:** M-2 (MEDIUM DENSITY RESIDENTIAL)  
 1500 S. GARDEN AVENUE, SUITE 100, GARDEN GROVE, CALIFORNIA 92640

**PROPOSED ZONING:** M-2 (MEDIUM DENSITY RESIDENTIAL)  
 1500 S. GARDEN AVENUE, SUITE 100, GARDEN GROVE, CALIFORNIA 92640

**PROPOSED USE:** COMMERCIAL (OFFICE)  
 1500 S. GARDEN AVENUE, SUITE 100, GARDEN GROVE, CALIFORNIA 92640

**PROPOSED DEVELOPMENT:** COMMERCIAL (OFFICE)  
 1500 S. GARDEN AVENUE, SUITE 100, GARDEN GROVE, CALIFORNIA 92640

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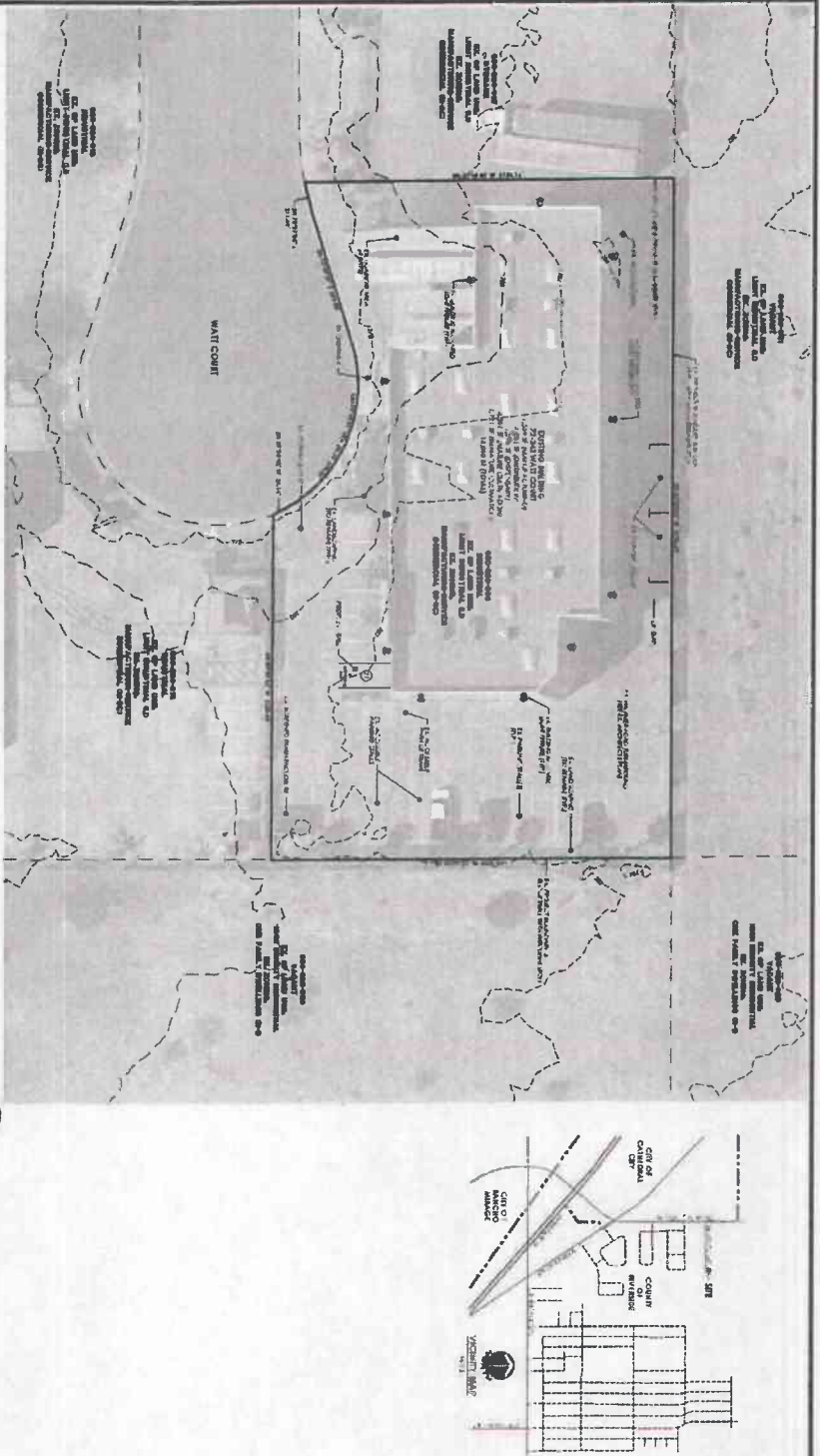
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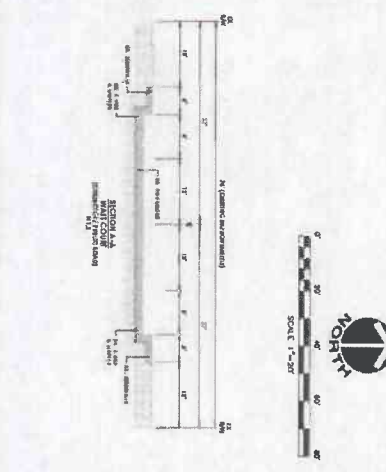
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 1500 S. GARDEN AVENUE, SUITE 100, GARDEN GROVE, CALIFORNIA 92640



### LEGEND

1	EXISTING BUILDING
2	EXISTING DRIVEWAY
3	EXISTING DRIVEWAY
4	EXISTING DRIVEWAY
5	EXISTING DRIVEWAY
6	EXISTING DRIVEWAY
7	EXISTING DRIVEWAY
8	EXISTING DRIVEWAY
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46	EXISTING DRIVEWAY
47	EXISTING DRIVEWAY
48	EXISTING DRIVEWAY
49	EXISTING DRIVEWAY
50	EXISTING DRIVEWAY



**MSA CONSULTING, INC.**  
 1500 S. GARDEN AVENUE, SUITE 100, GARDEN GROVE, CALIFORNIA 92640  
 949-448-8887



SHEET 1 OF 1  
 190058

**EXHIBIT "F"**

**Development Agreement No. 1900049**

**APPLICABLE PUBLIC BASE BENEFITS PAYMENTS**

The Cannabis Micro Business operating at the Property pursuant to CUP No. 190058 includes an existing 13,060 square foot building on an approximately 33,000 square foot lot, which will include indoor cultivation, nursery, retail, manufacturing, distribution and supporting storage, office, employee break area, and reception areas as more specifically shown on Exhibit "G". In accordance with Board Policy B-9, the base public benefit is the following: \$4.50 per square foot for the indoor cultivation, \$4.00 per square foot for the manufacturing, \$16.00 per square foot for the retail, \$3.00 per square foot for the distribution and \$0.50 per square foot for the nursery. Therefore, the public base benefit payment will be \$57,245.00 and will increase annually at a rate of 2%.

**EXHIBIT "G"**

**Development Agreement No. 1900049**

**CANNABIS AREA CALCULATION EXHIBIT**

The Cannabis Area calculation includes the following: 4,391 square feet for the indoor cultivation, 1,559 square feet for the manufacturing, 1,094 square feet for the retail, 1,721 square feet for the nursery and 4,295 square feet for the distribution totaling a 13,060 square foot building. The 13,060 building will be used for the Cannabis Micro Business as shown in this Exhibit "G".



**EXHIBIT "H"**

**Development Agreement No. 1900049**

**COMMERCIAL CANNABIS ACTIVITY PUBLIC BENEFIT**

The additional annual public benefit provided by the OWNER shall be \$80,000.00 with an annual increase of 7%. The COUNTY will utilize this additional annual public benefit within the surrounding community for additional public benefits including, but not limited to, code enforcement, public safety services, infrastructure improvements, community enhancement programs and other similar public benefits as solely determined by the COUNTY's Board of Supervisors. Additionally, consistent with CAN 190110, OWNER will participate in community events, career opportunity events, as well as educational and wellness seminars within the surrounding community.



# RIVERSIDE COUNTY PLANNING DEPARTMENT

**John Hildebrand**  
Planning Director

## NOTICE OF EXEMPTION

**TO:**  Office of Planning and Research (OPR) P.O. Box 3044 Sacramento, CA 95812-3044  
 County of Riverside County Clerk

**FROM:** Riverside County Planning Department  
 4080 Lemon Street, 12th Floor P. O. Box 1409 Riverside, CA 92502-1409  
 38686 El Cerrito Road Palm Desert, CA 92201

**Project Title/Case No.:** Conditional Use Permit No. 190058 / Development Agreement No. 1900049

**Project Location:** 72242 Watt CT, Thousand Palm CA

**Project Description:** Development Agreement No. 1900049 has a term of 10 years and grants the applicant vesting rights to develop the Project and will provide community benefits to the Western Coachella Valley Area. Conditional Use Permit No. 190058 is a proposal to utilize an existing 13,060 sf two-story building to be used as a cannabis microbusiness facility on a 0.76-acre lot with parking and landscaping.

**Name of Public Agency Approving Project:** Riverside County Planning Department

**Project Applicant & Address:** Kappkush, Inc – 72242 Watt CT, Thousand Palm CA

**Exempt Status: (Check one)**

- Ministerial (Sec. 21080(b)(1) & 15268)
- Declared Emergency (Sec. 21080(b)(4) & 15199(a))
- Emergency Project (Sec. 21080(b)(4), 15268, & 15199(a))
- Categorical Exemption 15061(B)(3) & Section 15301 & 15303
- Statutory Exemption ( )
- Other: ( )

# DRAFT

**Reasons why project is exempt:** This project is exempt from the California Environmental Quality Act, pursuant to State CEQA Guidelines Section 15061 (b) (3) (Common Sense), Section 15301 (Existing Facilities), and Section 15303 (New Construction or Conversion of Small Structures), based on the findings and conclusions in the staff report

Robert Flores County Contact Person (951) 955-1195 Phone Number

\_\_\_\_\_  
Signature Title Date  
Principal Planner June 15, 2021

Please charge deposit fee case#: ZEA No.42996 ZCFW No. 6364- County Clerk Posting Fee  
**FOR COUNTY CLERK'S USE ONLY**

Date Received for Filing and Posting at OPR: \_\_\_\_\_

Revised: 2/16/21: Y:\Planning Case Files-Riverside office\CUP190058\DH-PC-BOS Hearings\Hearing Package

**DRAFT**