

# **ALCHEMY 29** **MANAGEMENT PLAN**

## **PROJECT LOCATION**

12762 S STATE HWY 29

LOWER LAKE, CA

95457

UP 20-97

## **PROJECT PARCELS**

LAKE COUNTY APN 012-023-25

## **APPLICANT:**

ALCHEMY 29, LP

## **PROJECT MANAGERS:**

AUTUMN KARCEY & SJOERD BROEKS

ORIGINALLY SUBMITTED DECEMBER 14<sup>TH</sup>, 2020

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<b>Project</b>	
<b>Description.....</b>	<b>4</b>
<b>Type N and P .....</b>	<b>10</b>
1. Use Permit .....	10
2. Notification of Revocation.....	11
3. Direct Access: .....	11
4. Records .....	12
5. Background Checks .....	14
6. Application for Background Clearance for County Permit.....	15
7. Qualifications for a Minor or Major Use Permit. ....	15
1. Live Scans.....	16
2. Property Owner’s Approval .....	17
3. Sign Standards .....	17
4. Design Standards .....	18
5. Circulation, Parking, and Loading Standards .....	21
6. Landscape Standards.....	23
7. Glare and Heat Standards.....	24
8. Security.....	25
9. Cannabis Theft and Loss .....	26
10. Emergency Contacts .....	28
11. Performance Review Report .....	29
12. Access Points .....	30
13. Video Surveillance .....	31
14. Fences .....	35
15. Operating Hours .....	36
16. Protection of Minors.....	36
17. Sensitive Uses.....	37
18. Permitting Process.....	37
19. Pre-Application Conference .....	38
20. Permit application supplemental information.....	38

21.	Duration of Permits: not to exceed ten (10) years. ....	44
22.	Weights and Measures .....	44
23.	Prohibited Activities .....	44
24.	Compliance Monitoring .....	45
25.	Annual Reports: Performance Review .....	46
26.	Renewals .....	48
<i>Type 6 .....</i>		<i>49</i>
1.	Shall meet all the Conditions of Section 27.3 (au). ....	49
2.	Setback .....	49
3.	Road Access .....	49
4.	Local Laws .....	50
5.	Locked Enclosed Structure.....	50
6.	Location of Activities .....	50
7.	Hazardous Materials .....	51
8.	Compressed Gas Storage .....	51
9.	Fire Sprinkler System.....	52
10.	Carbon Dioxide .....	53
11.	Accessory Use .....	53
<i>Type 11 Distributor .....</i>		<i>53</i>
1.	Shall meet all the Conditions of Section 27.3 (au). ....	53
2.	Uses Permitted.....	54
3.	Use Standards .....	54

## **PROJECT DESCRIPTION**

### **License Types:**

Alchemy 29 is seeking a major use permit to obtain one (1) Type 6: Non-Volatile Solventless Manufacturing, one (1) Type P: Manufacturing and one (1) Type 11: Distributor License, and from the County of Lake Community Development Department to allow the processing, packaging, manufacturing, and distribution of cannabis at 12762 State Highway 29, Lower Lake, CA 95457 (APN 012-023-25). All manufacturing and distribution activities will be contained within the existing structures. The structures total 65,700 square feet.

Alchemy 29 will serve as a processing center to support the drying, trimming, solventless manufacturing, and distribution needs of applicants' three farms located in Lake County; Autumn Karcey and Sjoerd Broeks have applied with Lake County Community Development Department for commercial cannabis cultivation licenses; UP 20-88 (Wildcat Farmz), UP 20-95 (Artemis Farmz), and UP 20-96 (Highland Farms), (see use permits for details). Additionally, Alchemy 29 may also provide support services to third-party licensed operators within Lake County for drying, trimming, solventless manufacturing, and distribution needs.

### **Facility's Previous Use:**

The proposed cannabis processing campus was previously owned by Parker Plastics which operated a plastics manufacturing business at the site. The previous use of the site was to produce Rotationally Molded and Thermoformed Plastic Cases. The process used Liquid Propane Gas and High Voltage Electricity to operate machinery utilized in the rotational molding and thermoforming manufacturing process:

- Rotational Molding - Rotational molding of cases is a process where plastic pellets (shot) are fed into a mold that is rotated, usually on 2 axes, forcing the pellets into and throughout the mold cavity as the mold is in an oven. To ensure an even flow of plastic, the mold is in continuous motion during the heating and cooling cycle. At the end of the process, the case is removed from the mold and a new shot is started. This process produced a very rugged case. Such cases are used for shipping or for military requirements, instruments, and tools.
- Thermoforming - Thermal forming of cases is a process where a sheet of plastic is heated, pulled into a vacuum box, formed, and cooled. Parker Plastics had a wide range of thermal-formed mold sizes. This is a type of vacuum forming, where a thin or thick gauge plastic sheet is placed over a die, heated to a temperature that allows the material to become pliable, then is stretched over the surface of the die. At the same time, vacuum pressure pulls the sheet down and into its final shape. This process can also be done with simple dies and very basic equipment. It's often employed with samples and prototypes of thin-walled, hollow-bodied parts. Parker Plastics' primary products were shipping cases.

### **Electrical:**

The Alchemy 29 will be powered by the facilities' existing PG&E service:

- Building 1 – 600 amps three-phase 240 volts
- Building 2 – 200 amps three-phase 208 volts
- Building 3 – 800 amps three-phase 480 volts
- Building 4 – 400 amps single-phase 240 volts (shares 200 amps with building 7)
- Building 5 – 1000 amps three-phase 480 volts
- Building 6 – 200 amp single-phase sub-panel

- Building 7 – 200 amps three-phase 240 volts with an additional service providing 400 amps three-phase 480 volts.

### **Manufacturing Procedures:**

Manufacturing will be centered around Solventless methods; as such, there will be no hazardous chemicals will be used for extraction manufacturing activities. There will only be those found in common cleaners used for disinfecting and cleaning work areas and bathrooms.

Alchemy 29 will perform the following processes for their farms and third-party licensed operators. All products produced at Alchemy 29 contain zero added solvents to the cannabis products.

- Drying – Alchemy 29 will accept only licensed cannabis product for drying procedures.
- Trimming – Alchemy 29 will trim utilizing both mechanized and hand trimming procedures.
- Pre-Rolls – Alchemy 29 will utilize automated pre-rolling machines to ensure consistency and quality in its pre-rolled products.
- Vape Pens – Alchemy 29 will use automated machinery to produce solventless rosin-based vape pens.
- Water-based Rosin Hash – Alchemy 29's manufactured products will contain solventless free water-based hash. Therefore there is no particular classification needed for the housing around the machinery, such as C1D1 or C1D2 classifications.
- Packaging - Alchemy 29 will package dried cannabis flower using automated machinery and hand packaging of cannabis dried flower and manufactured products.

\*Please see site map for details

**Waste Management:**

Proposed trash and recycling containers will be four (4) metal two-yard dumpsters with locking lids. One (1) dumpster is dedicated to Manufacturing, One (1) to Distribution one (1) to Processing, and one (1) for all other garbage. The proposed containers will be housed in an area surrounded by a six-foot chain-link fence with a locking gate.

All organic waste would be rendered un-useable and placed on-campus in a designated composting area. All solid waste is to be stored in bins with secure-fitting lids, in a controlled-access location, until being disposed of at a Lake County Integrated Waste Management facility, at least once a week throughout the year. The closest Lake County Integrated Waste Management facility to the Property is the Eastlake Landfill. South Lake Refuse and Recycling will be contracted to pick up organic and solid waste and deliver it to the Eastlake Landfill once per week.

**Storage:**

From time to time, chemicals associated with cannabis agriculture, processing, and manufacturing (fertilizers, pesticides, sanitation, and petroleum products) would be stored within the secure proposed processing within building six before being deployed to the farms licensed by the applicant. All fertilizers and pesticides used would be from the approved list through the California Department of Food and Agriculture (CDFA). All the fertilizers, nutrients, soil, and pesticides would only be purchased and delivered to the property for storage and dispatch to farm locations as needed. All chemicals would be stored separately in the proposed processing building, in their original containers, and used or transported as directed by the manufacturer. All pesticides, fertilizers, and sanitation products would be mixed/prepared on an impermeable surface with secondary containment, at least 100 feet from surface water bodies. Empty containers would be disposed of by placing them in a separate seal-tight bin with a fitted lid and disposed of at

the local solid waste facility.

**Management:**

Alchemy 29 will be operated and managed by Autumn Karcey and Sjoerd Broeks. All future employees will undergo a background check by the Lake County Sheriff's Department before starting employment and be a United States citizen or eligible for employment within the US.

**Hours of Operation:**

The project's core business hours of operation will be between 9 a.m. – 7 p.m., with deliveries and pickups restricted to 9 a.m. – 7 p.m. Monday through Saturday and Sunday from 12 pm-5 pm PST. Deliveries and shipments are estimated to be a minimum of two (2) per day with a maximum of five (5) per day during peak times, such as harvest.

The gate will be locked outside of core operating/business hours (8 am to 6 pm) and whenever Alchemy 29 personnel are not present. Only approved Alchemy 29 managerial staff and emergency service providers can unlock the gates on the Project Property.

**Parking:**

Alchemy 29 sits on a sixty-acre lot, allowing for more parking than the number of employees proposed, ensuring ample space for visitors, county officials, and other authorized visitors. The Project Property is currently accessed directly off Highway 29. There are now eight (8) existing parking spaces onsite located in front of building five (5). The project proposes a total of thirty-seven (37) parking stalls with two additional (2 ADA) for a total of thirty-nine (39) spaces, including the current eight (8) spaces within the existing parking lot of the project site. The new spaces will not require additional grading



and will be comprised of a gravel base.

*\*See site plan for details*

**Estimated Water Usage:**

Alchemy 29 will utilize well water to service the day-to-day functions of the facility. A well test was performed on November 24<sup>th</sup> 2020, stating 25 GPM. Please see the well test attached to this application for more information.

Based on the size of the facility and number of employees, Alchemy 29 below are water usage estimates.

- 150,000-gal/yr. Manufacturing and Processing (Ice / Water / Clean up)
- 43,400-gal/yr. Employee usage (drinking / kitchen / bathrooms / cleaning)
- 26,000-gal/yr. Facilities / Maintenance (exterior cleaning and equipment maintenance)
- Landscaping water will be reclaimed from manufacturing / processing

**Local Economic Impact:**

Alchemy 29 has an opportunity to make significant contributions to the community and local economy. Once Alchemy 29 is fully operating, they will have approximately twenty (20), full-time employees, with well-paying jobs and included benefits. Additionally, Alchemy 29 will have an estimated five (5) part-time employees. The supporting farm projects will employ another twenty to thirty local individuals. Many of the positions can be filled by individuals without prior experience and will receive training.

Creating jobs is only one-way Alchemy 29 will contribute. The employees live locally, shop, and play locally while supporting local businesses. Employees are provided health insurance which helps support local medical professionals and staff. Selecting local

vendors and service providers is always preferred. The following is a partial list of local companies Alchemy 29 has conducted business with thus far.

Hillside Marine And Power Sports - Kelseyville Lumber - Management Connections - Ependendio Construction - Conser Land Surveying - Lake County Planning Consultants – Pivniska Real Estate Group - Suites on Main - The Saw Shop – Artis - Shocker Electric - Independent Electric - Big Valley Electric - Will Peterson Well Drilling - Rainbow Ag - Southlake Refuse and Recycling - A-1 Construction - Mark Homer, General Contractor - Blue Collar Plumbing - Odom Construction - Deans Painting - UCC Rentals - Hammes Roofing - Westlake Environmental - Konocti Cultural Resources - Jonas Heating and Air - Abbotts Heating and Air - Cal-Core - California Exterminators - Gossett Alarm, with many more receiving bid requests as the project anticipates moving forward.

Currently, Alchemy 29 is one of only a few existing locations where processing, manufacturing, packaging, and distribution provide these services to licensed cultivators within Lake County. The current shortage of processing, packaging, and distribution services in Lake County forces local farmers to take their cannabis out of town. Providing these services in Lake County will generate jobs and tax revenue for the county; it will also allow local farmers to diversify their products while allowing access larger California markets in which to distribute their products.

#### **Type N and P**

- 1. Use Permit: A person or entity shall not engage in manufacturing of cannabis without first obtaining a Lake County minor or major use permit, a state cannabis license, and other applicable permits.**

*The submission of this application is to obtain a major use permit to use the property at 12762 S State Hwy 29 (APN:012-023-25) for the non-volatile manufacturing of cannabis and cannabis products with accessory uses such as processing and storage, as well as for the distribution of cannabis and cannabis products. All required state*

*and other applicable permits have been applied for. No manufacturing, accessory uses, or distribution activities will occur until all the necessary permits have been obtained.*

- 2. Notification of Revocation:** The Department shall notify the Bureau of Cannabis Control or its successor agency upon revocation of any local license, permit, or authorization for a permittee to engage in commercial cannabis activity within the local jurisdiction.

*The above statement is understood; if any of the permittee's local licenses or permits are revoked, the permittee accepts the consequences.*

- 3. Direct Access:** The parcel where the cannabis manufacturing facility is located shall front and have direct access to a paved State or County maintained road.

*The parcel's access driveway is directly connected to Ca State Hwy. 29 in Lower Lake, CA.*

#### **4. Records**

- i. An applicant shall keep accurate records of commercial cannabis activity.**
- ii. All records related to commercial cannabis activity as defined by the state licensing authorities shall be maintained for a minimum of seven years.**
- iii. The County may examine the books and records of an applicant and inspect the premises of a permittee when the County deems necessary to perform its duties under this division. All inspections shall be conducted during standard business hours of the permitted facility or at any other reasonable time.**
- iv. Applicants shall keep records identified by the County on the premises of the location permitted. The County may make any examination of the records of any applicant. Applicants shall also provide and deliver copies of such documents to the County upon request.**
- v. An applicant, or its agent or employee, that refuses, impedes, obstructs, or interferes with an inspection of the premises or records of the applicant pursuant to this section, has engaged in a violation of this article.**

*The applicant will keep accurate records of all commercial cannabis activity that takes place on the premises as defined by the county ordinance and the state licensing authorities. All records will be maintained for a minimum of seven years.*

*The county will have access to all records and will be permitted to inspect the premises whenever the county deems it necessary. Copies of the records can be provided or delivered to the county at their request. It is understood that the permittee will be in violation if they or any of their agents or employees refuse, impede, obstruct, or interfere with an inspection of the premises or records pursuant to Section AU (4).*

#### **Nature of the Entity**

- i. If the applicant is other than a natural person (including general partnerships of more**

than one individual natural person), the applicant must provide documentation regarding the nature of the entity and the names of the individual natural persons who manage, own, or control the entity. The most common entities are corporations, limited liability companies (LLCs), limited partnerships (LPs), or trusts. These entities can be multi-layered and/or interlocking, e.g., a corporation can be owned by another corporation. If that is the case, documents for those other related entities are needed until the individual natural persons who manage, own, or control the entities can be identified.

- ii. **For Corporations: Articles of Incorporation – file stamped by the state agency where incorporated. If not a California Corporation, the registration filed to do business in California must be stamped by the CA Secretary of State. A list of the officers and directors of the corporation (this could be a single person). The agent for service of process and business office address in California. A list of the shareholders of the corporation (again, it could be a single person and the same as the officer/director). If it is a large, publicly held corporation with many shareholders, contact the Department for direction. If a non-profit mutual benefit corporation (common under pre-MMRSA practice for cannabis operations), a list of the members instead of the shareholders. A resolution of the board of directors authorizing the individual who will sign the application and other documents on behalf of the corporation to do so.**
- iii. **For Limited Liability Companies: Articles of Organization – file stamped by the state agency where formed if not a California LLC, or the registration to do business in California file stamped by the CA Secretary of State. A list of the managing member or members of the company. The agent for service of process and business office address in California. A list of any other members of the company. The application and other documents submitted on behalf of the LLC must be signed by a managing member.**
- iv. **For Limited Partnerships: Certificate of Limited Partnership – file stamped by the state agency where filed. If not a California LP, the registration to do business in California file must be stamped by the CA Secretary of State. The identity of the General Partner or partners. The agent for service of process and business office address in California.**

**A list of the limited partners of the LP. The application and other documents submitted on behalf of the LP must be signed by a general partner.**

- v. For Trusts: The Declaration of Trust or Statement of Trust – The name and address of the Trustee or trustees. A list of the names of beneficiaries of the trust with a vested interest in the property held by the trust (check with County Counsel for explanation and details if needed). The application and other documents submitted on behalf of the trust must be signed by a Trustee.**

*The LLC, LP, and subsidiary information have been submitted with this application package.*

## **5. Background Checks**

- i. All applicants and employees shall undergo a background check by the Lake County Sheriff Department. An individual may fail the background check if employee has been convicted of an offense that is substantially related to the qualifications, functions, or duties of the business or profession for which the application is made, except that if the sheriff determines that the applicant or permittee is otherwise suitable to be issued a license and granting the license would not compromise public safety, the sheriff shall conduct a thorough review of the nature of the crime, conviction, circumstances, and evidence of rehabilitation of the applicant, and shall evaluate the suitability of the applicant or permittee be issued a license based on the evidence found through the review. In determining which offenses are substantially related to the qualifications, functions, or duties of the business or profession for which the application is made, the sheriff shall include, but not be limited to, the conditions described in Section 26057 of the California Business and Professions Code.**

*The applicant and all employees will have completed a background check through the LakeCounty Sheriff's Department. Current employees submitted to*

*the Sheriff's Department are listed in Section 9 of this management plan.*

**6. Application for Background Clearance for County Permit**

**An applicant for cannabis distribution permit shall do all the following:**

- i. Require that each applicant and employee electronically submit to the Department of Justice fingerprint images and related information required by the Department of Justice for the purpose of obtaining information as to the existence and content of a record of state or federal convictions and arrests, and information as to the existence and content of a record of state or federal convictions and arrests for which the Department of Justice establishes that the person is free on bail or on his or her own recognizance, pending trial or appeal.**
- ii. The Sheriff's Office shall request from the Department of Justice subsequent notification service, as provided pursuant to Section 11105.2 of the Penal Code, for applicants.**
- iii. The applicant will be responsible to pay any fee the Department of Justice charges that is set by the Department of Justice and sufficient to cover the reasonable cost of processing the requests described in this paragraph.**
- iv. Pay any fees of the Sheriff's office as established by the Board of Supervisors.**

*The applicant, all employees, and future employees will electronically submit fingerprint images to the Department of Justice and pay all fees charged by the Department of Justice and the Sheriff's Office.*

**7. Qualifications for a Minor or Major Use Permit. The County may deny a minor or major use permit (Permit) or the renewal of a Permit if any of the following conditions apply:**

- i. If the applicant(s) fails the background check.
- ii. Failure to comply with the provisions of this chapter or any rule or regulation adopted pursuant to this chapter, including but not limited to, any requirement imposed to protect natural resources, in-stream flow, water quality, and fish and wildlife.
- iii. The applicant has failed to provide information required by the Lake County Zoning Ordinance.

*The applicant acknowledges that the county can deny the initial permit or renewal of the permit if they fail a background check, fail to comply with any rule or regulation in this chapter or fail to provide any information as required by the Lake County Zoning Ordinance.*

#### **1. Live Scans**

**The applicant, owner, or permittee has been convicted of an offense that is substantially related to the qualifications, functions, or duties of the business or profession for which the application is made, except that if the Lake County Sheriff finds that the applicant, owner, or issued a permit, and granting the permit would not compromise public safety, the Lake County Sheriff shall conduct a thorough review of the nature of the crime, conviction, circumstances, and evidence of rehabilitation of the applicant or owner, and shall evaluate the suitability of the applicant, owner, or permittee to be issued a permit based on the evidence found through the review.**

*The applicant acknowledges that if they have been convicted of an offense, the Lake County Sheriff's Department can/will conduct a thorough review, which may affect the ability to be issued a permit. All employees have submitted live scan applications to the Lake County Sheriff's Department:*

- i. Chief Executive Officer – Autumn Karcey, [autumn@lakecodevelopment.com](mailto:autumn@lakecodevelopment.com)



ii. Chief Operating Officer – Sjoerd Broeks, [sjoerd@lakecodevelopment.com](mailto:sjoerd@lakecodevelopment.com)

## **2. Property Owner's Approval**

**If the property where the cannabis activity is to be located is not owned by the applicant, written approval shall be obtained from the property owner(s), containing the property owner(s) notarized signature that authorizes the tenant or lessee to conduct cannabis manufacturing or processor activities of cannabis at the site. A copy of the written approval shall be maintained by the tenant or lessee and made available for review by enforcement officials upon request. Written approvals shall be renewed annually.**

*The applicant is not the property owner (12762 S State Hwy 29, APN:012-023-25) where this permit is being applied. The applicant is currently engaged in a lease with the landowner and has the consent of the landowner to submit this application and, if approved, to carry out the activities described in this plan. Permission has been given by the signature of the owner on the major use permit application. The lease agreement has also been provided (see attached).*

## **3. Sign Standards**

**In addition to the sign standards of the applicable area plan and this chapter, the design shall comply with the following standards:**

- i. Cannabis, cannabis-infused products, or associated products shall not be displayed or clearly visible to a person from the exterior of the cannabis manufacturing facility.**

*Products will not be displayed for the public to see from the exterior. The building's existing windows will be screened not to allow visuals into the facility. The manufacturing facility will not have walk-in customers as it is not applying for a retail license. All activities except storage and loading will be fully contained within the existing buildings.*

- ii. **The facility shall not display advertisements for cannabis or any brand name on the exterior of the facility and may only identify the building by the registered name.**

*No signs advertising cannabis or cannabis brand names are proposed. If a sign is added to the buildings or entrance, it will only be of the business name "Alchemy 29".*

- iii. **The facility shall not utilize graphics related to cannabis or paraphernalia on the exterior of the building in which the cannabis manufacturing facility is located.**

*No graphics depicting cannabis paraphernalia or anything related to cannabis will be placed on the exterior of the building or the property.*

#### **4. Design Standards**

**In addition to the design standards of the applicable area plan and this Chapter, the design shall comply with the following standards:**

- i. **Auxiliary structures such as trash enclosures and storage areas should be compatible with and integrated into the overall design.**

*The facility's auxiliary structures, such as trash enclosures and storage areas, will be compatible with and integrated into the facility's overall design.*

- ii. **Containers for the recycling of recyclable products shall be accommodated within trash storage areas.**

*The facility will have containers for recyclable products within the trash storage area and throughout the building's interior operations.*

- iii. The height and mass of buildings shall consider the visual and physical relationship to adjacent uses. A structure that dominates its environment by its relative size is strongly discouraged.**

*The height and the mass of the existing facility when looking from the view along Highway 29 blends in with the natural environment. Building (7) was constructed in 2007 and can be seen along Highway 29; however, plenty of tree coverage obstructs the building from sticking out. There are very few commercial structures in the area, and the permit's use would not infringe on any other businesses within the vicinity.*

- iv. Facades with a high level of visual interest from both vehicular and pedestrian viewpoints are encouraged.**

*The existing buildings do not have any landmark architectural facades with a high level of visual interest. The buildings do not detract from viewpoints as they match the look of other buildings in the county.*

- v. Long unbroken building facades should be broken up with architectural details. Facades with varied front setbacks are encouraged to provide visual interest.**

*The facades of the existing building are generic and colored to match the surrounding environment. Due to the existing structures having been permitted with commercial use, it is requested that the existing facades do not need to be updated for visual interest as they were previously approved.*

- vi. Rear and side wall elevations should provide building offsets and architectural details similar to the front facade.**

*Rear and side walls, while differing slightly, match the front facade/architectural details. Pictures of the building have been included with this submittal.*

- vii. Roof design shall allow solar panels to be integrated into the roof design, flush with the roof slope. Building orientation and shading design should minimize solar gain and maximize daylight harvesting.**

*Solar is not currently being proposed as the electricity source for this project. The primary electrical source is PG&E. The existing roof would allow for the integration of solar in the future if needed.*

- viii. Materials should be chosen to withstand abuse by vandals or accidental damage by machinery. False facades and other simulated materials and ornamentation are discouraged.**

*The existing metal building was built to serve industrial uses and can withstand abuse by vandals or accidental damage by machinery.*

- ix. Storage containers or accessory structures shall be architecturally treated on all four exterior sides of the structure.**

*Any proposed exterior storage containers or accessory structures shall be architecturally treated on all four sides.*

- x. Storage containers or accessory structures should employ a variety of building forms, materials, colors, and other architectural treatments to add visual interest.**

*No additional exterior accessory structures or storage containers are being proposed at this time. If proposed in the future applicant will comply will apply for permits and apply architectural treatments.*

- xi. The use of compatible colors in a single facade or composition is required. Compatible colors add interest and variety while reducing building scale and breaking up plain walls. Bright colors are prohibited.**

*The existing buildings that can be seen from public view is light beige and matches the terrain surrounding it. Additional work is not needed to meet this requirement.*

- xii. Service and emergency generator should be enclosed within the building structure.**

*Any generators needed for the project will be enclosed within the building structure and properly vented. However, currently no generators are being proposed.*

## **5. Circulation, Parking, and Loading Standards**

**In addition to the circulation, parking, and loading standards of the applicable area plan and this Chapter, the design shall comply with the following standards:**

- i. Loading and service areas shall be concealed from public view and from adjoining properties by appropriately designed walls, fencing and landscaping and shall be located to the rear or sides of a building, away from the main building entrance, or related high visibility areas.**

*The existing facility has loading platforms to each of the structures that cannot be seen from public view. Loading areas for each structure are in the rear of the main*

*facility that cannot be seen along Highway 29. The project has existing landscaping along the front and is proposing a 6 ft tall fence with key card access and a knox box.*

- ii. Loading areas shall be designed to accommodate backing and maneuvering onsite, not from a public street, and when occupied shall not prohibit onsite vehicular circulation.**

*The existing facility has an expansive surface parking lot and multiple directions to turn once on the premises including a circular drive for freight. trucks may also back into the loading areas without having to utilize the public roadway.*

- iii. Entrances, parking lots and pathways should be visible from streets or buildings for safety and surveillance purposes.**

*Entrances, parking lots, and pathways are visible from the appropriate places to implement a robust exterior security system and site lighting with quality viewsheds for surveillance purposes and visibility.*

- iv. A cannabis manufacture facility shall comply with the parking standards described in Article 46 of this chapter and specifically 21-46.5 (c) 2. Manufacturing.**

*Due to the project utilizing the existing facilities for mostly storage and drying cannabis (roughly 77% of the floor space), only a small number of employees are required. Alchemy 29 sits on a sixty-acre lot allowing for more parking than the amount of employees proposed making sure there is ample space for visitors, county officials, and other authorized visitors. The Project Property is currently accessed directly off Highway 29. There are currently eight (8) existing parking spaces onsite located in front*

*of building five (5). The project proposes a total of thirty-seven (37) parking stalls with two additional (2 ADA) for a total of thirty-nine (39) spaces, including the current eight (8) spaces within the existing parking lot of the project site. The new spaces will not require additional grading and will be comprised of a gravel base. If needed, additional parking spaces can be added, Alchemy 29 will have no more than twenty full time employees and five part time employees on a year-round basis.*

## **6. Landscape Standards**

**In addition to the landscape standards of the applicable area plan and this Chapter, the design shall comply with the following standards:**

- i. Landscaping shall be in scale with adjacent buildings and be of an appropriate size at maturity to accomplish its intended purpose.**

*The project property has existing, appropriately sized, mature landscaping along the front setbacks that is in scale with the building.*

- ii. Landscaping shall be used to define areas such as entrances to buildings and parking lots, provide transition between neighboring properties (buffering), and provide screening for outdoor storage, loading and equipment areas.**

*The existing mature landscaping along the front setback helps define the entrance to the facility and provides a break between the project property and the public roadway/neighboring properties. The property will have a chain-link fence separating this property from any neighboring properties, which can be screened with landscaping or privacy screening if necessary.*

- iii. **Landscaping strip 5 feet wide around the entire base of the building(s) to soften the edge between the parking lot and building is required. The landscape strip is not required at entrances to the building or at loading or service areas building access points.**

*The existing buildings have mature vegetation/landscaping on all unused sides. All other sides of the building are encompassed by loading areas and the entrances to the buildings, therefore no buildings require additional landscaping.*

- iv. **Landscaping shall maintain adequate sight lines for visual safety, visibility, and efficient security.**

*Existing landscaping is maintained appropriately not to obstruct any visual safety, visibility, and security. No additional landscaping is proposed beyond the existing landscaping unless other landscaping becomes required.*

## **7. Glare and Heat Standards**

**In addition to the glare and heat standards of the applicable area plan and this Chapter, the design shall comply with the following standards:**

- i. **Lighting shall be designed to provide atmosphere, safety, and security without spillover or glare onto adjacent properties, and light intensity should be of satisfactory quality to ensure visibility, safety, and security.**

*Security lighting and typical outdoor business lights exist pointed downward, however, if more are implemented, it will be ensured that there is no spillover or glare onto adjacent properties. Lighting will be shielded and downward facing to meet dark skies requirements. Light intensity will not be more than what is needed to provide security and safety.*



**8. Security Prevention of access to the site by unauthorized personnel and protect the physical safety of employees. This includes, but is not limited to:**

- i. Establishing physical barriers to secure perimeter access and all points of entry (such as locking primary entrances with commercial-grade, non-residential door locks, or providing fencing around the grounds, driveway, and any secondary entrances including windows, roofs, or ventilation systems);**

*All entrances will have commercial-grade locks or key card access. A 6 ft. tall fence is proposed around the entire perimeter where secured gates are not in place.*

- ii. Installing a security alarm system to notify and record incident(s) where physical barriers have been breached.**

*A security alarm system will be installed within the facilities for security purposes. All incidents will be recorded. Motion sensors will also be utilized on the roof and in other locations within the buildings including doorways. Glass break detectors, or ballistic window film will be installed on all windows within the structures.*

- iii. Establishing an identification and sign-in/sign-out procedure for authorized personnel, suppliers, and/or visitors.**

*All authorized personnel, suppliers, and visitors will sign in and sign out as a security procedure through the secure front office or upon entrance through the front gate with security personnel.*

- iv. **Maintaining the premises such that visibility and security monitoring of the premises is possible; and**

*The premises, including landscaping, will be well maintained to provide the necessary visibility to monitor the premises.*

- v. **Establishing procedures for the investigation of suspicious activities.**

*In the case of an incident, the business owners and security guards will work together using security camera footage, login sheets, and other available resources to investigate any incidents or suspicious activities to the best of their abilities. Law enforcement will be involved when necessary.*

## **9. Cannabis Theft and Loss**

**Prevent theft or loss of cannabis and cannabis products. This includes but is not limited to:**

- i. **Establishing an inventory system to track cannabis material and the personnel responsible for processing it throughout the manufacturing process.**

*All operations at this facility will follow the track and trace system as mandated by the state. In addition, California's State-mandated Metric system, Alchemy 29 will use an open API to integrate Backbone Software directly into Metric to create an ultra-transparent supply chain through management software. It affords operations and the regulatory agencies they interact with a degree of accountability and accessibility unmet in the current landscape.*

*Backbone provides detailed real-time data for yields by production batch, material type, process, or facility. Just as importantly, data is easily shared with vendors, clients, and*

*regulators to build trust. Backbone will serve as Alchemy's System of Record for both cannabis & non-cannabis inventories as well as activity-based cost accounting in a custom-tailored visual representation of Alchemy's entire production line. It affords a transparent Chain of Custody with seamless regulatory integrations (METRC), GMP/ISO reporting, materials transformation with complete seed-to-sale lineage, and customized QR or serial codes. Moreover, the system goes above and beyond the minimum requirements for remaining compliant. We propose to leverage Backbone's fully integrated IT stack and ecosystem to serve as a de facto Execution System for the entire operation. Alchemy will be an exemplary operator with the ability to demonstrate Granular COGS Tracking with a real-time view of Cannabis and non-cannabis inventory, including components and direct labor. This occurs via live Inventory monitoring of units of measure, product varieties, and reorder points for the various indirect non-regulated support materials (e.g., packaging, consumables, etc.) required to keep day-to-day operations running smooth. A critical step in the execution of that exalted vision, Backbone folds in all the ancillary moving parts, processes, and systems that affect the ability of a cannabis operator to provide seamless, consistent, safe, and efficacious output to industry supply chain partners and, ultimately, to the end-user at large.*

*Alchemy is proud to partner with Backbone in leveraging automated compliance tools, including track & trace sync (w/METRC), RFID scanners, tolerance and nonconformance management, automatic quarantining, R&D, and COA testing. From a Quality Assurance standpoint, Alchemy seeks to be Audit-ready at all times: track, trace, and recall of every material, from origin to sale, with complete historical lineage. As such, the system offers Alchemy GMP Enablement via machine readings, machine logs, supporting documents, critical parameter tolerances. Internet of Things (IoT) Hardware integration (scales, scanners, and environmental systems) position Alchemy as a model for traceability, transparency, and organizational integrity QMS integration enhances response times, and root cause identification should a product recall event transpire.*

*A fundamental tenet of proper adoption and sustained use, the system's ability to provide operators with an easy to use and intuitive user interface Backbone makes the visualization of the entire supply chain (i.e., Processes, machines, and materials) a straightforward and facile matter. Furthering the use case, management of available inventory, sales orders, invoicing, vendor profiles & transaction histories makes integrations across the supply chain, including Financials, Compliance, Marketplaces.*

- ii. Limiting personnel access within the premises to those areas necessary to complete job duties, and to those timeframes specifically scheduled for completion of job duties.**

*All employees will work within scheduled timeframes to complete their specific job duties. Only the necessary number of employees will be working at any one time. All employees will adhere to all Ca State employment regulations.*

- iii. Supervising tasks or processes with high potential for diversion (including the loading and unloading of cannabis transportation vehicles); and**

*An authorized track and trace supervisor or security personnel will monitor all loading and unloading activities. Security cameras will also be placed in all loading and unloading areas as additional monitoring.*

- iv. Providing designated areas in which personnel may store and access personal items.**

*An employee break area and individual lockers located at the entrance of building five will be provided to secure personal items.*

## **10. Emergency Contacts**

**Identification of emergency contact(s) that is/are available 24 hours/seven (7) days a**

week including holidays. The plan shall include the name, phone number and facsimile number or email address of an individual working on cannabis manufacturing premises, to whom notice of problems associated with the operation of the cannabis manufacturing establishment can be provided. The cannabis manufacturing establishment shall always keep this information current. The applicant shall make every good faith effort to encourage neighborhood residents to call this designated person to resolve operating problems, if any, before any complaints are made to the County.

*The 24/7 emergency contact for this facility is:*

*Autumn Karcey, CEO*

*Phone: (530)379-8588*

*Email: [autumn@lakecodevelopment.com](mailto:autumn@lakecodevelopment.com)*

*[Autumn@cultivoinc.com](mailto:Autumn@cultivoinc.com)*

*Sjoerd Broeks, COO*

*Phone: (530) 526-1593*

*Email: [Sjoerd@lakecodevelopment.com](mailto:Sjoerd@lakecodevelopment.com)*

## **11. Performance Review Report**

**The permittee shall maintain a record of all complaints and resolution of complaints and provide a tally and summary of issues to the annual Performance Review Report.**

*The permittee will maintain a record of all complaints and the resolution and provide a tally and summary of issues in the annual Performance Review Report. The report may be made available at the request of the County, Bureau, and other authorized government and County officials.*

**12. Access Points: A description of fences, location of access points, and how access is controlled.**

*Alchemy 29 is proposing a 6 ft fence around the property's perimeter. There will be a security gate at the entrance located off of Highway 29. A security officer will be on duty during employee work hours. All employees and visitors will be required to sign in and out. Limited-access areas will be separate, designated areas with solid doors that will be secured with strict security measures and locked at all times with commercial-grade electronic locks. Each limited-access area will be monitored at all times via security cameras. Limited-access areas will only be accessible by Alchemy 29 employees, authorized representatives of the Bureau and other government officials, and other authorized individuals conducting business that requires access to the limited-access area. Unauthorized individuals will not be permitted to enter limited-access areas at any time for any reason. Any individuals whom are not employed by Alchemy 29 may be allowed within a limited-access area 16 CCR Sec. 5042. See response in #3(c) for further information on Alchemy 29 visitor access procedures.*

*Limited-access areas, at a minimum, include the following rooms and areas:*

- *Quality Assurance/Quality Control Room*
- *Processing Areas*
- *Distribution Area*
- *Manufacturing Area*
- *Dry/Cure, Rough Trim, Sorting, and Packaging Areas*
- *Distribution, Manufacturing, and Processing Waste Areas*
- *Metrc/Inventory Control Room*
- *Security Administrative Room*
- *Offices*
- *Common Areas*

- *Harvest Storage and the Secured Enclosure*
  - a. *A description of how the applicant will maintain an accurate record of all non-employee authorized individuals allowed onsite are in conformance with section 5042 of the Bureau's regulations.*

### **13. Video Surveillance**

**At a minimum, permitted premises shall have a complete digital video surveillance system with a minimum camera resolution of 1080 pixel. The video surveillance system shall be capable of recording all pre-determined surveillance areas in any lighting conditions.**

- i. **The video surveillance system shall be capable of supporting remote access by the permittee.**
- ii. **To the extent reasonably possible, all video surveillance cameras shall be installed in a manner that prevents intentional obstruction, tampering with, and/or disabling.**
- iii. **Areas that shall be recorded on the video surveillance system include, but are not limited to, the following: The perimeter of the cannabis manufacturing facility; Areas where cannabis or cannabis products are weighed, packed, stored, quarantined, loaded and/or unloaded for transportation, prepared, or moved within the premises; Areas where cannabis is destroyed; Limited-access areas; Security rooms; Areas containing surveillance-system storage devices, in which case, at least one camera shall record the access points to such an area; and the interior and exterior of all entrances and exits to the cannabis manufacturing facility including all buildings where cannabis or cannabis products are weighed, packed, stored, quarantined, loaded and/or unloaded for transportation, prepared, or moved within the premises.**
- iv. **The surveillance system shall operate continuously 24 hours per day and at a minimum of 30 frames per second.**
- v. **All exterior cameras shall be waterproof, I-66 minimum.**
- vi. **All interior cameras shall be moisture proof.**

- vii. **Cameras shall be color capable.**
- viii. **Video management software shall be capable of integrating cameras with door alarms.**
- ix. **Video recordings shall be digital.**
- x. **Thermal technology shall be use for perimeter fencing.**
- xi. **All cameras shall include motion sensors that activates the camera when motion is detected.**
- xii. **In areas with inadequate lighting for the cameras being used, sufficient lighting shall be provided to illuminate the camera's field of vision.**
- xiii. **All recordings shall be located in secure rooms or areas of the premises in an access and environment-controlled environment which is separate from the room where the computer and monitoring equipment is located.**
- xiv. **All surveillance recordings shall be kept on the applicant's recording device or other approved location for a minimum of 30 days.**
- xv. **All video surveillance recordings are subject to inspection by the Department and shall be copied and sent, or otherwise provided, to the Department upon request.**
- xvi. **The video recordings shall display the current date and time of recorded events. Time is to be measured in accordance with the U.S. National Institute of Standards and Technology standards. The displayed date and time shall not significantly obstruct the view of recorded images.**

*The surveillance system, including all cameras and records, will follow all standards listed in (21. i-xvi) above. Alchemy 29 will use a commercial video surveillance system, implementing a network of dome and bullet cameras with an IP-capable NVR stored in a secure location. Alchemy 29 currently plans to utilize commercial-grade security cameras and Pro network Digital Video Recorders (DVR) and multiple Digital 8TB hard drives as the primary video storage equipment for the secure video surveillance system.*

*All video surveillance cameras utilized by Alchemy 29 will:*

- *Be immobile and in permanent locations.*



- *Record continuously twenty-four (24) hours per day and at a minimum fifteen (15) frames per second.*
- *Have a minimum resolution of 0.9 megapixels (1280 x 720 pixels).*
- *Have infrared capabilities to capture images in low or no lighting conditions.*
- *The ability to identify activity occurring within twenty feet (20') from all points of entry and exits into and out of the exterior of the facility allows for the precise identification of any person and activities in all areas required to be filmed.*

*The system will have the ability to immediately produce a clear color still photo that will be a minimum of 9600 dpi from any camera image, either live or recorded. A date and time stamp will be embedded on all recordings and synchronized, set correctly, and not significantly obscure the picture. Time will be measured in accordance with the United States National Institute of Standards and Technology standards.*

*Alchemy 29 anticipates installing between 70 or more cameras. Cameras have been numbered with clearly marked placement on the diagram submitted to the county. Cameras will be placed in a location that allows for the precise and specific identification of any person and activities in all areas required to be filmed and will ensure visibility of activities will not be obstructed by lighting equipment covers, fixtures, or other equipment. Cameras will not be installed in bathrooms or locker rooms, or any other area where a legitimate expectation of privacy exists.*

*Alchemy 29 will install security cameras to monitor and record all areas of the Premises, including, at a minimum:*

- *All entrances and exits of limited-access areas and inside limited-access areas.*
- *Gated parking lot*
- *All entrances and exits into and out of the facility's exterior, including indoor*

*and outdoor vantage points.*

- *Outdoor trash receptacles.*
- *All areas where cannabis or cannabis products will be present, including where cannabis goods will be weighed, packed, stored, quarantined, loaded, unloaded, prepared, or moved within the premises.*
- *Loading/unloading areas.*
- *All areas where cash will be counted, transferred, or stored.*
- *All areas where records will be stored.*
- *Areas where cannabis will be destroyed.*
- *Security room.*
- *Areas storing a surveillance-system storage device with at least one camera recording the access points to the area.*

*Alchemy 29 will ensure that the surveillance system will be appropriately maintained for playback quality so that images can be seen and the identity of all individuals and activity in surveillance areas will be captured. Alchemy 29 will regularly schedule and oversee all required maintenance of surveillance equipment in accordance with manufacturer recommendations. Any equipment failure identified will be corrected as soon as possible.*

*The surveillance system will include a failure notification system that alerts the CEO and the Security Manager of any interruption in surveillance and the complete failure of the monitoring system within a maximum of five (5) minutes of such failure via telephone, text message, email, or another method of notification.*

*Alchemy 29 has large flat screen monitors connected to the video surveillance system to allow for consistent viewing in the Security Administrative Room. Should the surveillance stream ever not be monitored, all recordings are archived for detailed review by Alchemy 29, local authorities, and the Bureau of Cannabis Control.*

*Alchemy 29 will maintain surveillance system records and recordings in the facility and copies stored on secure cloud storage. All surveillance records will be made available for inspection, upon request, by authorized representatives of the Bureau and other government officials when necessary to perform their official duties.*

*All video surveillance recordings will be easily accessible and stored on a DVR that will be server-based with storage as required to meet recording rate and retention. This system will be password-protected and separate from any other equipment in the Facility.*

#### **14. Fences**

**Loading areas including backing and maneuvering area shall be enclosed by a fence.**

**The fence shall be a minimum of 6 feet and a maximum of 8 feet high and shall include, at a minimum, the following: Posts set into the ground. The posts may be steel tubing, timber or concrete and may be driven into the ground or set in concrete. End, corner, or gate posts, commonly referred to as "terminal posts", must be set in concrete footing or otherwise anchored to prevent leaning under the tension of a stretched fence. Posts set between the terminal posts shall be set at intervals not to exceed 10 feet. A top horizontal rail is required between all posts. The fence shall be attached to the posts and top horizontal rail.**

- i. No barbed wire, razor wire or similar design shall be used.**
- ii. The vehicle access gate shall remain closed and locked at all times except when a vehicle is entering or exiting.**
- iii. A pedestrian gate may be included provided that such a gate is secured to prevent unauthorized access.**

*Some existing buildings have separate loading platforms (see site plan for details). A proposed 6 ft tall fence without barbed/razor wire will encompass the property. The fence will be 6 ft tall with a privacy mesh screen and mounted with security cameras. The steel fence posts will be set into the ground at 10-foot intervals, and corner terminal posts will be set into concrete footings.*

*A security gate with controlled access will be located at the front entrance near Highway 29. The gate entrance is at least 2 feet wider than the traffic lanes' width, with a minimum of 14 feet unobstructed horizontal clearance and 15 feet on unobstructed vertical clearance. The gate will be locked outside of core operating/business hours 9 a.m. – 7 p.m. Monday through Saturday and Sunday from 12 p.m.-5 p.m. PST and whenever Alchemy 29's employees are not present. The gate will be secured with coded access and a Knox Box to allow 24/7 access for emergency services. Only approved Alchemy 29 staff and emergency service providers can unlock the gates on the Project Property.*

#### **15. Operating Hours**

**Deliveries and pick-ups are restricted as follows: Monday through Saturday: 9:00a.m. - 7:00 p.m. Sunday: 12:00 p.m. - 5:00 p.m.**

*The delivery and pick-up hours for the proposed project will be Monday through Saturday, 9:00 a.m. - 7:00 p.m. and Sunday 12:00 p.m. - 5:00 p.m.*

#### **16. Protection of Minors**

**No permittee shall: Sell, transfer or give cannabis or cannabis products to persons under 21 years of age. Allow any person under 21 years of age on its premises or where a cannabis manufacturing permit is associated with a cannabis manufacturing site, within cannabis manufacturing building or the fenced area around a processor facility. Employ or retain persons under 21 years of age.**

*The permittee will not sell, transfer, or give cannabis or cannabis products to persons under 21 years of age. The permittee will not allow any person under 21 years of age on its premises. The permittee will not employ or retain persons under 21 years of age.*

## **17. Sensitive Uses**

**No cannabis manufacturing shall be located within 1,000 feet of the following that is in existence at the time the permit is issued: Any public or private school, grades K through 12; a developed public park containing playground equipment; a drug or alcohol rehabilitation facility; or a licensed childcare or daycare facility or nursery school, church or youth-oriented facility catering to or providing services primarily intended for minors.**

- i. The distance specified in this section shall be the horizontal distance measured in a straight line from the parcel where the manufacturing facility is located to the parcel where a public or private school, grades K through 12; a developed public park containing playground equipment; a drug or alcohol rehabilitation facility; or a licensed child care or daycare facility or nursery school, church or youth-oriented facility catering to or providing services primarily intended for minors is located.**

*The project parcel is not within 1,000 feet of any public or private school, grades K through 12; a developed public park containing playground equipment; a drug and alcohol rehabilitation facility; or a licensed childcare or daycare facility or nursery school, church or youth-oriented facility catering to or providing services primarily intended for minors.*

## **18. Permitting Process**

**The applicant shall schedule and pay the fee for a pre-application conference with the Department prior to the submittal of an application for a use permit. Questions regarding a specific application will only be addressed at a pre-application conference. No later than two weeks prior to the pre-application conference, the applicant shall provide the department:**

- i. A map showing the lot of record showing where the cannabis manufacturing site is located and the Assessor's Parcel Number (APN) for the lot of record.**

- ii. **A diagram of the proposed cannabis manufacturing facility and the site where it is located including existing access, parking, and existing structures, if any.**
- iii. **Questions the applicant may have regarding the application form or process. A statement as to which State license the applicant intends to submit an application.**

*A pre-app meeting with the county has already been conducted for the proposed project. A map including all manufacturing processes was prepared and submitted to the county. Items i-iv have been addressed herein.*

## **19. Pre-Application Conference**

**At the pre-application conference the Department will provide:**

- i. **A determination of the legal lot of record status or request additional information to make such determination. The lot of record where the cannabis manufacturing site is located is required to be a legal lot of record.**
- ii. **A determination of current compliance of the site with the Lake County Code. Compliance with the Lake County Code is required to submit a minor or major use permit application.**
- iii. **A response to the questions submitted with the pre-application conference application. An outline of the information required for the minor or major use permit application.**

*A pre-application meeting with the county has already been conducted for the proposed project.*

## **20. Permit application supplemental information**

**The minor or major use permit use permit application, in addition to the requirements of Article 55, shall include the following additional information:**

**i. The legal business name of the applicant entity.**

*Alchemy 29, LP*

**ii. A list of all the types, including the license numbers of valid licenses, from the department and other cannabis licensing authorities that the applicant already holds or has applied for.**

*Autumn Karcey and Sjoerd Broeks have applied with Lake County Community Development Department for additional commercial cannabis cultivation licenses; UP 20-88 (Wildcat Farmz), UP 20-95 (Artemis Farmz), and UP 20-96 (Highland Farms).*

**iii. The physical address of the premises.**

*12762 S State Hwy 29, Lower Lake, CA 95457 (APN:012-023-25)*

**iv. The mailing address of the applicant.**

*371 Lakeport Blvd.#174, Lakeport, CA 95453.*

- v. A designated responsible party, who shall also be an owner, with legal authority to bind the applicant entity, and the primary contact for the application. The following information shall be provided for the designated responsible party: full legal name, title, mailing address, primary contact phone number, email address, and a copy of the owner's government-issued identification. Acceptable forms of identification are a document issued by a federal, state, county, or municipal government, including, but not limited to, a driver's license or passport, that contains the name, date of birth, physical description, and picture of the individual.

*Full Legal Name – Autumn Karcey*

*Title – CEO of VPD Properties, LLC., Obsidian Enterprises, Inc., Hectare Holdings, LLC., and Alchemy 29, LP.*

*Mailing Address – 371 Lakeport Blvd. #174 Lakeport, CA 95453*

*Business Phone Number: (530) 379-8588*

*Business Email Address: [autumn@lakecodevelopment.com](mailto:autumn@lakecodevelopment.com)*

- vi. A complete list of every owner of the applicant entity. Each individual owner shall submit the following information: Full legal name; Title within the applicant entity; Home address; Primary phone number; Email address; Date ownership interest in the applicant entity was acquired; Percentage of the ownership interest held in the applicant entity by the owner; A list of all the valid licenses, including license type(s) and license number(s), from the department and other cannabis licensing authorities that the owner is listed as either an owner or financial interest holder;

*Entity: KRRJ Enterprises, LLC*

*% of Ownership Interest in Applicant Entity – 85%*

*Date Ownership Interest in Entity was Acquired – December 7<sup>th</sup>, 2020*

*Full Legal Name – Kathy Leventhal*

*Title – Managing Member of KRRJ Enterprises, LLC*



*Mailing Address – 371 Lakeport Blvd. #174 Lakeport, CA 95453*

*Business Phone Number - (908) 394-6992*

*Business Email Address – [Kathy@lakecodevelopment.com](mailto:Kathy@lakecodevelopment.com)*

*Entity: VPD Properties, LLC*

*% of Ownership Interest in Applicant Entity – 15%*

*Date Ownership Interest in Entity was Acquired – December 7<sup>th</sup>, 2020*

*Full Legal Name – Autumn Karcey*

*Title – CEO of VPD*

*Mailing Address – 371 Lakeport Blvd. #174 Lakeport, CA 95453*

*Business Phone Number - (530) 379-8588*

*Business Email Address – [autumn@lakecodevelopment.com](mailto:autumn@lakecodevelopment.com)*

*Date Ownership Interest in Entity was Acquired – December 7<sup>th</sup>, 2020*

*51% of Ownership in VPD*

*Entity: VPD Properties, LLC*

*% of Ownership Interest in Applicant Entity – 15%*

*Date Ownership Interest in Entity was Acquired – December 7<sup>th</sup>, 2020*

*Full Legal Name – Sjoerd Broeks*

*Title – COO of VPD*

*Mailing Address – 371 Lakeport Blvd. #174 Lakeport, CA 95453*

*Business Phone Number - (530) 526-1593*

*Business Email Address – [sjoerd@lakecodevelopment.com](mailto:sjoerd@lakecodevelopment.com)*

*Date Ownership Interest in Entity was Acquired – December 7<sup>th</sup>, 2020*

*% of Ownership in VPD – 49% of VPD*

- vii. A copy of their government-issued identification. Acceptable forms of identification are a document issued by a federal, state, county, or municipal government that includes the name, date of birth, physical description, and picture of the person, such as a driver's license or passport.**

*A copy of the licenses for all owners has been provided with this submittal.*

- viii. For applicants that are a cannabis cooperative as defined by Division 10, Chapter 22 (commencing with section 26220) of the Business and Professions Code, identification of all members.**

*The applicant is not a cannabis cooperative.*

- ix. Evidence that the applicant entity has the legal right to occupy and use the proposed location.**

*A copy of the lease agreement has been included with this submittal.*

- x. Project description: The project description shall provide adequate information to evaluate the impacts of the proposed project and consists of three parts: a site plan, a written description section, and a property management section.**

*A project description was provided above within this management plan. Site and building plans were included with submittal.*

- xi. Written Description:** A written section which shall support the graphic representations and shall, at a minimum, include: A project description; The present zoning; A list and description of all uses shown on the site plan; A development schedule indicating the approximate date when construction of the project can be expected to begin and be completed for each phase of the project; including the permit phase; A statement of the applicant's proposal for solid waste disposal. Quantitative data for the development including but not limited to: Gross and net acreage; the approximate dimensions and location of structures for each district or area; employee statistics; support services required; traffic generation data based on anticipated uses; parking and loading requirements; and outdoor storage requirements based on anticipated uses.

*A written description was included with the project description above within this management plan.*

- xii. An Operations Manual** describing the operating procedures of the cannabis testing laboratory site to ensure compliance with the use permit, protect the public health, safety, and welfare, as well as the natural environment of Lake County. This subsection shall include: Authorization for the County, its agents, and employees, to seek verification of the information contained within minor use permit applications, the Operations Manual, and the Operating Standards at any time before or after use permits are issued; A description of the staff screening processes; The hours and days of the week when the facility will be open; Description of measures taken to minimize or offset the carbon footprint from operational activities; and Description of chemicals stored, used and any effluent discharged as a result of operational activities. Any other information may be requested by the Director and/or by the Planning Commission.

*This project will not be or include a testing laboratory.*

**21. Duration of Permits: not to exceed ten (10) years.**

*The permittee understands, if approved, the permit can be active for up to ten years and will need to be renewed to continue the approved use.*

**22. Weights and Measures**

**All permittees shall comply with the State of California Weights and Measures requirements found in the California Food and Agriculture Code, California Code of Regulations, and the California Business and Professions Code.**

*The permittee will comply with all State of California Weights and Measures requirements found in the California Food and Agriculture Code, the California Code of Regulations, and the California Business and Professions Code.*

**23. Prohibited Activities**

- i. Odor: Cannabis related permits shall not propagate objectionable odors which cause injury, detriment, nuisance, or annoyance to any considerable number of persons or to the public, or that endanger the comfort, repose, health, or safety of any of those persons or the public.**
- ii. Electrical Generators: Manufactures shall not rely on a personal gasoline, diesel, propane, or similar fuels, powered generator as a primary source of power and shall only allow properly permitted (when applicable) generators for temporary use in the event of a power outage or emergency that is beyond the permittee's control.**
- iii. Lights: Security lighting shall be motion activated and all outdoor lighting shall be shielded and downcast or otherwise positioned in a manner that will not shine light or allow light glare to exceed the boundaries of the lot of record upon which they are placed.**

*The permittee will not engage in any prohibited activities. This project will not*

*propagate objectionable odors that cause injury, detriment, nuisance, or annoyance to any considerable number of persons or to the public, or which endanger the comfort, repose, health, or safety of any of those persons or public.*

*The facility will utilize a redundant 2-layer odor mitigation plan leveraging:*

- 1. High volume, large surface area Activated Carbon filtration that eliminate unpleasant odors proven to be effective in odor mitigation of cannabis processing facilities.*
- 2. Industrial, cleanroom grade Ultra-HEPA filters with Bi-Polar Ionization can trap 99.978% of small particles down to 0.023 microns as well as odors and volatile organic compounds (V.O.C.). This layer is a combination of a pre-filter, Ultra-Hepa, and Activated carbon filter modules.*

*Used together, activated carbon, Ultra-HEPA and bi-polar ionization have a total system efficiency of 99.995% and higher for larger particles, especially spores so air remains clean and odor free.*

*The primary electrical source will be PG&E and not an electrical generator. Generators will only be used in the event of a power outage. All security lighting will be motion activated. All outdoor lighting will be shielded and downcast or otherwise positioned in a manner that will not shine light or allow light to glare to exceed the boundaries of the lot of record upon which they are placed.*

## **24. Compliance Monitoring**

**A compliance monitoring inspection of the cannabis manufacturing facility shall be conducted at least annually. The permittee shall pay a compliance monitoring fee be established by resolution of the Board of Supervisors prior to the inspection. If there are no violations of the County permit or state license during the first five years, the inspection frequency may be reduced by the Director to not less than once every five**

**years.**

*The permittee will allow the county to conduct any and all compliance monitoring inspections needed to be done to keep the permit active. The permittee will pay the compliance monitoring fee established by the Board of Supervisors*

## **25. Annual Reports: Performance Review**

- i. All cannabis permittees shall submit a “Performance Review Report” on an annual basis from their initial date of operation for review and approval by the Planning Commission. The Planning Commission may delegate review of the annual Performance Review Report to the Director at the time of the initial hearing or at any time thereafter. This annual “Performance Review Report” is intended to identify the effectiveness of the approved minor use permit, Property Management Plan, and conditions of approval, as well as the identification and implementation of additional procedures as deemed necessary. In the event the Planning Commission identifies problems with specific Performance Review Report that could potentially lead to revocation of the associated minor use permit, the Planning Commission may require the submittal of more frequent “Performance Review Reports.”**
- ii. Pursuant to sub-section 6. i. above, the premises shall be inspected by the Department on an annual basis, or less frequently if approved by the Director. A copy of the results from this inspection shall be given to the permittee for inclusion in their “Performance Review Report” to the Department.**
- iii. Compliance monitoring fees pursuant to the County’s adopted master fee schedule shall be paid by permittee and accompany the “Performance Review Report” for costs associated the review of the report by County staff.**
- iv. Non-compliance by permittee in allowing the inspection by the Department, or refusal to pay the required fees, or noncompliance in submitting the annual “Performance Review Report” for review by the Planning Commission shall be deemed grounds for a revocation of the development permit or use permit and subject the holder of the permit(s) to the penalties outlined in this Code.**

*The cannabis permittee will submit an annual “Performance Review Report” from their initial date of operation for review and approval by the Planning Commission, or the Director if delegated. All department inspections as required by the permit will be allowed. The permittee will pay all compliance monitoring fees. The*

*permittee understands the consequences, they are in non-compliance with the above.*

## **26. Renewals**

**The following is required for permit renewal:**

- i. An application for renewal shall be submitted to the Department at least 180 days prior to the expiration date of the permit. Failure to submit an application for renewal by that date may result in the expiration of the permit.**
- ii. Applications: Applicants shall complete an application form as prescribed by the Director and pay all fees as established by resolution by the Board of Supervisors.**
- iii. The following documentation in electronic format is required for application for renewal: A copy of all licenses, permits, and conditions of such licenses or permits related to the project from state agencies as appropriate. A copy of all reports provided the County and State agencies as determined by the Director. A list of all employees on the premise during the past year and a copy of the background checks certification for each. Documentation that the applicant is still qualified to be an applicant. Any proposed changes to the use permit or how the site will be operated. Payment of all fees as established by resolution by the Board of Supervisors.**
- iv. The permit may be renewed if: Where there are no changes to the use permit or how the site will be operated: The original permit's approval findings, conditions, or environmental certification are still valid. There are no violations of the permit conditions or of state licenses or permits. The applicant is qualified to apply for such a permit.**
- v. Where there are changes to the development or use permit or how the site will be operated: Such changes do not change the findings of the original permit's approval findings, conditions, or environmental certification. There are no violations of the permit conditions or of state licenses or permits. The applicant is qualified to apply for such a permit.**



*If the applicant wishes to renew their permit and avoid a lapse in being permitted, an application will be submitted at least 180 days prior to expiration of this permit, provided this permit is approved. The applicant will fill out the application form and pay all fees as established by the Lake County Board of Supervisors. An electronic copy of all licenses, permits, and conditions of such licenses or permits will be provided, as well as a list of all employees on the premises during the past year and a copy of background checks for all employees. Documentation that the applicant is still qualified to be an applicant will be provided. All proposed changes, if any, will be provided in an updated management plan. Copies of any reports provided to county or state agencies will be provided upon request, as determined by the Community Development Director.*

#### **Type 6 License**

**1. Shall meet all the Conditions of Section 27.3 (au).**

*This manufacturing and distribution permit meets all conditions of Section 27.3 (au) as described above.*

**2. Setback**

**The facility shall maintain a thirty (30) foot setback from all property lines.**

*The existing building is over 30 feet from the property line.*

**3. Road Access**

**The parcel where the cannabis manufacturing facility is located shall front and have direct access to a paved State or County maintained road.**

*The parcel's access driveway is directly connected to Highway 29.*

#### **4. Local Laws**

**The cannabis manufacturing shall be conducted in accordance with state and local laws related to hazardous material disposal, land conversion, grading, electricity usage, water usage, and wastewater discharges. The manufacturing operation and facility shall be approved by the Lake County Building official and by the Chief of the Fire District where the manufacturing facility is located.**

*All appropriate state and local permits will be applied for. The manufacturing facility will be conducted in accordance with all state and local laws related to hazardous material disposal, land conversion, grading, electricity usage, water usage, and wastewater discharges. The manufacturing facility and any proposed hazardous materials seek approval from the Lake County Building Official and the Chief of the Fire District prior to use.*

#### **5. Locked Enclosed Structure**

**All manufacturing of cannabis products shall occur in an enclosed locked structure.**

*All manufacturing of cannabis products will be contained within the existing building, which will have commercial grade locks.*

#### **6. Location of Activities**

**Cannabis manufacturing activities shall only occur in the areas depicted on the floor plan submitted by the applicant and shall not exceed the square footage authorized pursuant to the minor or major use permit.**

*The cannabis manufacturing permit will follow the layout as depicted on the floor plan. The square footage will not exceed what is authorized by an approved major use*

*permit.*

## **7. Hazardous Materials**

**If hazardous materials, flammable gas, flammable liquefied gas, flammable and combustible liquids, or other flammable material, as those terms are defined in the 2016 California Fire Code (CFC) Section 202, are to be used in the processing of cannabis, then the provisions of CFC shall be applicable where hazardous materials subject to permits under CFC Chapter 50 (Hazardous Materials) are located on the premises or where required by the local fire district official or County Building official.**

*All CFC Chapter 50 and 2016 California Fire Code (CFC) Section 202 regulations will be followed if hazardous materials, flammable gas, flammable liquefied gas, flammable and combustible liquids, or other flammable material are used in this facility. Prior to use, all materials will be approved by the Local Fire District Official and the County Building Official. All necessary permits will be applied for and granted prior to use. Currently, Alchemy 29 uses a solventless extraction methodology that requires only cannabis, ice, and, water.*

## **8. Compressed Gas Storage**

**Storage, use and handling of compressed gases in compressed gas containers, cylinders, tanks, and systems, compressed gases classified as hazardous materials, and the prevention, control and mitigation of dangerous conditions related to storage, use, dispensing, mixing, and handling of flammable and combustible liquids shall comply with California Fire Code and California Building Code. Partially full compressed gas containers, cylinders or tanks containing residual gases shall be considered as full for the purposes of the controls required.**

*All compressed gases will be appropriately stored, used, and handled. All California*

*Fire Codes and Building Codes will be complied with in relation to the storage, use, dispensing, mixing, and handling of flammable liquids, combustible liquids, and compressed gases. All potentially dangerous conditions will be avoided and mitigated to maintain the highest level of safety in the facility. Currently, Alchemy 29 uses a solventless extraction methodology with requires only cannabis, ice, and, water.*

## **9. Fire Sprinkler System**

**Cannabis Non-Volatile manufacturing sites are considered a Group F- 1 (Factory Industrial Moderate-Hazard) Occupancy under the California Building and Fire Codes. All new construction is required to be fire sprinkled per the California Building and Fire Codes. For cannabis manufacturing sites that will be sited in an existing structure, an automatic sprinkler system shall be provided throughout all buildings containing a Group F- 1 occupancy where one of the following conditions exists:**

*The existing building does not currently contain a fire sprinkler system. The existing building does not require us to install automatic sprinklers. We are working with Lower Lake Fire District Fire Marshal (Cory Smith), who has visited the site. No FS System is required due to none of the following conditions existing:*

### **i. A Group F- 1 fire area exceeds twelve thousand square feet.**

*The facility's total aggregate square footage is 65,700 among seven different buildings. Most of the drying areas are considered storage and are unoccupied spaces that are non-combustible metal buildings.*

### **ii. A Group F- 1 fire area is located more than three stories above grade plane.**

*The existing facilities are all one story except for buildings five and three that have one area, each with a two-story office structure (see site plan for details).*

- iii. **The combined area of all Group F- 1 fire areas on all floors, including any mezzanines, exceeds twenty- four thousand square feet.**

*The facilities total 65,700 square feet across seven different buildings.*

#### **10. Carbon Dioxide**

**All facilities using Carbon Dioxide for manufacturing purposes shall comply with the same standards as required for Type 7 Plant Extraction License.**

*No Carbon Dioxide is proposed to be used in the manufacturing process.*

#### **11. Accessory Use**

**In the “APZ,” “A,” “TPZ,” “RL,” and “RR” zoning districts Type 6 licenses are an accessory use to an active commercial cultivation site with a valid minor or major use cannabis cultivation permit. The cannabis manufacturing activities are limited to the compounding, blending, extraction, infusion or otherwise making or preparing a cannabis product from the cannabis cultivation under that cannabis cultivation use permit. The cannabis manufacturing shall occur on the same parcel where the cannabis cultivation is permitted. (Ord. No. 3084, 05/21/2019)**

*The property is zoned M1, therefore this would not apply.*

#### **Type 11 Distributor**

- 1. Shall meet all the Conditions of Section 27.3 (au).**

*This manufacturing and distribution permit meets all conditions of Section 27.3 (au) as described above.*

## **2. Uses Permitted**

- i. The procurement, sale, and transport of cannabis and cannabis goods between licensees.**
- ii. Cannabis goods storage-only services to a licensed cultivator, manufacturer, microbusiness, nonprofit, or another cannabis distributor.**
- iii. The storage of cannabis batches on their premises during testing.**
- iv. Packaging, re-packaging, labeling, and re-labeling cannabis goods for retail sale.**
- v. Transporting cannabis or cannabis goods between licensees.**
- vi. Accessory uses related to the procurement, sale, transport, storage, labeling, and packaging of cannabis and cannabis products between licensees.**
- vii. Accessory uses related to the procurement, sale, and transport of cannabis and cannabis goods between licensees.**

*All the potential uses listed above are being proposed as uses through this project proposal. Alchemy 29 will be procuring cannabis and cannabis products to process, manufacture, package, and distribute them. Alchemy 29 will also provide storage services for licensed cannabis farms.*

## **3. Use Standards**

- i. The parcel where the cannabis distribution facility is located shall front and have direct access to a paved State or County maintained road.**

*The parcel's access driveway is directly connected to CA State Highway 29.*

- ii. All non-transport related distribution activities shall occur within a locked structure.**

*All non-transport related distribution activities will occur within the locked existing building.*