

Cannabis Cultivation Application

	Equity Applicant? _	Yes	No
Full legal name of business:			
Secretary of State Entity Number:			
DBA (if applicable):			
Mailing address:			
Telephone:			
Email:			
Contact name:			
Applicant seeks to operate: (check one)			
Specialty Cottage Indoor (500 square feet	or less of total canopy)		
Specialty Indoor (between 501 and 5,000 s	equare feet of total can	ору)	
Small Indoor (between 5,001 and 10,000 s	quare feet of total canc	ору)	
Medium Indoor (between 10,001 and 22,00	00 square feet of total o	canopy)	
Proposed location			
Address:	City/State:	Zip:	
Is the proposed site a shared location?Yes	No		
If Yes, provide the full legal name of the other bu	siness:		
Signatures			
I declare under penalty or perjury that the forego documents supplied in connection with this appli realize this application will be evaluated based o	cation are true, accurat	te, and complete.	
Name of person signing this application (print): _			
Signature of applicant:		Date:	
Title of person signing this application:(Must be President, Chief Executive Officer, or C	Chair of the Board)		

REQUIRED DOCUMENTS

- 1. Updated list of each member of the management and ownership team; if applicable.
- 2. Documentation establishing that the applicant is, or will be, entitled to possession of the premises for which the application is made.
- 3. Operating plan for the proposed cannabis cultivation business.
- 4. Security plan for the proposed cannabis cultivation facility.
- 5. Updated capital investment and business plan; if applicable
- 6. A signed indemnity agreement.

PRIOR TO COMMENCING OPERATIONS

The business and its owners and operators shall obtain:

- 1. Special Use Permit
- 2. Department of Cannabis Control License for cannabis cultivation
- 3. City of Vista Cannabis Cultivation License
- 4. Certificate of Occupancy
- 5. City of Vista Business License
- 6. Insurance at coverage limits and with conditions as detailed in Exhibit A of the Indemnity Agreement
- 7. Employee work permits

CANNABIS CULTIVATION APPLICATION INSTRUCTIONS

Applicant Cover Sheet: Complete as directed. The person identified and signing for the applicant must be the President, Chief Executive Officer, or Chair of the Board of Directors of the cannabis cultivation business proposed to operate in Vista.

Management & Ownership Team:

Provide an updated list of all members of the management and ownership team, if there have been any changes since the pre-application submittal. If none, state so in writing.

If there members have been added to the management and ownership team, provide the following:

- Proof of Live Scan (VMC § 5.98.070.F) for each new member of the management and ownership team. Use attached 'REQUEST FOR LIVE SCAN SERVICE' form. Live Scan locations can be found online at <u>https://oag.ca.gov/fingerprints/locations.</u> Proof of Live Scan to be submitted with application is the payment receipt for the service. Results may not be older than 60 days of the date of filing the application, showing no felony convictions in the past four years.
- 2. Each new member of the management and ownership team must complete and sign a Release and Waiver, notary is required.
- 3. Updated Management and Ownership Team Report inclusive of all required information, demonstrating that the management and ownership team have the skills, experience and track record to assure that the cannabis cultivation business will operate in manner that will satisfy all state and local laws.

Property Ownership and/or Lease Information: Evidence of lawful possession consists of a properly recorded deed, lease, evidence of ownership of the premises, or other written documents acceptable to the City. The licensed premises shall only be the geographical area that is specifically and accurately described in executed documents verifying lawful possession. If the property is being rented or leased, the applicant must submit a signed and notarized authorization from the current owner acknowledging that the owner is aware of the intended use of the property for cannabis cultivation and consents to such use. Owner identification is required.

Operating Plan for Proposed Cannabis Cultivation Facility:

- 1. A general description of the cannabis cultivation activities and steps to be taken to prevent diversion of cannabis.
- 2. Plans to ensure compliance with State and local laws related to electricity, water usage, water quality, irrigation, discharges, and similar matters.
- 3. Description of air treatment system and/or other controls to ensure that detectable cannabis odors do not escape beyond the interior of the facility through ventilation or exhaust systems.
- 4. Plan for pesticide and fertilizer labeling and storage to avoid contamination through erosion, leakage or inadvertent damage from pests.
- 5. Assurance of California Environmental Quality Act (CEQA) compliance.
- 6. A floor plan designating all interior dimensions and the layout of the cannabis cultivation business, including canopy area(s), areas designated for immature plants, designated processing area(s) (if applicable), designated pesticide and agricultural chemical storage, lighting, and security camera locations.

Security Plan:

- 1. Video surveillance. The cannabis cultivation facility must be equipped with a video surveillance system that meets all of the requirements of Cal. Code Regs., Title 16, § 15044 as well as those set forth in this subsection.
 - Security cameras and digital storage of recordings shall be maintained in good condition and used in an on-going manner, twenty-four (24) hours per day, and seven (7) days per week.
 - The security system must maintain at least ninety (90) calendar days of digitally recorded video for each security camera in the licensed premises. Security footage should be stored in an MPEG4, MJPEG, H.264, or another format approved by the City in writing and the recorded video shall be made available to the Sheriff Department or the City immediately upon request.
 - Security cameras must provide adequate and sufficient coverage for the facility, which must include but need not to be limited to all areas of ingress and egress, storage areas, canopies, processing areas, and any other areas as required by this chapter and applicable provisions of state law.
 - The video surveillance system must be equipped with a failure notification system that provides prompt notification to a security company licensed by the department of consumer affairs, bureau of security and investigative services, of any surveillance interruption or complete failure of the surveillance system that lasts longer than fifteen (15) minutes. The licensed alarm company must promptly report any such notification to the Sheriff Department.
 - The video surveillance system shall have sufficient battery backup to support a minimum of twelve (12) hours of recording in the event of a power outage.
 - Unless waived by the City in writing, the video surveillance system shall stream a live feed accessible to the Sheriff Department via a secure Internet portal, virtual private network or other form of secure remote access.

2. Alarm system.

The cannabis cultivation facility shall have an audible interior and exterior security alarm system installed on all perimeter entry points and perimeter windows, operated, and monitored by a security company licensed by the department of consumer affairs, bureau of security and investigative services, and approved by the City. "Perimeter entry points" includes, regardless of size, all doors, windows, hatches and/or points at which systems (such as HVAC systems) enter a structure.

3. Signage requirement.

The cannabis cultivation facility must comply with the following signage requirements.

- A sign shall be posted in a conspicuous place near each point of public access which shall be not less than twelve (12) inches wide and twelve (12) inches long, composed of letters not less than one inch in height, stating "All Activities Monitored by Video Camera."
- No external signage is allowed on or around the commercial cannabis cultivation facility, other than the address of the premise.

4. Lighting.

The commercial cannabis cultivation facility's points of access and all window areas shall be sufficiently illuminated during evening hours such that security cameras can record clear video of any activity at or around the facility's points of access and window areas. The applicant shall comply with the City's lighting standards regarding fixture type, wattage, illumination levels, shielding, and other restrictions, and secure the necessary approvals and permits as needed. **5. Commercial-grade locks.** All points of ingress and egress to a cannabis cultivation facility shall ensure the use of commercial-grade, nonresidential door locks and window locks.

Updated Capital Investment & Business Plan: If changes have been made to the Capital Investment & Business Plan since the time of pre-application submittal, provided the updated plan. If no changes have been made, state so in writing.

Indemnity Agreement: Initial the bottom right corner of each page, including Exhibit A. A California all purpose notary acknowledgment must be attached for all signatures.

Submit required insurance documents or provide a statement indicating when insurance documents expect to be available. No license will be issued until after the required insurance documents are submitted and approved.

CANNABIS CULTIVATION LICENSE INDEMNITY AGREEMENT

THIS CANNABIS CULTIVATION LICENSE INDEMNITY AGREEMENT is made and

entered into as of ("Agreement Date"), by and between the

CITY OF VISTA, a chartered municipal corporation ("City"),

<u>("Licensee").</u>

and _____ (Legal business name and status) City and Licensee are sometimes individually referred to as a "Party" and collectively as "Parties."

RECITALS

Α. Licensee desires to obtain a cannabis cultivation license to operate a cannabis cultivation facility within the city limits of City.

B. Vista Municipal Code section 5.97.080.D.13 requires the Licensee to enter into an indemnity agreement and agree to defend and indemnify City and other against certain legal challenges and actions.

NOW, THEREFORE, in consideration of these recitals and the mutual covenants contained herein, City and Licensee agree as follows:

AGREEMENT

Indemnification Associated with License. Licensee agrees to indemnify, defend, 1. and hold harmless (at its sole cost and expense), City and its officers, officials, employees, volunteers and agents ("Indemnified Parties") from and against each and every claim, loss, injury, damage, cost, fee, action, proceeding, including legal fees and costs, judgment, award or liability of any nature (individually and collectively, "Liability") arising from any challenge to the issuance of this license to the Licensee, including any decisions to renew or extend this license, whether arising directly or indirectly from any act or failure to act by Indemnified Parties. Licensee's duties under this subsection are solely subject to and conditioned upon the Indemnified Parties' written request to Licensee to indemnify the Indemnified Parties. Licensee shall provide defense reasonably acceptable to the City, as reasonably determined by the City Attorney, within five business days of notice from the City of a Liability. Licensee shall deposit the expected costs of defense, as reasonably determined by the City Attorney, with the City within five business days of such direction, if any.

2. Indemnification Associated with Operations. Licensee shall indemnity, defend, and hold harmless the Indemnified Parties against any and all Liability arising out of or in connection with Licensee's operations and conduct under this License, including conduct by Licensee's drivers, except: (1) Liability caused by City's sole negligence or willful misconduct; or (2) for Liability caused by City's active negligence, in which case the indemnity received by City shall be reduced by the amount: (a) that City's active negligence contributed to the Liability on a comparative basis; or (b) such other amount as may be required by law. This obligation is effective without reference to the existence or applicability of any insurance coverages which may have been required under this License or any additional insured endorsements which may extend to Indemnified Parties. Licensee, on behalf of itself and all parties claiming under or through it, hereby waives all rights of subrogation and contribution against the Indemnified

Parties while acting within the scope of their duties, from all claims, losses and liabilities arising out of or incident to activities or operations performed by or on behalf of the Licensee regardless of any prior, concurrent, or subsequent passive negligence by the Indemnitees.

3. <u>Counsel</u>. All defense obligations under this Agreement shall be made using legal counsel reasonably selected and employed by City.

4. <u>Interpretation</u>. Without in any way limiting the provisions of sections 1 and 2 above, the Parties agree that these sections shall be interpreted in accordance with the provisions of California Civil Code Section 2778 in effect as of the date of this Agreement. Licensee's indemnity obligations set forth in these subsections shall survive the termination or expiration of any license issued or renewed in connection with this Agreement for a period of five years.

5. <u>Insurance.</u> Licensee shall comply with the insurance provisions set forth in Exhibit A.

6. This Agreement contains all of the agreements of the Parties hereto with respect to the matters herein, and no prior or contemporaneous agreement or understanding, oral or written, pertaining to any such matters shall be effective for any purpose. No provision of this Agreement may be modified, waived, amended or added to except by a writing signed by both Parties.

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be executed as of the Agreement Date.

"City"

"Licensee"

THE CITY OF VISTA, a chartered municipal corporation

By:_____ JOHN CONLEY, CITY MANAGER

ATTEST:

KATHY VALDEZ, CITY CLERK

By:_____

APPROVED AS TO FORM: WALTER CHUNG, CITY ATTORNEY

By:_____

RISK MANAGEMENT REVIEW: DOLORES GASCON, RISK MANAGER

Ву:_____

(Legal business name and status)

By:

Name & Title

Ву:_____

Name & Title

When signing as Corporation necessary signatures are President OR Vice President AND Secretary OR Assistant Secretary.)

NOTE: A CALIFORNIA ALL PURPOSE NOTARY ACKNOWLEDGMENT MUST BE ATTACHED FOR ALL SIGNATURES ABOVE

EXHIBIT A INSURANCE REQUIREMENTS

Licensee shall procure and maintain for the duration of the License Agreement, insurance against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the work hereunder by the Licensee, its agents, representatives, employees, or subcontractors.

MINIMUM SCOPE AND LIMIT OF INSURANCE

Coverage shall be at least as broad as:

- 1. **Commercial General Liability** ("CGL"): Insurance Work Office Form CG 00 01 covering CGL on an "occurrence" basis, including products, completed operations, property damage, bodily injury, and personal & advertising injury with limits no less than **\$2,000,000** per occurrence. If a general aggregate limit applies, either the general aggregate limit shall apply separately to this Project/location or the general aggregate limit shall be twice the required occurrence limit.
- 2. **Automobile Liability**: Insurance Work Office Form Number CA 0001 covering Code 1 (any auto), with limits no less than **\$1,000,000** per accident for bodily injury and property damage.

If the Licensee maintains higher limits than the minimums shown above, the City requires and shall be entitled to coverage for the higher limits maintained by the Licensee. Any available insurance proceeds in excess of the specified minimum limits of insurance and coverage shall be available to the City.

Other Insurance Provisions

The insurance policies are to contain, or be endorsed to contain, the following provisions:

- 1. The City, its officers, officials, employees, volunteers and agents are to be covered as additional insureds on the CGL policy and automobile liability policy with respect to liability arising out of work or operations performed by or on behalf of the Licensee including materials, parts, or equipment furnished in connection with such work or operations and automobiles owned, leased, hired, or borrowed by or on behalf of the Licensee. General liability coverage can be provided in the form of an endorsement to the Licensee's insurance (at least as broad as ISO Form CG 20 10, CG 11 85 or both CG 20 10 and CG 20 37 forms if later revisions used), unless otherwise approved in advance by City.
- 2. For any claims related to this Project, the **Licensee's insurance coverage shall be primary** insurance as respects the City, its officers, officials, employees, and volunteers. Any insurance or self-insurance maintained by the City, its officers, officials, employees, or volunteers shall be excess of the Licensee's insurance and shall not contribute with it.
- 3. Each insurance policy required by this clause shall provide that coverage shall not be canceled, except with notice to the City.

Waiver of Subrogation

Licensee hereby agrees to waive rights of subrogation which any insurer of Licensee may acquire from Licensee by virtue of the payment of any loss. Licensee agrees to obtain any endorsement that may be necessary to affect this waiver of subrogation.

Verification of Coverage

Licensee shall furnish the City with original certificates and amendatory endorsements, or copies of the applicable insurance language, effecting coverage required by this License Agreement. All certificates and endorsements are to be received and approved by the City before work commences. However, failure to obtain the required documents prior to the work beginning shall not waive the Licensee's obligation to provide them. The City reserves the right to require complete, certified copies of all required insurance policies, including endorsements, required by these specifications, at any time.