

ATTACHMENT 3

Embarc San Bruno – 120-124 El Camino Real

Summary Table

Criteria #	Criteria	Response	Page #
1.1	Owner Qualifications – Existing/Opening Locations	8 existing in California (4 in Bay Area: Redwood City, Alameda, Martinez, Fairfield); 6 opening in California	31
1.7	Applicant Projected Revenue	Projected Gross Sales Year 1: \$24.9 M*; Year 5: \$43.5 M* Projected Year 1 City Revenue from Applicant Projected Gross Sales: 6% cannabis tax: \$1.5 M* Share of sales tax: \$434,000*	45, 114
1.8	Hours of Operation	9am to 9pm	48
1.9.1.d	Projected Customers per Day	Year 1: 986 (838 retail, 148 delivery) Year 5: 1,725 (1,466 retail, 259 delivery)	73
1.9.1.e	Proposed Products (% of sales)	Flower (25%), Vape/Wax (25%), Edibles (20%), Pre-Rolled (20%)	76
1.9.1.f	Delivery Service	Yes	77
2.5	Projected Employees	48 at opening; 82 estimated capacity	101
2.6	Annual Voluntary Community Benefit	1% of gross sales for community organizations; Year 1: \$249,000*; Year 5: \$435,000* 40 hours paid community service per employee	113, 114
5.1.2	Video Surveillance	24 cameras	185**
5.4	On-Site Security	Two on-site daytime security guards and one overnight security guard	103, 199**
6.1	Building Size	2,460 s.f. one-story commercial building	217

* Figures are rounded

** Financial and security sections were redacted from the agenda materials. The material is available to City Council for review at City Hall.

embarcTM

San Bruno



COMMERCIAL CANNABIS BUSINESS PERMIT APPLICATION STOREFRONT RETAIL & DELIVERY

San Bruno Responsible and Compliant Retail LLC
DBA Embarc San Bruno



June 30, 2023

Dear Selection Committee,

Thank you for the opportunity to submit a proposal to operate a retail and delivery cannabis business in San Bruno. I appreciate the City's thoughtfulness as we contemplate commercial cannabis activities—and particularly retail—in our community.

As a three decade resident and committed community member, I understand that San Bruno is a uniquely wonderful place to call home. Because of my belief in the strength of our community, my father and I ran into the fire in the wake of the pipeline explosion that devastated our City to save a number of lives – jumping in without hesitation because that is what you do for a neighbor. That passion inspired our actions that fateful day, and it is that same passion for our community that drives me to ensure we get local cannabis “right” for San Bruno.

San Bruno is a community I have treasured since my youth, and one I have sought to serve in a number of ways. The values of community service and respect for all have been engrained in me by my family. My ancestor, Frank Petrini, a renowned figure in the Bay Area, founded a market bearing our family name, including in San Bruno. Through the generations, he imparted a philosophy of considering employees and customers as an extension of our family. This ethos cultivated an environment of mutual respect and camaraderie that has become integral to our legacy, and one that shaped my childhood here.

It was this sense of duty and responsibility that guided my actions during the tragic gas line explosion that devastated our community, and it is that same sense of duty and responsibility to San Bruno that guides my proposal. As we integrate regulated cannabis operations into San Bruno's commercial activities, we must do so with an unwavering commitment to public health to ensure that we execute this business with the utmost regard for safety, responsibility, and integrity.

Building upon this solid foundation, I understand the transformative potential of safe, regulated cannabis in enhancing community wellness. As we embark on this new phase of commercial activity in San Bruno, my conviction is steadfast: it should be under the stewardship of operators who are not only responsible and compliant, but also upholders of the same integrity and honesty that my family has been associated with for decades.

Sharing this conviction is Embarc, a team recognized for their unwavering commitment to civic engagement, community partnership, and creating equal opportunities for residents. We are excited about the prospect of introducing legal, compliant cannabis retail to San Bruno. Our foremost priority is public safety, alongside creating local opportunities and making meaningful investments in our community. We are committed to demonstrating a model for how cannabis businesses can operate positively and substantially contribute to our community's overall welfare.

The reason for my partnership with Embarc is their proven track record of respectful and successful operations in neighboring communities. They have shown remarkable initiative and efficiency, being the first among their peers to operate in nearly all of the communities they serve today, including in nearby Redwood City. This dedication to delivering on promises assures our community that, if selected, we will promptly commence operations, begin generating tax revenues, and immediately deliver substantive community benefits.

As commercial cannabis is still an emerging market, cities like San Bruno are navigating how to integrate such

businesses in a way that optimally balances economic opportunity with public health, safety, and neighborhood integrity. Our proposed model emphasizes ongoing community engagement—facilitating open communication, transparency, and cooperation.

Our primary commitment is to the San Bruno community. This focus will foster positive relationships with the City, community leaders, and our neighborhood. I take immense pride in our community benefits plan, wholly driven by our Community Advisory Board, a group of respected local leaders responsible for directing and distributing Embarc's ongoing commitments. Their involvement in this proposal's development and their continued engagement throughout the business's lifespan truly underlines our dedication to the community.

I believe Embarc is the right fit for San Bruno. Unlike others who view our community as just another opportunity to cash in on the green rush, or who are pursuing licenses across the nation to be "the biggest," the team I have partnered with brings a proven track record as experienced leaders with the right motives in this emerging industry.

My partnership with Embarc is about nurturing and supporting the city I deeply care for. San Bruno will not be just another dot on an expansion map, but a city that will receive the dedicated and committed attention it deserves, as my fellow Community Advisory Board members and I are wholeheartedly invested in this community.

Thank you for your consideration and for this opportunity.

Sincerely,



Bobby Petrini
Local Owner & Chair of the Community Advisory Board, Embarc San Bruno

V. (EM· BARC | IM-BÄRC)
1. TO SET OUT TO LEARN, ACCOMPLISH
OR EXPERIENCE SOMETHING 2. CREATE
A PATH FORWARD 3. TO CELEBRATE
CURIOSITY 4. SEEK NEW EXPERIENCES
5. LIVE A LIFE OF WONDER

What Others Are Saying	7
1. Business Plan	9
1.1. Owner Qualifications	16
1.2. Budget	33
1.3. Proof of Capitalization	37
1.4. Proof of Corporation Status	39
1.5. Tax Compliance	40
1.6. Proof of Insurance	44
1.7. Pro Forma & Budget	45
1.8. Hours of Operation & Opening and Closing Procedures	48
1.9. Day-To-Day Operations	50
1.9.1. Additional Criteria for Storefront Sales Applications Only	68
1.9.1.A. Customer Check-In Procedures	69
1.9.1.B. Location & Procedures for Receiving Deliveries	70

Table of Contents

Table of Contents

1.9.1.C. Point-of-Sale System	72
1.9.1.D. Number Of Customers	73
1.9.1.E. Product Line	74
1.9.1.F. Delivery Service Procedures	77
2. Labor & Community Benefits Plan	85
2.1. Living Wage	89
2.2. Benefits	89
2.3. Continuing Education & Employee Training	91
2.4. Locally Managed Enterprise	100
2.5. Employees	101
2.6. Community Benefit Programs	105
3. Neighborhood Compatibility Plan (& Odor Control Plan)	128
3.1. Proactively Addressing & Responding To Complaints	132
3.2. Avoiding Becoming a Nuisance or Having Impacts on the Community	138
3.3. Odor Mitigation Practices	145
3.4. Sources of Odor & Odor Mitigation Practices	147
3.5. Odor Control Devices, Equipment, & Techniques	148
3.6. System Maintenance	150
3.7. Waste Management Plan	152
4. Safety & Hazardous Materials Plan	156
4.1. Fire Prevention & Suppression Consultant	157

Table of Contents

4.1.1. Hazardous Material	158
4.1.2. Accident & Incident Reporting Procedures	158
4.1.3. Evacuation Routes	161
4.1.4. Extinguishers & Other Fire Suppression Equipment	162
4.1.5. Fire & Medical Emergencies	164
5. Security Plan	170
5.1. Professional Security Consultant	171
5.1.1. Premises (Security) Diagram	180
5.1.2. Surveillance Cameras	184
5.2. Intrusion Alarm & Monitoring System	196
5.3. Cash Handling Procedures	197
5.4. Security Guards	199
5.4.1. Number of Guards	199
5.4.2. Hours Guards Will Be On-Site	200
5.4.3. Locations at Which Guards Will Be Positioned	200
5.4.4. Guard Roles & Responsibilities	200
Appendix	202
6. Location & Site Plans	213
6.1. Description of the Proposed Location	216
6.2. Photographs	225
6.3. Premises (Site) Diagram	229

THE COMMUNITY AGREES - EMBARC IS THE RIGHT CHOICE FOR SAN BRUNO

"I am truly honored and excited to partner with Embarc in San Bruno. Having spent over 30 years as a San Bruno resident, I deeply understand and appreciate the unique spirit and values of our community. It's this understanding that gives me confidence in Embarc as an ideal operator for our City. Embarc's values mirror those of the Petrini family, placing community at the heart of everything we do. I have seen firsthand how their team operates with integrity, transparency, and a genuine commitment to improving the lives of the residents they serve. As we bring cannabis retail operations to San Bruno, I vow to apply the same dedication and vigilance that I have shown throughout my life here, ensuring the safety and wellbeing of our community remain our top priority. I look forward to the positive impact Embarc will have on our City, and I'm eager to work hand in hand with them to make this vision a reality."

Robert "Bobby" Petrini Jr

Local Owner & Chair of Embarc San Bruno Community Advisory Board

"Serving on Embarc San Bruno's Community Advisory Board aligns perfectly with my lifelong commitment to protecting and nurturing our beloved San Bruno. I've been fortunate enough to contribute to our community in various roles, from serving as a firefighter to participating in the San Bruno Community Foundation. Now, I'm excited to leverage this diverse experience in guiding Embarc's Community Investment Fund. Our shared vision of a safe, inclusive, and flourishing San Bruno will guide our decisions as we seek to invest in meaningful projects that make a real difference in the lives of our neighbors."

Dan Voreyer

Former San Bruno Fire Chief & Embarc San Bruno Community Advisory Board Member

"Embarc's commitment to operating in a safe and compliant manner resonates deeply with my own ethos of responsibility and community safety. As we prepare to introduce legal cannabis to our city, the expertise, and responsible practices that Embarc brings to the table are vital. I am confident that their commitment to safety, strict compliance with regulatory requirements, and their track record of operation in other communities will ensure a seamless integration into San Bruno. I am reassured by Embarc's commitment to serve as a community partner that prioritizes the wellbeing and safety of our residents, and I eagerly look forward to collaborating with them on this new chapter for our city."

Joey Oliva

Former Chairman of the Board of Directors of the San Bruno Chamber of Commerce & Embarc San Bruno Community Advisory Board Member

"Through my work with the Catholic Worker Hospitality House, I have seen firsthand the struggles our community members face. Embarc's community-oriented mission aligns with my own commitment to supporting our local community. In joining Embarc's Community Advisory Board, I see a unique opportunity to further these shared goals. With Embarc's proven experience in the cannabis retail industry, I am confident that we can direct funds in a way that will make a significant and lasting positive impact on San Bruno's most vulnerable residents."

Peter Stiehler

Director of the San Bruno Catholic Worker Hospitality House & Embarc San Bruno Community Advisory Board Member

THE COMMUNITY AGREES – EMBARC IS THE RIGHT CHOICE FOR SAN BRUNO

"Being a member of Embarc San Bruno's Community Advisory Board provides me with another platform to give back to the community that has given me so much. This city, its people, and its values have shaped who I am. I see a great opportunity with Embarc's Community Investment Fund to drive initiatives that directly benefit our community. As a lifelong resident and active participant in various local organizations, I am deeply committed to ensuring our actions and investments reflect the true needs and aspirations of our fellow residents. Together, we will work towards a thriving San Bruno."

Stephan Marshall

Board Member of StarVista & Embarc San Bruno Community Advisory Board Member

"As an advocate for youth in San Bruno, I look forward to serving as a member of Embarc's Community Advisory Board, I am thrilled to take on the task of ensuring that the proceeds from our cannabis operations are directed towards meeting the needs and uplifting the potential of our most promising residents—our youth. This opportunity allows us to enrich their educational experiences further, enhance community programs, and build a thriving environment that supports their growth and development. It goes beyond a simple financial investment—it's about nurturing a future in San Bruno that our children can confidently step into and, one day, lead."

Bryan Vander Lugt

Treasurer of the San Bruno Education Foundation & Embarc San Bruno Community Advisory Board Member

"As an advocate for equitable working conditions and a proud member of the Bay Area community, I am deeply invested in the well-being of our local workforce. Embarc's commitment to providing a living wage and quality benefits to its employees resonates strongly with me. Further, their pledge to hire 100% local San Bruno residents ensures that their operations will directly contribute to the betterment of our community. I'm confident that Embarc's responsible approach to cannabis retail, combined with their commitment to the local workforce, will create meaningful opportunities and bring tangible benefits to San Bruno. I look forward to supporting Embarc's efforts and working closely with them to uphold the principles that are so integral to our labor movement: the concern of one is the concern of all."

Julie Lind

Executive Officer of the San Mateo County Central Labor Council Foundation & Embarc San Bruno Community Advisory Board Member

SECTION 1. BUSINESS PLAN

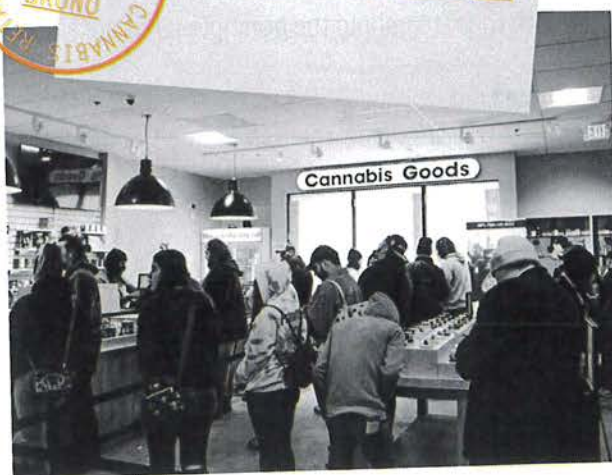
Executive Summary

Thank you for the opportunity to submit this proposal. We are enthused at the prospect of operating a local cannabis business that will serve as a true partner to the San Bruno community. Embarc San Bruno represents a partnership between Bobby Petrini, known for his extraordinary acts of courage and selfless service in the face of the pipeline explosion in the San Bruno community, and Lauren Carpenter and Dustin Moore, a dynamic husband and wife team fueled by their passion for cannabis and unwavering commitment to community-driven operations.

This ownership team is further bolstered by the invaluable support and guidance of an exceptional group of longtime San Bruno residents and community leaders, who together form Embarc San Bruno's Community Advisory Board. While we each come from diverse backgrounds and professional experiences, our shared conviction in the vital role cannabis businesses can play in community betterment unites us. It is from this shared conviction that Embarc San Bruno was conceived.

Embarc is the leading independent cannabis retailer in California. Embarc is deliberate in its growth, applying in communities where it has strong partnerships and ties to the community rather than in every jurisdiction that opts to license retailers. We have a proven track record of meaningful civic engagement, customer education, and community support.

Embarc is not simply writing a check or undertaking a few hours of volunteerism at the front end of an application process—we have integrated community orientation into our operations since the beginning, making Embarc the first ever operator to put local community stakeholders at the helm of our decision-making via a Community Advisory Board. Our track record is evidenced in our existing operations in Lake Tahoe, Alameda, Martinez, Fairfield, Fresno, Sacramento, Redwood City, and Chico—and in nearly a dozen additional stores currently in development. We are more than just proven cannabis operators; we are trusted local partners in the communities we call home, which was a critical deciding factor for our local partner and Community Advisory Board members in choosing to support Embarc.



Ultimately, Embarc will bring to San Bruno the same commitment to compliance, customers, and the community that are hallmarks of our business model and evident in existing operations:

UNPARALLELED CANNABIS & TRADITIONAL BUSINESS EXPERIENCE: Embarc has an operational team with hundreds of years of combined business experience in cannabis, retail, supply chain, and other highly regulated industries for companies and organizations, including the White House, Google, Postmates, Gap, Lyft, Eaze, and Snapchat, among others.

SOUND FINANCIAL PRINCIPLES: Embarc is well capitalized, operates with sound financial principles, and has a realistic plan to scale. Our growth to date has been thoughtful and deliberate to ensure we remain responsive to the communities we serve.

COMPLIANCE TEAM LED BY THOSE WHO ARCHITECTED CALIFORNIA'S LEGAL CANNABIS INDUSTRY: Embarc has significant expertise navigating the complex legal and regulatory framework for cannabis as our team members effectively wrote and implemented legalization. Embarc shaped and continues to refine the cannabis regulatory landscape in California.

BEST-IN-CLASS EMPLOYER WITH A TRACK RECORD OF EMPOWERING EMPLOYEES: Embarc has a proven commitment to its employees with industry-leading wages and benefits, meaningful education and training, and career advancement opportunities for its diverse workforce across existing operations. Our existing Collective Bargaining Agreements with UFCW ensure our already unionized workforce is represented fairly, transparently, and in the spirit of collaboration.

SECURITY PLAN DEVELOPED BY LEADING EXPERT IN PROTECTING PUBLIC HEALTH AND SAFETY: Embarc's Security Plan is developed by a subject matter expert and tested through existing operations to ensure robust safety measures are at the forefront of operations. Embarc has had no compliance infractions or youth diversion issues.

A PROVEN BENEFIT TO NEIGHBORHOODS: Embarc's comprehensive Good Neighbor Policy has been proven through existing operations to proactively address community

questions and concerns. Our local partner, Bobby Petrini, and Community Advisory Board members' deep roots in this community inform our approach to neighborhood integration, and our yearlong community listening tour has driven our approach, ensuring we have engaged our neighbors on our use type and have been met with excitement around the ability to collaboratively drive commerce in San Bruno.

PHILANTHROPIC ETHOS WITH A TRACK RECORD OF COMMUNITY BETTERMENT: Embarc has developed meaningful partnerships with communities and has built engagement into our business model in significant ways. This results in tangible economic benefits for the City, its residents, and local non-profit partners. The depth and breadth of our localized outreach and engagement, led in many ways by feedback from our Community Advisory Board, is a testament to this proactive approach and is bolstered by the commitment to this community's public health, safety, and vibrancy embodied in our ownership team and site selection.

OPERATIONAL LEADERS WITH SIGNIFICANT LEGAL CANNABIS RETAIL EXPERIENCE: Embarc is committed to bringing best-in-class practices and the experience of a team that has operated legal cannabis dispensaries since legalization. We have a proven track record of delivering on promises to residents, officials, community leaders, neighbors, and customers.

THIS IS HOW CANNABIS RETAIL CAN AND SHOULD OPERATE IN SAN BRUNO.



PROMISES MADE, PROMISES KEPT

Given the industry's rapid maturation and the highly competitive nature of licensing processes, in many ways, applicants may seem more similar than different. Throughout our submission, we seek to differentiate ourselves by demonstrating some of the ways we live our values through action, whether it be in operations, as employers, or as members of the community. While it is impossible to capture the totality of a company in a written proposal, our hope is that these small callouts provide a greater sense of who we are and, thus, who we will be if selected to operate in San Bruno. Look for these in subsequent pages as a glimpse into who we are as operators.

Embarc is a retail and delivery business that seeks to redefine the relationship between cannabis and the community by demonstrating through action that its business can seamlessly integrate into, and ultimately benefit, San Bruno. Embarc achieves this goal in various ways, including the creation of local roots through our local owner and Community Advisory board, a proven commitment to community engagement, a tangible benefits plan developed in coordination with members of this community, and through our fundamentally different approach to consumers—focusing on health, wellness, and approachability rather than the traditional emphasis on “getting high.”

Embarc provides safe and reliable access to adult use cannabis through a warm and inviting retail expression and highly trained, professional staff. Our plans are designed to comply with San Bruno's Code of Ordinances, all applicable rules and regulations, and all State laws. It is a realistic model of operations developed through a collaborative process that leverages the expertise of our seasoned team, existing cannabis retail operations, and best practices from the cannabis industry and beyond.

Our team brings the most extensive experience managing operational and regulatory compliance plans in the cannabis industry and centuries of combined expertise in operations, finance, retail, supply chain, and management across cannabis and traditional industries, coupled with experience operating dispensaries since day one post-legalization. The depth and breadth of this experience

uniquely equip our team to execute our plan and begin safely serving customers efficiently and with more community sensitivity than other operators.

We offer high-quality, consciously crafted products and will have well trained retail employees who will compile and distribute educational materials as needed to consumers. Embarc will monitor customers' usage for signs of adverse effects or misuse and will have materials and resources available for those who may need them.

The depth and breadth of our experience ensures we will operate a world-class dispensary with core values rooted in our deep respect for and understanding of this community, including a focus on health, wellness, and community education. Our proposed operation embodies and furthers the spirit of this unique community through everything from our strategic partnerships to day-to-day operations, given it is informed by local residents and community leaders with a vested interest in the public health and safety of this community.

Mission Statement

Embarc redefines the relationship between consumers and cannabis, focusing on health, relaxation, recreation, wellness, and approachability rather than the traditional emphasis on “getting high.” We believe a cannabis company can do well while doing good, integrating into and enhancing the local community while operating with integrity and transparency. We effectuate this mission through three key values that serve as the basis for everything we undertake as a company:

ENRICH RATHER THAN ALTER: Cannabis is about wellness and is just one component of an individual's health and well-being journey. Whether using cannabis for a specific ailment, general aches and pains, anxiety, or sleeplessness, at its root cannabis use is about enriching one's life. We believe in embracing that core truth through a focus on cannabis as a way of integrating into one's existing lifestyle rather than altering it. Our product types focus on high CBD, low THC ratios and a variety of topicals to address aches and pains. We will offer a highly curated selection of only high-quality, consciously crafted cannabis products, ensuring use of cannabis achieves our goal of enrichment—enrichment of the self, one's lifestyle, and the broader community.

COMMUNITY FIRST: While cannabis has existed in communities for decades, legal, regulated cannabis is still an emerging market. As such, communities are grappling with how to best integrate commercial cannabis activities into existing neighborhoods, balancing the economic opportunity this industry represents with a desire to protect public health and safety. Embarc understands that operating such a business is a privilege and not a right and that a successful business model is predicated on the ability to consistently engage the community to ensure communication, transparency, integrity, and collaboration. By putting the community first, Embarc ensures a positive relationship with government, community leaders, and the neighborhood, ultimately allowing us to give back to the community in meaningful ways.

EXPERIENCE MATTERS: Experience matters. Best practices matter. Embarc is comprised of business leaders with unparalleled experience operating compliant retail dispensaries. Embarc brings centuries of combined business and public health and safety experience and represents the vision and operational track record of executive-level leadership in cannabis, retail, supply chain, and other highly regulated industries. This expertise is integral to the development and execution of a new type of cannabis dispensary—one that communities can be proud to host.

As is further detailed extensively in this proposal, living our values ensures we effectively meet the needs of this community with a core focus on:

ONGOING EDUCATION: We will host ongoing educational panels, informational workshops, and non-profit partnership events as part of an ongoing engagement effort.

WORKFORCE DEVELOPMENT: We will partner with local workforce development programs and host free job training and placement seminars.

NEIGHBORHOOD BEAUTIFICATION: Our volunteerism includes a Street Team that will focus on revitalization as part of our ongoing effort to contribute to the surrounding neighborhood.

YOUTH PREVENTION: With guidance from our Community Advisory Board, we hope to allocate funds to deploy a proven, accredited youth prevention and education

program based on our track record with similar programs in other communities.

SHOP LOCAL: We will keep our dollars local and develop business-to-business partnerships to promote economic growth, facilitate collaboration, and increase patronage nearby, including with a focus on highlighting any locally or regionally created cannabis products.

CANNABIS INDUSTRY KNOWLEDGE

While many of today's cannabis operators have participated in the regulatory development process either through lobbying or by providing public comment during the State's development of regulations, no team brings our unique combination of regulatory expertise in setting the foundation for legalization, writing and passing the law that legalized cannabis, and then working collaboratively with State agencies and local governments to ultimately further define and implement adult use cannabis in California.

After undertaking this policy development, team members then spent approximately two years founding, operating, leading, managing, and advising dozens of licensed commercial cannabis businesses across cultivation, manufacturing, testing, distribution, retail, delivery, events, on-site consumption, and technology to gain lessons learned from these first movers. Embarc was born out of these collective experiences and continues to be optimized and professionalized through our team's deep bench of traditional business experience. It is this combination that makes our team uniquely equipped to operate effectively in today's market.



Legalized Adult Use

Embarc's team members helped architect California's legal cannabis marketplace. Highlights of this experience include:

- Worked for then-Lieutenant Governor Gavin Newsom during the policy development of the Blue-Ribbon Commission on Cannabis, which led to the cre-

ation of Proposition 64;

- Assisted in the drafting and managed the passage of Proposition 64, The Adult Use of Marijuana Act, which legalized cannabis in California;
- Developed and continue to shape the laws and regulations for cannabis in California;
- Advises local, State, and national governments on the development of cannabis regulations, including cities throughout California, and the countries of Canada and Mexico;
- Manages the compliance for over 200 cannabis licenses statewide including more than a million square feet of licensed cultivation; and
- Serve on Boards, Commissions, and Committees regarding responsible cannabis, including California's Track and Trace Advisory Committee.



Lessons Learned

Embarc was built on a foundation of real-life experience. Through operating our own businesses and helping dozens of cannabis companies navigate within the regulatory framework we created, our team has a lifetime of lessons learned. Highlights of this experience include:

- Significant traditional retail experience including former CEO of The Gap who spent more than five years architecting California's cannabis supply chain via one of the State's largest full-service distributors;
- Former COO and CSO for fast growing retailer in Los Angeles;
- Former executives responsible for government, public, community, and regulatory affairs for some of the largest vertically integrated cannabis companies in the world;
- One of the most prolific brand builders in the cannabis industry, responsible for developing one of the State's top selling brands and executing the first legal consumption café in the country;
- Highly experienced supply chain executive with over

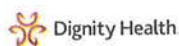
20 years of experience working with well-known global brands and startups in emerging industries, including one of California's leading cannabis supply chain distribution companies; and

- Former law enforcement officer currently under contract with the cities of Dixon and Benicia Police Departments, training city staff, police, and code enforcement personnel on cannabis regulations, crime prevention strategies, crime prevention through environmental design (CPTED), and assisting with facility design review, security plan review, and both site and compliance inspections.



Optimized & Executed

Embarc's business model is informed not only by the lessons learned from operating within California's cannabis industry, but also from centuries of combined experience in traditional industries. Highlights of this experience include:



These lessons have been applied to our execution of Embarc, which brings experience operating eight retail and delivery storefront businesses with nearly a dozen more on the horizon.

Industry Best Practices: Incorporating, Maintaining & Constantly Innovating

When contemplating how industry best practices and State regulations are incorporated into Embarc's existing cannabis businesses, it starts and ends with our deeply engrained compliance-based approach. As highlighted throughout our business and operating plans, compliance is the foundation of our operations and the lens through which industry best practices are evaluated, implemented, and continuously strengthened to meet evolving regulatory landscapes and marketplace needs.

During the early development of Embarc's business model, we applied our experience creating and refining the State's policy framework, statute, and regulations as core pillars. This is evident in the fact that we have had zero compliance violations and are proud of the strong partnerships we have cultivated with the municipal governments in which we operate. But it is challenging to adequately detail how hundreds of pages of regulations are encapsulated into operations beyond providing significant information on how policies and day-to-day operational procedures are developed and implemented.

It is best summarized as an ethos: Embarc relies on a dedicated, passionate, and engaged team, working together in pursuit of a common goal, to continuously evolve. We are reimagining the cannabis experience of yesteryear by sparking joy and eliciting curiosity in customers. We live our values by being willing to learn and grow. We approach each day with a receptiveness to what this industry, and our communities, have to offer, and seek to integrate that growth into our operations to be better tomorrow than we are today.

Given cannabis is still an ever-shifting landscape, the best indicator of our ability to incorporate best practices is our willingness to listen and learn from those around us as we demonstrate through action how cannabis can benefit communities. This effort is continuously driven by our compliance and regulatory teams, which provide a critical feedback loop to inform our operations. As just a few examples:

- After significant internal discussion and stakeholder engagement, the State modified packaging requirements for cannabis goods. Given our team's ex-

tensive involvement in regulatory modification, we had already had discussions with the State's largest cannabis distributors to prepare for this change and had developed and deployed an SOP within 48 hours of release of the new regulation. It is because of our acute knowledge and ongoing engagement with California's governing regulatory agencies that our team can predict, adjust, and adopt policy changes in a compliant and expedient fashion.

- California approved emergency regulations requiring retailers to display quick response codes (QR codes) in the front window of the licensed premise. We had been working on this with regulators for the previous year and are proud to be one of the first operators in the State to comply with the regulation we helped define.
- While California regulations require full inventory reconciliation every 30 days, Embarc's internal policy requires rolling daily reconciliation and bi-weekly full inventory counts as an industry best practice. This dramatically increases our management of inventory on hand and ensures we are not only compliant but also exceptionally responsible as it pertains to onsite cannabis goods.

PROMISES MADE, PROMISES KEPT: INDUSTRY BEST PRACTICES

Perhaps our most prolific example of implementing best practices into our operations is the fact that all Embarc locations are fully audited annually by a third-party auditing company, far exceeding industry standard accounting practices.

While many operators are cash only, Embarc is fully banked and accepts compliant electronic payment to dramatically reduce our amount of cash on hand. This industry-best approach, coupled with nearly 20 pages of cash handling and management procedures are far more detailed than other operators.

As a result of this commitment to exceptional currency management, all Embarc locations are fully audited annually by Marcum, a third-party audit provider. Few cannabis companies expend the resources on an audit—demonstrating the importance we place on transparency, accountability, and responsible operations.

Embarc's Proven Best Practices

Operational compliance requires a feedback loop between store-level teams and our compliance and regulatory affairs infrastructure, as well as easy to use tools for store-level ongoing compliance. This is encapsulated in Embarc's industry-leading best practices, perfected over nearly two decades of collective operational experience at some of the State's most respected dispensaries, along with input from our advisors who have been responsible for more than 2,000 retail stores across the globe, and valuable lessons learned from successfully operating Embarc's current retail footprint.

These practices are integrated into Embarc's SOPs by utilizing Simplifya, the foremost cannabis compliance software provider in the world. By leveraging the expertise of our industry-leading team and combining it with pre-eminent cannabis compliance software, we ensure each section of our SOP is comprehensive, easy-to-use, and scalable.

Best practices and operating procedures are contained in our business plan, operating plan, employee handbooks, employee training program, and numerous other resources. There are over 450 pages of material specific to Embarc's best practices, policies, and procedures. These proven practices continue to evolve through collaboration, innovation, and lessons learned through existing operations. It is our deep understanding of the need for honest, trusted leadership in the emerging legal cannabis industry that fuels Embarc's dedication to regulatory compliance, and it is this leadership that will deliver a safe, equitable, and participatory local cannabis business in San Bruno.

Ultimately, Embarc's team is unmatched in its overall knowledge of the cannabis industry, starting with serving on the team that wrote the measure and legalized adult use and subsequently architected its regulatory implementation. This experience, coupled with work for and within dozens of licensed cannabis companies throughout California, informed the creation of Embarc and now drives its best-in-class existing operations. Embarc has implemented industry best practices and State regulations into its business model because, in many ways, our team created them, therefore using them as the foundation for our infrastructure and business model.

EMBARC SAN BRUNO

Embarc San Bruno exemplifies a powerful partnership of diverse strengths: Bobby Petrini, a paragon of heroism known for his fearless courage during the City's 2011 gas pipeline explosion, paired with Lauren Carpenter and Dustin Moore, a wife and husband team with a profound skill set, a shared passion for cannabis, and a steadfast commitment to community-driven operations. We bring diverse backgrounds and professional experiences to this endeavor, but our shared belief in the importance of cannabis businesses that integrate into and ultimately benefit the community unites us. From that shared belief, Embarc San Bruno was born.

Embarc's founders, Lauren and Dustin, believe an applicant must be truly local to understand the unique needs, values, and priorities of this community and to create an operation that reflects these qualities. Being truly local ensures that the business is the right fit for San Bruno and that its operational model is community oriented. Emphasizing localism through proven retail operations is essential, ensuring that the business will prioritize public health, safety, and responsible integration. You will not find a team with a stronger record on these issues than us.

Bobby Petrini's decades-long residence in San Bruno, coupled with his acts of volunteerism and heroism during the City's most devastating disaster, exemplify his heartfelt connection to the community. He is revered for his significant contribution to the community's safety and

wellbeing. As a heroic figure who selflessly put his life on the line during the San Bruno gas explosion in 2011, Bobby's dedication to the safety of his neighbors is unparalleled. He is deeply committed to ensuring that Embarc's operations enhance, rather than detract from, the San Bruno community.

Bobby's unwavering dedication to his community, coupled with his proven record of service and deep-rooted ties to San Bruno, paved the way for his partnership with Embarc. Bobby attended college with Embarc's Head of Regulatory Affairs, Kevin Schmidt, who then introduced Bobby to Lauren and Dustin over five years ago. Upon hearing of San Bruno possibly opening cannabis retail licensing, Dustin and Lauren immediately thought of Bobby and knew he would be the perfect local partner for this endeavor. After he was briefed on Embarc's proposal for a community-focused cannabis retail operation in San Bruno, a partnership formed. This partnership was borne out of a shared conviction in reinvesting in the community and a mutual commitment to the safety and wellbeing of San Bruno's residents. As our local partner, Bobby will ensure that Embarc operates in harmony with the City's objectives and values. His wealth of experience, dedication to community, and personal history of bravery make Bobby an ideal partner for the Embarc team.

Embarc team members were driving forces behind the State's successful effort to legalize adult use cannabis and continue to work tirelessly in shaping the State's ongoing refinement of regulations. This relevant experience, first in developing, implementing, and continuing to refine California's legal cannabis landscape, and now as operators navigating the rules we effectively wrote, is what gives Embarc San Bruno a competitive advantage—informing and enhancing Embarc's existing operations and those proposed here. The team also brings an extensive range of combined business experience and decades of combined cannabis experience to our proposed San Bruno business, representing the vision and operational track record of executive-level leadership in cannabis, retail, supply chain, and other highly regulated industries.

Given the City's desire to see these businesses operationalize expeditiously, San Bruno needs proven cannabis operators to ensure that the business is adequately funded and experienced to execute ambitious proposals quickly

and efficiently. You will not find a team with a stronger record on these issues than us, as historically, Embarc has been the first of its cohort of licensees to open in the communities we serve today.

Embarc is one of the fastest growing independent cannabis retailers in California, known for creating unique retail expressions that reflect each of the communities we serve. By combining our deep connections to the area and a mutual vision with Bobby Petrini, we are devoted to building a cannabis retail operation that genuinely caters to the community's needs.

1.1. OWNER QUALIFICATIONS

Resumes are not to exceed two (2) pages per owner.

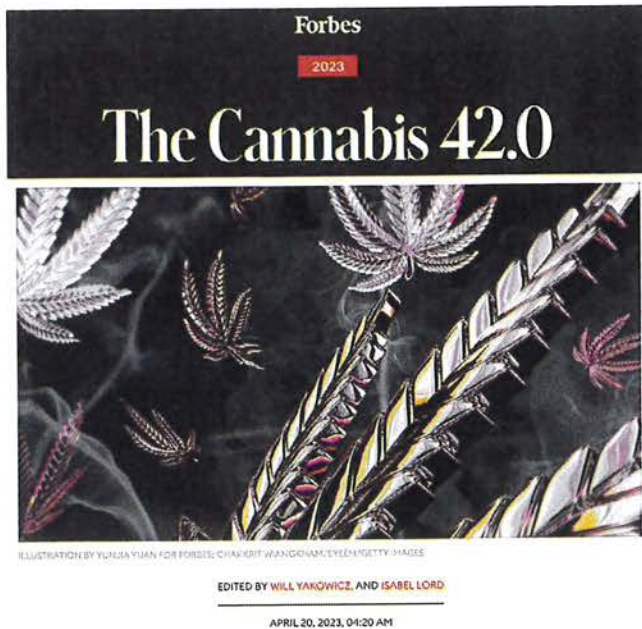
Embarc founders Lauren Carpenter and Dustin Moore operate eight cannabis retail storefront and delivery businesses in California and are currently operationalizing six additional retail and delivery licenses within the State. All 14 of these licenses were won through similar merit-based licensing processes, demonstrating our track record of developing community-centric businesses that align with the jurisdictions they serve.

Dustin and Lauren have assembled a leadership team with decades of combined experience in the legal cannabis market and more than a century of combined leadership in Fortune 500 companies. It is this experience that ensures we are historically the first of our cohort to open our doors in the communities where we operate today.

Embarc has hundreds of employees today and anticipates doubling this count in 2023. We have achieved cash-flow positivity, generating eight figures of revenue in 2022 and projecting nine figures in 2023. In several jurisdictions, we are a top tax producer, operating alongside well-known businesses such as Chevron, McDonald's, and Safeway in providing the most significant revenues to the city.

In fact, Embarc's founders were just named in Forbes' 42.0 list, a recognition of entrepreneurial brands and people revolutionizing the industry from the ground up—and bettering its chances at legalization. Forbes interviewed dozens of industry analysts, investors, entrepreneurs, executives, and business owners, studying sales data and financial documents to identify the 42 entrepreneurs and leaders

who are paving the way for the inevitable green rush.



PROFILE

Embarc: Lauren Carpenter, Dustin Moore, Kevin Schmidt

Cofounders, Embarc

About Embarc: Lauren Carpenter, Dustin Moore, Kevin Schmidt

A former Director of Government Affairs at MedMen, Lauren Carpenter set out to destigmatize cannabis at scale by launching Embarc alongside her husband, Dustin Moore (who was the campaign manager for California's Proposition 64) and their friend Kevin Schmidt in 2020. Now one of California's fastest-growing dispensaries, Embarc has eight locations in the Golden State, and 40 more on the horizon—and expects to bring in \$100 million in revenue this year.

Forbes Lists

In part, our success can be attributed to active engagement with local community groups and non-profit organizations, providing seven figures of local community benefit in 2022 alone. We were the first cannabis company to partner with the Boys & Girls Club and have also deployed a youth drug education and prevention program with a third-party accredited curriculum through a national youth organization. With our robust proprietary data, analytics, and business insights platform, Embarc has established itself as a leading provider of compliant and reliable cannabis across California, thanks to exceptional Standard Operating Procedures (SOPs) and vast experience in the market, both of which are used to continuously refine and optimize the business.

Ownership Team

Robert "Bobby" Petrini Jr - Local Owner & Chair of Embarc San Bruno Community Advisory Board Thirty-Year San Bruno Resident & Hometown Hero

- A longtime resident of San Bruno's Rollingwood area and has been deeply committed and actively engaged in the community for over three decades.
- Member of the Petrini family, founders, and operators of Petrini's Markets—a landmark gourmet food chain that significantly contributed to the San Francisco Bay Area.
- Heroism was demonstrated when he saved five elderly women from an assisted living facility during the San Bruno natural gas line explosion, earning him both local and national recognition.
- Has held leadership roles in major tech companies, leveraging his skills in customer management, business development, marketing, PR, and real estate sales to drive success and transformation in the cybersecurity sector.
- Long-standing service to the De Marillac Academy, a San Francisco-based institution committed to improving the lives of socio-economically challenged youth.

Bobby Petrini, known for his extraordinary acts of courage and selfless service in the San Bruno community, carries forward a family legacy of deep-rooted commitment to public service. His actions, shaped by the principles of the Petrini family, speak volumes about his unwavering devotion to his community.

Born into a legacy of community service, Bobby is part of the Petrini family, whose significant contributions to the San Francisco Bay Area span generations. The Petrini's Markets, a landmark gourmet food chain that was operated by Bobby's family from the early 1970s until 1990s, instilled in him a deep-rooted commitment to community service. Founder Frank Petrini's philosophy of treating employees and customers as an extended family shaped an environment of mutual respect and camaraderie. This ethos, married with innovative business practices, set a precedent for grocery retailers nationwide.

Embodying this spirit of community-centric operations that his family had fostered, Bobby's partnership with

Embarc in San Bruno was a natural fit. His alignment with the principles cherished by Embarc's founders ensures that Embarc San Bruno will carry forward the tradition of placing community at the heart of its operations.

Bobby's bond with the San Bruno community is profound, having resided in its Rollingwood area for over three decades. His affinity for the community sparked in his childhood, as he actively participated in local sports. The Petrini family's devotion to the community persists today, with Bobby's mother volunteering at the San Bruno Catholic Worker House since 2017 and his parents serving as committed volunteers and parishioners at St. Robert's Catholic Church.

Bobby and his father, Bob Petrini Sr., truly embodied the spirit of community service in an act of exceptional courage during a crisis. When the Glenview neighborhood of San Bruno was struck by a natural gas line explosion in September 2011, the father-son duo raced against time to rescue five elderly women from an assisted living facility amidst the escalating chaos. Their act of valor, putting their own lives at risk for the sake of their neighbors, painted a vivid portrait of selfless heroism.

Their daring rescue operation was honored with the Outstanding Community Service award from the Ombudsman Services of San Mateo County Inc. Executive Director Tippy Irwin hailed them as "extraordinary people doing extraordinary things". Their courageous act also earned them the Lifesaving Heroes, Adult Award from the American Red Cross Bay Area Chapter, and they were recognized by the Honorable Jackie Speier of California with a Congressional Commendation in 2010.

Bobby's heroism and steadfast commitment to community safety extends beyond crisis situations. As the local owner of Embarc San Bruno, he pledges to ensure the safety of the City's residents as retail cannabis operations come into effect. His experience during the City's most devastating disaster fuels his determination to create an environment where safety is a priority.

His dedication to community development extends to his service at the De Marillac Academy. For over eight years, he has played an active role in the institution's efforts to improve the lives of socio-economically challenged

children and youth in San Francisco. As a member of their Development Council, Bobby has been instrumental in engaging new volunteers and donors.

In his professional sphere, Bobby currently serves as the Regional Sales Manager at Okta, a leader in identity management. His previous roles as Enterprise Sales Manager at Wandera and Security Account Manager at Cisco Systems underline his contributions to the cybersecurity sector. His career also boasts roles that developed his expertise in customer management, business development, marketing, PR, and real estate sales.

Educationally, Bobby is a graduate of Santa Clara University's Leavey School of Business, majoring in Finance and International Business. His commitment to academic excellence was demonstrated through his active involvement in the Leavey Scholars Program and the Accelerated Cooperative Education (ACE) Leadership program during his university years.

As Local Owner and Chair of the Embarc San Bruno Community Advisory Board, Bobby is set to spearhead our community relations. His role involves maintaining transparency and accessibility, managing neighborhood investment efforts, and collaborating with City leaders and community partners. Bobby will use the platform of the quarterly Board meetings to keep Embarc's leadership abreast of the evolving and urgent community needs.

Bobby's primary focus is to ensure Embarc serves as a genuine partner to both the City and the community. He will work closely with the store's General Manager, focusing on community outreach and communication. His responsibilities also include ensuring the accountability of Embarc's Neighborhood Compatibility Plan.

With his deep-rooted dedication to community service, proven bravery in the face of crisis, and his professional prowess, Bobby Petrini is poised to lead Embarc San Bruno with a commitment to safety, community, and excellence.

Lauren Carpenter – Owner & Chief Executive Officer
A Prolific Leader with a Proven Track Record of Cannabis Operations that Put Communities First

15 Years of Business Experience

5 Years of Cannabis Experience (Since Legalization in 2018)

- Drives the development and implementation of Embarc's unique cannabis retail and delivery footprint in more than a dozen communities in California.
- Serves as CEO of Embarc and Embarc Events and oversees a team of 200+ employees.
- Co-Founder of Embarc Events, the first cannabis concessions business that has integrated legal, licensed onsite cannabis sales and consumption into global events.
- Transitioned Sweet Flower, a Los Angeles based cannabis retailer, from aspirational to operational, helping to drive everything from employee training to strategic brand partnerships and inventory strategy to interfacing with local governments and community groups to create the company's footprint.
- Led across teams in business development, licensing, compliance, government affairs, marketing, communications, and operations to develop and scale MedMen's national cannabis retail footprint.

Lauren has nearly 15 years of private sector leadership experience in highly regulated industries, including energy, education, technology, food and alcohol, retail, and now, cannabis. She is a prolific team builder who has led key strategic efforts for some of the most diverse and successful business coalitions and campaigns in California, including for more than a dozen Fortune 50 companies.

Lauren executed all aspects of robust government, public, community, and regulatory affairs campaigns, from developing legislative and regulatory programs to implementing political campaigns in support or opposition to statewide and local ballot measures on business issues. She managed campaign budgets of tens of millions of dollars and led statewide teams across public opinion research, political strategy, issue advocacy, coalition building, and earned and paid media efforts. These experiences honed her leadership skills, working with and for teams in the private and public sectors. This diverse experience includes

bridging the gaps between private industry and labor unions, working collaboratively on Project Labor Agreements and Collective Bargaining Agreements throughout the State, and developing coordinated workforce development programs focused on both existing employees and increased access to STEM education for youth.

After nearly a decade, Lauren transitioned from traditional business to cannabis, excited at the opportunity to shape a burgeoning industry after witnessing her husband serve as the day-to-day campaign manager for Proposition 64. Lauren saw this as an opportunity to leverage her government, public, and community affairs expertise to help the industry transition into a new and more transparent. Since that time, she has driven high-level strategic action for some of the largest and fastest growing cannabis retailers in the world.

Lauren served as Director of Government Affairs for Western States for MedMen, one of the world's largest vertically integrated cannabis operators, where she was responsible for political, government, public and community affairs strategies at the State and local levels across the Western United States. In this role, Lauren worked with governments throughout California and across the country to implement responsible cannabis regulations—expertise she continues to leverage today.

Lauren then served as Chief Strategy Officer for Los Angeles-based cannabis retailer Sweet Flower, where she was responsible for creating and executing corporate strategic initiatives across community, regulatory, political, and business arenas. As part of a five-person team, Lauren engaged in the operationalization of retail assets in Los Angeles while honing the company's licensing strategy, community engagement programs, and government affairs platform. This experience at a start-up contrasted dramatically with her experience at the world's largest cannabis company, providing unique lessons learned by transitioning the company from aspirational to operational.

These experiences provided invaluable insights into what works, what does not, and where operators are still struggling to bridge the gap between cannabis and community. Lauren then had the opportunity to join forces with her decade-long mentor in launching Embarc Tahoe, and since that time, has drawn upon her diverse experience in the

two areas most vital for Embarc—working with government and operating cannabis retail businesses at scale to launch and grow Embarc in communities throughout California. Lauren is responsible for Embarc's cannabis retail and delivery business, driving the long-term strategic growth of the company and working closely with local partners in every community to deliver on the promise of community-oriented cannabis. Her understanding of policy and government are critical to her role, given the tremendous role local and State regulations play in governing the business.

Lauren serves in a variety of mentorship capacities for women working in the cannabis industry today. Lauren recognizes and acknowledges the many privileges she faces, including the opportunity to work with the team that architected California's legal cannabis industry and seeks to share access to financial and human resources that support more women, People of Color, and members of the LGBTQIA+ community in finding professional success and fulfillment in the nascent cannabis industry.

Lauren's belief in Embarc is rooted in her value system and prioritization of community betterment. Embarc has made a significant economic impact in communities throughout California, with seven figures of investment and thousands of volunteer hours with partner organizations that are doing vital work to shape their communities. It is this track record of true partnership that drives Embarc's operations.

As the founder, owner, and Chief Executive Officer at Embarc, Lauren is a hands-on leader who plays a crucial role in the Embarc's day-to-day operations. She is responsible for making major corporate decisions, managing the company's overall finances, allocating resources effectively, and overseeing teams and processes. Lauren maintains transparent communication with municipal leaders and vital stakeholders to ensure ongoing compliance and strong relationships.

Lauren's leadership approach includes regular interaction with employees at all levels to guarantee that compliance, human resources, financial performance, and other essential business components run efficiently and effectively. She actively participates in each location's quarterly Community Advisory Board and All Hands Staff meetings,

further demonstrating her commitment to the communities Embarc serves and the teams it creates.

Lauren will be intimately involved in every aspect of operational management at Embarc San Bruno, from concept to day-to-day execution. She is readily available to be at the store when necessary. Her responsibilities will encompass meeting with City and community leaders, attending community engagement events and open houses, overseeing the financial health of Embarc operations, and steering growth and development strategies. She will work closely with senior management to establish and maintain quality standards across the company, collaborating with the Chief Operating Officer and President of Retail to operationalize the storefront.

Lauren will also play a pivotal role in Human Resources decisions, ensuring that Embarc remains an inclusive and diverse workplace. She maintains extensive brand partnerships across the California supply chain, which drives the company's product curation ethos. In addition to reviewing and approving marketing campaigns and materials, Lauren hosts weekly meetings with store management. This level of involvement showcases her dedication to the success and growth of Embarc San Bruno and her commitment to being a responsive and engaged leader.

Additionally, Lauren co-founded Embarc Events, the leading concessionaire responsible for integrating onsite cannabis sales and consumption into live events. As an example, Embarc Events is the cannabis concessionaire of record for Outside Lands, an annual festival in San Francisco's Golden Gate Park that serves hundreds of thousands of attendees each year. Under Embarc Event's leadership, and in partnership with the State of California, City of San Francisco, and festival organizers, Grass Lands at Outside Lands integrates cannabis into an existing event environment with no negative impacts on public health and safety and with significant economic benefit for the festival and the City.

Lauren holds a Bachelor of Public Policy and History degree from the University of California Santa Barbara. She is also certified to use California's state track-and-trace system (CCTT-Metric). Lauren has also completed leadership courses from Harvard Business School, including Identifying Competitive Risk and Designing Organizational Structure.

Dustin Moore - Owner & Chief Compliance Officer
Responsible for Legalization—and Now Navigating the Landscape He Created

15 Years of Business Experience

10+ Years of Cannabis Regulatory Experience

7 Years of Cannabis Operational Experience

- Responsible for directing and overseeing operational compliance for all Embarc operations.
- Driving the development and implementation of Embarc's unique cannabis retail and delivery footprint in a dozen California communities.
- Co-Founder of Embarc Events, the first cannabis concessions business that has integrated legal, licensed onsite cannabis sales and consumption into global events.
- Former advisor on business development, compliance, and operations for hundreds of cannabis licensees across the California supply chain since legalization.

Dustin has been a driving force behind California's efforts to legalize and regulate commercial cannabis for a decade. In 2011, while working for the Speaker of the California Assembly, Dustin developed legislation for medical cannabis regulations that served as the foundation for the regulatory framework in place today. In 2014, he began working to develop and ultimately served as Deputy Campaign Manager for Proposition 64, the successful ballot measure that legalized adult use cannabis in California. No one is more familiar with Prop. 64's language and intended implementation than Dustin.

After Prop. 64 passed overwhelmingly in 2016 and having developed unrivaled expertise about how to effectively regulate the cannabis industry, Dustin began working with local, State, national and international jurisdictions to assist in developing and implementing their regulatory and licensing programs, including in Canada, Mexico, and municipalities throughout California. Dustin is regarded as a subject matter expert whose advice and experience are sought by both the private and public sectors nationally and internationally. Dustin worked with Canada to develop their testing regulations and served as an advisor to the Mexican Senate in the development of Mexico's legalization legislation. He has served as Executive Director

and Board Member of the International Cannabis Farmers Association and is a member of the State of California's Track-and-Trace Advisory Committee.

True to the intent of Prop. 64, Dustin specializes in policy development that prioritizes public health and safety. After nearly five years of cannabis policy development, Dustin became a founding partner at Axiom Advisors, the State's leading strategic consulting firm providing business and compliance services to professional cannabis associations, cannabis manufacturers, distributors, testing labs and retailers. The firm is responsible for managing compliance for more than 200 commercial cannabis license holders in California, including over three million square feet of licensed cultivation. Dustin is a highly regarded subject matter expert at countless cannabis events, panels, discussions, and conferences across the country.

Dustin's activism and volunteerism are a testament to values he believes are foundational to the spirit of the industry, starting when Dustin was engaged to assist in the drafting and passage of Proposition 64. Proposition 64 represents one of the largest systematic efforts in history to address the wrongs of the failed War on Drugs on low-income communities and communities of color. Proposition 64 enacted meaningful sentencing reform to expunge records for cannabis offenses and to provide significant funding for communities most harmed—a testament to his commitment to social equity.

Another critical component of creating equity in the industry is to ensure that small farmers do not get left behind. Dustin served as the volunteer Executive Director of the International Cannabis Farmers Association; a Northern California-based advocacy organization focused on creating equitable opportunity for California's small farmers. Finally, given his father has been a medical patient for decades, Dustin serves on the State of California's Track-and-Trace Advisory Committee, ensuring that only safe, tested products are available in the legal market.

As Chief Compliance Officer at Embarc, Dustin is responsible for developing, implementing, and refining Embarc's compliance trainings, programs, policies, procedures, and technologies. He works closely with leadership and all staff to maintain ongoing compliance with local and State

regulations. In addition, Dustin trains managers on regulatory and compliance requirements, fostering a culture of compliance throughout all levels of the Embarc team. Leveraging a decade of relationships, he creates operational efficiencies across Embarc's supply chain, technology, and brand partnerships. Furthermore, he oversees and coordinates with team members to ensure retail facility designs, site plans, and corresponding SOPs reflect all laws, regulations, and requirements.

Dustin will be intimately involved in Embarc San Bruno's operations. He will be responsible for ensuring the store's compliance with all local and State regulations, overseeing security and safety practices, policies, and hired security personnel. Dustin will train department heads on regulatory and compliance requirements and collaborate with the Chief Operating Officer and President of Retail to ensure the facility design, site plan, and corresponding SOPs meet all legal requirements. Additionally, he will engage with legal counsel as needed for contract reviews and host regular meetings with store-level staff and leadership. By holding office hours for employees, he ensures all team members know and can interact with their CCO.

Alongside Lauren Carpenter, Dustin co-founded Embarc Events, the leading concessionaire responsible for integrating onsite cannabis sales and consumption into live events. Dustin helps ensure cannabis is integrated into these events with no negative impacts on public health and safety.

Dustin holds a Bachelor of Science degree in Political Science from the University of California Santa Cruz. He also completed Public Policy coursework at the University of Southern California, Price School of Public Policy in Sacramento. In addition to being a member of California's Track-and-Trace Advisory Committee, Dustin is CCTT-Metric certified. During his time working for the California State Legislature, he completed an ethics training course, which teaches the ethical standards required of any individual who works in state or local government.

Leadership & Key Team Members

Although the prompt specifically asks for owners' experience, it is important to briefly touch on the robust corporate infrastructure that developed and continues to refine tools, processes, procedures, and resources for our retail teams. From tax preparation and accounting to human resources and purchasing, Embarc's team plays an important role in ensuring our local teams have the support and accountability they need to run the day-to-day components of the business. As such, and in deference to spatial constraints, brief resumes for key corporate infrastructure are included below.

Jeff Kirwan — Chief Operating Officer

Unparalleled Leadership: 30+ Years of Retail Mastery Meets Cannabis Innovation

30+ Years of Business Experience

7 Years of Cannabis Experience

- Former Chief Executive Officer of The Gap, bringing unparalleled traditional retail experience across every aspect of operations to Embarc's platform.
- Serves as Chief Operating Officer for Embarc, overseeing all retail operations, driving growth strategies, and upholding quality standards across the organization.
- Founding member of HERBL Distribution, a California full-service cannabis distribution company that served approximately 1,000 licensed cannabis retailers across the State.

Jeff brings more than 30 years of national and international experience developing and implementing best practices for some of the world's leading omni-channel retailers, including The Gap, Old Navy, and Target. He has held Senior Vice President, President, and CEO positions at Fortune 500 retailers and spent over 14 years with The Gap.

As the Global President and CEO of the Gap Division at The Gap, Inc. from December 2014 to February 2018, Jeff adeptly led a global team of over 45,000 employees, managing the brand across multiple channels and geographies with exceptional leadership and strategic vision.

Before becoming Global President and CEO, Jeff served as President of Gap Inc.'s Greater China business from 2011

to 2014, overseeing all brands and channels in mainland China, Hong Kong, and Taiwan. Under his leadership, the company's presence in China expanded to include Gap, Old Navy, and Gap Outlet brands, amassing over 100 stores across 25 cities within just four years. Jeff also managed e-commerce channels for Gap and Old Navy. Joining Gap Inc. in May 2004 as Senior Vice President of Stores & Operations for Old Navy in the U.S. and Canada, Jeff played a crucial role in driving operational advancements, including enhanced marketing, customer engagement, increased traffic, and improved sales and digital business growth. His experience showcases his expertise in developing and scaling retail operations in complex, ever-changing regulatory environments.

Before joining Gap Inc., Jeff served as the Regional Group Director for Target Corporation's Western Region. He served on the Board of renowned California cannabis operator HERBL Distribution and serves as the Executive Chairman for Maurices, a billion-dollar specialty retailer focusing on women's apparel.

In 2016, Jeff began his foray into the cannabis industry, serving as one of the founding members of HERBL Distribution. HERBL emerged as the largest full-service provider of distribution services and developed the only retail services arm in California cannabis distribution, customizing unique insights typically only used in scaled traditional retail environments to measure efficacy of procurement. He also served as a Board Member for HERBL Distribution, thereby continuing to develop and provide unique insights into navigation of California's complex cannabis supply chain.

HERBL was a leading cannabis distributor, helping top brands and retailers grow and scale in the largest markets in the US, including California and Nevada. HERBL served 98% of all storefronts with more than 75% of retail customers within 100 miles. Their multi-state infrastructure and operations were designed for scale, featuring seven licensed distribution centers, a fleet of 45+ armored trucks, and over 200 employees. Importantly, HERBL invested in a cutting edge technology platform utilizing a highly-scalable software stack and industry-leading supply chain solutions to navigate complex challenges. This approach is foundational to his perspective at Embarc.

In 2023, Jeff assumed the role of COO of Retail Operations at Embarc, demonstrating a hands-on leadership style that is pivotal to the company's day-to-day operations. Committed to engaging with employees at all levels, Jeff ensures that all critical business aspects function smoothly and effectively. With a comprehensive involvement in operational management, Jeff is responsible for guiding retail strategies while collaborating closely with senior management to uphold and enhance quality standards across the organization.

Jeff works in partnership with the President of Retail to operationalize new stores. Jeff's extensive network of brand partnerships within the California supply chain enables him to identify and secure suitable collaborations for Embarc. Besides reviewing and approving all marketing campaigns and materials, Jeff conducts weekly meetings with the General Manager and store management and holds office hours for employees. His unwavering commitment and proactive engagement exemplify his dedication to Embarc's success and growth, cementing his reputation as a responsive and attentive leader.

Jeff's impressive executive experience with multinational retailers, deep understanding of customer needs, and robust consumer marketing and sales expertise make him an invaluable asset to Embarc. With his exceptional traditional retail background and significant cannabis industry knowledge through his role at HERBL Distribution, Jeff brings a unique blend of experience to Embarc, where he oversees all retail operations.

Jeff holds a Bachelor of Arts degree in Business Communications from Rhode Island College and a Master of Business degree, focusing on Human Resource Management, from the University of Maryland.

Demonstrating a commitment to community support, Jeff encourages employee volunteerism and actively engages with numerous nonprofit organizations. His passion for giving back reflects his dedication to making a positive impact on the communities he serves.

Jason Pitts – President of Retail Operations**Decades-Long Operational Leader with a Laser Focus on Scaling Retail and Driving Results**

20+ Years of Business Experience

5 Years of Cannabis Experience

- More than two decades of traditional retail and supply chain experience for Fortune 500 retailers including the Gap, Restoration Hardware, Pottery Barn and more.
- Serves as President of Retail Operations for Embarc, where he oversees nearly 200 retail employees (and growing).
- Led retail strategy for HERBL, California's largest full-service cannabis distributor.

Jason is an accomplished supply chain and operations executive with over 20 years of national and international experience with established global brands and startup companies in emerging industries. In his leadership roles, Jason has been responsible for managing inventory strategy, merchandise planning, allocation, store planning, vendor management, and logistics. He is known for his strong management skills, ability to effectively coach and recruit top talent, and track record of operational excellence.

Jason has a strong history of retail solutions and inventory management and has held leadership positions at various companies, including HERBL Solutions, Pottery Barn, and Gap Inc. In his most recent role at HERBL Solutions, a cannabis supply chain solutions company in California, Jason created and led the retail solutions division, which provided inventory management, assortment planning, business analysis, and space planning services to licensed cannabis retailers. Within eight months, he grew the business from an idea to 32 operational retail locations. He previously held the position of Vice President of Buying and Inventory Management at the company and was responsible for building the buying organization, which grew to an annual inventory budget of over \$300M across 30+ brand partners. In this position, he oversaw cash flow management and inventory productivity in a highly regulated, perishable supply chain.

Prior to HERBL Solutions, Jason held a newly created

position at Williams-Sonoma as Vice President of Omni Channel Inventory Strategy for Pottery Barn Brands in North America. In this role, he was responsible for implementing enterprise software, capacity planning, purchase order management, and optimizing the product to market process. He also served as the brand lead for implementing omni-channel capabilities, including buy online, pick up in store (BOPIS) and ship from store. He was responsible for transforming Pottery Barn's inventory management organization from a channel-specific structure to one with omni-channel accountability at all levels of the organization. This resulted in optimized customer service through increased inventory availability. By focusing on tightly managed inventory, balancing supply across a regionalized distribution center network, and hiring new talent into the organization, he also returned Pottery Barn to growth.

Jason held various roles at Gap Inc., including Vice President of Merchandise Operations for North America in which he was responsible for driving growth and maximizing productivity across multiple product categories. At Gap, he innovated strategies and yield management, managed a team of nearly 120 inventory management professionals and was accountable for over \$2 billion in revenue. Previously, he worked as a Senior Director in China, where he grew the business from 20 to 100+ stores in two years across Mainland China, Hong Kong, and Taiwan. During his time in China, he delivered 19 straight months of positive performance and revenue of USD \$300+ million while managing a team of 29 local inventory management professionals.

As the President of Retail Operations at Embarc, Jason oversees the daily operational functions of the business and all employees. He is responsible for driving the company's results from both an operational and financial standpoint. To achieve this, Jason monitors and achieves favorable results in terms of sales and profitability at the retail level. He also creates, implements, measures, and refines plans for operational processes, internal infrastructure, reporting systems, and company policies to foster growth, profitability, and efficiency.

Jason fosters a growth-oriented, positive company culture while keeping employees and management accountable to company policies, procedures, and guidelines. He

provides ongoing guidance and oversight of all local Human Resources functions in coordination with HR. Jason audits and refines the leadership team's vendor, distribution, supply chain, and inventory management strategies. He also develops measurable action plans for the General Managers, Store Managers, and all retail staff. Jason manages Embarc's partnership with the United Food and Commercial Workers Union and hosts weekly, and at times, daily meetings with leadership and staff to be responsive to needs in real-time.

Throughout his career, Jason has demonstrated a strong ability to lead and manage teams while optimizing growth and management in highly regulated supply chains. He is a results-driven leader with proven management and interpersonal skills. He is also recognized as an innovative thinker with an ability to seamlessly move from strategic decision making to tactical execution.

Jason holds a Master of Business Administration degree in Supply Chain Management & Marketing from the Michigan State University, Eli Broad College of Business and a Bachelor of Arts degree in Comparative Literature from the University of California, Davis. He was previously a Certified Professional Forecaster (CPF), a credential awarded to individuals who have completed a certified program covering sales and operations planning, how to create more accurate forecasts with the necessary tools and approaches, and how to advance an organization's performance with better planning.

Courtney Zalewski - President of Brand & Marketing
Industry-Leading Brand Builder with Responsible Cannabis Marketing Expertise

18+ Years of Business Experience

9 Years of Cannabis Experience

- Oversees all brand initiatives and marketing for Embarc's eight retail cannabis locations.
- Manages the growing marketing team for Embarc.
- Former co-founder and co-owner of a cannabis retail business, The Cannabis Café (at State level the license is Adult Use Retail, at local level it is on-site consumption with adult use sales).
- Developed SOPs for first of its kind cannabis retail and consumption business as well as managed day-

to-day operations and more than 80 retail employees.

- Served as the Vice President of Product and Design at Lowell Herb Co., one of California's most recognized cannabis brands, where she managed the design and marketing teams.
- Founded creative studio dedicated to the cannabis industry where she employed and managed a team of six.

Courtney serves as the President of Brand and Marketing for Embarc. Prior to joining Embarc, Courtney co-founded, and served as managing partner of The Cannabis Café, a first-of-its-kind fully licensed cannabis consumption space and restaurant. In her leadership role, Courtney assisted in capital fundraising and oversaw the build out and design of the establishment—successfully opening the Café's doors in just six months. The Café was first business of its kind to open nationwide and the first to open its doors in West Hollywood, a testament to her operational expertise.

Courtney was also responsible for hiring and assembling the team at the Café, overseeing the buying and menu curation, developing relationships with partner brands and vendors, creative direction, marketing and day-to-day operations of the Café and its 80+ employees. Courtney worked alongside retail, compliance, and legal experts to develop first of their kind comprehensive SOPs for sales and consumption. Courtney's leadership ensured the Cannabis Café was operating smoothly, compliantly, and profitably; as well as ensuring the company followed through on promises made in the initial application, including hiring a diverse staff and partnering with local businesses and purveyors.

Prior to The Cannabis Café, Courtney was a founding team member and served as the Vice President of Product and Design at Lowell Herb Co., one of California's most recognized brands. Courtney was responsible for the management and execution of all touchpoints of the brand including in-store marketing, digital marketing, branding, and packaging. Her department was also responsible for product sourcing and development of new SKUs based on sales data and industry trends. During her time with the company, Lowell gained national praise for its design, creativity and impact within the cannabis industry which helped

define the pre-roll market with elevated branding and packaging. Lowell also received recognition for its commitment to sustainability by using 100% recyclable and food-grade safe materials, something Courtney tries to incorporate in all design decisions. Her team created several media-worthy products and promotional items coveted by budtenders and influencers within the cannabis industry and helped raise the bar for what marketing in cannabis could look like.

Separately, Courtney and her wife co-founded and ran a creative studio dedicated to the cannabis industry and has worked with several of the top selling brands within the State and country including Raw Garden (top selling extract company and one of the largest cultivators in California), 1906 (Colorado's top selling edible brand), West Coast Farms (one of the largest cultivators in Santa Barbara County), advising on brand development, strategy, marketing, packaging, and product development. Courtney is fully entrenched in the cannabis industry and her expertise goes beyond marketing and design; her operational experience will help Embarc maintain best-in-class operations.

As an LGBTQIA+ woman, Courtney understands how difficult it can be to feel heard in the workforce. She is committed to mentoring and empowering underrepresented individuals interested in marketing, design, and entrepreneurship. Through her design studio, she employed six women fulltime, paid above market rate and continues to prioritize diverse hiring in her role at Embarc.

Courtney also boasts an impressive background in business operations, employee management, marketing strategies, creative direction, and UX design, making her a powerhouse in her field.

With a rich professional history, Courtney has excelled in various roles, such as Director of UX at Pager, an early-stage healthcare start-up in New York City. There, she expertly managed consumer-facing products and internal tools for medical professionals, concentrating on chat and artificial intelligence technology. Courtney's efforts went beyond product design, driving the company's positioning, marketing, and branding to create an approachable, user-friendly, and effective product.

An accomplished creative director and graphic designer with over 18 years of experience, Courtney has led and managed the design and development of websites, printed magazines, books, and iPhone apps. Throughout her career, she has supervised teams of developers and designers, ensuring pixel-perfect design and quality assurance through user flows, user and admin interfaces, style guides, and design audits.

Courtney's academic credentials include coursework in graphic design, web design, and motion design from prestigious institutions such as the ArtCenter College of Design in Pasadena, California; the Art Institute of California, Los Angeles; and the College for Creative Studies in Detroit.

Terri Gilles - President of Development

A Proven Builder of Dispensaries, Teams, Cultures, and Communities

19 Years of Business Experience

5 Years of Cannabis Experience

- Serves as President of Development of Embarc, managing the development and execution of all Embarc dispensaries.
- Served as Chief Operating Officer at Sweet Flower, a Los Angeles based cannabis retailer, where she transitioned it from aspirational to operational, hiring and managing the leadership and retail teams and building the operational processes.

Terri is a highly accomplished professional with over two decades of experience in managing large-scale, innovative workplace services and facilities management operations for global organizations. Her career spans diverse sectors, from sports to technology to cannabis, demonstrating a proven leadership in developing and maximizing operations and efficiency. Having worked primarily with high growth start-up companies, Terri has gained extensive experience ranging from physical buildouts to team building and company growth. She has a proven track record of successfully managing multimillion-dollar projects, strategic planning, and executing successful change initiatives.

As the Global Head of Workplace Services at Snap Inc. from

2016 to 2019, Terri led strategic development, construction, and operations for Snap's Global Portfolio. She managed a project team that delivered 50+ new office builds in over 750,000 square feet worldwide in 15 months, with an annual CapEx spend of \$120 million. Terri developed and executed a new Headquarters Campus Strategy, relocating 2,000+ employees, and achieved \$5 million in annual savings through successful global RFPs for outsourced facilities management services. She oversaw the Global Workplace Services department, covering ~1 million square feet in 25 cities with a \$25 million annual budget.

Before Snap Inc., Terri was a Regional Facilities Manager at Google for six years. She managed a 900,000 square-foot portfolio with 3,500+ employees and supervised daily operations for diverse facilities, leading a team of 65+ staff. At Google, Terri developed a \$6 million annual operational budget, collaborated on strategic operational planning, and contributed to designing and constructing over 1 million square feet of new office space. She also developed a \$2 million regional transportation management plan and a company-wide Emergency Management Plan for field offices.

Terri's earlier experiences include managing real estate and administration at Wasserman, where she oversaw global office construction, developed master plans, negotiated leases, and managed annual operational budgets. As an Operations Manager at Alan Friedman Designs, Terri liaised with local and international fine jewelry manufacturers, managed retail store build-outs, and coordinated public relations.

After nearly 10 years in technology, Terri transitioned into the cannabis industry after being approached by a CEO who had just acquired four licenses in Los Angeles and needed a team member to oversee their execution, from construction to operations. She jumped at this chance and spent the next year building the company's retail footprint and infrastructure.

It was at Sweet Flower that Terri met Lauren Carpenter and more than a year later that Lauren approached her to join Embarc. Terri was once again presented with the opportunity of a lifetime and she jumped at it—joining in Embarc's earliest days to build the company's physical, operational, and cultural infrastructure. Against the backdrop

of increasingly corporatized cannabis, what intrigued Terri the most about Embarc was its recognition that each community is unique and its track record of engaging accordingly.

Working in the male-dominated fields of sports, technology, and construction, Terri has always been a minority at the table and, because of this, is acutely focused on female mentorship. The first receptionist she hired in 2006 is now in charge of operations at Regan International Airport's American Airlines terminal as the highest-ranking female in the department, and her first intern is now the CEO of a successful action sports company. As a female executive in cannabis today, Terri is embracing the opportunity to bring a change to the rapidly growing cannabis industry. As just one example of this commitment, the first four hires for the management team in Embarc's first shop in South Lake Tahoe were female. She strives to bring leadership opportunities to those who are often overlooked and believes in developing her team from within when possible.

Terri is a visionary leader with a deep understanding of change initiatives and a proven ability to drive results. Her extensive experience and skills make her a true asset in the world of workplace services and facilities management.

Terri holds a Bachelor of Arts degree in Child Development from California State University, Northridge. She has completed the Leadership in Energy and Environmental Design (LEED) AP certification course through the U.S. Green Building Council in Los Angeles. LEED certification provides a framework for healthy, highly efficient, and cost-saving green buildings, which offer environmental, social, and governance benefits. LEED certification is a globally recognized symbol of sustainability achievement and leadership. Terri is also CCTT-Metric certified, which requires online training that provides an overview of the California cannabis track-and-trace system and its key functions.

Eric Lightman – General Counsel**Prolific Legal and Strategic Leader with Retail Cannabis Experience Scale**

10+ Years of Business Experience

5 Years of Cannabis Experience

- Serves as General Counsel for Embarc's growing footprint.
- Served as Vice President of Legal and General Counsel at the Shryne Group ("STIIIZY") where he developed and scaled legal, operational, and risk management infrastructure for one of the nation's leading cannabis brands.

Eric has carved out an impressive career as a skilled attorney, representing technology companies and working in corporate finance. With a keen understanding of the complex legal and financial landscapes, Eric has provided valuable counsel to an array of clients and demonstrated an unwavering commitment to community service.

As West Coast counsel for the New York-based law firm Masur, Griffiths, Avidor, LLP (MGA), Eric served as outside general counsel to early and mid-stage growth technology companies based in San Francisco. In this role, he provided expert guidance on employment law, litigation matters, and financing transactions, helping these companies navigate their legal and financial challenges.

Before joining MGA, Eric honed his skills as a commercial litigator and labor and employment lawyer at a law firm in Oakland. His legal acumen was further complemented by his experience in corporate finance at leading companies such as The Boeing Company and Paramount Pictures.

Eric currently serves as General Counsel at Embarc, where he drives the company's dynamic growth strategy, risk mitigation, and ongoing legal affairs. Prior to joining Embarc, Eric served as General Counsel and later as Vice President of Legal at The Shryne Group (owner of the popular cannabis brand "STIIIZY"), where he was part of the legal team that helped to form the company in 2018.

As Shryne's first in-house attorney, Eric was tasked with supporting the company's growth from the ground up, developing the policies, practices, and procedures applicable

to all areas of the business including compliance, retail operations, manufacturing, distribution, and human resources. During his tenure, the company went from a single store in Los Angeles with a handful of employees to the largest vertically integrated cannabis company in California with 20+ stores, 100+ cultivation licenses, distribution and manufacturing facilities throughout the State, and a staff of nearly 3,000 employees.

As head of legal at Shryne, Eric ensured that the day-to-day operations ran smoothly, compliantly, and without incident. He oversaw a legal team of six attorneys and five licensing analysts and staff to support the company in all respects, including day-to-day operational support, social equity program development, regulatory and compliance monitoring, local and State licensure, community benefits and outreach, risk management, mergers and acquisitions, financing transactions, in and out of State expansion efforts, real estate financing, litigation, business development, and much more. It is this track record of hands-on leadership, in-the-trenches development, and sound business strategy through scale that Eric brings to Embarc, where he oversees legal, risk management, and regulatory affairs in much the same capacity.

Eric's dedication to community engagement has been a hallmark of his career. He is an active participant in the annual Constitution in the Classroom event sponsored by the American Constitution Society, where he helps educate elementary school students about the law and the Constitution. As a member of the Justice and Diversity Center, part of the Bar Association in San Francisco, Eric consistently advocated for immigrants' rights and low-income tenants during his time in the Bay Area.

Eric earned his Juris Doctorate degree from Santa Clara University School of Law and holds a Bachelor of Business Administration degree in Finance and International Business from Penn State University. Throughout his distinguished career, Eric has proven himself to be a dedicated legal professional with a passion for innovation, community impact, and social justice.

Kevin Schmidt – Head of Regulatory Affairs

18+ Years of Business Experience

10 Years of Cannabis Policy Experience

5+ Years of Cannabis Operational Experience

Kevin is a fourth-generation public servant with the institutional knowledge necessary to navigate California's complex political and regulatory landscape. Beginning his public service career with the California Senate Majority Leader, Kevin worked on a broad array of topics including agriculture, water, and energy. Kevin then served for five years as Policy Director for then-Lieutenant Governor Gavin Newsom, focusing on energy, natural resources, economic development, higher education, and other policy issues. Kevin represented Lt. Governor Newsom on the California Coastal Commission, the California State Lands Commission, and the Ocean Protection Council, and in those positions was responsible for decision-making on important statewide policies and multibillion-dollar State Budgets. During this time Kevin spearheaded the Blue Ribbon Commission on Cannabis and served as a senior advisor to the Proposition 64 campaign. In this capacity, Kevin has developed deep relationships within the California government, which is critical to his role as Head of Regulatory Affairs for Embarc.

Kevin has since become a founding partner of Axiom Advisors, the leading cannabis compliance, regulatory, and political consulting firm in California. The firm is also one of California's preeminent integrated government affairs, strategic consulting, and crisis communication firms renowned for its winning record in America's largest state. In this capacity, Kevin oversees day-to-day management of the growing firm's administrative and professional endeavors. The firm works on complex policy issues throughout California including healthcare, business and economic development, energy, technology, natural resources, education, transportation, housing and real estate, and complex land use and entitlement issues. Their roster includes dozens of Fortune 500 companies including some of California's leading innovators across industries.

Kevin received his Master of Public Administration degree at the University of Southern California and a Bachelor of Science degree in Business Management from the Santa Clara University, Leavey School of Business. During his time working for the California State Legislature, he

completed the required ethics training course covering the ethical standards required of any individual who works in state or local government.

Devon Wardlow – Vice President of Public Affairs

13+ Years of Business Experience

5 Years of Cannabis Experience

Devon brings over a decade of public affairs experience working at the intersection of innovation and policy at the federal and local levels to her role at Embarc. From serving in the Obama Administration's White House Business Council to advancing technology policy with Facebook and then Lyft, Devon has built a career in navigating the complex regulatory, policy, and community impacts and opportunities related to emerging industries. Devon is a committed community steward, serving as a City Planning Commissioner in her hometown of Santa Barbara and as an active volunteer for various political and philanthropic causes in the region.

Devon has channeled her expertise in regulatory and public affairs to help shape the region's nascent cannabis industry. Serving as cannabis retailer Coastal Dispensary's Director of Public Affairs, Devon led the company's political and expansion strategies throughout California. She is a trusted partner to communities and public officials alike working to ensure a smooth transition to legal cannabis for regulators, operators, and the community in which they seek to serve.

Devon received her Bachelor of Arts degree in Political Science at the University of California Santa Barbara. She also completed the Summer Tuck Business Bridge Program at Dartmouth College and her Master's Thesis at the Rothberg International School at the Hebrew University of Jerusalem.

Alex Mazza – Vice President of Finance

8+ Years of Business Experience

4+ Years of Cannabis Experience

Alex spent over three years at CSG Partners, a leading ESOP advisory firm, in New York City. During his tenure, he initially held the position of Investment Banking Analyst for nearly two years before being promoted to Investment Banking Associate. In these roles, Alex gained

valuable experience in the world of investment banking, honing his skills in financial analysis, deal structuring, and strategic advisory. His time at CSG Partners provided him with a solid foundation in navigating the complex financial landscape, which he has since leveraged in his leadership roles within the cannabis industry. Alex holds a Bachelor of Science degree in International Business from High Point University.

Alex is a seasoned cannabis industry executive having dedicated years to leading high-growth organizations within the sector. As the former Vice President of Strategy and Planning at Lowell Farms, one of California's top cannabis brands, Alex was instrumental in developing and executing strategic growth initiatives that led to the expansion of operations, product line diversification, and increased market penetration. Prior to his tenure at Lowell Farms, he served as the Director of Corporate Development at Acreage Holdings, where he oversaw a robust portfolio of cannabis cultivation, processing, and retail operations businesses. With a deep understanding of the complex regulatory and financial landscape of the cannabis industry, Alex has consistently demonstrated the ability to navigate these challenges and steer organizations toward success and profitability.

Manisha Marquez – Director of Human Resources

14 Years of Business Experience

2.5+ Years of Cannabis Experience

Manisha has an extensive background in human resources and management, with experience spanning over a decade. She served as the Director of Human Resources at Avitek Recruit for over two years, where she collaborated with senior leadership to develop and implement staffing, recruiting, and retention strategies. Manisha was responsible for overseeing a wide range of HR functions, including compensation, benefits, performance management, and compliance with federal and state regulations. Prior to Avitek, she held multiple roles at HCRC Inc Skilled Nursing, including Business Office Director (HR) and Human Resources Administrative Assistant. In these positions, she managed HR operations, provided guidance to management on policy development, and ensured legal compliance. Throughout her career, she has demonstrated exceptional skills in human resources management, organizational strategy, and employee relations, making her a valuable asset.

Manisha also has nearly three years of experience in the cannabis industry, having served as the Director of Human Resources at vertically integrated cannabis operator Perfect Union. In this role, she oversaw HR operations across California, New Mexico, and Rhode Island, managing a union workforce of over 350 employees. Manisha led various initiatives, including the development and implementation of competitive compensation, benefits, performance appraisal systems, and employee incentive programs. She also played a crucial role in negotiating Collective Bargaining Agreements and fostering strong partnerships with UFCW locals. Manisha was instrumental in implementing the WURK (cannabis payroll provider, dispensary workforce management, and cannabis compliance) human resources information system (HRIS) across all entities, including retail, grow, and distribution divisions. Under her leadership, the organization saw improvements in talent management, organizational effectiveness, employee benefits, and HR compliance. Her skills in talent management, succession planning, HRIS database management, cannabis, and training and development make her a valuable expert in the rapidly expanding cannabis industry.

Ivy Merriman – Director of Partnerships & Procurement

10 Years of Cannabis Experience

Ivy brings over a decade of operational experience and leadership as a subject matter expert with an unparalleled knowledge of and network across California's cannabis industry. Her expertise includes operational management, product procurement and purchasing, marketing and promotional activities, vendor relationship management, retail merchandising, inventory management, and compliance and regulations. She has worked for brands and distributors as well as retailers, including Brite Labs, Friendly Farms, and Urbana. She has led sales teams, conducted staff education, implemented strategic sales systems, maintained quality control, and overseen vendor compliance, and brings this wealth of knowledge to Embarc. Ivy studied Sociology at North Idaho College and general education at Berkeley City College.

Cannabis Permits

Below is a list of Embarc's active licenses, all obtained post-legalization and through similar merit-based selection processes.

License Number	License Type
C10-0000695-LIC	DCC: Cannabis Retailer License (Embarc Tahoe)
C10-0000774-LIC	DCC: Cannabis Retailer License (Embarc Alameda)
C10-0000786-LIC	DCC: Cannabis Retailer License (Embarc Martinez)
C10-0000939-LIC	DCC: Cannabis Retailer License (Embarc Fairfield)
C10-0001096-LIC	DCC: Cannabis Retailer License (Embarc Fresno)
C10-0001168-LIC	DCC: Cannabis Retailer License (Embarc Sacramento)
C10-0001213-LIC	DCC: Cannabis Retailer License (Embarc Redwood City)
C10-0001236-LIC	DCC: Cannabis Retailer License (Embarc Chico)
TBD	Awarded by City of Tracy; Entitlement Complete - Awaiting Building Permit
TBD	Awarded by County of El Dorado; Entitlement Complete - Awaiting Building Permit
TBD	Awarded by Contra Costa County; In Entitlement/Development
TBD	Awarded by City of Hanford; In Entitlement/Development
TBD	Awarded by City of Fresno; In Entitlement/Development
TBD	Selected by City of Ventura; Construction in Progress Opening August 2023

CEO14-0000067- DCC -
LIC Event Organizer License

We understand that it is critical for the City to select applicants that are prepared to execute their proposal fastidiously. Embarc has a demonstrated track record of doing just that. Embarc currently operates stores in South Lake Tahoe, Alameda, Martinez, Fairfield, Fresno, Sacramento, Redwood City, and Chico and was the first of the selected operators in all but one of those licensing rounds to initiate operations:

- In South Lake Tahoe, Embarc opened more than a quarter before the other license recipients (except the legacy operator that had been open for nearly a decade).
- In Alameda, Embarc opened approximately two years before the other license recipients (there was a previously issued license that was open prior to issuance of the additional licenses).
- In Martinez, Embarc was issued one of one license during that round of licensing.
- In Fairfield, Embarc opened nearly a quarter before the other license recipients and was the first to operate within the City.
- In Fresno, Embarc was the first to open of the license recipients and was the first to operate within the City.
- In Sacramento, Embarc remains the first and only license recipient to be open from its cohort of recipients (the City has issued dozens of licenses in previous, non-merit based licensing processes that are operational as well).
- Embarc Redwood City opened in January 2023 and is the first to open of the license recipients in the City.
- Embarc Chico opened in April 2023 and was the second to open as the first had been built-to-suit prior to being awarded a license.

This demonstrates our team's ability to act swiftly upon selection and our commitment to opening and operating awarded licenses to ensure we deliver on our promises in each of these communities. Embarc is currently in the process of operationalizing nearly a dozen additional licenses, demonstrating our methodical and deliberate growth plan.

EMBARC TAHOE

Department of Cannabis Control
CALIFORNIA
Department of Cannabis Control
licensing@cannabis.ca.gov, www.cannabis.ca.gov

Cannabis Retailer License Adult-Use and Medicinal

Business Name:
EMBARC TAHOE LLC
Embarc Tahoe

License Number: C10-000095-LIC
License Type: Retailer
(Storefront)

Premises Address:
4015 Lake Tahoe Blvd South
Lake Tahoe, CA 96150

Valid: 3/1/2020
Expires: 3/1/2024

Scan to verify this license.

The license authorizes EMBARC TAHOE LLC to engage in commercial cannabis Retail (Storefront) at the premises address listed above until the expiration date of this license. This license issued is pursuant to Division 10 of the California Business and Professions Code and is not transferable to any other person or premises location. This license shall always be displayed in a prominent place at the licensed premises. This license shall be subject to suspension or revocation if the licensee is determined to be in violation of Division 10 of the Business and Professions Code or regulations adopted thereunder.

Non-Transferable Post in Public View

EMBARC FRESNO

Department of Cannabis Control
CALIFORNIA
Department of Cannabis Control
licensing@cannabis.ca.gov, www.cannabis.ca.gov

Cannabis Retailer License Adult-Use and Medicinal

Business Name:
RESPONSIBLE AND COMPLIANT RETAIL BLACKSTONE LLC
Embarc Fresno

License Number: C10-0001096-LIC
License Type: Provisional Retailer
(Storefront)

Premises Address:
4592 N BLACKSTONE AVE
FRESNO, CA 93726-1912

Valid: 6/21/2022
Expires: 6/21/2024

Scan to verify this license.

The license authorizes RESPONSIBLE AND COMPLIANT RETAIL BLACKSTONE LLC to engage in commercial cannabis Retail (Storefront) at the premises address listed above until the expiration date of this license. This license issued is pursuant to Division 10 of the California Business and Professions Code and is not transferable to any other person or premises location. This license shall always be displayed in a prominent place at the licensed premises. This license shall be subject to suspension or revocation if the licensee is determined to be in violation of Division 10 of the Business and Professions Code or regulations adopted thereunder.

Non-Transferable Post in Public View

EMBARC ALAMEDA

Department of Cannabis Control
CALIFORNIA
Department of Cannabis Control
licensing@cannabis.ca.gov, www.cannabis.ca.gov

Cannabis Retailer License Adult-Use and Medicinal

Business Name:
Alameda Patients Group LLC
Alameda Patients Group LLC

License Number: C10-0009774-LIC
License Type: Retailer
(Storefront)

Premises Address:
1616 WEBSTER ST ALAMEDA,
CA 945012134

Valid: 1/5/2021
Expires: 1/5/2024

Scan to verify this license.

The license authorizes Alameda Patients Group LLC to engage in commercial cannabis Retail (Storefront) at the premises address listed above until the expiration date of this license. This license issued is pursuant to Division 10 of the California Business and Professions Code and is not transferable to any other person or premises location. This license shall always be displayed in a prominent place at the licensed premises. This license shall be subject to suspension or revocation if the licensee is determined to be in violation of Division 10 of the Business and Professions Code or regulations adopted thereunder.

Non-Transferable Post in Public View

EMBARC SACRAMENTO

Department of Cannabis Control
CALIFORNIA
Department of Cannabis Control
licensing@cannabis.ca.gov, www.cannabis.ca.gov

Cannabis Retailer License Adult-Use and Medicinal

Business Name:
EMBARC SACRAMENTO LLC
Embarc Sacramento

License Number: C10-0001166-LIC
License Type: Retailer
(Storefront)

Premises Address:
6233 MACK RD SACRAMENTO,
CA 958234607

Valid: 7/26/2022
Expires: 7/26/2023

Scan to verify this license.

The license authorizes EMBARC SACRAMENTO LLC to engage in commercial cannabis Retail (Storefront) at the premises address listed above until the expiration date of this license. This license issued is pursuant to Division 10 of the California Business and Professions Code and is not transferable to any other person or premises location. This license shall always be displayed in a prominent place at the licensed premises. This license shall be subject to suspension or revocation if the licensee is determined to be in violation of Division 10 of the Business and Professions Code or regulations adopted thereunder.

Non-Transferable Post in Public View

EMBARC MARTINEZ

Department of Cannabis Control
CALIFORNIA
Department of Cannabis Control
licensing@cannabis.ca.gov, www.cannabis.ca.gov

Cannabis Retailer License Adult-Use and Medicinal

Business Name:
EMBARC MARTINEZ LLC
Embarc Martinez

License Number: C10-0000786-LIC
License Type: Retailer
(Storefront)

Premises Address:
3503 ALHAMBRA AVE
MARTINEZ, CA 945533910

Valid: 2/26/2021
Expires: 2/26/2024

Scan to verify this license.

The license authorizes EMBARC MARTINEZ LLC to engage in commercial cannabis Retail (Storefront) at the premises address listed above until the expiration date of this license. This license issued is pursuant to Division 10 of the California Business and Professions Code and is not transferable to any other person or premises location. This license shall always be displayed in a prominent place at the licensed premises. This license shall be subject to suspension or revocation if the licensee is determined to be in violation of Division 10 of the Business and Professions Code or regulations adopted thereunder.

Non-Transferable Post in Public View

EMBARC REDWOOD CITY

Department of Cannabis Control
CALIFORNIA
Department of Cannabis Control
licensing@cannabis.ca.gov, www.cannabis.ca.gov

Cannabis Retailer License Adult-Use and Medicinal

Business Name:
RESPONSIBLE AND COMPLIANT RETAIL REDWOOD CITY LLC
Embarc Redwood City

License Number: C10-0001213-LIC
License Type: Retailer
(Storefront)

Premises Address:
1870 BROADWAY ST
REDWOOD CITY, CA 940632015

Valid: 1/17/2023
Expires: 1/17/2024

Scan to verify this license.

The license authorizes RESPONSIBLE AND COMPLIANT RETAIL REDWOOD CITY LLC to engage in commercial cannabis Retail (Storefront) at the premises address listed above until the expiration date of this license. This license issued is pursuant to Division 10 of the California Business and Professions Code and is not transferable to any other person or premises location. This license shall always be displayed in a prominent place at the licensed premises. This license shall be subject to suspension or revocation if the licensee is determined to be in violation of Division 10 of the Business and Professions Code or regulations adopted thereunder.

Non-Transferable Post in Public View

EMBARC FAIRFIELD

Department of Cannabis Control
CALIFORNIA
Department of Cannabis Control
licensing@cannabis.ca.gov, www.cannabis.ca.gov

Cannabis Retailer License Adult-Use and Medicinal

Business Name:
Responsible and Compliant Retail Fairfield LLC
Embarc Fairfield

License Number: C10-0000939-LIC
License Type: Retailer
(Storefront)

Premises Address:
160 SEPRIANO DR, SUITE A
FAIRFIELD, CA 945336811

Valid: 1/26/2022
Expires: 1/26/2024

Scan to verify this license.

The license authorizes Responsible and Compliant Retail Fairfield LLC to engage in commercial cannabis Retail (Storefront) at the premises address listed above until the expiration date of this license. This license issued is pursuant to Division 10 of the California Business and Professions Code and is not transferable to any other person or premises location. This license shall always be displayed in a prominent place at the licensed premises. This license shall be subject to suspension or revocation if the licensee is determined to be in violation of Division 10 of the Business and Professions Code or regulations adopted thereunder.

Non-Transferable Post in Public View

EMBARC CHICO

Department of Cannabis Control
CALIFORNIA
Department of Cannabis Control
licensing@cannabis.ca.gov, www.cannabis.ca.gov

Cannabis Retailer License Adult-Use and Medicinal

Business Name:
RESPONSIBLE AND COMPLIANT RETAIL CHICO LLC
RESPONSIBLE AND COMPLIANT RETAIL CHICO LLC

License Number: C10-0001236-LIC
License Type: Retailer
(Storefront)

Premises Address:
185 CONHASSET RD CHICO, CA
959262201

Valid: 3/13/2023
Expires: 3/13/2024

Scan to verify this license.

The license authorizes RESPONSIBLE AND COMPLIANT RETAIL CHICO LLC to engage in commercial cannabis Retail (Storefront) at the premises address listed above until the expiration date of this license. This license issued is pursuant to Division 10 of the California Business and Professions Code and is not transferable to any other person or premises location. This license shall always be displayed in a prominent place at the licensed premises. This license shall be subject to suspension or revocation if the licensee is determined to be in violation of Division 10 of the Business and Professions Code or regulations adopted thereunder.

Non-Transferable Post in Public View

PROMISES MADE, PROMISES KEPT: EMPOWERING LOCAL OWNERSHIP

In myriad conversations as part of our listening tour in this community, it is clear San Bruno seeks cannabis businesses where locals have a meaningful stake in their successful implementation. With Embarc, this is not a new concept for the purposes of this license application; rather, Embarc has a localized partner in every community where we operate, ensuring locals are at the helm of decision-making. This is not just the right thing to do in ushering in a new industry locally—it is also good business, as it ensures we are constantly evolving to meet the needs and priorities of this community. Embarc's team brings a proven track record of empowering and engaging local ownership—a value we continue to exhibit in San Bruno.

1.2. BUDGET

A budget for construction, operation, and maintenance, compensation of employees, equipment costs, utility costs, and other operation costs.

Embarc San Bruno has developed the following detailed budget, which demonstrates sufficient capital in place to fully fund startup costs and initial operations and is based on practical experience from a team that has operationalized dozens of dispensaries across careers spanning every element of the legal cannabis supply chain, as well as actual costs and best practices after opening and operating eight Embarc dispensaries throughout California.

Project Budget

We have [REDACTED] in working capital to cover construction and operationalization for the proposed San Bruno dispensary. Below are anticipated costs associated with construction and initial operationalization, including the first three months of operation. These figures are informed by actual costs from other communities and have been verified by our construction team, which led the execution of Embarc's unique retail vision across multiple projects to date.

Start Up Budget - Sources & Uses

Uses of Capital

Equipment
Construction Costs
Operations - Inventory Purchases
Operations - Maintenance
Operations - Professional Fees
Operations - Other
Employee Compensation & Related Expenses
Property Lease - Security Deposit
Property Lease - Rent
Utilities
Security Equipment & Staff
Local Cannabis Business License & Application Fees
State Cannabis Business License & Application Fees

Total Startup Budget

Excess Working Capital

Total Uses of Capital

Sources of Capital

Commitment from Embarc

Total Sources of Capital

As detailed in the chart, this represents a total start-up budget including the first three months of operation, of [REDACTED]. We have committed the remaining [REDACTED] in funding to ensure the business is well-funded far beyond the first three months of operations, providing a sufficient capital surplus to cover at least 14 months of operating expenses. Given this economic position, we remain more than prepared to address any unexpected issue and ensure we open and operate efficiently in San Bruno. Embarc will adhere to the timeline provided later in this proposal to complete construction and initiate operations in a timely manner and begin generating revenue expeditiously.

Description of Operations Budget

We are acutely aware of the importance of proper budgeting and capitalization and have a keen understanding of expenses associated with licensing, constructing, and operating a dispensary given our existing footprint.

Our budget reflects wages and benefits for approximately 48 initial employees, growing as sales progress. The budget includes annual opportunities for employee wage increases and performance bonuses. In addition, since ongoing training and education are fundamental for success and safety in this newly legalized industry, we have included a monthly budget for this line item.

We have assumed a progressive increase in sales revenue for the first 12 months of operation based on consumer trend market research by BDS Analytics. After the first 12 months of operation, we have assumed steadily growing revenues, including adjustments on the revenue side to reflect a 15% compound annual growth rate ("CAGR") for sales, which we believe is conservative given projections as high as 25% from reliable sources and as demonstrated by existing operations. We have also included a commensurate increase in expenses to reflect more sales associates and other service-related increases.

Cost of Goods Sold (COGS)

Cost of Goods Sold includes product costs, other COGS (such as employee compensation, etc.), and allocations to Embarc San Bruno's Community Investment Fund (detailed more thoroughly in Section 2.6. Community Benefits Program), which is pledged as 1% of total sales. COGS also include the 6% San Bruno cannabis tax based on the gross receipts as well as the California Excise Tax, which is computed as 15% of gross receipts.

Employee Compensation

While many of the State's largest operators pay between \$13 and \$25 per hour, Embarc San Bruno retail employees will be paid between \$29.20 and \$51.28 an hour. While compensation varies based on location, experience, and tenure, Embarc San Bruno will offer all employees a living wage which the MIT Living Wage Calculator indicates is \$26.63 per hour in San Mateo County. Embarc commits to no employee making less than the living wage, with employees eligible to receive up to \$51.28 per hour based on the role, experience level, and tenure. This is detailed below in the Employee Compensation Chart and in Section 2.1. Living Wage of this proposal.

Embarc is committed to maintaining sufficient employees possessing the skills and experience needed to ensure collective success. We have developed a formula through existing operations to estimate our workforce needs for the first five years of operations. We forecast headcount and payroll by position as follows:

Embarc San Bruno Compensation of Employees Analysis	Year 1	Year 2	Year 3	Year 4	Year 5
<u>Average Annual Compensation by Position</u> (1)(2)					
General Manager	\$94,760	\$97,603	\$100,531	\$103,547	\$106,653
Store Managers – Operations, Inventory, & Community	\$77,508	\$79,833	\$82,228	\$84,695	\$87,235
Inventory Specialist	\$60,737	\$62,559	\$64,436	\$66,369	\$68,360
Store Leads	\$60,737	\$62,559	\$64,436	\$66,369	\$68,360
Retail & Delivery Sales "Guides"	\$60,737	\$62,559	\$64,436	\$66,369	\$68,360

Average Annual Compensation Per Hour⁽¹⁾⁽²⁾

General Manager	\$45.56	\$46.92	\$48.33	\$49.78	\$51.28
Store Managers – Operations, Inventory, & Community	\$37.26	\$38.38	\$39.53	\$40.72	\$41.94
Inventory Specialist	\$29.20	\$30.08	\$30.98	\$31.91	\$32.87
Store Leads	\$29.20	\$30.08	\$30.98	\$31.91	\$32.87
Retail & Delivery Sales “Guides”	\$29.20	\$30.08	\$30.98	\$31.91	\$32.87

Headcount By Position

General Manager	1	1	1	1	1
Store Managers – Operations, Inventory, & Community	5	6	7	8	9
Inventory Specialist	7	8	9	10	12
Store Leads	10	11	13	15	17
Retail and Delivery Sales Associates (“Guides”)(3)	25	28	33	38	43
Total Headcount	48	54	63	72	82

Net Compensation of Employees by Position⁽¹⁾

General Manager	\$94,760	\$97,603	\$100,531	\$103,547	\$106,653
Store Managers – Operations, Inventory, & Community	\$387,538	\$478,996	\$575,594	\$677,556	\$785,118
Inventory Specialist	\$425,159	\$500,473	\$579,923	\$663,690	\$820,321
Store Leads	\$607,370	\$688,151	\$837,667	\$995,535	\$1,162,121
Retail and Delivery Sales Associates (“Guides”)	\$1,518,426	\$1,751,656	\$2,126,386	\$2,522,022	\$2,939,483
Total Net Compensation of Employees⁽¹⁾	\$3,033,253	\$3,516,879	\$4,220,101	\$4,962,350	\$5,813,697

Taxes, Benefits, Workers Comp & Union

Total Employee Compensation

(1) Proposed bonus structure is included in compensation figures; where applicable

(2) Includes estimated tips of \$3/hour

(3) Headcount is an average including partial year hires

Of the above headcount, we plan to hire 100% locally. As detailed in Section 2 – Labor & Community Benefits Plan of this proposal, employees will receive a living wage and benefits that far exceed average compensation in the industry. They will also be given the tools and resources to advance within the company while gaining invaluable skills that are applicable within this industry and beyond. The budget also contemplates annual opportunities for employee wage increases; performance bonuses as part of our store incentive programs; and monthly budget for educational tools, trainings, and other resources.

Other Operating Expenses

- Safety and security include [REDACTED] per year, which contemplates full-time security as detailed in Section 5 – Security Plan and increases by [REDACTED] annually.

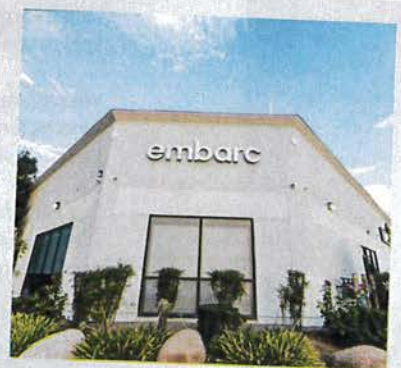
- Professional fees of [REDACTED] per year include a budget for legal expenses as well as annual tax filing and financial audits.
- The marketing budget is calculated as 2% of revenue.
- Rent commences at [REDACTED] per year and increases by [REDACTED] annually.
- Utilities are estimated at [REDACTED] per year and increases by [REDACTED] annually.
- Repairs and maintenance are estimated at [REDACTED] per year.
- Custodial services are estimated at [REDACTED] per year.
- Insurance is estimated at [REDACTED] per year.
- Office supplies are estimated at [REDACTED] per year.
- Meals and entertainment are estimated at [REDACTED] per year.
- Vehicles are estimated at [REDACTED] per year, comprised of 2 vehicles at [REDACTED] per vehicle per month, or [REDACTED] per year.
- Employee Training is estimated at [REDACTED] per year.
- Uniforms are estimated at [REDACTED] per year.
- IT is estimated at [REDACTED] per year.
- Point-of-sale equipment/infrastructure is estimated at [REDACTED] per year.

California Cannabis Business License fees are tied to projected revenues. We have estimated fees at [REDACTED] per year. The City of San Bruno's Cannabis Permit annual review filing fee is \$2,745. Licensing costs for pre-open budgeting include [REDACTED] which accounts for application fees and estimated background check fees.

Sources & Uses of Funds

San Bruno Responsible and Compliant Retail LLC has a commitment of [REDACTED] in financing from SNF HTF I, Inc. Within the Proof of Capitalization supporting documents are proof of funds materials, including: a funding commitment letter from SNF HTF I, Inc.'s David Weldler for [REDACTED] and a "Proof of Capitalization" bank balance verification letter from SNF HTF I, Inc.'s bank confirming it is more than adequately funded to invest [REDACTED]

The foregoing budget and description contemplate construction, operation, maintenance, and employee compensation, as well as equipment costs, utility costs, and other operational costs such as the property lease, security equipment, security staff, City and State fees, product purchases, and other anticipated contingency costs. The financial analysis demonstrates that Embarc San Bruno is a viable business, and we look forward to the opportunity to execute this model should be fortunate enough to be selected to operate locally.



1.3. PROOF OF CAPITALIZATION

Proof of capitalization in the form of documentation of cash or other liquid assets on hand, Letters of Credit, or other equivalent assets.

Proof of Capitalization documentation is provided here as well as in PDF File #4 per the City's Application Procedures and Guidelines.

June 13, 2023

RE: San Bruno Responsible and Compliant Retail LLC, dba Embarc San Bruno

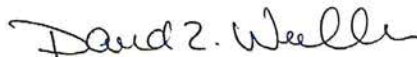
To Whom It May Concern:

I am pleased to present this proof of funding letter in support of Embarc San Bruno's application for a retail cannabis dispensary in San Bruno.

We believe strongly in Embarc's application and are pleased to support this venture. The funding required will be provided as we deem necessary in order to develop and operate Embarc's vision for a retail cannabis business in San Bruno.

Our confidence in Embarc's application is based upon experience with their operating team. We are committed to the success of Embarc's retail cannabis dispensary and have included verification for proof of funding for [REDACTED] Please see attached "Verification of Deposit."

Very Truly Yours,



David Welder
Authorized Signatory



CIBC Bank USA
120 South LaSalle
Chicago, Illinois 60603
Tel: 312 564-2000

SNF HTF I, Inc.
7223 Beverly Blvd., Suite 205
Los Angeles, CA 90036
via electronic mail

June 26, 2023

RE: SNF HTF I, Inc. 3563251 - Information Request

To Whom It May Concern:

Please accept this letter as verification that as of this date, SNF HTF I, Inc. holds funds in its above referenced account held with CIBC Bank USA in excess of [REDACTED]

Should you have any further questions, please do not hesitate to contact me at 312-564-6020 or email Matthew.Tyler@cibc.com.

Sincerely,

A handwritten signature in black ink, appearing to read "M. Tyler".

Matthew Tyler
CIBC | Managing Director, Healthcare
tel: 312-564-6020

1.4. PROOF OF ENTITY



202354111809

**STATE OF CALIFORNIA**
Office of the Secretary of State
ARTICLES OF ORGANIZATION
CA LIMITED LIABILITY COMPANYCalifornia Secretary of State
1500 11th Street
Sacramento, California 95814
(916) 653-3516

For Office Use Only

-FILED-

File No.: 202354111809

Date Filed: 1/4/2023

B1371-1293 01/04/2023 9:47 AM Received by California Secretary of State

Limited Liability Company Name	San Bruno Responsible and Compliant Retail LLC
Limited Liability Company Name	
Initial Street Address of Principal Office of LLC	1616 WEBSTER ST
Principal Address	ALAMEDA, CA 94501
Initial Mailing Address of LLC	1616 WEBSTER ST
Mailing Address	ALAMEDA, CA 94501
Attention	Legal
Agent for Service of Process	CALIFORNIA REGISTERED AGENT INC
California Registered Corporate Agent (1505)	Registered Corporate 1505 Agent
Purpose Statement	The purpose of the limited liability company is to engage in any lawful act or activity for which a limited liability company may be organized under the California Revised Uniform Limited Liability Company Act.
Management Structure	One Manager
The LLC will be managed by	
Additional information and signatures set forth on attached pages, if any, are incorporated herein by reference and made part of this filing.	
Electronic Signature	
<input checked="" type="checkbox"/> By signing, I affirm under penalty of perjury that the information herein is true and correct and that I am authorized by California law to sign.	
Eric Lightman	01/04/2023
Organizer Signature	Date

1.5. TAX COMPLIANCE

We are diligent in our adherence to local and state tax regulations. Across our eight California locations, we consistently fulfill tax obligations on time, contributing significantly to local economies.

Embarc acknowledges San Bruno's cannabis business tax rate, set at 6% of gross receipts, and the Council's authority to adjust this rate up to a maximum of 10%. As outlined in Sections 1.2 Budget and 1.7 Pro Forma & Budget, our budget for Embarc San Bruno anticipates professional fees, incorporating a provision for annual tax filing and financial audits. The Cost of Goods Sold in our pro forma includes the 6% San Bruno cannabis tax, calculated based on gross receipts, and the California Excise Tax, set at 15% of gross receipts.

Our commitment to excellent financial management leads us to have all Embarc locations audited annually by Marcum, a third-party auditor. Our decision to invest in these audits underscores our dedication to transparency, accountability, and responsible operation—a step not taken by many in the cannabis industry.

Our point-of-sale and integrated CCTT-Metric system, Treez, comes equipped with dynamic tax collection tools tailored to product type, customer classification, and delivery destinations. The system ensures real-time sale reporting to CCTT-Metric and provides a safety net against track-and-trace outages via the proprietary TraceTreez automation layer.

Punctuality and compliance characterize Embarc's tax dealings; all eight of our locations consistently meet local and State tax deadlines. In numerous jurisdictions, Embarc holds the position of a leading tax contributor, standing alongside established businesses like Chevron,

McDonald's, and Safeway in making substantial revenue contributions to each City.

We have enclosed San Bruno Responsible and Compliant LLC's Cannabis Retailer Excise Tax Permit and California Department of Tax and Fee Administration Seller's Permit for your reference.





EIN Assistant

Your Progress

1. Identity

2. Authorization

3. Address

4. Review

5. EIN Confirmation

Congratulations! The EIN has been successfully assigned.

EIN Assigned

Legal Name: **SAN BRUNO RESPONSIBLE AND COMPLIANT
RETAIL LLC**

The confirmation letter will be mailed to the applicant. This letter will be the applicant's official IRS notice and will contain important information regarding the EIN. Allow up to 4 weeks for the letter to arrive by mail.

We strongly recommend you print this page for your records.

Click "Continue" to get additional information about using the new EIN.

[Continue >>](#)

Help Topics

- ① [Can the EIN be used before the confirmation letter is received?](#)

DISPLAY THIS PERMIT CONSPICUOUSLY AT THE PLACE OF BUSINESS FOR WHICH IT IS ISSUED

CALIFORNIA DEPARTMENT OF TAX AND FEE ADMINISTRATION
SELLER'S PERMIT



PERMIT NUMBER

218631968 - 00001

EMBARC

SAN BRUNO RESPONSIBLE AND COMPLIANT
RETAIL LLC

1616 1/2 WEBSTER ST
ALAMEDA CA 94501-2134

START DATE:
June 29, 2023

IS HEREBY AUTHORIZED PURSUANT TO SALES AND USE TAX
LAW TO ENGAGE IN THE BUSINESS OF SELLING TANGIBLE
PERSONAL PROPERTY AT THE ABOVE LOCATION.

THIS PERMIT IS NOT VALID AT ANY OTHER ADDRESS.

YOU ARE REQUIRED TO OBEY ALL FEDERAL AND
STATE LAWS THAT REGULATE OR CONTROL
YOUR BUSINESS. THIS PERMIT DOES NOT ALLOW
YOU TO DO OTHERWISE.

PLEASE RETAIN THIS DOCUMENT FOR YOUR
RECORDS.

THIS PERMIT IS VALID UNTIL REVOKED OR CANCELED AND IS NOT TRANSFERABLE.
FOR GENERAL TAX QUESTIONS, PLEASE CALL OUR CUSTOMER SERVICE CENTER AT 1-800-400-7115 (CRS:711).
FOR INFORMATION ON YOUR RIGHTS, CONTACT THE TAXPAYERS' RIGHTS ADVOCATE OFFICE AT 1-888-324-2798.

CDTFA-442-R REV. 20 (2-22)

A MESSAGE TO OUR PERMIT HOLDER

As a permittee, you have certain rights and responsibilities under the Sales and Use Tax Law. For assistance, we offer the following resources:

- Our website at www.cdtfa.ca.gov.
- Our toll-free Customer Service Center at 1-800-400-7115 (CRS:711). Customer service representatives are available Monday through Friday from 7:30 a.m. to 5:00 p.m. (Pacific time), except state holidays.

As a permittee, you are expected to maintain the normal books and records of a prudent businessperson. You are required to maintain these books and records for no less than four years, and make them available for inspection by a California Department of Tax and Fee Administration (CDTFA) representative when requested. You are also required to know and charge the correct sales or use tax rate, including any local and district taxes.

You must notify us if you are buying, selling, adding a location, or discontinuing your business; adding or dropping a partner, officer, or member; or when you are moving any or all of your business locations. This permit is valid only for the owner specified on the permit. A person who obtains a permit and ceases to do business, or never commenced business, shall surrender their permit by immediately notifying CDTFA in writing at this address: California Department of Tax and Fee Administration, Field Operations Division, P.O. Box 942879, Sacramento, CA 94279-0047. You may also surrender the permit to a CDTFA representative.

If you would like to know more about your rights as a taxpayer, or if you are unable to resolve an issue with CDTFA, please contact the Taxpayers' Rights Advocate Office for help by calling 1-888-324-2798 or by faxing 1-916-323-3319.

As authorized by law, information provided by an applicant for a permit may be disclosed to other government agencies.

CALIFORNIA DEPARTMENT OF TAX AND FEE ADMINISTRATION

CANNABIS RETAILER EXCISE TAX PERMIT

PERMIT NUMBER

252186400-00001



EMBARC
SAN BRUNO RESPONSIBLE AND COMPLIANT RETAIL
LLC
1616 1/2 WEBSTER ST
ALAMEDA CA 94501-2134

THIS PERMIT HAS BEEN ISSUED TO YOU UNDER
SECTION 34014 OF THE CALIFORNIA REVENUE
AND TAXATION CODE.

PLEASE RETAIN THIS DOCUMENT FOR YOUR
RECORDS.

THIS PERMIT IS VALID UNTIL REVOKED OR CANCELED AND IS NOT TRANSFERABLE.
FOR GENERAL TAX QUESTIONS, PLEASE CALL OUR CUSTOMER SERVICE CENTER AT 1-800-400-7115 (CRS:711).
FOR INFORMATION ON YOUR RIGHTS, CONTACT THE TAXPAYERS' RIGHTS ADVOCATE OFFICE AT 1-888-324-2798.

CDTFA-442-CRE (8-22)

A MESSAGE TO OUR PERMIT HOLDER

As a permittee, you have certain rights and responsibilities under the Cannabis Tax Law. For assistance, we offer the following resources:

- Our website at www.cdtfa.ca.gov.
- Our toll-free Customer Service Center at 1-800-400-7115 (CRS:711). Customer service representatives are available Monday through Friday from 7:30 a.m. to 5:00 p.m. (Pacific time), except state holidays.

As a permittee, you are expected to maintain the normal books and records of a prudent businessperson. You are required to maintain these books and records for no less than four years, and make them available for inspection by a California Department of Tax and Fee Administration (CDTFA) representative when requested.

You must notify us if you are buying, selling, or discontinuing your business; adding or dropping a partner, officer, or member; or when you are moving. This permit is valid only for the owner specified on the permit. A person who obtains a permit and ceases to do business or never commenced business, shall surrender their permit by immediately notifying the CDTFA in writing at this address: California Department of Tax and Fee Administration, Business Tax and Fee Division, P.O. Box 942879, Sacramento, CA 94279-0088. You may also surrender the permit to a CDTFA representative.

If you would like to know more about your rights as a taxpayer, or if you are unable to resolve an issue with CDTFA, please contact the Taxpayers' Rights Advocate Office for help by calling 1-888-324-2798 or by faxing 1-916-323-3319.

As authorized by law, information provided by an applicant for a permit may be disclosed to other government agencies.

1.6. PROOF OF INSURANCE

Required prior to City approval of the CCOP.

3031 F Street, Suite 203
Sacramento, CA 95816
(916) 642-9254
hello@insure420.com

June 13, 2023

To Whom It May Concern:

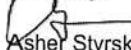
I am writing to confirm that San Bruno Responsible and Compliant Retail LLC, dba Embarc San Bruno, will be able to obtain General Liability Insurance and any other necessary coverage to satisfy any and all municipal and state insurance requirements pertinent to their proposed retail and delivery operations at 120 El Camino Real, San Bruno, CA 94066. I am also writing to affirm that Embarc has a track record of being an exemplary client; they understand the importance of insurance and have secured coverage far beyond minimum requirements in other communities where they operate—a testament to that understanding.

Without confirmation that a business will operate at the location, it is not possible to underwrite and produce commercial cannabis insurance for a company, as insurance companies require building information and business receipts to generate premium calculations. Thus, no reputable insurer can provide commercial cannabis insurance unless a commercial cannabis business is properly licensed by the local jurisdiction and the State of California.

Should they be fortunate enough to receive a license, San Bruno Responsible and Compliant Retail LLC will obtain comprehensive commercial General Liability insurance and automotive insurance (minimum \$1M per occurrence) immediately, given the exemplary track record of their operations in California. If the City of San Bruno determines more specific insurance requirements for commercial cannabis retail storefronts within the City, Embarc will comply with those insurance requirements. Additionally, based on Embarc's current insurance policies in other communities, they have a track record of exceeding municipal requirements, including product liability, product loss, and a general liability balloon policy. This demonstrates how seriously they take this requirement.

In my discussions with the Company, they have indicated they are prepared to obtain insurance immediately upon notification from the City of being selected to operate and/or receiving the right to apply for a permit. At that time, we are prepared to facilitate the company obtaining sufficient insurance coverage.

Sincerely,


Asher Styrsky, Owner Agent
www.insure420.com
License # 0G13465



insurance and bonds for the cannabis industry, made easy

LICENSE 0G13465

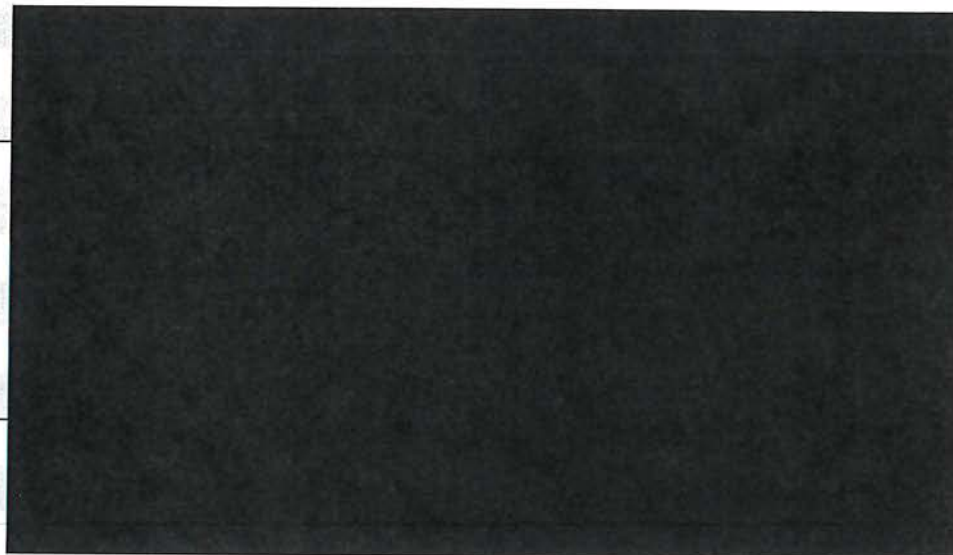
1.7. PRO FORMA & BUDGET

Financial pro forma and budget for at least three years of operation.

Providing an accurate pro forma is critical to a city's ability to understand the revenue potential from these businesses, and it is imperative that projections are rooted in reality rather than conjecture to attract attention. We have generated the following assumptions based on practical experience operating existing cannabis dispensaries as well as robust market research and documentation, as on the following page.

Embarc San Bruno Pro-Forma Financial Statement	Pre-Open	Year 1	Year 2	Year 3	Year 4	Year 5
Revenue						
Retail	-	\$21,127,357	\$24,296,461	\$27,940,930	\$32,132,070	\$36,951,880
Delivery	-	\$3,728,357	\$4,287,611	\$4,930,752	\$5,670,365	\$6,520,920
Total Revenue	-	\$24,855,714	\$28,584,072	\$32,871,682	\$37,802,435	\$43,472,800
Cost of Goods Sold						
Product COGS						
Other COGS						
Community Investment Fund (1.0%)						
Local Taxes						
Excise Taxes						
Total Cost of Goods Sold						
Gross Profit						
Margin %						
Operating Expense						
Compensation Of Employees						
Safety and Security						
Professional Fees						
Advertising and Promotion						
Rent						
Utilities						
Repairs and Maintenance						
Custodian						
Insurance						
California Cannabis Business License						
Local Cannabis Business License						
Office Supplies						
Meals and Entertainment						
Vehicles						
Employee Training						

Uniforms
IT
Point-of-sale
Total Operating Expense
EBITDA
% Margin
Federal Income Tax
State Income Tax
Depreciation & Amortization
Total Interest, Tax, D&A
Net Income / (Loss)
Net Income / (Loss) %



While the application calls for a 3 year pro forma, it is standard for our finance team to produce an accurate 5 year pro forma budget.

Supporting Documentation

Market Trends

The pro forma contemplates relevant market data and trends. We have assumed conservative growth estimates for store performance, even in light of staggering overall market growth. Taking this information into account and understanding that San Bruno is only issuing up to one cannabis retail license, our calculations are based on a narrow geographic radius to provide realistic revenue estimates.

Revenue Projections

As discussed above, we have modeled conservative projections to account for regional market dynamics. The following revenue projections are based on projected demand for the region using standardized forecasting assumptions that have been borne over time. We have taken a more conservative approach to the compound annual growth rate for the San Bruno market as an additional precaution against an inflated pro forma.

Market Estimate	San Bruno, CA
Total Population	195,047
(-) Population Under 21 Years Old within 5-mile Radius	(39,789)
Total Population 21+ within 5-mile Radius	155,258
Addressable Market	San Bruno, CA
Non-Medical Consumer Market	
Total Population 21+ within 5-mile Radius	155,258
(x) Estimated Consumers as a % of Population	20.0%
Addressable Non-Medical Consumers in Market	31,052
(x) Fair Share Attributable to Embarc	100.0%
Addressable Non-Medical Consumers	31,052

Summary of Estimated Transaction Volume	Per Year	Per Day
Addressable Non-Medical Consumers	31,052	31,052
Transactions per Customer per Period – Adult-Use	20.00	0.05
Embarc Transactions per Period	621,040	1,701
(x) Average Transaction Value	\$70.00	\$70.00
Total Revenue at Maturity	\$43,472,800	\$119,070

Over the course of the 5 year pro forma, we project a conservative compound annual growth rate of 15% and an average transaction value of \$70.00, which is in line with market data.

We appreciate the need for an accurate pro forma, both for the City to understand the realistic revenue potential associated with this use type and as operators in order to effectively operationalize and manage the business. Our pro forma has been developed by a team with years of cannabis financial and operational experience, has been informed by Embarc's existing operations, and has been developed using extensive data and market analysis to reflect this market.

PROMISES MADE, PROMISES KEPT: THOUGHTFUL, DELIBERATE, & REALISTIC

Recall the childhood game where marbles are dropped in the middle of a game board, and each player pounds blindly on a small lever to see if his or her hippo can gobble up the largest number of marbles before they are all gone? Given California's limited local "opt in" approach to cannabis retail, many companies have been playing this game of hungry, hungry hippos with licenses, applying in every community across California in the hope of becoming the largest operator in the State (or country).

In contrast, Embarc has undertaken a thoughtful, organic approach to growth that ensures we are able to focus on opening and operating in alignment with each community's unique values and priorities rather than stretching ourselves too thin. We can undertake this approach because:

- Embarc has brought on no debt investment, ensuring a strong fiscal foundation upon which to scale in San Bruno;
- Embarc is focused on being a California operator rather than dominating the country, ensuring we are big enough to maintain focus on relevant expertise but small enough to remain nimble and responsive; and
- Our pro forma is designed to under promise and overdeliver by recognizing that San Bruno is a distinct market.

1.8. HOURS OF OPERATION & OPENING AND CLOSING PROCEDURES

Fully describe hours of operation and opening and closing procedures.

Hours of Operation

Embarc San Bruno proposes to conduct both retail storefront and delivery operations from 9 am to 9 pm. We recognize and understand that the specific hours of operation will be determined by the stipulations of the Conditional Use Permit. Furthermore, we acknowledge that the City reserves the right to impose more restrictive hours of operation as a condition of the permit. If such conditions arise, Embarc San Bruno fully commits to adhering to these revised operational hours.

Opening & Closing Procedures

Embarc's opening and closing procedures have been developed by our security, operational, and compliance teams to ensure the protection of public and employee health, safety, and wellbeing. These policies have been tested through Embarc's existing operations and are thus a realistic model of functional best practices.

Opening Procedures

[REDACTED]

[REDACTED]

The opening shift prepares the store by disinfecting all high-touch surfaces, dusting display cases, cleaning glass, cabinetry, and displays, and setting up point-of-sale stations. Technology, including point-of-sale systems, receipt printers, barcode scanners, music players, and the ATM are powered on, systems are booted up, and manual checks occur to ensure no technology glitches. The Store Manager or Lead Guide ensures all laptops and telephones have been charged overnight and are in their respective areas prior to opening.

[REDACTED]

[REDACTED]

MORNING HUDDLE: Once the manager has completed all

tasks in the Management Office, they update the “daily updates” board with relevant information. Just before opening, the team conducts a morning huddle. This meeting is ten minutes long and covers topics including break schedules and floor assignments. We also utilize this time to talk about new product education, specials for the day, and industry or operational updates. Huddle meeting topics are added to a touchdown sheet that is reviewed with each employee at the start of their shift so mid-shift and afternoon shifts are provided this information as well. Once the meeting is complete, the manager checks the shop voicemails and responds to any messages as needed. We have found that customers leave messages asking for information and/or stocking questions, and by committing to respond to every voicemail, we are building relationships and loyalty with customers.

TAKE YOUR POSITIONS: The team usually spends the final minutes quizzing one another about new products and providing reviews. This is critical information sharing and is helpful when assisting customers in navigating product selection.

Closing Procedures

Embarc initiates “last call” 15 minutes prior to the shop’s closing time. In instances where a high volume of customers approaches the business as closing nears, we have a policy of “fair but firm” that has worked well in our existing operations—ensuring strict compliance with all laws regulating transaction cutoff times while also facilitating final transactions. Once closed, team members work together to execute closing procedures:

CLEANING: While the manager is reconciling the day’s cash, the closing team is sweeping, dusting, and cleaning glass. All high touch surfaces are disinfected, and technology is powered down, including the ATM and music system.

DAILY EMAIL: The closing manager sends an end-of-day shift summary email to ensure all managers are apprised of relevant information. The email includes staffing insights, new products or sales trends, and reminders for the rest of the management team. With this daily communication, our management team is fully informed of notable instances that occur when they are not in the store.

[REDACTED]

[REDACTED]

BEING MINDFUL: After closing, employees and managers are trained to be cognizant of security risks while driving home. Perpetrators may falsely assume employees are traveling with cannabis products and/or currency. Consequently, staff is instructed to watch for vehicles that may be following them, to vary their routes, and to have pre-designated safety zones (locations with heavy police/security presence) identified along their path home for use if they believe they are being followed. Examples of such safety zones include police departments and hospitals with emergency rooms.

Opening and closing procedures are encapsulated in morning and evening checklists and overseen by the opening and closing managers. The team practices these procedures for at least one week prior to a new store opening as part of training. This ensures that the team has a full understanding of all protocols and policies and understands the importance of strict adherence to these procedures.

1.9. DAY-TO-DAY OPERATIONS INTRODUCTION

Embarc is a retail and delivery business that seeks to redefine the relationship between cannabis and the community by demonstrating through action that its business can seamlessly integrate into, and ultimately benefit, the City of San Bruno. We provide safe and reliable access to cannabis through a warm and inviting retail expression and highly trained, professional staff. Our plans are designed to comply with San Bruno's Code of Ordinances, all applicable rules and regulations, and all State laws. It is a realistic model of operations developed through a collaborative process that leverages the expertise of our seasoned

team, existing cannabis retail operations, and best practices from the cannabis industry and beyond.

Our track record is evidenced in our eight existing licensed cannabis retail and delivery operations throughout California and in nearly a dozen additional stores currently in development. This track record is enhanced by our nearly year-long listening tour in San Bruno focused specifically on how to tailor our operational plans, policies, and procedures to reflect this community. Findings of this listening tour are reflected in myriad ways throughout this proposal, from where we propose to operate, to how we propose for the business to integrate into San Bruno.

ROOTED IN PROVEN STANDARD OPERATING PROCEDURES

Embarc is proposing to operate a retail dispensary with delivery service in the City of San Bruno. The project will include tenant improvements to create a safe, secure, and approachable retail experience that ensures consumers feel welcome and respected.

A cornerstone of effectively managing the day-to-day operational requirements of a commercial cannabis business is integrating compliance as a lived value. As further detailed below, Embarc's operational plan has been designed to comply with all State and local regulations pertaining to commercial cannabis. It serves as a realistic model of operations developed through a collaborative process that leverages the expertise of our seasoned leadership team, industry specialists, and existing cannabis operations. Importantly, this plan will continue to be refined as it is informed by operations. True compliance is predicated on a commitment to continue to innovate and refine to ensure best practices are easily implemented, maintained, and become a lived value rather than simply a mandate.

Embarc has implemented industry-leading best practices perfected over decades of collective operational experience at some of the State's most respected dispensaries, along with input from our team of advisors who have been responsible for more than 2,000 retail stores across the globe, and valuable lessons learned from successfully operating Embarc's existing retail footprint of eight operational stores.

By leveraging the expertise of our industry leading team and combining it with preeminent cannabis retail compliance software, we ensure every section of our Standard Operating Procedures (SOPs) are up to the highest standards of State and local regulatory compliance.

Embarc's SOPs are detailed throughout over **450 pages** of material specific to Embarc's operating procedures, policies, and best practices. Some of the key themes from this robust library of information are as follows:

- Educating consumers starts with educating employees;
- Creating a safe and approachable environment is critical to facilitating communication with consumers;
- Provide first-time customers with a more in-depth education on dosage and direct them to products that match their experience level;
- Provide all customers with a high-quality, unintimidating experience;
- Rigorously enforce identification checks for all customers;
- Educate customers on the safe storage of their products at home;
- Provide employees and customers with regular updates on cannabis policy and safe usage;
- Provide the City (e.g., Police Department) with regular updates on safety and operations;
- Take all necessary steps to prevent diversion, theft, and loss of product;
- Provide rapid responses to community members to fully address comments and concerns; and
- Be more than a business in the community—approach each day with the desire to act as a true partner to the City and treat each customer as a friend or a neighbor.

PROMISES MADE, PROMISES KEPT: INVESTING IN THE TEAM IS INVESTING IN THE BUSINESS

Critically, SOPs are only as good as the continuous training and re-training on their ongoing implementation. Under the leadership of Chief Operating Officer, Jeff Kirwan, and President of Retail, Jason Pitts, Embarc has been transforming its training program to mirror best-in-class processes from traditional retail environments, including leveraging the expertise of preeminent leadership and operational consultants historically only accessible to Fortune 500 retailers. As an example, in early 2023 all Embarc General Managers attended a two-day leadership retreat focused on Change Management. This module was led by a two-decade veteran of some of the world's most innovative companies including Facebook, Nike, Levi Strauss & Co., and The Gap and was focused specifically on how to lead teams through change implementation when process improvement is identified.

This investment in our team's ongoing training and matriculation is critical to the successful implementation of Standard Operating Procedures, and our refocused approach to building more sustained, deeply engrained processes is gaining significant traction with Embarc's retail teams. This is true investment in our workforce with tangible benefit to our ability to effectively manage compliant and hyper-functional retail operations at scale.

APPROACH TO COMPLIANCE

We understand the State and local regulatory landscape has been designed to protect the health and safety of employees and the community at large. We will ensure that Embarc is operating in a manner compliant with all applicable State and local laws, including the Medical Cannabis Collective Laws, the Medical and Adult Use Cannabis Regulation and Safety Act (MAUCRSA), any subsequently enacted State law or regulations, licensing requirements, San Bruno Municipal Code, and any specific additional operating procedures or requirements which may be imposed by the City.

Operating a cannabis business is a privilege, not a right, and strict adherence to all laws and regulations is a cornerstone of our ability to operate. Given this dynamic, we approach compliance through the ethos that we are only as strong as our weakest link, i.e., having the best SOPs and compliance checklists in the world is meaningless if the team does not understand, implement, and live compliance through consistent action. That means conformance with all laws starts with meaningful initial training and ongoing education.

Given our team's experience as architects of California's legal cannabis regulatory landscape, Embarc's team members have been and continue to be at the forefront of compliance and regulatory development. Owners of Embarc helped draft the Medical Marijuana Regulation and Safety Act (MMRSA), Proposition 64 (2016), the Medical and Adult Use Cannabis Regulation and Safety Act (MAUCRSA), and the implementing regulations promulgated by the three State licensing authorities: California Department of Food and Agriculture (CDFA), Department of Cannabis Control (DCC) and Manufactured Cannabis Safety Branch (MCSB).

Recently, owners of Embarc were involved with the consolidation of the three regulatory agencies overseeing commercial cannabis activities at the State level and are actively engaged in the subsequent regulatory "clean up." We will continue to engage in this critical work, analyzing the status of relevant pending State and local cannabis bills and regulations; working collaboratively with the industry and regulatory agencies; and developing industry best practices.

Our cannabis regulatory development experience has taught us that true compliance requires a combination of skills—lawyers and regulatory experts shaping the policies, procedures, and checklists, as well as human resources and training professionals that translate technical language into practical tools to support daily operations. As such, Embarc maintains a robust team dedicated to ensuring ongoing compliance at every level of the organization and leverages an ongoing feedback loop from the store team on what is working and where improvement is needed to continuously inform how we enhance our training, protocols, checklists, and other compliance tools to be most effective. Embarc will employ the following

strategies and tactics to maintain compliance:

A Holistic Approach

Detailed SOPs are developed by a six-person compliance team including the Chief Compliance Officer, Head of Regulatory Affairs, and members of the legal team. These SOPs include topic-specific guidance as well as actionable documents for use in the stores based on operational needs. The most critical component of taking a holistic approach to compliance is understanding how to translate verbose legal mandates into actionable intelligence and toolkits for our team. Key components of this holistic approach include:

- A compliance memo developed for each location specific to the business's unique needs;
- SOPs covering retail and delivery operations, including such topics as opening and closing checklists, order intake checklists, order processing checklists, and more;
- Daily, weekly, quarterly, and annual compliance checklists and audits;
- Consistent coordination between the compliance team and the store leadership team to provide additional tools and resources based on on-the-ground needs;
- Ongoing compliance audits to identify any areas where procedures need to be adjusted to meet new requirements, where confusion may occur, or where additional resources must be allocated to maintain continued compliance; and
- In-store compliance training before every store opening and during ongoing team meetings throughout operations.

Given the importance of compliance, Embarc does not take the results of compliance audits lightly. If any deficiency is identified, our compliance team will log, record, and remedy the deficiency. Within 48 hours of any identified deficiency, the compliance team will meet to discuss the circumstances of the deficiency, how it was remedied, and how it will be avoided in the future. If, after this meeting, the Chief Compliance Officer deems it necessary, a revised SOP will be generated and pushed to all stores effective immediately, and training on the SOP will occur during each employee's next scheduled shift.

Embarc seeks to strike the balance between aggressively pursuing strict compliance with creating a safe space for the team to ask questions, suggest revisions, and otherwise feel that compliance is approachable rather than intimidating. For that reason, compliance is treated as an ongoing conversation.

Rigorous Ongoing Training & Education

To effectively implement protocols and maintain ongoing compliance given the stringent rules and regulations in place, compliance must be a lived value reinforced through consistency. This consistency requires implementing initial and ongoing compliance education that keeps SOPs top of mind and a lived value rather than an aspiration or a check box on a list of “to dos.”

Given the General Manager will ultimately be responsible for the day-to-day activities and performance within the store, San Bruno’s General Manager will receive in-store training at an existing Embarc location prior to training the team and opening the store in San Bruno. Real world experience operating under Embarc’s specific protocols and procedures is vital to living compliance rather than simply understanding it. Furthermore, members of Embarc’s leadership team including operational, human resources, compliance, and training leads will attend and co-lead the new store orientation and training alongside the San Bruno General Manager to provide best practices based on practical experience. This breaks down barriers and facilitates information sharing among Embarc leadership, providing resources during training to improve the operationalization of the store.

Using our “Train the Trainer” approach, after the San Bruno General Manager is fully trained on all Embarc operations at existing locations, they will then be responsible for facilitating training for the San Bruno team as operations are established. All employees, including management staff, will complete training to ensure competency of employees for their assigned functions before operations commence, and in the case of new employees after opening, before working shifts with customers.

Initial training will include significant compliance and security training as part of the comprehensive multi-week training prior to opening a new store. Ongoing compliance education will include, but not be limited to, compliance

quizzes, and weekly and quarterly re-trainings. We will maintain records showing the completion of each employee’s training for a period of two years and provide such records to the City Manager or designee upon request.

Third Party Compliance Software for Self-Auditing

Our use of compliance software and self-auditing tool Simplifya as an additional resource for store leadership and staff is a critical component of maintaining compliance. This software makes mandatory audits easy to use and integrated within our regulatory and compliance structure. Successful audits are incentivized through a compliance metric tied to bonus compensation. This comprehensive approach has proven successful to date.

Compliance with Operating Regulations of San Bruno Municipal Code

While the State of California’s laws and regulations regarding cannabis operations are thorough, the City has taken additional steps to maximize public health and safety. Embarc will maintain strict compliance with Chapters 3.18, 4.70, and 12.300 of San Bruno Municipal Code (SBMC) and all other relevant local rules and regulations such as local building codes and zoning ordinances as further detailed below.

Chapter 3.18 Cannabis Business Tax

§3.18.010 IMPOSITION OF TAX: Embarc acknowledges that beginning January 1, 2023, the cannabis business tax rate is 6% of gross receipts, subject to City Council amendments. The Council may adjust this rate, but it will not exceed 10% of gross receipts.

Chapter 4.70 Commercial Cannabis Operation Permit

§4.70.050 EVIDENCE OF CANNABIS OPERATOR BACKGROUND CHECK REQUIRED: Embarc’s owners or managers are legally authorized to do so under applicable state law and will submit to a criminal background check. Embarc acknowledges that the criminal background checks will, at a minimum, identify the following:

- Convicted of a violent felony as outlined by the California Penal Code §667.5, or comparable offenses from other jurisdictions;
- Involvement in felonies concerning minors in the unlawful distribution or provision of controlled substances; and

- Convictions associated with drug trafficking under §11370.4 or §11379.8 of the Health and Safety Code.

Embarc acknowledges that evidence of a conviction of any of these offenses will be grounds for denial of a permit.

4.70.060 PERSONS PROHIBITED FROM HOLDING A CANNABIS OPERATOR PERMIT: Embarc recognizes that individuals or groups are ineligible for a cannabis operator permit if they fall under any of the circumstances outlined in the given section. We confirm that none of these conditions apply to the owners of Embarc.

§4.70.080 CITY'S RESERVATION OF RIGHTS: Embarc acknowledges the city's right to reject any cannabis operator permit applications, adjust application requests, or even cancel parts of the cannabis program before permit issuance. We understand our application must be punctual, complete, properly formatted, and compliant with all chapter requirements to be considered valid.

§4.70.090 PROCEDURE GUIDELINES AND REVIEW CRITERIA TO EVALUATE CANNABIS OPERATOR APPLICATIONS: Embarc recognizes that City Council has adopted procedure guidelines and review criteria for assessing cannabis operator permit applications and have followed those guidelines for this submission. We have also included the required application fee with this submission. Embarc will enter into a labor peace agreement, will abide by the terms of the agreement, and provide a copy to the City. Specifically, Embarc operates under existing Collective Bargaining Agreements with the United Food and Commercial Workers Union which will be applied here. For the purposes of compliance with this section, Embarc has provided a notarized statement indicating that within thirty-days of cannabis permit from the City, it will enter into and abide by a labor peace agreement. Please see Section 2 – Labor & Community Benefits Plan.

§4.70.100 APPLICATION REVIEW PROCESS: Embarc understands that applications are reviewed based on the established procedure guidelines and review criteria. We are aware that the Community Development Director or their designee will verify whether our proposed business location is correctly zoned for a commercial cannabis operation and meets the necessary separation requirements. Embarc also acknowledges that only approved

applications that meet guidelines set by City Council resolution are eligible for the final selection process. We recognize that applications will be vetted by the City Manager and their chosen team, and only businesses marked with a "pass" will proceed to the City Council for potential permit application. Embarc acknowledges that no cannabis operator permit will be issued until a conditional use permit has been obtained, as stipulated in municipal code Chapter 12.300.

§4.70.110 EXERCISE OF A CANNABIS OPERATOR PERMIT: Embarc acknowledges that any cannabis operator permit granted under this chapter will be valid for twelve months from the date of issuance, with renewals subject to provisions in Section 4.70.130. We understand that we are required to activate the permit within this twelve-month period, which can be achieved by securing a certificate of occupancy, commencing the permitted use on site, or by obtaining a city building or grading permit and lawfully starting construction.

§4.70.120 SCOPE OF APPROVAL: Embarc is aware that if a location has not been in regular and continuous operation for the past four months, it may be deemed abandoned unless mitigating circumstances beyond our control have occurred and the City Manager has authorized an extension. We also understand that any approval of a new use at the same site or location will conclude all rights and approvals for Embarc as a cannabis operator at that location.

§4.70.130 RENEWAL OF CANNABIS OPERATOR PERMIT: Embarc is fully aware that we must submit our application for renewal of our cannabis operator permit at least 60 calendar days before the current permit's expiration. We understand this renewal application should include all the information required for new applications or any additional information as required by the City Manager. We acknowledge our obligation to pay a renewal fee set by the City Council. We understand that the renewal application can be rejected if we apply less than 60 days before the expiration, if our permit is suspended or revoked, or if we have not operated regularly and continuously in the four months preceding the application. Non-compliance with permit requirements, failure to renew our state of California license, violation of state rules and regulations, or failure to pay city taxes or fees could also result in rejection of

our renewal application. Embarc recognizes that the City Manager has the authority to decide on the issuance of a renewal permit and can impose additional conditions on a renewal permit if deemed necessary to ensure compliance with State or local laws and regulations, or to preserve public health, safety, or welfare.

§4.70.140 REVOCATION OF A CANNABIS OPERATOR PERMIT: Embarc acknowledges that our cannabis operator permit could be revoked in the event of any violations of State or local laws, municipal codes, rules, standards, policies, procedures, regulations, or conditions of approval related to cannabis stipulated in this chapter or adopted pursuant to this chapter. This also includes any violation of conditions of approval of a land use entitlement issued to us as a cannabis operator.

§4.70.150 EFFECT OF STATE LICENSE SUSPENSION OR REVOCATION: Embarc recognizes that if our State license is suspended or revoked, our ability to operate within the City will also be immediately suspended or revoked until our State license is reinstated or reissued. In such a case, we understand that we can re-apply for a cannabis operator permit when we can demonstrate that the grounds for the State's license revocation no longer exist or the underlying deficiency has been corrected.

§4.70.160 APPEALS: Embarc acknowledges that the appeals process will be conducted as prescribed in this chapter.

§4.70.170 ADMINISTRATIVE HEARING AND PROCEEDINGS: Embarc acknowledges the administrative hearing and proceedings process will be conducted as prescribed in this chapter.

§4.70.180 TRANSFER OF CANNABIS OPERATOR PERMIT: Embarc acknowledges that any transfer of ownership or control of our cannabis operator permit to another party requires that party to obtain an amendment to the permit from the City Manager. Such amendment can only be obtained if the proposed transferee files an application as if they were applying for an original permit, along with a transfer fee. We understand that this application will be evaluated as a new one. We also understand that a transferred permit will be valid for one year from the day of transfer approval and the transferee will have to apply for

a renewal before it expires. We are also cognizant of the fact that no transfer is permitted when the permit may be or has been suspended or revoked, and any attempt to violate this stipulation is a ground for permit revocation.

§4.70.190 RIGHT TO OCCUPY AND TO USE PROPERTY: Embarc recognizes that before we are issued a cannabis operator permit, we must first provide ample evidence of our legal right to occupy and use the proposed location for our commercial cannabis operation. We have provided a signed and notarized statement from the property owner, affirming that they have read this chapter and consent to the operation of our commercial cannabis business on their property. Please see PDF File #5.

§4.70.200 RECORDS AND RECORD KEEPING: Embarc understands the importance of maintaining detailed electronic records of our commercial cannabis operation's revenues, expenses, assets, and liabilities. We commit to providing annual financial audits, gross receipts, and regulatory compliance reviews as required. Additionally, we will maintain an up-to-date register of all individuals with interest in, or employment with, Embarc, and will ensure an accurate inventory control and reporting system tracking all cannabis and cannabis products throughout their lifecycle, as set forth in the MAUCRSA.

Chapter 12.300 Commercial Cannabis Operations

§12.300.040 PERMITS AND APPROVALS REQUIRED:

Conditional Use Permit. If selected to operate, Embarc will obtain a conditional use permit pursuant to Chapter 12.112.

Commercial Cannabis Operator Permit. Embarc will apply for and obtain a commercial cannabis operator permit pursuant to Chapter 4.70. Embarc acknowledges that a commercial cannabis operator permit will not be issued until a conditional use permit has been obtained.

Business License. Embarc will obtain a business license to operate within the City of San Bruno.

State License. Embarc will obtain all State licenses for the cannabis retail sales and delivery to be conducted.

Operations Plan. Before commencing a retail cannabis operation, Embarc will submit an operations plan to the

Director of Community and Economic Development (Director) for approval. The plan will address the following: the security measures plan; water preservation; financial record keeping; procedures for safely and securely storing and transporting cannabis and cannabis products, and any hazardous materials that may be used by Embarc; how currency will be stored and taken off site; and any other information requested by the Director.

Duty to Maintain Copies of All Permits, Licenses, Permits, and Conditions of Approval. Embarc will keep all requisite city, county, and state permits, including the conditional use permit and commercial cannabis operator permit, on-site, ready for immediate inspection by relevant authorities. Our team, including managers, owners, and representatives, commits to ensuring full compliance with all conditions of approval and related codes.

§12.300.050 COMPLIANCE WITH STATE AND LOCAL LAWS AND REGULATIONS: Embarc acknowledges that it is the responsibility of its owners and/or operators to ensure that Embarc operates in a manner compliant with this chapter, all applicable State and local law, and any other regulations promulgated thereunder, including MAUCRSA and regulations promulgated the DCC.

§12.300.060 ADDITIONAL PROCEDURES AND FINDINGS FOR APPROVAL OF CONDITIONAL USE PERMIT FOR CANNABIS OPERATIONS: Embarc acknowledges that a conditional use permit for any cannabis operation will be processed in accordance with the procedures set forth in Chapter 12.112, Conditional Use Permits, along with the revisions outlined in this section. Embarc acknowledges that any conditional use permit for a cannabis operation will comply with the California Environmental Quality Act ("CEQA") and no conditional use permit for any cannabis operation will be granted until the requisite CEQA review has been conducted.

§12.300.070 DEVELOPMENT STANDARDS: Embarc will comply with the following requirements and acknowledges that the following applicable requirements of this section are conditions of all cannabis conditional use permit approvals. Embarc acknowledges that the Planning Commission and/or City may also impose any development standards and that failure to comply will be grounds for revocation of any permit issued.

Underlying Zone Standards. Embarc will comply with all applicable City zoning site development standards of the zone in which the proposed property is located, the building and construction codes, maximum occupancy loads, fire codes, and health and safety regulations in effect in the City, except as explicitly modified by this chapter. If Embarc's proposed property is nonconforming, it will be brought into conformity with all applicable standards, including, but not limited to, parking, landscaping, and signage.

Permitted Locations. Embarc acknowledges that cannabis retailers will only be permitted in the following zones:

- Transit Corridors Plan areas:
 - Transit Oriented Development - Medium Density Mixed-Use District (TOD-1),
 - Transit Oriented Development - High Density Mixed-Use District (TOD-2),
 - Planned Development District (P-D) for Mills Park, and
 - Planned Development District (P-D) for 111 San Bruno Avenue.
- The Multi Use - Residential Focus District (MX-R)

Maximum Number. Embarc acknowledges that a maximum of two commercial cannabis operations will operate in the City, with any combination of one cannabis retailer and up to two cannabis distribution facilities as long as the total number does not exceed two.

Proximity to Sensitive Uses. Embarc's proposed location is not within 600 feet of sensitive uses. Embarc acknowledges how the distance between any commercial cannabis operation and any sensitive uses will be measured according to this section.

§12.300.090 CANNABIS RETAILERS: Embarc will have a building with a main entrance that is clearly visible from the public street, sidewalk, or public parking lot. Inside the main entrance, there will be a Screening Lobby to receive persons into the site and to verify they are allowed in the retail customer areas. The entrances into Embarc's building will always be secured with entry controlled by Embarc's managers and staff.

Embarc plans to conduct sales by delivery and will have an area designed for the secure transfer of cannabis from Embarc's licensed premises to the delivery vehicle. [REDACTED]
[REDACTED]
[REDACTED]

Embarc's licensed premises will have adequate storage space separated from the main entrance and Screening Lobby and will be secured by a lock accessible only to Embarc's managers and staff.

Embarc will verify the age and all necessary documentation of each individual to ensure the customer is not a juvenile and verify that all customers are 21 years of age or older for the purchase of cannabis or cannabis products.

Embarc will require individuals to show their government-issued identification in order to gain access to the licensed premises. Embarc will only sell cannabis and cannabis products to individuals who are at 21 years of age.

Embarc will have only that quantity of cannabis and cannabis products to meet the daily demand readily available for sale on site in the Retail Sales Area. Additional products will be stored in a secured, locked Secure Product Storage Room to which customers, vendors, and visitors will not have access.

Embarc's restroom facilities will remain locked and under the control of management.

Embarc will notify patrons of the following through posting of a sign in a conspicuous location:

- Secondary sale, barter, or distribution of cannabis is a crime and can lead to arrest;
- Loitering on and around Embarc's premises is prohibited by California Penal Code §647(e);
- Patrons must immediately leave after completing their purchase;
- Patrons may not consume cannabis in the vicinity of Embarc's site, on the property, or in the parking lot; and
- Patrons may be subject to prosecution under federal cannabis laws; and
- The use of cannabis may impair a person's ability to

drive a motor vehicle or operate machinery.

Embarc will only serve customers who are within the permitted premises, or at a delivery address that meets the following requirements:

- Embarc will not sell or deliver cannabis goods through a pass-through window or a slide-out tray to the exterior of the premises;
- Embarc will not operate as or with a drive-in or drive-through at which cannabis goods are sold to persons within or about a motor vehicle;
- Embarc will not sell or deliver cannabis goods by any means or method to any person within a motor vehicle; and
- All cannabis goods sold by Embarc will be contained in child-resistant packaging.

Embarc will record point-of-sale (POS) areas and areas where cannabis goods are displayed for sale on the video surveillance system. At each POS location, camera placement will allow for the recording of the facial features of any person purchasing or selling cannabis goods, or any person in the retail area, with sufficient clarity to determine identity.

Prior to commencing delivery operations, Embarc will provide the following information to the City:

- Proof of ownership of the vehicle or a valid lease for all vehicles that will be used to deliver cannabis or cannabis products;
- The year, make, model, color, license plate number, and numerical Vehicle Identification Number (VIN) for all vehicles that will be used to deliver cannabis goods;
- Proof of insurance for all vehicles being used to deliver cannabis goods;
- Embarc will provide the City with the information required by this section in writing for any new vehicle that will be used to deliver cannabis goods prior to using the vehicle to deliver cannabis goods. Embarc will provide the City with any changes to the information required by this section in writing within thirty calendar days.

§12.300.100 SECURITY:

[REDACTED]

• [REDACTED]

• [REDACTED]

• [REDACTED]

• [REDACTED]

• [REDACTED]

• [REDACTED]

• [REDACTED]

[REDACTED]

• [REDACTED]

• [REDACTED]

• [REDACTED]

• [REDACTED]

• [REDACTED]

[REDACTED]

• [REDACTED]

[illegible]

[REDACTED]

[illegible]

[REDACTED]

Embarc will notify the City Manager within 24 hours after discovering any of the following:

- Any significant discrepancies identified during inventory reconciliation. Embarc acknowledges that the level of significance will be determined by the regulations promulgated by the City Manager;
- Diversion, theft, loss, or any criminal activity involving Embarc or any agent or employee;
- The loss or unauthorized alteration of records related to cannabis, customers or employees, or agents of Embarc; or
- Any other breach of security.

Embarc acknowledges that compliance with the foregoing requirements will be verified by the City Manager prior to beginning business operations and the City Manager may supplement these security requirements once operations begin.

§12.300.110 ADDITIONAL PERFORMANCE STANDARDS: Restriction on Alcohol and Tobacco Sales or Consumption. Embarc will not allow the sale, dispensing, or consumption of alcoholic beverages or tobacco on the premises.

Restriction on Cannabis Consumption. Embarc will not allow the consumption of cannabis or cannabis products on the premises of the commercial cannabis operation.

Graphics. No cannabis or cannabis products or graphics depicting cannabis or cannabis products will be visible from the exterior of Embarc's premises, or on any of the vehicles owned or used as part of the business's operation.

Storage. Embarc will not store cannabis or cannabis products outdoors at any time.

Emergency Contact. Embarc will provide the City Manager with the name, telephone number (both land line and mobile) of an on-site employee or owner to whom emergency notice can be provided at any hour of the day.

Signage and Notices.

- Embarc acknowledges that business identification signage for a commercial cannabis operation will conform to the requirements of Chapter 12.104, including, seeking the issuance of a City sign permit.
- Embarc will not place any signage that obstructs any entrance or exit to the building or any window.
- Embarc will visibly display clear notices at each entrance, indicating the prohibition of smoking, ingesting, or any form of cannabis consumption on the premises or nearby areas.
- Embarc will only use signage for business identification, without logos or service/product details. No person will advertise Embarc by holding signs for passersby, on or off the premises, including public right-of-way areas.
- Embarc's signage will not depict any image of cannabis or cannabis products. No banners, flags, snipe signs, billboards, or other prohibited signs will be used at any time.

Cleanliness. All exterior areas of Embarc, including the building, landscaping, and parking areas, will be maintained in a clean and orderly manner free of trash, weeds, and debris.

Lighting. Embarc will adhere to the City's lighting standards, ensuring safe operation of vehicles in exterior and parking areas, and securing any necessary approvals or permits. This includes submitting a detailed exterior lighting plan incorporating a photometric survey of proposed light standards, fixtures, sources, spacing, and shielding.

Noise. Embarc will comply with all applicable standards of Chapter 6.16.

Odor Control. Embarc commits to implementing odor control measures to prevent cannabis smells from reaching outside its premises, acknowledging that failure to do so may lead to suspension or revocation of its permit. These measures include an exhaust air filtration system with odor control and an air system creating negative pressure between the building's interior and exterior, or other methods deemed more effective by the Director.

Management. An Embarc manager with operational authority will be on the premises during all times the

business is operating and will be included on the associated commercial cannabis operation permit.

Cannabis Waste. All Embarc's cannabis waste and disposal containers will be stored in a secure area, and under the control of staff.

Windows. All windows of Embarc's premises will be secured.

Copies of State Permits. Embarc will provide the City with copies of all applications, plans, and Security Plans submitted to the State for a State license.

Parking. Embarc acknowledges that on-site parking must be provided as determined by the Director based on the operation of the facility and that the planning commission and/or City may also impose other performance standards that do not conflict with the standards set forth in this chapter.

§12.300.120 PROMULGATION OF REGULATIONS, STANDARDS, AND OTHER LEGAL DUTIES: Embarc understands that the City Manager can set additional rules beyond existing City regulations regarding the management and renewal of conditional use permits and cannabis operations. It acknowledges that these rules will be posted on the City's website and effective from the publication date. Embarc commits to adhering to all State, and local laws and any new regulations introduced by the City Manager.

§12.300.130 LIMITATIONS ON CITY'S LIABILITY: Embarc recognizes that the City is not liable for any issues arising from the approval or operation of cannabis businesses. As a condition of permit approval, Embarc agrees to indemnify the City against any associated claims or liabilities, maintain suitable insurance as determined by the City Manager, and reimburse the City for any costs or legal fees stemming from any legal challenges related to the City's approval of a conditional use permit, operator permit, or cannabis activities.

Complying with State Law

The Department of Cannabis Control (DCC) has more than 200 pages of regulations governing commercial cannabis activity. For brevity, the following briefly summarizes compliance with the most relevant regulatory requirements.

§15000.1. GENERAL REQUIREMENTS: Embarc will obtain and maintain a valid license from the DCC for the premises at which commercial cannabis activity is conducted and will only conduct commercial cannabis activity between licensees. Embarc will only conduct commercial cannabis activities authorized by the license and on the premises licensed for the activity and all transfers of cannabis and cannabis product will be conducted by a licensed distributor. Embarc San Bruno's license will not be transferable or assignable to another person or premises, except as provided in §26050.2 of the California Business and Professions Code (CA BPC), and in the event of the sale or other transfer of the commercial cannabis business, changes in ownership will be made in accordance with §15023. Embarc will use its legal business name on all documents related to commercial cannabis activity.

§15000.5. RESPONSIBILITY FOR ACTS OF EMPLOYEES AND AGENTS: Embarc acknowledges that the act, omission, or failure of an agent, officer, representative, or other person acting for or employed by Embarc, within the scope of their employment or office, will in every case be deemed the act, omission, or failure of Embarc.

§15000.6. AGE RESTRICTION: Embarc will not retain or employ anyone under the age of 21.

§15000.7. STORAGE OF INVENTORY: Embarc will store all inventory on the licensed premises and within a limited-access area. No cannabis goods will be stored outdoors. Employee break rooms, changing facilities, and bathrooms will be separated from all storage areas.

§15002. ANNUAL LICENSE APPLICATION REQUIREMENTS: Embarc will comply with all license submission and maintenance requirements as specified by the DCC.

§15025. ADDITIONAL PREMISES REQUIREMENTS FOR RETAILERS AND MICROBUSINESSES AUTHORIZED TO ENGAGE IN RETAIL: Embarc will only serve customers who are within the licensed premises, or at a delivery address that meets DCC requirements. Embarc will not sell or deliver cannabis goods through a pass-out window or slide-out tray to the exterior of the premises and will not operate as or with a drive-in or drive-through. No cannabis goods will be sold to any person within a motor vehicle, except for curbside delivery conducted pursuant to

§15504. Alcoholic beverages will not be stored or consumed on the premises. Cannabis goods will not be dispersed in the air by an oil diffuser or any other vaporizing device. No cannabis consumption will occur onsite unless expressly permitted as a cannabis lounge and with appropriate State and local licensing.

§15034. SIGNIFICANT DISCREPANCY IN INVENTORY: Embarc will determine whether a discrepancy in inventory is significant based upon a five percent difference between the physical inventory and the inventory recorded in the track-and-trace system.

§15036. NOTIFICATION OF THEFT, LOSS, AND CRIMINAL ACTIVITY: Embarc will notify the DCC and local law enforcement within 24 hours of discovery of any of the following: a significant discrepancy, as defined in §15034, in inventory; diversion, theft, loss, or any other criminal activity pertaining to operations; diversion, theft, loss, or any other criminal activity by an agent or employee pertaining to operations; loss or unauthorized alteration of records related to cannabis or cannabis products, customers, or employees or agents; or any other breach of security.

§15037. GENERAL RECORD RETENTION REQUIREMENTS: Embarc will keep and maintain the following records related to commercial cannabis activity for at least seven years: financial records, personnel records, training, contracts with other licensees, permits, licenses, and other authorizations to conduct commercial cannabis activity, security records, records relating to the composting or destruction of cannabis goods, documentation for data in the track-and-trace system, and all other documents prepared or executed by an owner or their employees or assignees in connection with the licensed commercial cannabis business. All required records will be legible and will be stored in a secured area where they are protected from debris, moisture, contamination, hazardous waste, fire, and theft. All records are subject to review by the DCC as well as other governmental agencies.

§15039. LICENSE POSTING REQUIREMENT: Embarc will prominently display all licenses on the premises where they can be viewed by agencies and within plain sight of the public. Embarc will post its DCC-issued QR Code, where it can be scanned from outside of the premises, at the size indicated in this section and of sufficient clarity that the code

can be read by a smartphone or device capable of reading QR Codes from a distance of at least three feet.

§15040. ADVERTISING PLACEMENT & PROHIBITIONS: Any advertising or marketing that is placed in broadcast, cable, radio, print, and digital communications will only be displayed after Embarc has obtained reliable up-to-date audience composition data (as defined in regulations) demonstrating that at least 71.6% of the audience viewing the advertising is reasonably expected to be 21 years of age or older; will not use any depictions or images of minors or anyone under 21 years of age; will not use any images that are attractive to children; will not imitate candy packaging or labeling or utilize the terms “candy” or “candies” or variants in spelling; and will not advertise free cannabis goods or cannabis accessories. Embarc will provide the DCC audience composition data for advertising or marketing upon request. If the DCC determines that audience composition data for advertising or marketing provided does not comply with these requirements, Embarc will remove the advertising or marketing placement. Any outdoor signs, including billboards, will be affixed to a building or permanent structure, will comply with the provisions of the Outdoor Advertising Act, commencing with §5200 of the CA BPC, if applicable, and will not be located within a 15-mile radius of the California border on an Interstate Highway or on a State Highway that crosses the California border.

§15040.1. MARKETING CANNABIS GOODS AS ALCOHOLIC PRODUCTS: Embarc will not market, advertise, sell, or transport cannabis goods that are labeled as beer, wine, liquor, spirits, or any other term that may create a misleading impression that the product is an alcoholic beverage.

§15041. AGE CONFIRMATION IN ADVERTISING: Prior to any advertising or marketing involving direct, individualized communication or dialogue, Embarc will use age affirmation to verify that the recipient is 21 years of age or older. Direct, individualized communication or dialogue may occur through any form of communication and a method of age verification is not necessary for a communication if Embarc can verify that it has previously had the intended recipient undergo a method of age affirmation and is reasonably certain that the communication will only be received by the intended recipient. Embarc will use a method of age affirmation before having a potential customer

added to a mailing list, subscribe, or otherwise consent to receiving direct, individualized communication or dialogue from Embarc.

§15041.1. BRANDED MERCHANDISE: Branded merchandise (non-consumable consumer goods utilized for advertising and marketing purposes) will include Embarc's license number in a manner that is permanently affixed to the merchandise, legible, and clearly visible from the outside of the merchandise. It will not be designed in a manner attractive to children.

§15041.2, §15041.3, §15041.4, §15041.5, §15041.6 AND §15041.7. TRADE SAMPLES: Embarc will obtain trade samples in compliance with all pertinent regulations.

§15042. PREMISES ACCESS REQUIREMENTS: Only employees and other authorized individuals can access the licensed premises. All permitted non-employee individuals will be escorted by an employee at all times, and Embarc will maintain a record of all such access, including the name, company, reason for entry, date, and times entered and exited. These records will be available upon request. Embarc will never obtain compensation for such access.

§15043. LICENSEE EMPLOYEE BADGE REQUIREMENT: All agents, officers, or other persons acting for or employed by Embarc will display a laminated or plastic-coated identification badge issued by Embarc at all times while engaging in commercial cannabis activity. The identification badge will, at a minimum, include Embarc's "doing business as" name and license number, the employee's first name, an employee number exclusively assigned to that employee for identification purposes, and a color photograph of the employee that clearly shows the full front of the employee's face and that is at least 1" in width and 1.5" in height.

§15044 - §15047. VIDEO SURVEILLANCE SYSTEM, SECURITY PERSONNEL, LOCKS, & ALARM SYSTEM: Embarc will comply with all regulations pertaining to security as outlined in §15044. - §15047. To avoid redundancy, this is further detailed in Section 5 - Security Plan.

§15047.1. - §15051. TRACK-AND-TRACE: Embarc will comply with all regulations pertaining to CCTT-Metric, as outlined in §15047.1. - §15051. To avoid redundancy,

this is further detailed in Section 1.9.1.C. Point-of-Sale System.

§15052. RETURNS: Embarc may return cannabis and cannabis products to the originating licensee for lawful business purposes in accordance with the following:

- Cannabis and cannabis products will not be reprocessed, rebranded, relabeled, physically repackaged, have their expiration dates amended, or be modified in any way without prior approval from the DCC.
- Returns of cannabis and cannabis products will be recorded in the track-and-trace system on a return manifest that will contain the reason for the return.
- Cannabis and cannabis products will not be transported pursuant to a return unless Embarc and the licensee receiving the cannabis and cannabis products have both consented to the return.

§15052.1. ACCEPTANCE OR REJECTION OF SHIPMENTS: Embarc will accept or reject, in whole, shipments of cannabis or cannabis products. If Embarc receives a shipment containing any cannabis/products that were damaged during transportation, Embarc will reject that portion of the shipment that was damaged. If Embarc receives a shipment containing cannabis or cannabis products that is non-compliant with labeling requirements or exceeds its provided expiration date, Embarc will reject the portion of the shipment that is non-compliant with labeling requirements or expired. When rejecting a shipment of cannabis or cannabis products, whether in whole or in part, Embarc will record in the track-and-trace system and indicate on any relevant manifest, invoice, or sales receipt the specific reason for rejection.

§15400. ACCESS TO RETAILER PREMISES: Access will be limited to those over the age of 21.

§15402. CUSTOMER ACCESS TO THE RETAIL AREA: Customers will only be granted access to the retail area to purchase cannabis goods after an Embarc employee has confirmed the individual's age and identity. At least one employee will be physically present in the retail area at all times a customer is present. Sales will only occur in the retail sales area, or via authorized delivery.

§15403. HOURS OF OPERATION: Embarc acknowledges

that pursuant to State law, cannabis retail storefronts may operate between the hours of 6 am and 10 pm. Please see Section 1.8. Hours of Operation for further details on Embarc San Bruno's proposed hours of operation.

§15403.1. REQUIREMENTS WHILE NOT OPEN FOR BUSINESS: The licensed premises will be securely locked with commercial-grade, nonresidential door locks and equipped with an active alarm system at any time it is not open for retail sales.

§15404. RETAIL CUSTOMERS: Embarc will only sell cannabis goods to individuals after confirming their age and identity via an acceptable form of identification. This is further outlined in Section 1.9.1.a. Customer Check-In Procedures.

§15405. CANNABIS GOODS DISPLAY: Cannabis goods for inspection and sale will only be displayed in the retail area. Cannabis goods may be removed from their packaging and placed in containers to allow for customer inspection but will not be readily accessible to customers without the assistance of an employee, who must provide the container to the customer for inspection. Goods removed from their packaging for display will not be sold or consumed and will be destroyed when no longer used for display.

§15406. CANNABIS GOODS FOR SALE: Embarc will not make any cannabis goods available for sale or delivery to a customer unless they were received from a licensed distributor or licensed microbusiness authorized to engage in distribution and Embarc has verified that the cannabis goods have not exceeded their best-by, sell-by, or expiration date if one is provided. In the case of manufactured cannabis products, the product must comply with all requirements of CA BPC §26130. The cannabis goods must have undergone laboratory testing as required by the DCC; the batch number must be labeled on the package of cannabis goods and must match the batch number on the corresponding Certificate of Analysis for regulatory compliance testing; the packaging and labeling of the cannabis goods complies with CA BPC §26120 and all applicable regulations within the Division as well as California Code of Regulations; and the cannabis goods comply with all applicable requirements found in the California statute and applicable State and local regulations.

§15407. SALE OF NON-CANNABIS GOODS: In addition to cannabis, Embarc may sell only cannabis accessories and branded merchandise and may provide promotional materials.

§15408. SALE OF LIVE PLANTS AND SEEDS: Embarc will only sell live, immature cannabis plants and cannabis seeds if all of the following requirements are met: the plant is not flowering, is shorter and narrower than 18 inches, and the plant or seed originated from a nursery that holds a valid license from the DCC or a licensed microbusiness authorized to engage in cultivation. Embarc will not sell any other live plants and will never apply nor use any pesticide, nor cause any pesticide to be applied nor used, on live plants.

§15409. DAILY LIMITS: Embarc will not sell more than the following amounts to a single adult-use cannabis customer in a single day:

- 28.5 grams of non-concentrated cannabis.
- 8 grams of cannabis concentrate as defined in CA BPC §26001, including cannabis concentrate contained in cannabis products.
- 6 immature cannabis plants.

Per San Bruno Municipal Code, Embarc San Bruno will not sell medicinal cannabis to patients.

The limits provided will not be combined to allow a customer to purchase goods in excess of any of the limits provided. We will be responsible for determining the amount of cannabis concentrates found in manufactured cannabis products sold to customers comply with the requirements set forth above.

§15410. CUSTOMER RETURN OF CANNABIS GOODS: Embarc will only accept returns of cannabis goods purchased from Embarc. We will not resell products that have been returned and will treat any cannabis goods abandoned on the premises as a return. Defective manufactured cannabis products returned by customers to Embarc will be destroyed pursuant to approved waste disposal practices or returned to the licensed distributor from which they were obtained.

§15412. PROHIBITION ON PACKAGING AND LABELING BY

A RETAILER: Embarc will not accept, possess, or sell cannabis goods that are not packaged as they will be sold at final sale and will not package or label cannabis goods. We may place a barcode or similar sticker on the packaging of a cannabis good to be used in inventory tracking, but a barcode or similar sticker will not obscure any other required labels.

§15413. CANNABIS GOODS PACKAGING AND EXIT PACKAGING:

All cannabis goods sold will comply with packaging. All purchases will not leave the premises unless placed in an opaque exit package. Immature plants and seeds are not required to be placed in resealable, tamper-evident, child-resistant packaging.

§15415. DELIVERY EMPLOYEES: All deliveries will be made in person by an employee who is at least 21 years of age and never through an “unstaffed” vehicle. Deliveries of cannabis goods will be received by customers only during compliant hours of operation. Delivery employees will return to the licensed premises after making their last delivery of the day if they have any unsold cannabis goods to return to the premises. The delivery employee may not engage in any activities except for cannabis goods delivery and necessary rest, fuel, or vehicle repair stops.

A delivery employee will carry a copy of the commercial cannabis license and QR Code, the employee’s government-issued identification, and an identification badge. Prior to providing cannabis goods to a delivery customer, a delivery employee will confirm the identity and age of the delivery customer as required by the identification verification procedures contained in this document. Embarc will maintain an accurate list of the delivery employees and will provide the list to government agencies as requested.

§15415.1. DELIVERIES FACILITATED BY TECHNOLOGY PLATFORMS:

Embarc will not sell or otherwise transfer any cannabis goods to a customer through the use of an unlicensed third party, intermediary business, broker, or any other business or entity. Embarc may contract with a service that provides a technology platform to facilitate the sale and delivery of cannabis goods, in accordance with all of the following:

- Embarc does not allow for delivery of cannabis

goods by a technology platform service provider.

- Embarc does not share in the profits of the sale of cannabis goods with the technology platform service provider, or otherwise provide for a percentage or portion of the cannabis goods sales to the technology platform service provider.
- Embarc will not advertise or market cannabis goods in conjunction with the technology platform service provider, outside of the technology platform, and will ensure that the technology platform service provider does not use Embarc’s license number or legal business name on any advertisement or marketing that primarily promotes the services of the platform.
- Embarc will ensure the following information is provided to customers: any cannabis goods advertised or offered for sale on or through the technology platform will disclose, at a minimum, Embarc’s business name and license number and customers placing an order for cannabis goods through the technology platform must be able to easily identify that each cannabis good is being ordered or purchased from Embarc. This information will be available to the customer prior to the customer placing an order or purchasing the cannabis goods.
- All required sales invoices and receipts, including any receipts provided to the customer, will disclose, at a minimum, Embarc’s legal business name and license number.
- All other delivery, marketing, and advertising requirements under the Division are complied with.

§15416. DELIVERY TO A PHYSICAL ADDRESS: An Embarc delivery employee will only deliver cannabis goods to a physical address in California and will not leave the State while possessing cannabis goods. We will not deliver cannabis goods to an address located on publicly owned land or any address on land or in a building leased by a public agency. This prohibition applies to land held in trust by the United States for a tribe or an individual tribal member unless the delivery is authorized by and consistent with applicable tribal law. A delivery employee may deliver to any jurisdiction within California, provided that such delivery is conducted in compliance with all delivery provisions. A delivery employee will not deliver cannabis goods to a school providing instruction in kindergarten or any grades 1 through 12, daycare center, or youth center.

§15417. DELIVERY VEHICLE REQUIREMENTS: Employees will only travel in an enclosed motor vehicle while engaged in deliveries. Any vehicle used will be operated by an employee of Embarc. A vehicle used in the delivery of cannabis goods will not have any marking or other indications on the exterior of the vehicle that may indicate that the delivery employee is carrying cannabis goods for delivery. Only store employees will be in the delivery vehicle.

While carrying cannabis goods for delivery, an employee will ensure the cannabis goods are not visible to the public. Cannabis goods will be stored in a secure, fully enclosed trunk that cannot be accessed from inside the vehicle, or in a secured area or compartment within the interior of the vehicle. A “secured area” is defined as an area where solid or locking metal partitions, cages, or high-strength shatterproof acrylic can be used to create a secure compartment in the fully enclosed vehicle. The secured area may be comprised on three sides by any part of the body of the vehicle, provided the parts of the vehicle used for the purposes of this section are shatterproof and are not made of glass.

The employee will not leave goods in an unattended motor vehicle unless it is locked and equipped with an active alarm system. Any cannabis goods left in an unattended vehicle must be stored in a container.

The vehicle will be outfitted with a dedicated Global Positioning System (GPS) device for identifying the location of the delivery vehicle and recording a history of all locations traveled to by the delivery employee while engaged in delivery. The device will be either permanently or temporarily affixed to the delivery vehicle and will always remain active and inside the delivery vehicle during delivery.

At all times, Embarc will be able to identify the geographic location of all delivery vehicles that are making deliveries and document the history of all locations traveled to by a delivery employee while engaged in delivery. Embarc will provide this information to the DCC as well as other government agencies upon request. The history of all locations traveled to by a delivery employee while engaging in delivery will be maintained by Embarc for a minimum of 90 days.

Embarc will provide government agencies with information

regarding any vehicle used for delivery, including the vehicle's make, model, color, Vehicle Identification Number, license plate number and Department of Motor Vehicles registration information. Vehicles used to deliver cannabis goods may be stopped and inspected by the DCC at any licensed premises or during delivery.

§15418. CANNABIS GOODS CARRIED DURING DELIVERY: Embarc's delivery employees will not carry cannabis goods in the delivery vehicle with a value in excess of [REDACTED] at any time. The value of cannabis goods will be determined using the current retail price of all goods carried by, or within the delivery vehicle of, Embarc's delivery employee. A delivery employee will depart and return to the same retail store before taking possession of any cannabis goods from another retail store performing deliveries.

Before leaving the licensed premises, Embarc's delivery employees will have a delivery inventory ledger of all cannabis goods provided to them. The contents of the delivery inventory ledger will comply with the requirements of §15049.3. During the delivery trip, the delivery employee will maintain the delivery inventory ledger in either hard or electronic copy, which may be maintained in the track-and-trace system. After each customer delivery, the delivery inventory ledger will be updated to reflect the current inventory in the delivery employee's possession. The delivery ledger will be updated in accordance with the requirements of §15049.3 and will be entered into the track-and-trace system no later than the end of the day on which the delivery occurred.

The delivery employee will maintain a log that includes all stops from the time the delivery employee leaves Embarc to the time that the delivery employee returns to Embarc, and the reason for each stop. The log will be turned in to the delivery manager when the driver returns to Embarc. Embarc will maintain the log as a commercial cannabis activity record as required by the DCC. The log may be maintained electronically.

Prior to arrival at any delivery location, Embarc will have received a delivery request from the customer and provided the delivery request receipt to the delivery employee electronically or in hard copy. The delivery request receipt provided to the delivery employee will contain all

the information previously described, except for the date and time the delivery was made, and the signature of the customer.

Immediately upon request by the DCC or any law enforcement officer, the delivery employee will provide: (1) All delivery inventory ledgers from the time the driver left Embarc up to the time of the request; (2) All delivery request receipts for cannabis goods carried by the driver, in the delivery vehicle, or any deliveries that have already been made to customers; and (3) The log of all stops from the time the delivery employee left Embarc up to the time of the request.

If the driver does not have any delivery requests to be performed for a 30-minute period, the driver will not make any additional deliveries and will return to the retail premises. Required meal breaks will not count toward the 30-minute period. Upon returning to the licensed premises, all undelivered cannabis goods will be returned to Embarc's inventory and recorded within the track-and-trace system in accordance with §15049.3.

§15419. CANNABIS CONSUMPTION DURING DELIVERY: A delivery employee will not consume cannabis goods while delivering cannabis goods to customers.

§15420. DELIVERY REQUEST RECEIPT: Embarc will prepare a hard copy or electronic delivery request receipt for each delivery of cannabis goods. The delivery request receipt will contain the following: the name and address of Embarc; the first name and employee number of the delivery employee who delivered the order; the first name and employee number of the employee who prepared the order for delivery; the first name of the customer and a customer number for the person who requested the delivery; the date and time the delivery request was made; the delivery address; and a detailed description of all cannabis goods requested for delivery.

The description will include the weight, volume, or any other accurate measure of the amount of all cannabis goods requested; the total amount paid for the delivery, including any taxes or fees, the cost of the cannabis goods, and any other charges related to the delivery; and upon delivery, the date and time the delivery was made, and the handwritten or electronic signature of the customer who

received the delivery.

At the time of the delivery, the delivery employee will provide the customer who placed the order with a hard or electronic copy of the delivery request receipt. The delivery employee will retain a hard or electronic copy of the signed delivery request receipt for the licensed retailer's records.

An employee number is a distinct number assigned by Embarc to an employee that would allow Embarc to identify the employee in documents or records using the employee number rather than the employee's full name. Embarc will be able to identify the employee associated with each employee number upon request from the DCC. A customer number is a distinct number assigned by Embarc to a customer that would allow Embarc to identify the customer in documents or records using the customer number rather than the customer's full name. Embarc will be able to identify the customer associated with each customer number upon request from the DCC or local regulators.

§15421. DELIVERY ROUTE: While making deliveries of cannabis goods, a delivery employee will only travel from Embarc to the delivery address; from one delivery address to another delivery address; or from a delivery address back to Embarc. A delivery employee will not deviate from the delivery path described in this section, except for necessary rest, fuel, or vehicle repair stops, or because road conditions make continued use of the route unsafe, impossible, or impracticable.

§15422. RECEIVING SHIPMENTS OF INVENTORY: Embarc will only receive a shipment of cannabis goods from a licensed distributor or licensed microbusiness authorized to engage in distribution and only within hours allowable by State law and local conditions. Shipments of cannabis goods will not enter the licensed premises through an entrance or exit that is available for use by the public. To avoid redundancy, this is further detailed in this submission in Section 1.9.1.b. Location & Procedures for Receiving Deliveries.

§15423. INVENTORY DOCUMENTATION: Embarc will maintain an accurate record of its inventory and will be prepared to provide the DCC with the record of inventory immediately upon request. The record will include a

description of each item such that the goods can be easily identified; the date and time the goods were received; the sell-by or expiration date (if any); the name and license number of the distributor; and the price paid for the goods (including taxes, delivery costs and any other costs).

\$15424. INVENTORY RECONCILIATION: Embarc will be able to account for all its inventory. In conducting a reconciliation, Embarc will verify that the physical inventory is consistent with the records pertaining to inventory. The result of inventory reconciliation will be retained in our records and will be made available to the DCC upon request. If Embarc identifies any evidence of theft, diversion, or loss, we will notify the DCC and law enforcement.

In summary and as previously stated, Embarc has hundreds of pages of documents designed to conform with all State and local laws, regulations, industry best practices, and Embarc-specific proprietary procedures. The responses above are intended to provide a thorough overview of Embarc's comprehensive understanding of, and plans to conform to, pertinent State and local laws, but are not exhaustive of Embarc's ongoing efforts to maintain compliant operations.

1.9.1. ADDITIONAL CRITERIA FOR STOREFRONT SALES APPLICATIONS ONLY

Physical Functionality

Our layout and customer flow have been designed to maximize security, compliance, and an optimal consumer experience. This concept has been proven in other communities where we operate, with zero compliance citations or issues with youth access or diversion. The concept is predicated on the following customer flow and experience:

1. GREETED: Guests are buzzed into the Screening Lobby, where they are welcomed by staff, and undergo immediate identification and age verification. While this is a strict compliance protocol, our staff are trained to ensure this is a warm and inviting experience.

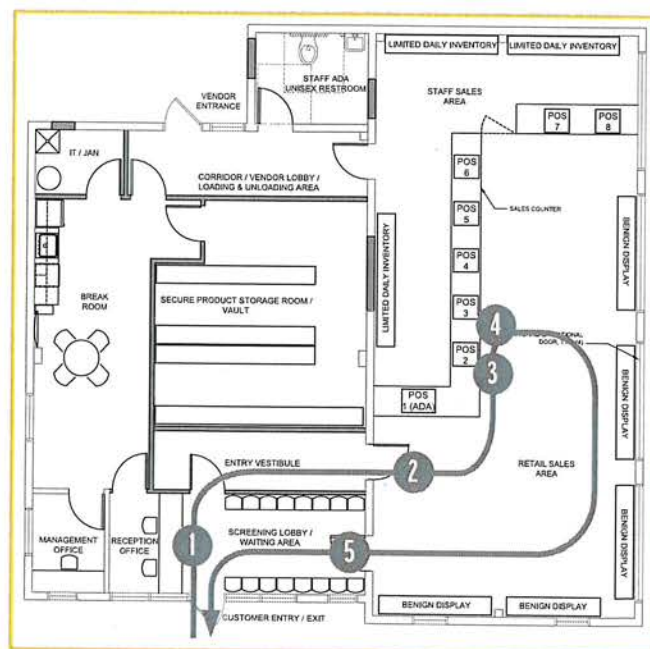
2. INTRODUCED: Once identification and age are verified, guests are invited to move into the waiting area of the Screening Lobby, which has been designed with the

customer in mind. Here you will find educational materials regarding cannabis as well as community-specific activations and installations. Based on customer flow in the Retail Sales Area, guests will either move directly from Screening Lobby through the Entry Vestibule and into the Retail Sales Area or stay in the waiting area until space permits.

3. GUIDED: After entering the Retail Sales Area through the Entry Vestibule, guests will approach the countertop where they are greeted by a retail sales associate, called a "Guide." Guides take the guest through product selection, answer questions, and provide individualized suggestions. If there is a line of customers when a guest first enters the Retail Sales Area, the guest will queue until called up to the counter by a Guide.

4. CHECKOUT: Once the customer has selected products, the Guide will obtain the products and facilitate the transaction at a point-of-sale station. Purchased products are placed into an opaque exit package and guests are reminded to always keep their products stored in the product's compliant child-proof packaging to prevent accidental youth access. The easily identifiable exit package allows Security Officers to monitor customers exiting the building.

5. EXIT: Guests are thanked for coming and are directed to exit through the secure door back into the Screening Lobby and exit through the main entry/exit doors. Customers will not be permitted to loiter on the property.



1.9.1.a. Customer Check-In Procedures

Embarc utilizes state-of-the-art technology, security, and customer experience protocols to ensure no person under the age of 21 is permitted to enter. These protocols have been proven to ensure no person enters the Retail Sales Area until their identification has been verified, including age and identity.



Access Restriction Through Verification Redundancy & Physical Design

Guests will enter utilizing the main door marked “Enter” on the southwest side of the building, where signs will be posted clearly and legibly stating that no person under the age of 21 is permitted to enter and loitering is prohibited. The main entrance of the building is clearly visible from the public street and clearly labeled as an entrance. The door will lead into the access-controlled reception area, Screening Lobby, which will remain electronically locked and under Embarc’s control during all business hours.

The entrance into the building will be locked at all times with entry strictly controlled. A robust surveillance network complemented by viewing stations will allow for pre-screening of those approaching the business, ensuring only those who can be certainly identified on camera will be granted electronic access into the Screening Lobby to initiate the check-in process and that youth are not able to access even the waiting area.

Upon entry, a guest is greeted in the secure Screening Lobby area by a reception employee who visually inspects the guest’s identification card before scanning it into Treez (Embarc’s track-and-trace/point-of-sale) software, which

automatically inputs necessary identity verification and compliance information into our point-of-sale (POS) system. As a redundant layer of security, the reception employee also scans the identification card using a portable age verification device such as the CAV-2000 (or a similar model, depending on best-in-class technology at the time of operations). Acceptable forms of identification include:

- A document issued by a federal, State, county, or municipal government, or a political subdivision or agency thereof, including, but not limited to, a valid motor vehicle operator’s license, that contains the name, date of birth, height, gender, and photo of the person;
- A valid identification card issued to a member of the Armed Forces that includes the person’s name, date of birth, and photo; or
- A valid passport issued by the United States or by a foreign government.

In compliance with the San Bruno Municipal Code, Embarc will strictly enforce policy that permits only adult use customers who are 21 years of age or older onto the licensed premises for the purchase of cannabis or cannabis products.

To protect against any guest accessing the Retail Sales Area prior to identification verification, the Screening Lobby is secure with no further access capabilities unless buzzed through the locked door by the Security Officer or reception employee, which only occurs after identification verification is complete.

Once age and identity verification are complete, the reception employee completes the guest’s profile, including contact information in case of a product recall and should the guest want to join the Passport Club, Embarc’s proprietary customer loyalty program. This information is properly stored pursuant to all cannabis and general advertising laws and regulations. The guest is then buzzed into the Retail Sales Area where they are greeted by a Guide (retail sales associate) or if at capacity, are invited to wait in the Screening Lobby seating area.

1.9.1.b. Location & Procedures for Receiving Deliveries

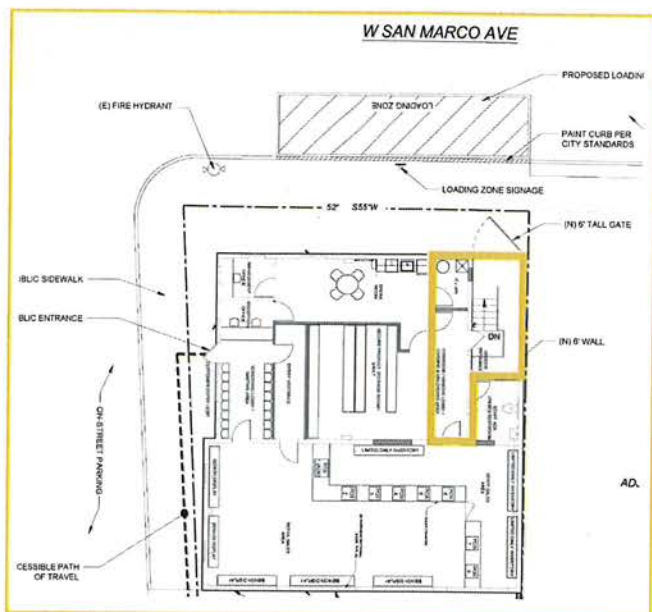
Identify location and procedures for receiving deliveries during business hours.

Embarc will confirm that we have already received the specific shipping manifest and Certificate of Analysis (COA) via CCTT-Metric prior to scheduled delivery of a shipment of cannabis goods. As an additional layer of security as part of our daily rolling inventory reconciliation process, the Inventory & Purchasing Manager will perform package counts on all current inventory and ensure labels and actual weights are reconciled before accepting any new inventory to identify discrepancies more easily.

Embarc will not accept any delivery of cannabis or cannabis products without receiving a copy of the shipping manifest and COA containing necessary and accurate information from the licensed distributor (or licensed micro-business authorized to engage in distribution) responsible for making the delivery at least 24 hours prior to delivery.

Location for Receiving Shipments of Inventory

Embarc has developed proven delivery receipt protocols through existing operations that maximize public health and safety and eliminate impacts to neighboring uses. The cornerstone of this approach includes the creation of a Vendor Lobby / Loading & Unloading Area, preventing the passage of cannabis goods from the front of the building. This area is a controlled entryway that will ensure fortification through controlled access.



[REDACTED] Distribution vehicles will park in a proposed dedicated Loading Zone on West San Marco Avenue. We intended to work with the City to designate this section of the street as a No Parking / Loading Zone to ensure ease and security of distribution deliveries to our premises.

Procedures for Receiving Shipments of Cannabis Goods at the Licensed Premises

Embarc will confirm that we have already received the specific shipping manifest and Certificate of Analysis (COA) via CCTT-Metric prior to the scheduled delivery of a shipment of cannabis goods. As an additional layer of security as part of our daily rolling inventory reconciliation process, the manager will perform package counts on all current inventory and ensure labels and actual weights are reconciled before accepting any new inventory to identify discrepancies more easily.

Embarc will not accept any delivery of cannabis or cannabis products without receiving a copy of the shipping manifest and COA containing necessary and accurate information from the licensed distributor or licensed micro-business (authorized to engage in distribution) responsible for making the delivery at least 24 hours prior to delivery.

Embarc will receive shipments of cannabis goods only from licensed distributors and/or licensed microbusinesses and only during business hours with advance notice. Shipments will enter the licensed premises through the Vendor Lobby / Loading & Unloading Entrance.

Managers and Security Guards will use the camera system to verify the surrounding area is free of persons before

allowing access. [REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED] When receiving inventory, Embarc's intake procedures will only be performed for a previously scheduled and approved delivery. Unscheduled and unapproved deliveries will not be accepted. Shipments of cannabis goods will be inspected for freshness and cannabis goods that have exceeded their expiration or sell-by date will not be accepted. Per State regulations, a shipment will either be accepted or refused in full.

Embarc will only accept deliveries during daylight hours and at staggered times to prevent predictability. Embarc will not allow shipments of cannabis goods to enter the licensed premises through an entrance or exit that is available to the public [REDACTED]
[REDACTED]

Embarc's manager and/or Inventory Specialists will inspect and accept the inventory in the limited-access Secure Product Storage Room and under video surveillance. This room will be segregated from the rest of the premises to ensure delivery personnel do not have access to the Secure Product Storage Room or any other aspect of operations, further enhancing product security during intake.

Embarc will not engage in any packaging or labeling of cannabis or cannabis products and will not accept any cannabis or cannabis products from a distributor that are not packaged for final sale in a compliant manner. If an employee discovers a defect or nonconformity in an inventory shipment, they will refuse it. Furthermore, Embarc will not accept goods that have not passed laboratory testing as documented by a COA.

Accepting Cannabis Goods – Inventory Management

When a shipment of cannabis goods arrives, Embarc will inspect the scheduled delivery's inventory and verify that the distributor (or microbusiness authorized to engage in distribution) has provided a hard copy shipping manifest. The hard copy shipping manifest will be inspected to verify that the shipping manifest contains the following information:

- Name and type of the cannabis goods;
- UIDs of the cannabis goods;
- Amount of cannabis goods by weight or count;
- Total wholesale cost of the cannabis goods;
- Estimated times of departure and arrival;
- Actual time of departure and arrival;
- Name, license number, and address of all licensees involved, such as the cultivator;
- The name of the transporter;
- Driver's license number of anyone driving the transport vehicle; and
- Make, model, and license plate number of the vehicle used for transport.

When information in the shipping manifest is suspect or inaccurate, Embarc's Inventory & Purchasing Manager will seek clarification or correction from the distributor but refuse acceptance if warranted.

Embarc's Inventory & Purchasing Manager and/or Inventory Specialists will reconcile all cannabis product package counts, labeling, and actual weights of the incoming shipment against the shipping manifest and CCTT-Metric. When there is a discrepancy in weight or package reconciliation, Embarc will record and document the discrepancy in the Treez system, which also serves as its chosen internal seed-to-sale tracking system in CCTT-Metric and report the discrepancy to the Inventory & Purchasing Manager and General Manager.

Embarc will inspect the shipment of cannabis or cannabis goods for freshness. When cannabis or cannabis goods have exceeded their expiration or sell-by date, Embarc will not accept them. Embarc will inspect the shipment's labeling and packaging and ensure that all cannabis or cannabis products are labeled and packaged for final sale. When there is a defect to a label or package, or any is missing, Embarc will refuse the shipment.

Embarc will confirm that the cannabis goods in the shipment have all passed the required testing. If the products have not passed testing, Embarc will refuse the shipment. If the physical shipment and the shipping manifest are accurate, Embarc will sign the manifest. If the products or paperwork do not meet the above standards and Embarc refuses the shipment, we will record the refusal in CCTT-Metric and indicate on the relevant manifest, invoice, and/

or sales receipt the specific reason for rejection.

Embarc will follow detailed steps as further outlined in our SOPs to accept a transfer in CCTT-Metrc, will immediately place the inventory in the designated Secure Product Storage Room, and will retain the manifest, bills of lading, any COAs, and any sales invoices or receipts in Embarc's inventory tracking records for seven years. We will ensure that all records are legible, securely stored, and easily accessible upon request from local and/or State regulators.

Types of records produced and maintained when acquiring new inventory will include a shipping manifest, a sales invoice or receipt, a bill of lading, and a COA. The sales invoice or receipt will disclose, at minimum, Embarc San Bruno's legal business name and license number.



1.9.1.c. Point-of-Sale System

Identify the name of the point-of-sale system to be used and the number of point-of-sale locations.

Point-of-Sale System & Track-and-Trace Software to Be Used

Embarc San Bruno will seek approval from the City to utilize Treez as its point-of-sale (POS) system in San Bruno. Treez is an enterprise-quality retail management software built using the most sophisticated security systems available to increase security and productivity, resulting in faster transaction times and more secure monitoring.

Treez tracks and reports on all aspects of commercial cannabis activity including, but not limited to, cannabis tracking, inventory data, gross sales (by weight and by sale), and other information deemed necessary by the City. Embarc will ensure that the Treez system is compatible with the City's record-keeping systems and can produce historical transactional data for review.

Treez POS software manages and stores transaction information including records, reports, manifests, and any other documents generated by Embarc. Treez is an integrated software platform that automatically enforces best practices with a focus on compliance and loss prevention. Unique features of the Treez POS system include, but are not limited to, the following:

1. **ACCURACY:** Customizable inventory locations mirror the physical workings of the store and segment inventory by fulfillment type or sales channel to ensure accurate inventory at all times.
2. **FULFILLMENT:** A centralized dashboard streamlines processes across in-store, express, pick-up, and delivery orders and captures orders from all eCommerce marketplaces and fulfills them from a single place to ensure real time inventory management.
3. **COMPLIANCE:** Built-in tools to safeguard against selling over State-specific purchase limits, dynamic tax collection based on product type, customer classification, and delivery destinations, real time sale reporting to CCTT-Metrc, and insulation from track-and-trace outages using the proprietary TraceTreez automation layer.

Treez Interaction with the State's Mandated Track-and-Trace System

Embarc will create and maintain an active and functional account within the CCTT-Metrc system prior to engaging in any commercial cannabis activity, including the purchase, sale, test, packaging, transfer, transport, return, destruction, or disposal, of any cannabis goods.

Once the Embarc accounts and systems are linked, the Treez system utilizes an Application Programming Interface (API) to facilitate a direct online connection to the California Cannabis Track-and-Trace system (CCTT-Metrc), the State's track-and-trace platform. Treez will then automatically interface with and push all the sales

data to CCTT-Metric in real time. This enables sales data from Treez to be uploaded directly to CCTT-Metric, reducing the risk of diversion, loss, and theft, while maintaining the integrity and safety of cannabis products as they move through the supply chain. Furthermore, Treez allows Embarc to remain compliant with requirements that commercial cannabis businesses must have an accounting software system in place to provide POS data as well as audit trails for both product and cash, where applicable.

Embarc will designate one individual owner as the track-and-trace system account manager. The account manager may authorize additional owners or employees as track-and-trace system users and will ensure that each user is trained on the track-and-trace system prior to its access or use. This designated track and trace account manager will be responsible for ensuring that the Treez system conducts all required reporting to the DCC.

Embarc will monitor all compliance notifications from the track-and-trace system, and timely resolve the issues detailed in the compliance notification. Embarc will keep a record, independent of the track-and-trace system, of all compliance notifications received from the track-and-trace system, and how and when compliance was achieved.

Number of Point-of-Sale Locations

Embarc will feature eight POS locations in the Retail Sales Area, as well as four employee-manned roving iPads for customer line management during peak hours, all strategically located based on significant analysis of both customer flow and safety and security considerations. At each POS location, security camera placement will allow for the recording of facial features of any person purchasing or selling cannabis goods, or any person in the retail area with sufficient clarity to determine identity. Surveillance displays including sensitive areas (Secure Product Storage Room and POS areas) will be maintained in areas limited to management or Security Officer viewing.

Embarc is fully banked and POS stations will include the ability to accept electronic payment as we have partnered with a fully compliant, electronic payment solution. As a result of these capabilities, we have seen a more than 50% reduction in the number of cash transactions, dramatically reducing the amount of cash we have onsite at any given time.

Pass-through windows and slide-out trays to the exterior of the premises will be prohibited, and Embarc will not operate any form of drive-in or drive-through POS location.

1.9.1.d. Number of Customers

Estimate the number of customers to be served per hour/day.

Embarc San Bruno's customer flow and staffing projections are based on our existing operations and best practices developed by a team with years of combined cannabis retail operational experience in California, ensuring a realistic representation of expected customer traffic.

The charts below provide a breakdown of our anticipated number of customers per day, seven days a week, for storefront and delivery services. These figures are incorporated into our revenue projections and pro forma financial statements.

	Year 1	Year 5
Storefront Customers Per Day	838	1,466
Delivery Customers Per Day	148	259
Total Customers Per Day	986	1,725

	RETAIL		DELIVERY	
	Year 1	Year 5	Year 1	Year 5
9 am to 10 am	50	81	5	12
10 am to 11 am	50	90	5	12
11 am to 12 pm	50	90	8	15
12 pm to 1 pm	55	100	10	15
1 pm to 2 pm	60	125	10	18
2 pm to 3 pm	68	125	12	20
3 pm to 4 pm	80	125	12	20
4 pm to 5 pm	85	140	13	25
5 pm to 6 pm	85	140	15	28
6 pm to 7 pm	85	150	18	30
7 pm to 8 pm	85	150	20	32
8 pm to 9 pm	85	150	20	32
TOTAL	838	1,466	148	259

Embarc San Bruno will be appropriately staffed to handle customer traffic given the tremendous importance of customer service, education, and compliance. To maintain customer service and security protocols, we will maintain an approximate 6-to-1 customer-to-staff ratio onsite. This does not mean that there are six customers to one staff person in the Retail Sales Area, given not all customers arrive at the same time each hour. Rather, it reflects the ratio when contemplating total customers per hour and allowing customers to access the Retail Sales Area from the Screening Lobby.

We will utilize methods such as the Screening Lobby's waiting area during high volume hours and a customer queuing system in the Retail Sales Area to manage an appropriate ratio. This approach enables reception employees and Security Officers to effectively monitor customer flow and allows Guides to provide personalized, one-on-one education to customers.

1.9.1.e. Product Line

Describe the proposed product line to be sold and estimate the percentage of sales of flower and manufactured products.

California has a rich history of cannabis cultivation and product innovation, with thousands of brands and hundreds of thousands of SKUs on the market. For most consumers, including many people who are new to cannabis or are re-entering the market for the first time in decades, this proliferation of brand and product optionality is overwhelming, leaving many folks uncertain about where to start.

Embarc seeks to fill that void through knowledgeable Guides that provide personalized attention. Because each person's body metabolizes cannabis differently, it is important to find the best product(s) to meet an individual's unique needs, and as such, our guiding ethos is values-driven curation to ensure a wide variety of products and modalities that ensures the right product for everyone. Embarc's brand and product curation is driven by the following guiding principles:

UPLIFT RATHER THAN DOMINATE: We believe in the power of prosperity through partnership, or the ability to uplift an entire ecosystem rather than centralize power in one company that seeks to dominate the supply chain.

Partnering with small farmers, celebrating sustainable farming practices, and finding opportunities to amplify local, BIPOC, and female-owned brands is how we uplift one another and maintain the cannabis community and ecosystem.

SHARE VALUES, CULTIVATE CULTURE: As brands and products continue to come to market, consumers find themselves overwhelmed by optionality. Embarc will ask a few key questions when considering a brand partner for our shelves because shared values are the cornerstone of cultivating culture within our companies, our communities, and the industry at large:

- Does this brand have defined values?
- Do those values share commonality with our own?
- Does the brand live its values?
- Would our customers appreciate the opportunity to explore this new modality/strain/SKU?

DATA DRIVEN DECISION MAKING: While values are the first step in determining whether a brand is the right fit, data is the other critical component. For most dispensaries, inventory decisions are made based on which brands come to the shop and provide the most enticing deals. We believe consumers deserve better than that and have implemented extensive data analysis and customer feedback loops into our purchasing process, utilizing customer survey tools, customer relationship management (CRM) analysis, and point-of-sale metrics. Embarc utilizes predictive analytics technology to help drive purchasing decisions. This ensures our shelves are stocked with what our customers want, not with whatever brand has engaged in predatory marketing strategies. This data and feedback loop are what ensure our curated selection is responsive to consumer behavior, purchasing patterns, and preferences.

Our product selection is also informed by our experience operating eight successful cannabis retail storefronts in California today. We are constantly scrutinizing and analyzing which products our customers are responding to and adjusting our product selection accordingly. We will use what we have learned to build upon, and continue to evolve, our product selection based on the feedback and needs of our customers in San Bruno. This localized approach ensures our curation is rooted in values, local preferences, sustainability, local sourcing, and economic viability.

Edibles



Topicals



Tinctures



Beverages



Flower



Pre-Rolls



Extracts



Tablets



Misc.



Vape



Proposed Product Line to Be Sold

Embarc's proposed product line to be sold is informed and driven by our product curation ethos and will include, but not be limited to, the product types outlined on the previous page. In addition to prioritizing small farms, Bay Area cultivators and manufacturers, and amplification of female and BIPOC-owned brands, Embarc focuses on many products that are non-psychoactive and do not contain tetrahydrocannabinol, or THC, the psychoactive substance found in many adult use products. We always ensure ample options that contain cannabidiol or CBD, a non-psychoactive substance.

Embarc will only conduct business with other State-licensed cannabis businesses that can provide proof of their valid State license. Our team members have established business relationships with the leading suppliers in the industry over the past decade, which ensures that when we open to the public, we will be able to consistently meet consumer demand for quality products without interruption.

Cannabis retailers carry hundreds of SKUs from dozens of brands, which shift over time based on customer preference, strain, availability, and many other factors. Above are many of the brand names we anticipate carrying upon opening, which will evolve over time to reflect customer purchasing patterns and preferences.

Local Sourcing

Embarc always strives to collaborate with and feature cannabis goods that are locally cultivated, manufactured, and produced. We believe in the power of prosperity through partnership or the ability to uplift an entire ecosystem rather than centralize power in one company that seeks to dominate the supply chain. Partnering with and finding opportunities to amplify local brands and businesses is how we uplift one another and maintain the cannabis community and ecosystem.

To the extent they are available, we will expand our product selection to include products manufactured, cultivated, or distributed by licensed San Mateo County cannabis businesses. These products will not only be carried at our San Bruno location but throughout the Embarc network, which is rapidly growing to be one of the largest retail dispensary footprints statewide. We believe this will allow

these brands and businesses to gain prominence statewide. Our Director of Partnerships & Procurement and Purchasing Manager will both remain up to date on new cannabis businesses located in San Mateo County and look for opportunities for partnership in procurement.

Estimated Percentage of Sales by Category

As you can see in the following chart, Embarc's sales for topicals, sublinguals, and edibles—which are typically associated with higher CBD concentrations and management of aches and pains—is higher than the industry average, while our sales of concentrated cannabis, vapes, and flower are lower than the industry average. This is demonstrative of our focus on providing education on the variety of cannabis consumption methods available and their benefits for those seeking wellness and for aging populations. We will use these as a template when initially sourcing products for Embarc and will then utilize data collected from local purchases to drive inventory strategy.

We believe this category breakdown will be similar in San Bruno as our Guides are trained to educate consumers on the values of enrichment rather than the traditional focus on “getting high.” We have found that when consumers are educated on our product selection, they often opt for products that are not formulated solely for their ability to get the consumer high, which we believe is critical from a public health and safety perspective.

Embarc		Industry Average	
Percent of Sales by Category			
Concentrates (wax+ vapes)	25%	Concentrates (wax+ vapes)	31%
Edibles	20%	Edibles	14%
Flower	25%	Flower	40%
Pre-Rolled	20%	Pre-Rolled	10%
Topicals	2%	Topicals	1%
Sublingual	3%	Sublingual	2%
Other Cannabis	5%	Other Cannabis	2%
100%		100%	

1.9.1.f. Delivery Service Procedures

If proposed, describe delivery service procedures, number of vehicles, and product security during transportation.

As extensively discussed throughout this proposal, compliance is the cornerstone of the Embarc business model. As such, Embarc San Bruno will comply with all relevant State laws and regulations as well as the San Bruno Municipal Code regarding cannabis delivery services.

Embarc acknowledges that as of April 1, 2023, new and updated regulations have been introduced regarding delivery operations, including the addition of §15049.3 Track-and-Trace Requirements for Delivery and updates to §15418 Cannabis Goods Carried During Delivery. We will fully comply with all regulatory changes and have incorporated our updated SOPs below.

- Prior to beginning delivery operations, Embarc will provide the following information to the City:
 - Proof of ownership of the vehicle or a valid lease for any and all vehicles that will be used to deliver cannabis or cannabis products;
 - The year, make, model, color, license plate number, and numerical Vehicle Identification Number (VIN) for all vehicles that will be used to deliver cannabis goods;
 - Proof of insurance for all vehicles being used to deliver cannabis goods; and
 - Embarc will provide the City with this information in writing for any new vehicle that will be used to deliver cannabis goods prior to using the vehicle to deliver cannabis goods. Embarc will provide the City with any changes to this information in writing within 30 calendar days.
- Embarc will maintain a database and provide a list of the employees authorized to conduct transportation on behalf of Embarc San Bruno.
- Employees authorized to conduct transportation on behalf of Embarc San Bruno will be at least 21 years old and have a valid California Driver's License.
- Employees transporting cannabis or cannabis products on behalf of Embarc San Bruno will maintain a

physical copy of the transportation request and invoice and will make them available upon request of agents or employees of the City requesting documentation.

- During transportation, the employee conducting transportation on behalf of Embarc San Bruno will maintain a copy of the Commercial Cannabis Permit and will make it available upon the request of agents or employees of the City requesting documentation.
- Embarc San Bruno will only transport cannabis or cannabis products in a vehicle that is:
 - Insured at or above the legal requirement in California; and
 - Capable of securing (locking) the cannabis or cannabis products during transportation.
- Embarc San Bruno will verify the age and necessary documentation of each customer to ensure that customers are at least 21 years of age.
- Embarc San Bruno proposes to conduct delivery operations from 9 am to 9 pm. We recognize and understand that the specific hours of operation will be determined by the stipulations of the Conditional Use Permit. Furthermore, we acknowledge that the City reserves the right to impose more restrictive hours of operation as a condition of the permit. If such conditions arise, Embarc San Bruno fully commits to adhering to these revised operational hours.
- The Embarc San Bruno premises will have an area designed for the secure transfer of cannabis from the building to the delivery vehicle.
 - [REDACTED]
 - [REDACTED]
 - [REDACTED]
- Embarc San Bruno will only deliver to residential addresses and will not deliver cannabis or cannabis products to an address located on publicly owned land or to a building leased by a public agency.

As mandated by law, all deliveries of cannabis goods will be performed by a delivery employee of Embarc in an inconspicuous, secure vehicle. Each Embarc delivery employee will be at least 21 years of age. All deliveries of cannabis goods will be made in person. A delivery will not be left unattended at a delivery location in lieu of an in-person transfer to the customer. A delivery of cannabis goods will not be made using an unstaffed vehicle.

Delivery Service Procedures

The process of delivery begins when the delivery employee leaves Embarc's licensed premises with the cannabis goods to conduct delivery of cannabis goods. The process of delivering ends:

- At the date and time at which the employee returns to Embarc's premises after conducting all deliveries that are part of the same delivery trip; or
- At the date and time at which the delivery employee completed the last sale of cannabis goods on the delivery trip, in the case that the delivery employee does not carry any unsold cannabis goods and therefore does not return to Embarc's premises on the same day.

Cannabis goods being delivered must be sourced from Embarc San Bruno's licensed premises and will not be sourced from any other premises (e.g. separate storage facility, cannabis processing, manufacturing or distribution premises)—regardless of whether that premises is licensed, owned, or operated by Embarc.

During the process of delivery, Embarc's delivery employee will not engage in any activities except for cannabis goods delivery and necessary rest, fuel, or vehicle repair stops. Delivery employees will, during deliveries, carry and provide to any regulator/peace officer upon demand:

- The name of the cannabis delivery service (San Bruno Responsible and Compliant Retail LLC dba Embarc San Bruno);
- A copy of the City of San Bruno's Cannabis Operating Permit;
- A valid driver's license (government-issued identification);
- Identification of the driver as an authorized driver of Embarc San Bruno;
- An employee identification badge containing a picture and employee name provided by the employer pursuant to §5043 of the Cannabis Control Act;
- A valid certificate of vehicle registration;
- A valid commercial auto insurance policy for the vehicle used;
- An accurate cargo manifest detailing the type and quantity, or amount, of cannabis goods being transported;

- A printed ledger of orders in the process of being delivered;
- The unique identifiers for each product issued by the DCC pursuant to Health and Safety Code §11362.777;
- The make, model, and license plate number of the vehicle; and
- A copy of the State issued retail license and a copy of the QR Code certificate issued by the DCC. The QR Code certificate will comply with the following requirements:
 - The QR Code certificate will be printed on paper not less than 8 ½ inches by 11 inches;
 - The QR Code on the certificate posted will not be less than 3.75 inches by 3.75 inches; and
 - The QR Code on the certificate will be of sufficient clarity that the code can be read by a smartphone or device capable of reading QR Codes from a distance of at least three feet.

Embarc acknowledges that it will only deliver cannabis goods to a physical address in California and that the delivery employee will not leave the State of California while possessing cannabis goods.

Embarc will not deliver cannabis goods or accessories to:

- Any location on publicly owned land or owned, leased, or occupied by a public agency including but not limited to a public school, library, or community center; and
- Any private property open to the public, including but not limited to business and professional offices, retail stores and their adjacent parking lots, places of assembly, or food/beverage establishments.

Embarc's delivery employee carrying cannabis goods for delivery will only travel in an enclosed motor vehicle. Any vehicle used in the delivery of cannabis goods will be operated by a delivery employee of Embarc. Only an employee of Embarc for whom delivery is being performed will be in the delivery vehicle.

While carrying cannabis goods for delivery, Embarc's delivery employee will ensure the cannabis goods are not visible to the public. Cannabis goods will be locked in a box, container, or cage that is secured on the inside of the vehicle. For purposes of this section, the inside of the

vehicle includes the trunk. Embarc's delivery employee will not leave cannabis goods in an unattended motor vehicle unless the motor vehicle is locked and equipped with an armed vehicle alarm system.

Vehicles used for delivery will be outfitted with a dedicated Global Positioning System (GPS) device for identifying the geographic location of the delivery vehicle in real time. The device will be either permanently or temporarily affixed to the delivery vehicle and will always remain active and inside of the delivery vehicle during delivery, allowing Embarc to identify the geographic location of all vehicles out for delivery. This information will be provided to the DCC or law enforcement personnel upon request.

Embarc acknowledges that upon request, it will provide the DCC or law enforcement personnel with information regarding any motor vehicle used for the delivery of cannabis goods, including the vehicle's make, model, color, Vehicle Identification Number, license plate number, and Department of Motor Vehicles registration information. Embarc acknowledges that any motor vehicle used to deliver cannabis goods is subject to inspection by the DCC and local regulators. Vehicles used to deliver cannabis goods may be stopped and inspected by the DCC or local regulators at any licensed premises or during delivery.

Embarc's delivery employee will not carry cannabis goods in the delivery vehicle in excess of [REDACTED] at any time. The value of cannabis goods will be determined using the current retail price of all cannabis goods carried by, or within the delivery vehicle.

Embarc's delivery employee will only carry cannabis goods in the delivery vehicle and will only perform deliveries for one licensed retailer at a time. Our delivery employee will depart and return to the same licensed premises and will not take possession of any cannabis goods from another licensee to perform deliveries.

Before leaving Embarc's premises, the delivery employees will have a delivery inventory ledger of all cannabis goods provided to them. The contents of the ledger will comply with the requirements of §15049.3, as outlined below. During the delivery trip, the delivery inventory ledger will be maintained in either hard or electronic copy and may be stored in the track-and-trace system. After each

customer delivery, the ledger will be updated to reflect the current inventory in the delivery employee's possession. The ledger will be updated in accordance with the requirements of §15049.3 and will be entered into the track-and-trace system no later than the end of the day on which the delivery takes place.

Embarc will record all deliveries of cannabis goods on a delivery inventory ledger within the track-and-trace system. The delivery inventory ledger will include the following information:

- The delivery inventory ledger number generated by the track-and-trace system and assigned to the specific delivery trip;
- Embarc's name and license number;
- The delivery employee's name, employee ID, and driver's license number;
- The delivery vehicle's make, model, and license plate number;
- The item name(s) and category(ies) of each cannabis good to be carried on the delivery trip, the UID(s) assigned to those cannabis goods, and the number of units associated with each UID on the delivery inventory ledger;
- The UID(s) of any cannabis goods ordered by customers and processed by Embarc prior to the delivery employee leaving Embarc's premises; and
- The date and time the delivery employee leaves Embarc's premises to begin conducting deliveries.

For each sale of cannabis goods through delivery, the following information will be recorded in the track-and-trace system by the end of the day on which the sale was completed:

- The date and time the sale was completed. A sale is completed at the time the cannabis goods are physically provided to the customer;
- That the customer is an adult use customer;
- The UID and quantity of each cannabis good sold;
- The purchase price of each cannabis good sold; and
- The county of the physical location at which the delivery occurred, which is the location at which the cannabis goods were provided to the customer.

If a delivery employee returns to Embarc's premises to

obtain additional inventory of cannabis goods for delivery on the same day to be conducted by the same employee, Embarc may choose to continue the existing delivery trip in the track-and-trace system. If Embarc chooses to continue the existing delivery trip, the additional inventory may be considered part of the existing delivery trip, and a new delivery inventory ledger will not be required. Embarc will record the following information within the track-and-trace system under the existing delivery inventory ledger number for any additional cannabis goods to be carried on the same delivery trip:

- The item name(s) and category(ies) of each additional cannabis good to be carried on the delivery trip, the UID(s) assigned to those cannabis goods, and the number of units associated to each UID on the delivery inventory ledger; and
- The date and time the delivery employee leaves Embarc's premises to continue delivery of cannabis goods.

When a delivery trip ends, Embarc will do all the following no later than the end of the calendar day on which the delivery trip occurred:

- For delivery trips where the delivery employee still holds cannabis goods at the end of the delivery trip, the delivery employee will return to Embarc's premises and remove any unsold cannabis goods carried by the delivery employee from the delivery inventory ledger and return those unsold cannabis goods to Embarc's inventory within the track-and-trace system; and
- Record the end date and time for the delivery trip in the track-and-trace system.

Embarc's delivery employee will maintain a log that includes all stops from the time our delivery employee leaves the licensed premises to the time that Embarc's delivery employee returns to the licensed premises, and the reason for each stop. The log will be turned in to Embarc when our delivery employee returns to the licensed premises. We will maintain the log as a commercial cannabis activity record as required by the Cannabis Control Act.

Prior to arrival at any delivery location, Embarc will have received a delivery request from the customer and

provided the delivery request receipt to Embarc's delivery employee electronically or in hard copy. The delivery request receipt provided to our delivery employee will contain all of the information required in §5420 of the Cannabis Control Act, except for the date and time the delivery was made, and the signature of the customer.

Immediately upon request by the DCC or any law enforcement officer, Embarc's delivery employee will provide:

- All delivery inventory ledgers from the time Embarc's delivery employee left the licensed premises up to the time of the request;
- All delivery request receipts for cannabis goods carried by the driver, in the delivery vehicle, or any deliveries that have already been made to customers; and
- The log of all stops from the time Embarc's delivery employee left the licensed premises up to the time of the request.

If Embarc's delivery employee does not have any delivery requests to be performed for a 30-minute period, our delivery employee will not make any additional deliveries and will return to the licensed premises. Required meal periods will not count toward the 30-minute period. Upon returning to Embarc's premises, all undelivered cannabis goods will be returned to Embarc's inventory and recorded within the track-and-trace system in accordance with §15049.3.

Embarc's delivery employees will not consume cannabis goods while delivering cannabis goods to customers.

Embarc will prepare a hard copy or electronic delivery request receipt for each delivery of cannabis goods. The delivery request receipt will contain the following:

- The legal business name and license number of Embarc San Bruno;
- The first name and employee number of Embarc's delivery employee who delivered the order;
- The first name and employee number of Embarc's employee who prepared the order for delivery;
- The first name of the customer and a retailer-assigned customer number for the person who requested the delivery;

- The date and time the delivery request was made;
- The delivery address;
- A detailed description of all cannabis goods requested for delivery—the description will include the weight, volume, or any other accurate measure of the amount of all cannabis goods requested;
- The total amount paid for the delivery, including any taxes or fees, the cost of the cannabis goods, and any other charges related to the delivery; and
- Upon delivery, the date and time the delivery was made, and the handwritten or electronic signature of the customer who received the delivery.

At the time of the delivery, Embarc's delivery employee will provide the customer who placed the order with a hard or electronic copy of the delivery request receipt. The delivery employee will retain a hard or electronic copy of the signed delivery request receipt for Embarc's records.

While making deliveries of cannabis goods, Embarc's delivery employee will only travel from our licensed premises to the residential delivery address; from one delivery address to another delivery address; or from a delivery address back to Embarc's licensed premises. A delivery employee will not deviate from the delivery path described in this section, except for necessary rest, fuel, or vehicle repair stops, or because road conditions make continued use of the route unsafe, impossible, or impracticable. All records relating to deliveries of cannabis goods will be maintained by Embarc for a period of no less than three years. Such information will be made available to the City of San Bruno upon request.

Live Monitoring

Embarc utilizes OnFleet, the leading delivery management software for the cannabis industry, providing for live monitoring, including:

- Route planning of scheduled deliveries by a manager;
- Real time route deviation notification to a manager;
- Assignment of an employee or manager tasked with real time monitoring of delivery vehicles and personnel;
- Push-to-talk communications between delivery personnel and the monitoring agent;
- Ongoing communication between the delivery agent

and the monitoring agent incorporating routine status checks and voice notifications relating to each arrival and departure from a scheduled delivery point; and

- Embarc will incorporate a code word to be broadcast by delivery employees if they are under duress.

Customer Validation

Embarc will verify the age and necessary documentation of each customer to ensure that customers are at least 21 years of age. Prior to scheduling a delivery, customers will be required to remit evidence of identity/age that coincides with the residential address to which the delivery is being made. This verification may be by way of providing a government-issued identification card and a recurring bill or through credit card validation.

Destination Validation

Prior to dispatching a delivery employee to a customer location, Embarc will verify that the address to which the delivery is scheduled is in fact an actual, existing address of public record in the City or county to which the delivery is being made.

Embarc will maintain an up-to-date accounting of cities and counties within their service area and will ensure compliance with their respective municipal codes, county ordinances, or business licensing regulations as they may relate to the delivery of cannabis products in these cities and counties. Embarc acknowledges that while §26090 of the California Business and Professions Code prohibits a local authority from outright preventing the delivery of cannabis into its jurisdiction, §26200 of the California Business and Professions Code does grant local authorities the power to develop and enforce business licensing regulations that may relate to the delivery of cannabis products within their jurisdiction. Embarc will ensure compliance with any such local ordinances or regulations as they pertain to any cities or counties to which they deliver cannabis products.

Safe Haven Identification

Embarc will identify, for each area in which a delivery is scheduled, a designated safe zone. The safe zone is a location that the delivery employee will be directed to respond to in the event that the driver is being followed. Safe zones will be highly populated, well-lighted locations

known to be equipped with surveillance equipment, law enforcement, or security personnel. These locations may include major shopping malls, major airports, major hospital emergency departments, major universities, or similar high-density environments.

Number of Delivery Vehicles

In order to sufficiently meet anticipated delivery demand, and as detailed in our pro forma, Embarc anticipates securing two delivery vehicles. These vehicles are estimated to cost \$30,000 per year total or \$15,000 per vehicle per year.

Prior to commencing delivery operations, and prior to the use of any new car in delivery operations, Embarc will provide the City of San Bruno the following information for all vehicles that will be used to deliver cannabis or cannabis products:

- Proof of ownership of the vehicle or a valid lease for any and all vehicles that will be used to deliver cannabis or cannabis products;
- The year, make, model, color, license plate number, and numerical Vehicle Identification Number (VIN) for all vehicles that will be used to deliver cannabis goods; and
- Proof of insurance for all vehicles being used to deliver cannabis goods.

Embarc will provide the City with any changes to this information in writing within 30 calendar days.

Vehicle Standards

Vehicles used for the retail delivery of cannabis and related currency will:

- Be owned and registered to Embarc;
- Be less than ten years old at all times during its service life;
- Be insured through a commercial auto policy providing no less than \$1M (or as prescribed by the City of San Bruno) in personal injury and property damage coverage per occurrence
- Be free of graphics or other markings indicating that the vehicle is associated with cannabis delivery;
- Be equipped with an audible car alarm system configured to also cause flashing of vehicle headlamps

and brake lamps upon activation;

- Be equipped with a mounted safe dedicated to cannabis products;
- Be equipped with a mounted drop safe dedicated to currency; and
- Be equipped with GPS tracking technology providing real time monitoring through a standard web browser. Proprietary software will not be required to access real time monitoring. Access to GPS data will be restricted to management personnel. Managers will have unique logins and strong passwords incorporating letters, numbers, and special characters. GPS will report location data no less frequently than every one minute. GPS data will be maintained for a period of no less than 90 days. Upon request, GPS data will be made available to regulatory agencies.

Testing of GPS systems for accuracy and reliability will be performed on a daily basis. Testing will be recorded by the Security Director. Devices experiencing technical difficulties relating to GPS operability or accuracy will not be used for cannabis delivery until such time as the GPS tracking system is restored to full functionality. Embarc will maintain a ledger of all vehicles used in delivery operations and will make such ledger available to the City of San Bruno upon request. The ledger will include, at minimum, the make, model, color, and license plate/VIN information of each vehicle.

Product Security During Transportation & Delivery

All Embarc employees who will serve as delivery employees will complete a course of training on robbery prevention. The course of instruction will include the following training points:

- Maintain a high visual horizon to identify potential threats early. Consistently be on the lookout for suspicious persons loitering in the areas of a delivery. Where suspicious persons are present upon arrival, delay the delivery and retreat to a safe location to notify your supervisor. The supervisor will determine the course of action whether that be to terminate the delivery, delay the delivery, or deploy a security detail to supervise the delivery.
- Be cognizant of other vehicles that may be following you on your route. As suspicions of following arise, broadcast the vehicle description, license plate, and

description of occupants to your supervisor without delay. The supervisor will direct you, based on your present location as shown by GPS, to an alternative route and toward a designated safe haven in order to determine if the suspicious vehicle is in fact attempting to follow you.

- Where the suspicious vehicle changes course and continues to follow, the supervisor will notify law enforcement and will direct the delivery employee to proceed to the nearest manned law enforcement facility.
- If lighting conditions are poor upon arrival at the delivery location, delay the delivery and coordinate with your supervisor. The supervisor will contact the customer and require that exterior lighting at their residence be turned on to enhance the safety of the delivery employee upon arrival.
- Keep the doors to the vehicle locked at all times.
- Keep the windows up at all times.
- Always visually inspect the interior of the vehicle prior to entering it.
- Keep the vehicle key separated from any facility keys that you are issued.
- Ensure that your issued cellular phone is always on and kept on your person at all times during your shift.
- Ensure that the cellular 911 equivalent for police is programmed into your issued cell phone for the jurisdiction that you are delivering to. Depending on your proximity to City/county borders, your calls for local police may be diverted to the California Highway Patrol if calling 911 from a cellular phone. This can create delays in your emergency call making its way to the proper local authority.
- When taking breaks, completing paperwork, eating a meal, or otherwise, remember that you are still exposed and must be cognizant of your surroundings. Avoid stopping or parking in isolated or dark areas.
- Watch what you say. Avoid making statements indicating that you make for a good target.
- Avoid telling customers or others that you have been busy, that business is good, or other remarks that may incentivize a person to rob you of product or currency.
- Never disclose your route plan to outside parties or other employees without a legitimate business need to know. If other employees ask about your assigned route, notify a supervisor. This includes a prohibition relative to social media check-ins and the use of lo-

cation sharing applications.

- If upon returning to your vehicle you find a flyer, note, or other item upon your delivery vehicle, do not address it. Immediately leave the area and proceed to a populated, lighted area before investigating the item further.
- If, upon returning to your vehicle you find that your vehicle has been blocked in or disabled (flat tire, severe vandalism), retreat to the customer's premises and request safe harbor while notifying your supervisor and determining a course of action (law enforcement notification, summoning of a security detail).

Robbery Management

A robbery is defined by law as the taking of property by means of force, threat, or fear. A weapon is not required for a person to commit a robbery. The threat of a weapon or creating fear by other means is sufficient to accomplish the crime of robbery. Robbery is a significant felony and a crime of violence—even where no injury occurs.

Robbery is not theft. Theft is a comparably minor offense that does not involve the use of force, threat, or fear. Considering the serious nature of a robbery, those committing this crime are often well aware of the risk they are taking. This can result in heightened stress on the part of the criminal and can contribute to the criminal making rash and thoughtless moves. To reduce the likelihood of violence in these circumstances, it is paramount that any employee remain calm, and polite and follow the instructions of the robber. Furthermore, Embarc employees will be trained to:

- Assume the assailant is armed, regardless of whether the assailant shows, references, or infers that they are armed.
- Cooperate. Do not attempt to disarm, disrupt, delay, or defend against the taking of property. Cooperate only to the degree you are asked to. Do not offer additional insight, information, or intelligence that may assist the robber in achieving more than they intended.
- Try to focus on remembering a good description of the suspect(s) and their vehicle(s), as well as a description of any weapons displayed or discussed by the suspect(s).
- Once the suspect(s) have left the area, notify police

without delay. Notify the police first, before notifying your supervisor/dispatcher.

- Protect any evidence that may be left behind. This includes anything the suspect(s) may have touched, moved, or dropped (e.g. cigarette butts, beverage container).
- If any witnesses were present, ask them to remain until the police arrive.

Auto Burglary Prevention

Embarc will ensure that delivery vehicles are protected after hours. Delivery vehicles will be stored in a locked state with their alarm armed. No product or currency will remain in vehicles while stored after-hours. If parked outdoors after hours, lighting in the parking area will be at or above 1.5-foot candles of luminance and under consistent monitoring by surveillance cameras.

Embarc drivers will, in the course of delivery operations be trained to:

- Ensure that vehicle windows are up, doors are locked, and the alarm is armed at any time that they are away from the vehicle in the course of deliveries or on breaks;
- Never leave any items in plain view within the vehicle. Drivers who elect to bring a personal bag/lunch/snack on the road with them will be required to stow these items in the trunk of the vehicle if left unattended in the vehicle;
- Keep the interior of the vehicle free of any visible bags, boxes, or valuables that may entice an opportunistic offender to commit burglary against the vehicle;
- Not park next to occupied vehicles;
- Not park in unlighted, isolated areas; and
- Be cognizant of surveillance cameras and, where possible, park in their viewing area.

Auto Burglary Management

Embarc delivery employees will be trained to follow these procedures in the event of an auto burglary:

- If suspects are seen or witnesses are present and the crime is fresh, notify police via the emergency number (crime in progress).
- If suspects are not seen and no witnesses are present, notify police via the non-emergency number.

Expect to be directed to do an online report for this type of crime.

- Visually canvass the surrounding area for surveillance cameras. If present, include their locations in your police report to assist investigators who may follow up on the crime.
- Notify your supervisor of the crime of what, if any, inventory or currency was acquired.
- Prior to operating the vehicle, inspect it for safety hazards (see if the ignition has been tampered with, if under-dash wiring has been manipulated, and verify the hood and trunk latches have not been released prior to driving the vehicle).

Auto Theft Prevention

Auto theft is a prevalent crime in California. Auto theft is often accomplished in a matter of seconds, and often by experienced offenders who can perform this crime without arousing the suspicion of bystanders. In other cases, it is a crime committed by joyriders who take advantage of an unsuspecting motorist who left their vehicle running or who left their keys in the vehicle or accessible nearby the vehicle.

Much like auto burglary prevention and to reduce the likelihood of auto theft, Embarc will ensure that delivery vehicles are protected after hours. Delivery vehicles will be stored in a locked state with their alarm armed. No product or currency will remain in vehicles while stored after-hours. If parked outdoors after-hours, lighting in the parking area will be at or above 1.5-foot candles of luminance and under consistent monitoring by surveillance cameras. Embarc drivers will, in the course of delivery operations, be trained to:

- Ensure that vehicle windows are up, doors and locked, and the alarm is armed at any time that they are away from the vehicle in the course of deliveries or on breaks;
- Not park next to occupied vehicles;
- Not park in unlighted, isolated areas;
- Be cognizant of surveillance cameras and, where possible, park in their viewing area;
- Never leave the vehicle running while unattended;
- Never leave vehicle keys unattended; and
- Never leave vehicle keys in the vehicle (e.g. when refueling).

SECTION 2. LABOR & COMMUNITY BENEFITS PLAN

Embarc San Bruno is committed to making a positive impact on the local economy in myriad ways, from municipal revenue generation and community investment to meaningful job creation for residents with an emphasis on ongoing education, training, and matriculation from within.

We live our values through action—offering competitive wages, a comprehensive range of industry-best benefits, and implementing a proprietary education and training platform that helps our employees build successful and fulfilling careers. By prioritizing ongoing training and education, we empower our employees to achieve their full potential and contribute to the growth and success of our organization.

As one of only a few cannabis retailers led by a female CEO, Embarc's commitment to meaningful wages, benefits, inclusion, and opportunities for advancement starts at the top and is evident in how we approach the lifecycle of an employee's time with Embarc—from recruiting and hiring to ongoing education and professional development. Embarc's diversity in ownership, leadership, and across all staff is notable. This prioritization of inclusive hiring and opportunity creation will be evident in San Bruno, with a commitment to 100% local hiring to ensure our team members reflect the community they serve.

This section highlights many tangible demonstrations of Embarc's commitment to employment practices, labor representation, a living wage, competitive benefits, and more. Additionally, Embarc is committed to advancement opportunities for individuals underrepresented in the community and the industry at large, ensuring we foster the development of a local workforce with diverse perspectives, work and life experiences, and cultural differences. These are more than just future commitments for what we could implement in San Bruno, but rather what is in place in existing operations today. As a diverse team, we will continue to value a diversity of experiences and perspectives as we grow.





Collective Bargaining

Integral to our commitment to our team are our labor partnerships, which help to create a workplace that aligns with our employees' values. Embarc is one of only a handful of cannabis companies in the State to have a unionized workforce in recognition of the collective bargaining rights of our employees.

Under State law, cannabis companies are required to sign a Labor Peace Agreement (LPA) upon reaching an employee threshold, which is why many cannabis companies have LPAs or have engaged in outreach to initiate the process of signing an LPA once operational. While this is important—and required by law—an LPA simply stipulates neutrality should the Union opt to seek to organize employees, a process that is often met with resistance from the employer.

In contrast, Embarc's commitment to labor has been evident since the beginning, with proactive outreach to the Union to sign LPAs before ever reaching the employee threshold, or in many cases, before ever even submitting a license application in a community. We have committed to positioning the Union with our workforce by aligning with the core value of fundamentally valuing our employees.

Embarc demonstrates its commitment to true employee representation by operating under Collective Bargaining Agreements (CBAs) with United Food and Commercial Workers Local 8 and Local 5, and soon with UFCW Local 770 in Ventura. **All Embarc San Bruno employees will be represented under an existing Collective Bargaining Agreement with UFCW Local 5.** This is a testament to our commitment to true employee representation and indicative of our pre-existing efforts as one of only a few cannabis companies to unionize statewide.

The notarized statement regarding a Labor Peace Agreement required per §4.70.090.E. is provided below.

June 19, 2023

City of San Bruno
567 El Camino Real, San Bruno, CA 94066

To Whom It May Concern,

If fortunate enough to receive a cannabis retail permit from the City, San Bruno Responsible and Compliant Retail LLC will enter into and abide by the labor peace agreement within thirty days of receipt of the cannabis permit.

Embarc's commitment to labor has been evident since the beginning, with proactive outreach to the Union to sign LPAs before ever reaching the employee threshold, or in many cases, before ever even submitting a license application in a community. We have committed to positioning the Union with our workforce by aligning with the core value of fundamentally valuing our employees.

Embarc demonstrates its commitment to true employee representation by operating under Collective Bargaining Agreements (CBAs) with United Food and Commercial Workers Local 8 and Local 5, and soon with UFCW Local 770 in Ventura. All Embarc San Bruno employees will be represented under an existing Collective Bargaining Agreement with UFCW Local 5. This is a testament to our commitment to true employee representation and indicative of our pre-existing efforts as one of only a few cannabis companies to unionize statewide.

Thank you,



Lauren Carpenter
Chief Executive Officer
San Bruno Responsible and Compliant Retail LLC DBA Embarc San Bruno

CALIFORNIA NOTARY ACKNOWLEDGEMENT (INDIVIDUAL)

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

State of California

County of _____

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

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

WITNESS my hand and official seal.

Signature _____ (Seal)

Attached

CALIFORNIA ACKNOWLEDGMENT

CIVIL CODE § 1189

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

State of California

County of

Sacramento }

On

June 20th, 2023

Date

before me,

Andrea Champion, Notary

Here Insert Name and Title of the Officer

personally appeared

Lauren Carpenter

Name(s) of Signer(s)

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



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

WITNESS my hand and official seal.

Signature

Signature of Notary Public

Place Notary Seal and/or Stamp Above

OPTIONAL

Completing this information can deter alteration of the document or fraudulent reattachment of this form to an unintended document.

Description of Attached Document

Title or Type of Document: _____

Document Date: _____

Number of Pages: _____

Signer(s) Other Than Named Above: _____

Capacity(ies) Claimed by Signer(s)

Signer's Name: _____

☐ Corporate Officer – Title(s): _____☐ Partner – ☐ Limited ☐ General☐ Individual☐ Attorney in Fact☐ Trustee☐ Guardian or Conservator☐ Other: _____

Signer is Representing: _____

Signer's Name: _____

☐ Corporate Officer – Title(s): _____☐ Partner – ☐ Limited ☐ General☐ Individual☐ Attorney in Fact☐ Trustee☐ Guardian or Conservator☐ Other: _____

Signer is Representing: _____

2.1. LIVING WAGE

Describe whether the CCOP holder is committed to offering employees a living wage.

Embarc has a demonstrated track record of adherence to heightened pay and benefits standards and practices—a commitment to our employees that will continue should we be selected in San Bruno.

One meaningful demonstration of Embarc's values are our wages, which are among the highest in the industry. While many of the State's largest operators pay between \$13 and \$25 per hour, Embarc's current retail employees are paid between \$17 and nearly \$50 an hour, depending on the role and experience level. Embarc will offer this same approach to industry-leading wages to its San Bruno employees, which will be encapsulated in our Collective Bargaining Agreement with UFCW to ensure all employees receive a living wage.

The MIT Living Wage Calculator indicates a living wage of \$26.63 in San Mateo County. As detailed in Section 1.2. Budget, Embarc San Bruno's pro forma contemplates a living wage for all employees. Embarc commits to no employee making less than the living wage, with employees eligible to receive up to \$50 per hour based on the role, experience level and tenure. Embarc San Bruno's pro forma includes the following:

GENERAL MANAGER: The position is salaried and ranges between \$80k and \$92k in base salary with the opportunity for a 15% annual performance bonus.

MANAGERS: These positions are salaried positions ranging between \$70k and \$80k in base salary with the opportunity for 7.5% annual performance bonuses.

INVENTORY SPECIALIST: This is an hourly position that ranges between \$27 and \$31 per hour with the opportunity for annual performance bonuses of up to 7.5% of the annualized salary amount corresponding to the hourly wage. They earn an estimated \$3 in tips per hour.

LEADS: These are hourly positions that range between \$27 and \$31 per hour with the opportunity for annual performance bonuses of up to 5% of the annualized salary amount corresponding to the hourly wage. They earn an

estimated \$3 in tips per hour.

GUIDES: These are hourly positions that range between \$27 and \$31 per hour with the opportunity for annual performance bonuses of up to 5% of the annualized salary amount corresponding to the hourly wage. They earn an estimated \$3 in tips per hour.

This commitment is further detailed as part of the comprehensive financial documents included as part of Section 1.2. Budget.

2.2. BENEFITS

Briefly describe benefits provided to employees, such as health care, vacation, and medical leave, to the degree they are offered as part of employment.

Embarc provides significant additional benefits to employees as part of their employment with Embarc. In other communities where we operate, these benefits account for millions of dollars in additional investment into the local workforce.

To the greatest extent possible, our wages, benefits, and operations are designed to provide every employee with the opportunity to maximize their compensation and professional development. Given the need for brevity and a desire to be responsive to the prompt, the following provides brief details regarding Embarc's benefits—contemplating traditional health and wellness benefits and internal programs designed to empower our employees.

Physical & Mental Health

HEALTH, DENTAL, & VISION: Employees will be offered a competitive benefits package that allows them to choose from health, vision, and dental insurance programs to best meet their needs. These benefits will be provided through the United Food and Commercial Workers Union, and the exact amount will be encapsulated in the Collective Bargaining Agreement negotiated on behalf of Embarc San Bruno's employees. This ensures Embarc is contributing significantly if not totally to the cost of this coverage.

FREE COUNSELING: Embarc believes in the importance of both mental and physical well-being. Navigating the global pandemic over the past few years has been overwhelming for many, especially those serving as essential

workers during COVID-19. As part of our comprehensive healthcare package, all employees are eligible for employer-paid mental health counseling from an independent healthcare professional.

PTO & Leave

VACATION/PAID TIME OFF: With the instability wrought by COVID-19, we recognize the need for flexibility now more than ever before. Employees are offered industry-leading paid time off, with accrual based on duration of employment and as many as 25 days per year based on tenure.

LEAVE: All employees accrue sick leave in accordance with all applicable laws and regulations. Additional leave includes but is not limited to:

- Maternity Leave
- Family Leave
- Pregnancy Disability
- Sick Leave
- Bereavement Leave
- Jury Duty and Witness Leave
- Time Off to Vote
- Victims of Crime Leave
- Domestic Violence
- Sexual Assault or Stalking Leave & Accommodation
- Civil Air Patrol Leave
- Military Leave
- Military Spouse Leave
- Organ & Bone Marrow Donor Leave
- School & Child Care Activities Leave
- Volunteer Civil Service Personnel
- Disability Leave

PARENTAL BONUS: In addition to our generous maternity and paternity leave, which exceeds Family and Medical Leave Act standards, Embarc provides additional paid leave beyond the State mandates based on tenure.

UNPAID TIME OFF: Employees may face a situation that requires additional time off beyond that provided through PTO and as required by law. Employees are eligible to apply for up to 30 days, with some cases allowing for as much as six months of additional unpaid time off to meet pressing needs.

Paid Volunteerism: Embarc employees are afforded up to 40 hours per year of paid volunteerism. These hours are conducted with other Embarc team members through organized volunteerism efforts further detailed in below in Section 2.6. Community Benefit Programs.

Financial & Economic Benefits

LIFE INSURANCE: Embarc offers 100% employer paid premium life insurance policies, providing a sense of security for employees and their families, especially in the wake of the pandemic.

FINANCIAL LITERACY: Embarc is invested in our employees' futures. Research has shown that employees often do not contribute to retirement or participate in the stock market due to a lack of understanding. Embarc believes that providing financial education is part of a robust and well-rounded benefits program, including information on how stock options work and how to maximize their benefit, budgeting and saving, taxation, retirement planning, and related financial concepts. This training will be available to Embarc employees in multiple formats—in person during onboarding as well as within our proprietary educational platform for all employees.

TUITION ASSISTANCE & SCHOLARSHIP PROGRAM: We offer tuition assistance and a scholarship program for qualifying employees, with a prioritization on coursework and professional skills development that directly aid in the advancement of the employee's career with Embarc.

TRANSPORTATION ASSISTANCE: Embarc will provide staff with complimentary bus passes as needed and will install bike racks to encourage non-vehicular commuting.

Holistic Support

EMBARC CARES: A FUND FOR TEAM MEMBERS IN NEED: Now more than ever, living our values means being a conscientious employer and supporting our employees inside and outside the four walls of our business. Embarc has established an Employee Assistance Program to provide emergency grants in times of crisis. The fund's purpose is to assist staff in coping with unexpected hardships that place undue financial stress on them and/or their immediate family, either due to a qualified disaster or personal hardship. These awards are based on financial need and the severity of the disaster or emergency.

Importantly, these are not loans that must be paid back but monetary grants provided to address the economic impacts of the issue and help our team members feel stable and secure rather than overwhelmed. We have found that this grant program has made a meaningful impact on the lives of employees, creating a more open line of communication between the team, and providing a tangible demonstration of our commitment to the well-being of team members. Grants have been disbursed to address funeral expenses, travel to visit ailing parents, and emergency relocation, among others.

INTERNAL EMPLOYEE INCENTIVE PROGRAM: Embarc utilizes an incentive program intended to encourage employee performance and teamwork. Employees are eligible to earn prizes and bonuses for reaching targets in attendance, cash handling, sales, education, compliance, and living our values.

PROMISES MADE, PROMISES KEPT: EMPOWERING EMPLOYEES AS OWNERS

Embarc's Employee Stock Option Program (ESOP) is one of our most significant investments in our team. We have set aside a percentage of the company's equity to provide full-time employees with meaningful ownership of Embarc. While a few cannabis operators have allocated nominal stock to employees, we are not aware of any that have made such a meaningful contribution. This is a direct reflection of how we view the team—as partners in bringing this vision to life.

Additional benefits include but are not limited to generous employee discounts and access to our proprietary education platform with professional and personal coursework, among others.

Ultimately, Embarc has developed comprehensive wage and benefit plans to address the financial, physical, emotional, personal, and professional development needs of our employees. Given our partnership with UFCW, these wages and benefits will be encapsulated in a Collective Bargaining Agreement to be ratified by employees in San Bruno, ensuring employees are represented, and these promises are kept. These benefits are significant and

demonstrate our commitment to the success of our team members and their families.

2.3. CONTINUING EDUCATION & EMPLOYEE TRAINING

Describe compensation to and opportunities for continuing education and employee training.

Embarc's Labor, Diversity, Inclusion & Matriculation Plan, along with its robust paid education and employee training programs, form the cornerstone of our business model, demonstrating a proven track record of cultivating a diverse and highly educated workforce. This plan is deeply rooted in our fundamental belief in the transformative power of ongoing education and learning for the entire organization.

We are thrilled to have Julie Lind, Executive Officer of the San Mateo County Central Labor Council, on our Community Advisory Board and with her guidance will promote local jobs and provide opportunities for hands-on training, supporting our shared objective of developing workforce pipeline programs tailored to the needs of future generations of San Bruno residents. Embarc's policies and programs take a comprehensive and adaptable approach, offering a wide range of tools, resources, and initiatives designed to facilitate growth and development throughout an employee's career journey.

Our response to this prompt includes an overview of our employee onboarding and initial training — all of which is compensated—followed by details outlining our paid apprenticeship and continuing education programs.

Onboarding & Initial Training

Employees must be positioned to succeed through initial and ongoing education, training, and effective leadership at every level of the organization, providing direction and guidance for the current position as well as a roadmap for continued growth. It is critical that clear performance expectations are set and a pathway for upward mobility is created to inspire and motivate team members.

Embarc will require employees to receive two weeks of training prior to the store opening with a focus on compliance, security, operational procedures, cannabis knowledge, and product-specific expertise. Upon one year of employment with Embarc, employees will be required to undergo an annual training course.

As employees with customer interaction, it is imperative that our Guides (retail sales & delivery associates) receive superior product education and customer service training. Prior to any store opening, every Guide undergoes a rigorous two-week training that includes, but is not limited to, thoroughly understanding the following:

- Dispensing rules and regulations as promulgated by the City and State;
- Excellent customer service skills;
- Cannabis efficacy and the latest in efficacy research;
- Cannabis product information and selection assistance, including strain differences, terpene profiles, dosages, and consumption methods;
- Substance abuse prevention and recognizing signs of impairment; and
- HIPAA, ADA, EEOC, and other federal, State, and local laws, regulations, ordinances, and requirements related to the cannabis industry and cannabis consumption.

After completing the two-week initial training, Guides will be required to complete various weekly, quarterly, and annual trainings. These training sessions are developed by our highly experienced team across operational, service, product knowledge, and compliance functions.

In addition to our existing ongoing training, Embarc is currently working with an expert in the fields of cannabis education and curriculum development to finalize additional modules within this robust internal training and matriculation program focused on core competencies for various roles and progression points within the organization. Central to this approach are the following key components:

- Initial tests in compliance, product knowledge, and operations/customer service where new hires can either “test out” of rudimentary training and into more advanced coursework based on existing knowledge or be taken more slowly through preliminary train-

ings—this is critical to leveling the playing field and affording opportunities for all regardless of skill level;

- Integration of HR best practices into the opportunity ladder to afford more structured career counseling and peer-to-peer support for enhanced matriculation; and
- Direct mentorship from retail operational experts to clearly define career paths within the store and into multi-store leadership positions.

Within six weeks of hire, select employees will be required to complete the Cannabis Care Certification program developed by the nationally recognized Americans for Safe Access Foundation (the “ASA”), or a substantively similar program. The mission of ASA is to ensure safe and legal access to cannabis for therapeutic use and research. The ASA Cannabis Care Certification program is designed to help individuals better understand the endocannabinoid system and cannabis therapeutics. By completing this program these employees will have unparalleled knowledge into the interplay between cannabis consumption and the human body—knowledge that will play a pivotal role in educating the rest of our team as well as our customers.

Importantly, Embarc’s proprietary educational platform “Flight School” (detailed later in this section) provides employees with online access to training coursework, tutorials, brand resources, and continued education resources designed to facilitate personal and professional development for the lifetime of their employment with Embarc. This platform leverages content from leading subject matter experts and brands to maintain up-to-date knowledge regarding every product on our shelves, available 24/7. Employees can access brand decks, education articles, and quizzes on their own time, as well as when they are assigned directly to them as part of our mandatory ongoing product, operations, and compliance education program.

Finally, and as briefly detailed in Section 1 – Business Plan, under the leadership of Chief Operating Officer Jeff Kirwan and President of Retail Jason Pitts Embarc has been transforming its training program to mirror best-in-class processes from traditional retail environments, including leveraging the expertise of preeminent leadership and operational consultants historically only accessible to Fortune 500 retailers.

As just one example, Embarc consulted one of the most successful wholly owned fast casual restaurant chains to better understand how they effectively open new restaurants at scale. A primary finding from this audit is that one of the keys to their success is a new store opening support team comprised of leadership from nearby restaurants. To that end, we have augmented our new store opening process to include a week of support from Embarc's Flight Crew—the best of the best across our footprint who come together to support a new store through onboarding and operationalization. Ensuring training is overseen by existing Embarc employees who engage in Embarc operations every day is a significant and meaningful benefit to our onboarding and training program that welcomes each new store team into the fold while reinforcing best practices for our existing team.

"I've spent the past decade working for a prominent, nationwide apparel retailer. I thought transitioning from that environment into cannabis meant leaving proven training models behind given the nascent nature of the legal cannabis industry, but with Embarc I've found a company that prioritizes meaningful training. Embarc's approach engages the team and provides a clear pathway for continued growth. I am proud to be part of this team and grateful for Embarc's approach to development and continuing education - all of which occurs during our paid time to ensure no undue impact to our families."

SHAUNA
EMBARC GENERAL MANAGER

Below is a breakdown of the training schedule received upon hire. This training is designed to ensure all staff have a deep understanding of cannabis, health and wellness, company values, and retail operations to ensure they are equipped to assist guests comfortably and capably. This training also includes a focus on cannabis compliance with all State and local laws and regulations to ensure health and safety.

After employees are hired, and paperwork is complete, they undergo a two-week training consisting of three distinct tiers:

TIER 1 TRAINING - CANNABIS 101 (3 DAYS):

All employees must participate in our "Cannabis 101" training program that provides a broad overview of cannabis as a plant and a product. This training is also required of any contractors that have consistent interaction with Embarc guests such as our security team. This training details everything from the history of cannabis legalization in California; the laws and regulations that now allow for adult use cannabis, CBD, and THC; terpenes; and the State's track-and-trace program, among others, and is critical to ensuring consistency in cannabis education.

TIER 2 TRAINING - UNDERSTANDING EMBARC (2 DAYS)

Tier 2 Training details the company's mission, vision, and goals; how values shape our desired interaction with guests, neighbors, and the community; the Employee Code of Conduct and what that means in practice; and community benefits, employee benefits, volunteerism, and ongoing engagement.

TIER 3 TRAINING - COMPLIANCE & BEST PRACTICES (5 DAYS)

While compliance is interwoven into every module during the training program, we also have a detailed Compliance & Best Practices tier before employees begin shadowing on the floor. During this training component, employees are provided an overview of cannabis compliance, and a detailed description of daily operations, including role-playing scenarios with mock guest identification verification, sales, purchases, inventory, and more:

- State and local laws governing every aspect of our operations;
- Consumer experience level tolerance, dosage, and our "start low, go slow" philosophy;
- Social equity in the cannabis industry;
- Standard operating procedures;
- Compliance;
- Security;
- Daily operational flow; and
- Problem solving and issue mitigation.

"I've worked for a number of scaled cannabis retailers and never have I experienced a multi-week pre-opening training program, curriculum from internal and third-party experts, and constant access to executives of this caliber. This is amazing—and truly unique—in California cannabis today."

SKYLER,
EMBARC INVENTORY MANAGER

These trainings include in person, online, verbal, and written components. After the two-week training is complete, employees begin shadow shifts. In the case of a new store opening, these are part of the role-playing scenarios included in Tier 3 training and are led by Store Managers from other Embarc locations. If shadow shifts are for a new hire in an operational store, the employee is paired with an experienced employee for one to three shadow shifts. These are intended to allow the new employee to begin work experience in the retail environment while maintaining consistency in the guest experience.

After finishing the two-week initial training course and shadowing shifts, employees begin independent shifts. They are then engaged in ongoing education and training, which may include weekly staff meetings where we bring in different vendors to train on new products, annual off-site visits to farms in the region to allow employees to experience the cultivation process, quarterly all-staff workshops, and more. We understand that Guide education is an ongoing process. Further training is provided for certain roles, including our Lead Guides and Managers, as well as track-and-trace seminars for designee(s).

Because the General Manager is ultimately responsible for the store's day-to-day activities and performance, San Bruno's General Manager will receive in-store training at one of Embarc's existing locations (Redwood City) prior to training the team and opening the store in San Bruno. Real world experience operating under Embarc's specific protocols and procedures are vital to effectively educating and training the store team. Embarc Managers from operating stores will attend and co-lead the new store orientation

and training alongside the General Manager to provide best practices. This facilitates information sharing among Embarc leadership across California and provides training to improve operations.

During operating hours there will always be at least one Lead Guide on the floor. Lead Guides are true cannabis experts with at least three years of cannabis operations experience and proven performance in our proprietary education program, assuring a true mastery of cannabis knowledge. This program includes written and oral testing components and additional training. The Lead Guide will be capable of answering even the most obscure and challenging inquiries from customers with unique needs.

A typical example occurred in our Tahoe store, where one of our Lead Guides assisted a customer who wished to purchase cannabis flower but was allergic to a very specific terpene found only in certain strains of cannabis. Using the Certificate of Analysis (COA) testing results, our Lead Guide was able to identify which flower options did not contain the terpene in question and therefore was safe for the customer's consumption.

Guides continue to receive product education, compliance, and operational training throughout their tenure. This training includes ongoing education from our vendors and partners, product knowledge quizzes, weekly terpene profile discussions, and more. Continuous education is a component of our employee incentive plan and continuing to develop product and compliance knowledge is rewarded economically and with prizes. This keeps learning fun and ensures the team continues to grow and evolve with the industry.

When given the proper resources, education, and encouragement, team members thrive at Embarc and in their greater educational and career aspirations.

Compass: A Mentorship Program to Build Opportunity from Within

Mentorship programs help to develop leaders by teaching new skills and providing diverse experiences that create mobility for future roles at Embarc and beyond. It is also a meaningful way to welcome new team members into the fold and to facilitate relationships across experience levels. We have implemented a mentorship program that

pairs entry-level employees with more seasoned team members to cultivate passions and provide meaningful feedback on how to continue professional development and growth. This program is designed to break down barriers to entry and help employees identify other areas of interest to promote matriculation.

We understand that while someone may currently work as a Guide, they may have larger career ambitions at Embarc or beyond. We seek to foster development by providing the tools, guidance, resources, and skills necessary to be promoted into other leadership roles. Upon hiring or when brought to their Manager, employees are given the opportunity to apply for a mentor. Mentors are assigned based on the mentee's interests, skills, hobbies, and desired growth trajectory.

Subject areas for mentorship include:

- Buying and Sourcing
- Education
- Marketing
- Community Building
- Events/PR
- Merchandising
- Community Engagement
- Finance
- Operations
- Compliance
- Human Resources
- Sales
- Culture and Team Building
- Inventory Control
- Social Media
- Design

A few examples of Embarc's paid mentorship in action:

- Employees expressed interest in leading product education and terpene exploration classes. These employees were paid to work with the Embarc team to develop this curriculum and then paid to teach it to all employees, who were also paid for their time during the trainings.
- A team member recently expressed interest in local marketing efforts to her manager. Today she is a mentee under our President of Brand and Marketing

and is currently working with our marketing team to gain experience in brand activation and community outreach.

While our core business focus is retail, it takes a team with diverse skills and experiences to build and sustain an effective business model. By offering a mentorship program, we are investing in our employees as more than "just" retail associates—they are vital team members with the potential to learn and grow in all facets of the company. Furthermore, these programs ensure working at Embarc has the potential to be more than a job—we provide meaningful career opportunities with significant wages, benefits, and opportunities for advancement in each store, in multi-store leadership positions, and company-wide.

Local Workforce Pipeline – Apprenticeship

Embarc is dedicated to establishing an apprenticeship program that facilitates career pathways for underserved individuals while also providing resources for current employees to pursue deeper educational or professional development training. We believe in offering employees meaningful opportunities to advance their careers, rather than merely providing them with jobs. Many of our senior leaders have climbed the ranks through internal promotions, thanks to access to tools, resources, information, and internal programs that promote professional growth.

We are thrilled to forge a partnership with Julie Lind, Executive Officer of the San Mateo County Central Labor Council. Together, we aim to foster local employment and nurture hands-on training opportunities. This aligns seamlessly with our mutual goal of cultivating local workforce pipeline programs for future generations of San Bruno residents. Julie's inclusion on our Community Advisory Board is a source of immense pride for us, given her two-decade tenure of labor-related work. Her tireless advocacy for equitable conditions has touched countless workers from diverse backgrounds, and we believe no other individual in San Mateo has shown such commitment. Through our collaboration with Julie, we aim to make a meaningful contribution to workforce development in San Bruno.

We hope to develop a tailored apprenticeship program for skills-based training that is relevant at Embarc and beyond. Apprenticeships have been proven to contribute significantly to our shared goal of creating an educated and

engaged local workforce. While Embarc has undertaken such initiatives independently in other communities, we are eager to partner with other local operators to develop an industry-wide professional networking pipeline, supported by educational resources and training.

Creating Long-Term Opportunity

A well-trained workforce is vital to creating a unique, differentiated experience for customers and is thus key to a successful operation. As is summarized here, Embarc provides employees with ample opportunities for paid education and training, including but not limited to a paid two-week initial onboarding; daily, quarterly, and annual paid product, customer service and compliance trainings; and paid mentorship to develop and hone new skills in subject areas they are interested in.

But educational and training opportunities to broaden and sharpen our employees' skills is vital outside the shop as well. Our operating budget contemplates a significant monthly allocation for educational tools, trainings, and resources to enhance team members' experience in executing their professional functions. For example, Embarc team members have participated in paid educational courses provided by licensed or otherwise recognized third-party institutions on the following in the past 90 days alone:

- Diversity & Inclusion
- Auditing
- HR Best Practices
- Leadership
- Communication
- Sales
- Customer Service
- Reconciliation

These efforts have proven the value of taking a holistic approach to paid education and training, particularly given the legal adult-use market is still nascent in California, and there is little formal education and training available to provide career readiness in cannabis today. It is incumbent upon responsible operators to develop and implement meaningful opportunities for matriculation, creating a clearly defined and supported pathway for ongoing career advancement that sets team members up for success.

"Embarc has afforded me many opportunities to learn and grow inside and outside of the shop ... Embarc provided me access to a leadership skills training that has given me new tools to effectively lead our team. I appreciate the opportunities I am offered to expand my knowledge through Embarc-led and third-party educational activities and resources and I'm proud of what I'm able to put into action in engaging our team in new ways."

MELISSA,
EMBARC MANAGER

In our experience, the most effective way to encourage employees to pursue continuous education is to have the policies and resources in place to:

- Provide easily accessible and engaging educational coursework where employees can set goals, manage and track their educational progress;
- Facilitate opportunities that reward employees for advanced knowledge;
- Require tailored training courses and monthly update courses to maintain education excellence; and
- Create a culture where the pursuit of knowledge is valued and rewarded via team incentives and utilization of the scholarship program.

Embarc understands the fundamental importance of strong education and training programs, and the need to ensure employees are compensated for these endeavors as they continue in this field. Recent examples of this investment include:

- Last quarter all Embarc General Managers attended a two-day leadership retreat focused on Change Management. This module was led by a two-decade veteran of some of the world's most innovative companies, including Facebook, Nike, Levi Strauss & Co., and The Gap, and was focused specifically on how to lead teams through change implementation when process improvement is identified. This training is

historically offered to leadership teams from Fortune 500 companies, not retail management from cannabis dispensaries—which is exactly why we decided to offer this as a paid educational opportunity for our store leadership teams.

- Embarc has retained a renowned business coach trained in the Pinnacle method of business management to facilitate alignment of goals and priorities across the organization and to implement a new method of accountability aimed at strengthening process, facilitating transparency, and ensuring success. This is a six-figure annual investment in the continued health and development of the Embarc team company-wide and is a testament to our willingness to put our money where our mouth is relative to meaningful education, training, resources, and support.

In this way, Embarc is fundamentally reshaping the caliber of the paid education and training offered to its team and defining a new standard for cannabis retail operators.

Through the creation of workplace programs and policies that provide and reinforce the importance of training, and by providing significant opportunities for ongoing paid education and training, Embarc sets team members up to advance within the company and in their careers.

Training Partnerships

We recognize that not all employees join the team with the skills or training they need to succeed. In every community we seek to partner with local educational institutions, including the community college, to create meaningful workforce development partnerships. Focus areas for these partnerships include, but are not limited to, the following:

- Professional Work Habits
- Relationship Development
- Identifying Personal Goals
- Overcoming Obstacles on the Job
- Transferable Skills
- Employability and Other Soft Skills

In aligning with these programs, we champion the professional and personal development of our employees. Moreover, we plan to collaborate with our Community Advisory Board Member, Julie Lind, to support foundational skills-based training. This collaboration promotes personal and professional growth through educational programs centered on valuable life and career skills.

Tuition Assistance & Scholarship Program

We offer tuition assistance and a scholarship program for qualifying employees, as well as provide scholarships to local residents in coordination with local community colleges. For example, in South Lake Tahoe, Embarc provides scholarships for students from the LGBTQIA+ community and also supports the student food bank—a vital wrap-around service for many students today.

Paid Job-Specific Skills Training

Embarc encourages team members interested in increasing responsibilities or growing to a new position within the company to propose to management the coursework they would like to undertake to be considered for internal promotion. Examples include:

- HR training and certification courses;
- Accounting training and bookkeeping; and
- CAL/OSHA Certifications

"We are grateful for Embarc's commitment to supporting the students of Lake Tahoe Community College through scholarships and workforce development opportunities. These make a tangible impact in the lives of students."

PROFESSOR WALTER MORRIS, PH.D.,
BOARD MEMBER, LAKE TAHOE
COMMUNITY COLLEGE FOUNDATION

Opportunity Ladder

The burgeoning legal cannabis industry represents an opportunity to provide meaningful employment opportunities across the attainment spectrum. Embarc welcomes the opportunity to ensure working at Embarc can provide economic mobility rather than just a job. We achieve this by creating a deliberate opportunity ladder that recognizes

barriers to entry and matriculation inherent in most hiring and operational practices and systematically works to eliminate them.

PROMISES MADE, PROMISES KEPT: MATRICULATION THROUGH EDUCATION & MENTORSHIP

Training and mentorship are vital elements of our employee growth strategy, and the effectiveness of our commitment to employee empowerment can be best illustrated through a recent success story. We had an individual who initially joined our team as a Store Manager. However, it quickly became apparent that her true passion lay in Human Resources rather than sales. Recognizing her potential, Embarc provided her with a scholarship for HR coursework at Cornell University and linked her with senior leadership through our internal mentorship program to set her up for success in a new career with Embarc and beyond. This instance serves as a testament to our dedication to fostering internal growth, offering comprehensive support, and empowering our employees to reach their full potential.

Career Advancement – Prioritized Internal Promotions

Embarc will promote from within through ongoing training, quarterly performance reviews, and annual meetings. When submitting a job requisition form to Human Resources, Embarc employees are required to take an “Our Team First” approach. This requires HR and the individual requesting a new position be created (or a current position be filled) to discuss internal team members that could be appropriate for the role before any outside recruiting efforts are made. Jobs are posted in each retail store for a minimum of five days before being posted externally to ensure our staff is aware of new opportunities and able to pursue them if interested, and we partner with the United Food and Commercial Workers Union (UFCW) to ensure our team members have ample time to apply for these promotions and/or opportunities.

This is a collaborative and comprehensive process between HR and the department leads seeking the role to be filled, designed to prioritize upward mobility from within. When an employee is identified as the right fit for the role,

HR engages that employee to determine their interest in the new role before undertaking any external recruiting practices.

Regular Performance Reviews

While most employers rely on an annual review process, Embarc performs quarterly performance reviews and further encourages employees and supervisors to discuss performance on a frequent, ongoing basis. Data indicates that employees often feel uncomfortable asking for performance feedback, but quarterly reviews eliminate that barrier and create a culture of ongoing communication about performance, opportunities for improvement, and upward mobility paths. Consistency in communication also normalizes discussion of opportunity ladders and compensation which is vital to promoting the “Our Team First” policy in hiring. These reviews provide opportunities for the Manager and team member to explore areas where additional training or education could be helpful in promoting growth and then create a plan to meet them.

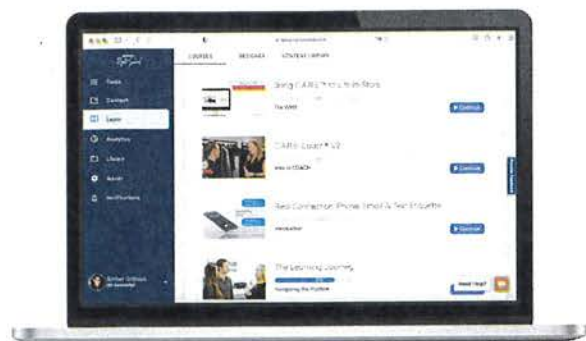
Flight School: Embarc's Proprietary Education Hub Aimed at Helping Careers Soar

One of the most significant components of Embarc's commitment to ongoing paid education and training is its proprietary education and training platform. Embarc's “Education Hub” of professional development and training resources is foundational to ensuring our employees have the resources to grow both personally and professionally. This platform is a meaningful component of providing employees direct access to the education necessary to grow into senior positions in the company by:

- Helping to define clear expectations and requirements for internal promotion;
- Providing direct access to the required education to succeed;
- Encouraging employees to pursue the educational resources provided through culture building, prize incentives, and amplifying success stories; and
- Facilitating personal development through (free) life skills courses on topics ranging from personal finance, home loans, taxes, and other important life skills.

Embarc requires all employees to complete a minimum number of courses to remain up to date on all product

knowledge and utilizes additional optional coursework as an opportunity for paid education to further round out knowledge and skillsets. **By creating a standardized continued education requirement through free access to education that can be undertaken during paid working hours, Embarc is leveling the playing field while setting a high bar.**



Embarc's Education Hub will be provided to all Embarc San Bruno employees through our multi-modal online platform, accessible to employees through their personalized employee identification. Educational materials and individual coursework progress are tagged to each employee's identification number, allowing the employee to track progress and earn certifications while allowing Managers to reward continued education.

Embarc's Education Hub is categorized into the following four modes of employee education and training:

EMBARC'S NEW HIRE TRAINING: Embarc San Bruno's mandatory proprietary two-week onboarding training will be an in-person program, enhanced with additional online coursework. All training modules, coursework, and quizzes will be available for review, ensuring employees have access to all trainings and tutorials at any point.

CONTINUED EMPLOYEE TRAINING & ADVANCED CANNABIS INDUSTRY EXPERTISE: Embarc San Bruno will provide cannabis trainings and certificate coursework for all positions within the company and extensive resources for specified trainings within the broader cannabis industry. Topics include but are not limited to cannabis expertise; compliance and regulations; community health; and brand partner resources.

PROFESSIONAL DEVELOPMENT: Embarc San Bruno will offer employees free access to professional and personal development through a partnership with LinkedIn Learning, allowing employees to select topics of interest, participate in coursework and earn skill-specific certificates. Topics include, but are not limited to team management (leadership, effective communication), skill/interest specific (digital marketing, graphic design), organizational (project management, excel), and interpersonal (being effective at work, adapting to change).

PERSONAL DEVELOPMENT: Embarc San Bruno will provide access to life skills trainings that help employees navigate their lives outside of work. Courses include but are not limited to how to file taxes, how to invest and save, how to purchase your first home, how to pay off student loans, social media etiquette, and more.

Ultimately, Embarc has a proven track record of investment in the ongoing education and training of employees by providing free access to significant tools and resources and by ensuring significant paid working time is dedicated to ongoing development.

Compensation for Continuing Education

All employees are paid at their regular rate of pay for onboarding, initial training, mentorship/mentee hours, apprenticeships, approved educational courses, workforce development programs, job-specific skills coursework, and Flight School: Embarc's Proprietary Education Hub (education and training platform) courses. Embarc invests heavily in the development and ongoing refinement of these tools and in the utilization of third-party resources and leaders to continue to refine our educational offerings.

2.4. LOCALLY MANAGED ENTERPRISE

Describe the extent to which the CCOP holder will be a locally managed enterprise whose owners and/or managers reside, own a commercial business, or operate a non-profit within the City of San Bruno.

Embarc San Bruno will be a locally-managed venture, with the well-being and interests of San Bruno residents at the heart of our operations. Embarc San Bruno will be locally operated through an internal **100% local hiring mandate**, which includes the positions of General Manager and all Store Managers. The leadership team of Embarc San Bruno will be firmly anchored by the roots laid down by Bobby Petrini, who spent over 30 years of his life residing in the city.

Embarc San Bruno's ownership structure is as follows:

Robert "Bobby" Petrini Jr: 5%

Dustin Moore: 5%

Lauren Carpenter: 90%

Though currently residing in San Francisco, Bobby's bond with San Bruno is unwavering. He is a living testament to the City's resilience, having demonstrated remarkable courage during the 2011 gas pipeline explosion. His three-decade-long residence in San Bruno has forged deep connections with the community, and these experiences have instilled in him a keen understanding of the local needs, values, and aspirations.

This legacy in San Bruno, marked by active community involvement and enduring acts of service, provides Bobby with the unique qualification to lead Embarc San Bruno as its Local Owner and Chair of the Community Advisory Board. His stewardship will ensure Embarc San Bruno's operations are rooted in transparency, local investment, and a strong partnership with City leaders—hallmarks of localism.

Our co-owners, Dustin Moore and Lauren Carpenter, bring their extensive experience in responsible and compliant cannabis operations. Their respective biographies and qualifications, detailed in Section 1 – Business Plan, further reinforce Embarc San Bruno's commitment to professional, community-focused operations.

To enrich our local approach, we are committed to implementing a 100% local hiring mandate. This initiative underscores our aim to offer quality employment opportunities to San Bruno residents, thereby enabling our team to reflect the community we serve. This hiring strategy ensures our operations are directed by individuals who understand and are deeply connected to San Bruno.

Further amplifying the local spirit, we plan to provide full-time employees with equity in the business. This arrangement will deepen their vested interest in the community they serve and bolster our efforts to foster positive neighborhood relations and community integration.

We will target our recruitment efforts first to low-income communities and communities of color with a focus on those living within a five-mile radius of the store. When employees live in the same neighborhood where they work, they are more inclined to focus on positive neighborhood relations, community outreach, and volunteerism efforts as they are investing in their own neighborhood.

This hyper-local approach will be achieved through a variety of tactics, including but not limited to hosting job fairs in partnership with UFCW and digital outreach and engagement to the San Bruno workforce in consultation with local job placement partners which emphasize diverse local hiring. To ensure localism in hiring, we will prioritize interviews based on proximity to the location such that positions are first filled by those qualified applicants closest to the store.

We will expand our search throughout the City in partnership with trusted workforce development and engagement partners throughout the region including but not limited to the Chamber of Commerce and our Community Advisory Board members' localized networks. This outreach will also include local job fairs in coordination with our trusted partners that allow for prospective applicants to meet our team, understand our vision, and grow enthused at the prospect of working at the forefront of the nascent legal cannabis industry in San Bruno.

Furthermore, we will tap untraditional networks (such as those of faith leaders, food bank operators, and local small business owners) to ensure a diverse and equitable workforce.

Critical to the business' success is locating qualified candidates within San Bruno. While we will strictly prioritize local San Bruno candidates until positions are filled, in the unlikely event that we are unable to fill 100% of the roles from within San Bruno's city limits, we will then limit the search to residents of San Mateo County.

Despite Bobby Petrini's current residence in San Francisco, his deep ties and enduring commitment to San Bruno, our local hiring initiative, and the provision for employee equity, together underscore Embarc San Bruno's identity as a locally-driven enterprise that values and prioritizes the community it serves.

In each community where we operate today, Embarc has successfully reached our goal of hiring from the local community. As an example, and to demonstrate our ability to deliver on this promise, 95% of our Tahoe team lives on the mountain, and almost 80% of staff reside within fewer than five miles of the store. We are confident in our ability to hire a local and diverse team to lead Embarc San Bruno, ensuring our shop is run by San Bruno residents for San Bruno residents.



2.5. EMPLOYEES

Describe the expected number of employees, title/position, and their responsibilities.

Embarc anticipates the following number of employees at the time of opening and will scale to meet demand as data is gathered through operations. These roles will be supported by ownership and Embarc's broader leadership team, which exists in service to the retail team and the communities we serve.

Role	At Opening	Est. Capacity
General Manager	1	1
Store Managers	5	9
Inventory Specialists	7	12
Store Leads	10	17
Guides (Retail Sales & Delivery Associates)	25	43
Total:	48	82

The following provides a brief overview of all positions and responsibilities. Employees receive a detailed memo outlining the day-to-day tasks and functions associated with their role as well as key metrics to guide performance as part of the onboarding process.

GENERAL MANAGER: The General Manager is responsible for overseeing day-to-day operations, including Store Managers and staff across sales, inventory, community, facilities, accounting, marketing, public relations, and more. This role is responsible for successfully developing and implementing strategies to constantly improve the business through merchandising, inventory, expense control, human resources management, and operational management. Importantly, this role is also ultimately responsible for ensuring strict adherence to all State and local laws and regulations pertaining to cannabis and business operations. Critical functions of the General Manager role include, but are not limited to:

- Embodying our values and leading in a positive and respectful manner;
- Ensuring compliance with all laws, policies, and procedures through regular store management and staff meetings, store walk-throughs, audits, etc.;

- Confirming daily cash receipts ensuring monies are deposited regularly, and reports are submitted as prescribed by company policies;
- Analyzing and measuring business trends;
- Developing and implementing plans to meet or exceed goals and objectives;
- Continually evaluating employee and store performance and recruiting, inspiring, and training management candidates to grow from within; and
- Liaising with law enforcement, vendors, and community members as needed and through the lens of being proactive rather than reactive to opportunities, needs, and requests.

The General Manager will have weekly management meetings with ownership as well as a weekly call with all Embarc General Managers statewide. The meeting with ownership is designed to provide direct, ongoing access to senior leadership and the weekly General Managers (virtual) meeting facilitates information sharing and best practices.

STORE MANAGER: Managers focus on customer satisfaction, daily operations, and operational flow. In addition, each manager is responsible for a focus area: Inventory/Operations or Community Engagement. By our second year of operations, the Inventory & Purchasing Manager will expand to two positions. Based on each focus area, Managers are assigned specific roles and responsibilities necessary for the effective execution of their role. Critical functions of the Store Manager role include, but are not limited to:

- Maintaining a compliant work environment through coordination with the General Manager on daily, weekly, quarterly, and annual audits and spot checks;
- Motivating a positive team through communication, incentives, and evaluations;
- Confirming daily sales reports and cash receipts ensuring monies are deposited regularly, and reports are submitted as prescribed by company policies;
- Addressing customer needs and resolving issues, ensuring positive relationships;
- Ensuring inventory data is correct by performing inventory counts and checks;
- Executing employee volunteerism program with en-

thusiasm, inclusivity, and sensitivity;

- Maintaining communication with community members, stakeholders, and customers to ensure Embarc is a welcoming environment that is responsive to local needs; and
- Liaising with law enforcement, vendors, and community members as needed and through the lens of being proactive rather than reactive to opportunities, needs, and requests.

Managers have weekly meetings with their General Manager and monthly meetings with Embarc leadership to obtain guidance, feedback, and to discuss new store initiatives and priorities in real time.

LEAD GUIDES: Lead Guides support the General and Store Managers in ensuring that all daily operating procedures are performed as required while promoting a company image of excellence through a strong work ethic, leadership by example, and the consistent delivery of impeccable customer service and store visual presentation. This role will also maximize sales through the development and supervision of sales staff. Lead Guides are responsible for ensuring transactions are carried out in compliance with all applicable laws and regulations regardless of whether they occur in store or via delivery. Critical functions of this role include, but are not limited to:

- Implementing operational rules, regulations, policies, and procedures;
- Supervising, managing, and directing the activities of the Guides (sales team);
- Implementing company policies and ensuring staff adheres to best practices;
- Maintaining in-depth knowledge of all inventories, products, and trend knowledge;
- Assisting in employee performance reviews; and
- Assisting in hiring and training new employees;

The Chief Executive Officer participates in quarterly “all hands” meetings with staff to lead ongoing training, facilitate educational modules, and ensure coordination and collaboration among the team.

INVENTORY SPECIALISTS: Under the direction of and in coordination with the Inventory & Purchasing Manager, Inventory Specialists maintain the organization’s inventory

by managing and supplying necessary items while maintaining accurate records of all procurements. Critical functions of the Inventory Specialist include, but are not limited to:

- Assisting with product intake;
- Providing inventory reports to Inventory & Purchasing Manager;
- Developing and maintaining good working relationships with vendors;
- Maintaining accurate daily records of goods received;
- Managing and maintaining the inventory system;
- Facilitating upgrades to related databases and/or software under the direction of the Inventory & Purchasing Manager;
- Conducting frequent spot and partial audits of physical inventory;
- Assisting with weekly physical inventory audits;
- Leading education and training on all products for staff; and
- Compiling delivery orders.

The Chief Executive Officer participates in quarterly “all hands” meetings with staff to lead ongoing training, facilitate educational modules, and ensure coordination and collaboration among the team.

GUIDES (RETAIL SALES & DELIVERY ASSOCIATES): Retail sales and Delivery Associates, or Guides, work closely with customers to determine needs, answer questions, and recommend the right products. This role will promptly resolve customer issues and ensure maximum client satisfaction. Guides must maintain up to date knowledge of product features and maintain the store’s visual appearance. Critical functions of Guides include, but are not limited to:

- Friendly check-in with customers while scanning identification into the POS system;
- Ensuring high levels of customer satisfaction through excellent sales service;
- Assessing customers’ needs, providing assistance and information on product features;
- Maintaining in-stock and presentable condition of assigned areas;
- Actively seeking out customers in store;

- Remaining knowledgeable on products offered and discussing available options;
- Processing purchases;
- Handling customer returns using the compliance protocol and SOP; and
- Maintaining a neat and orderly work environment, including participation in the store cleaning and disinfecting protocols.

Guides are cross-trained to engage in both retail and delivery activities because it is critical that all employees have a thorough understanding of all products and modalities Embarc carries. Regardless of whether engaging with a customer in the store or on their doorstep, it is important for our team to be communicative and capable of answering questions rooted in extensive retail training.

The Chief Executive Officer participates in quarterly “all hands” meetings with staff to lead ongoing training, facilitate educational modules, and ensure coordination and collaboration among the team.

Security (Contract)

Additionally, Embarc will partner with a local security company to hire security staff. All Embarc security personnel will be at least 21 years of age to provide security services for the licensed retail premises and shall be licensed by the Bureau of Security and Investigative Services. We are enthused at the prospect of utilizing local services to ensure the protection of public health and safety on and about our premises.

SECURITY DIRECTOR: The Security Director is a contract position not included in the headcount and pro forma that is responsible for ongoing coordination with Embarc’s Head of Security, General Manager, all Security Officers, and staff to ensure ongoing compliance with all laws, regulations, procedures, and Good Neighbor Policy requirements on an ongoing basis. This role is also responsible for continuous innovation in the areas of safety and security, working collaboratively with Embarc’s Head of Security to implement industry-leading best practices throughout the lifetime of the business. Critical functions of the Security Director role include, but are not limited to:

- Implement and manage security operations including post orders, policies, and procedures;

- Implement measurable reporting process to include alarm monitoring, incident response, tracking and reporting of performance metrics and other service areas;
- Respond in a timely manner to emergent events, issues, and staffing deficiencies;
- Maintain relationships with local law enforcement and government agencies staff;
- Manage guard operations including budget management and performance metrics;
- Initiate preliminary investigations and write incident reports on all security related issues;
- Stay up-to-date on all regulatory issues in the security and cannabis industries; and
- Maintain a safe work environment by establishing, following, and enforcing standards and procedures and complying with legal regulations.

SECURITY OFFICERS: Security Officers are a contract position not included in the headcount and pro forma that are responsible for the implementation of Embarc's security policies and procedures and are ultimately tasked with maintaining public and employee health and safety on the premises. Critical functions of the Security Officers include, but are not limited to:

- Perform verification of inbound and outbound delivery vehicles;
- Monitor surveillance cameras via monitors;
- Provide safety escort of employees and customers (as needed);
- Observe and report any suspicious or unlawful activities;
- Conduct foot patrol of property and surrounding area;
- Inspect building, personnel, and access points;
- Obtain help by sounding alarms or calling local emergency department as necessary;
- Remain in compliance with all local, State, and federal ordinances;
- Protect the company's assets relative to theft, assault, and fire hazards; and
- Follow procedures for fire prevention, property patrol, traffic control, and more.



2.6. COMMUNITY BENEFIT PROGRAMS

Describe any other proposed community benefit programs or provisions (which may include, though not be limited to, donation of equipment and supplies to San Bruno youth programs, provision of park equipment, etc.) related to the proposed commercial cannabis operation.

We understand that while cannabis has existed within our communities for decades, legal, regulated cannabis is still an emerging market. Communities are grappling with how to best integrate commercial cannabis activities into existing neighborhoods, balancing the economic opportunity this industry represents with a desire to protect public health, safety, and neighborhood integrity.

As previously stated, we believe operating a cannabis business is a privilege and not a right. Our successful business model is predicated on the ability to consistently engage the community and the City with integrity and through transparency and collaboration. Given this commitment to San Bruno, and the invaluable support and guidance of our Local Owner and an exceptional group of longtime San Bruno residents and community leaders, who together form Embarc San Bruno's Community Advisory Board, we will operate a business that provides meaningful ongoing benefits and serves as the type of partner the community can be proud of and will value.

PURPOSE

Embarc San Bruno's Community Benefits Plan, summarized below, is intended to be a living, breathing document that encompasses the company's core values and priorities for ongoing community engagement. It was developed with and will continue to evolve over time through collaboration with our Community Advisory Board. This plan does not contain static organizational commitments or one-time checks at the front end of a license pursuit; rather, it is the embodiment of Embarc's proven community engagement model—one that values and respects the importance of diverse local perspectives and experiences in being able to adapt to continuously address evolving community needs.

PROMISES MADE, PROMISES KEPT: COMMUNITY IS IN OUR DNA

Embarc is proud to be the first cannabis operator in California to launch a Community Advisory Board in every community where it operates, ensuring engagement and sensitivity have been part of the company's DNA since the beginning. We are happy to see other operators similarly adopting this model, and we believe our track record of community engagement, not as an afterthought or reaction to others but at the forefront of how we operate, is critical to living our values in action. Importantly, we are living these values by welcoming accountability from the community and through creating true empowerment for local stakeholders by allowing them—rather than Embarc representatives—to direct all funding.

This approach is evident in how we identified our local partner, and in turn how we worked collaboratively to compile our Community Benefits Plan for San Bruno. What follows is not a template, but rather a plan that has been formulated with significant input from local leaders to create a plan developed by San Bruno residents for the San Bruno community. It centers around the following equation:



COMMUNITY ADVISORY BOARD

In every community where we operate, Embarc's Community Advisory Board ("the Board") is empowered with total control over where community investment and engagement are directed in perpetuity. It is this group that will work collaboratively with our ownership team to drive our efforts to address San Bruno's needs.

The primary goals of the Community Advisory Board are to work collaboratively with Embarc leadership to implement and continue to refine our Community Benefits Plan and to ensure safe, transparent, and community-oriented operations. Duties of the Board include, but are not limited to:

1. Development and implementation of our community relations plan:
 - o Identifying and/or creating opportunities to help enhance and promote community input, engagement, education, and awareness; and
 - o Reviewing operational policies and procedures to identify opportunities for community and neighborhood engagement.
2. Allocating all community funding:
 - o Assessing opportunities for financial contributions;
 - o Identifying local, immediate priority funding gaps in which our resources could provide flexible assistance; and
 - o Determining the best allocation of community funding.
3. Oversight and accountability for Embarc operations:
 - o Quarterly accountability on commitments made/commitments delivered;
 - o Reviewing marketing plans and advertisements; and
 - o Monitoring Embarc's responses to any community feedback or concerns.
4. Assistance in establishing and building community trust:
 - o Continuous identification of community priorities, values, and needs;
 - o Identifying opportunities for collaboration with local businesses and other stakeholders; and
 - o Serving as a voice within the community.
5. Ensuring appropriate and thoughtful community education:
 - o Providing input on education and awareness programs;
 - o Recommending priority causes for employee and executive volunteer support; and
 - o Providing consistent feedback to refine and best tailor our efforts.

The Community Advisory Board is comprised of the following individuals. To ensure operational transparency, we would welcome the opportunity also to include a participant from City government and/or a public safety officer but acknowledge it would be inappropriate to reach out to such representatives prior to the conclusion of this process. While the City would not be a voting member, this is an opportunity for a City representative to remain apprised of, and provide feedback on, Embarc's operations and philanthropic execution.

Embarc San Bruno	Community Advisory Board
Robert "Bobby" Petrini Jr	Local Owner & Chair of Community Advisory Board
Dan Voreyer	Former San Bruno Fire Chief
Joey Oliva	Former Chairman of the Board of Directors of the San Bruno Chamber of Commerce
Bryan Vander Lugt	Treasurer of the San Bruno Education Foundation
Julie Lind	Executive Officer of the San Mateo County Central Labor Council Foundation
Leah McGlauchlin	Director of the Bay Area Entrepreneur Center
Peter Stiehler	Director of the San Bruno Catholic Worker Hospitality House
Stephan Marshall	Board Member of StarVista & Lifetime San Bruno Resident

ROBERT "BOBBY" PETRINI JR**Local Owner & Chair of Embarc San Bruno Community Advisory Board**

Bobby Petrini, known for his extraordinary acts of courage and selfless service in the San Bruno community, carries forward a family legacy of deep-rooted commitment to public service. His actions, shaped by the principles of the Petrini family, speak volumes about his unwavering devotion to his community.

Born into a legacy of community service, Bobby is part of the Petrini family, whose significant contributions to the San Francisco Bay Area span generations. The Petrini's Markets, a landmark gourmet food chain that was operated by Bobby's family from the early 1970s until 1990s, instilled in him a deep-rooted commitment to community service. Founder Frank Petrini's philosophy of treating employees and customers as an extended family shaped an environment of mutual respect and camaraderie. This ethos, married with innovative business practices, set a precedent for grocery retailers nationwide.

Embodying this spirit of community-centric operations that his family had fostered, Bobby's partnership with Embarc in San Bruno was a natural fit. His alignment with the principles cherished by Embarc's founders ensures that Embarc San Bruno will carry forward the tradition of placing community at the heart of its operations.

Bobby's bond with the San Bruno community is profound, having resided in its Rollingwood area for over three decades. His affinity for the community sparked in his childhood, as he actively participated in local sports. The Petrini family's devotion to the community persists today, with Bobby's mother volunteering at the San Bruno Catholic Worker House since 2017 and his parents serving as committed volunteers and parishioners at St. Robert's Catholic Church.

Bobby and his father, Bob Petrini Sr., truly embodied the spirit of community service in an act of exceptional courage during a crisis. When the Glenview neighborhood of San Bruno was struck by a natural gas line explosion in September 2011, the father-son duo raced against time to rescue five elderly women from an assisted living facility amidst the escalating chaos. Their act of valor, putting

their own lives at risk for the sake of their neighbors, painted a vivid portrait of selfless heroism.

Their daring rescue operation was honored with the Outstanding Community Service award from the Ombudsman Services of San Mateo County Inc. Executive Director Tippy Irwin hailed them as "extraordinary people doing extraordinary things". Their courageous act also earned them the Lifesaving Heroes, Adult Award from the American Red Cross Bay Area Chapter, and they were recognized by the Honorable Jackie Speier of California with a Congressional Commendation in 2010.

Bobby's heroism and steadfast commitment to community safety extends beyond crisis situations. As the local owner of Embarc San Bruno, he pledges to ensure the safety of the City's residents as retail cannabis operations come into effect. His experience during the City's most devastating disaster fuels his determination to create an environment where safety is a priority.

His dedication to community development extends to his service at the De Marillac Academy. For over eight years, he has played an active role in the institution's efforts to improve the lives of socio-economically challenged children and youth in San Francisco. As a member of their Development Council, Bobby has been instrumental in engaging new volunteers and donors.

In his professional sphere, Bobby currently serves as the Regional Sales Manager at Okta, a leader in identity management. His previous roles as Enterprise Sales Manager at Wandera and Security Account Manager at Cisco Systems underline his contributions to the cybersecurity sector. His career also boasts roles that developed his expertise in customer management, business development, marketing, PR, and real estate sales.

Educationally, Bobby is a graduate of Santa Clara University's Leavey School of Business, majoring in Finance and International Business. His commitment to academic excellence was demonstrated through his active involvement in the Leavey Scholars Program and the Accelerated Cooperative Education (ACE) Leadership program during his university years.

As Local Owner and Chair of the Embarc San Bruno

Community Advisory Board, Bobby is set to spearhead our community relations. His role involves maintaining transparency and accessibility, managing neighborhood investment efforts, and collaborating with City leaders and community partners. Bobby will use the platform of the quarterly Board meetings to keep Embarc's leadership abreast of the evolving and urgent community needs.

Bobby's primary focus is to ensure Embarc serves as a genuine partner to both the City and the community. He will work closely with the store's General Manager, focusing on community outreach and communication. His responsibilities also include ensuring the accountability of Embarc's Neighborhood Compatibility Plan.

With his deep-rooted dedication to community service, proven bravery in the face of crisis, and his professional prowess, Bobby Petrini is poised to lead Embarc San Bruno with a commitment to safety, community, and excellence.

DAN VOREYER

Dan Voreyer is the embodiment of dedication, resilience, and community service. His lifelong history of serving San Bruno stands as a testament to his unwavering commitment to his home city. With nearly 30 years of commendable service as a firefighter, emergency manager, and community leader, Dan has built a reputation as an exceptional community member and trusted steward of community resources. His tireless dedication to community service, combined with his extensive professional experience, makes him uniquely equipped to serve on Embarc San Bruno's Community Advisory Board.

Born and raised in San Bruno, Dan attended St. Robert Catholic Elementary School and Crestmoor High School and was active in San Bruno baseball leagues as a player from the ages of 7 to 18. His passion for service led him to join the San Bruno Fire Department as a Volunteer Firefighter in 1979, marking the beginning of a notable nearly 30-year career.

After being hired as a full-time firefighter in 1981, Dan quickly moved up the ranks, earning a promotion to Captain in 1985. His dedication and proficiency led him to serve in multiple capacities, including Battalion Chief in 1999, Division Chief in 2000, and acting Fire Chief in 2002. He was formally instated as Fire Chief in 2004, a

role he served in until his retirement in 2007.

Beyond his responsibilities as Fire Chief, Dan extended his service to the community in the capacity of Emergency Services Coordinator. He modernized the City's Emergency Operations Center and revised the City's Emergency Operations Plan. His tenacious commitment also saw him supporting charitable programs, such as the annual holiday toy donation initiative.

After retiring from the Fire Department, Dan's commitment to San Bruno led him to serve on the Board of the San Bruno Community Foundation (SBCF). The SBCF is a pivotal institution created by the City of San Bruno to administer the restitution funds received from PG&E after the devastating 2010 gas pipeline explosion in the Crestmoor neighborhood. Dan serves on both the scholarship and grant review panels for the organization.

Dan is married to Lori Voreyer, a San Bruno resident of over 40 years. They have three children and eleven grandchildren. Dan was active as a coach for San Bruno boys' baseball and girls' softball for over 15 years while his children were growing up. Dan has also been a member of St. Robert's parish for 60 years.

JOEY OLIVA

Joey Oliva, a native of the San Francisco Peninsula, has devoted his life to service and the pursuit of excellence in his career and community endeavors. Born and raised in Millbrae, Joey attended St. Robert Catholic Elementary School in San Bruno and graduated from Junipero Serra High School in San Mateo. His journey took him to New York City for college, where he attended Fordham University and graduated in 2005 with a BA in English.

Joey's career took root in advertising and marketing, with a particular focus on the theatre industry. For almost a decade, he worked in New York City and Los Angeles, selling shows and entertainment with an impressive array of tools and techniques—managing social media campaigns, developing targeted marketing strategies, coordinating print-ad efforts, and writing marketing presentations.

After his successful tenure in marketing, Joey returned to his roots on the Peninsula, bringing his deep local knowledge to the real estate industry. However, Joey's

commitment goes beyond his professional duties. His dedication to the community of San Bruno is seen in his extensive service with the San Bruno Chamber of Commerce, where he has been an active member for over eight years. For two of those years, Joey served as the Chairman of the Board of Directors, contributing significantly to the growth and success of the local business community.

Furthermore, Joey combines his love for the arts with his commitment to public service as a Board Member of Jazz at the Ballroom Inc. since 2018. The organization is devoted to keeping the vibrant tradition of jazz alive, providing audiences with unique experiences, and fostering a love of music in future generations. In all his roles, Joey Oliva embodies a relentless dedication to service and a commitment to the San Bruno community.

BRYAN VANDER LUGT

Bryan Vander Lugt, a relentless advocate for equitable education and a pillar of the San Bruno community, exemplifies the virtues of service, dedication, and leadership. Bryan's significant contributions to public education in San Bruno, coupled with his successful career in the biopharmaceutical industry and commitment to youth mentorship, illustrate his profound dedication to bettering the community he serves.

As current Treasurer of the San Bruno Education Foundation (SBEF), former President from 2020–2023, and Board Member since 2017, Bryan has demonstrated a deep commitment to the enrichment and enhancement of local education. The SBEF, a 501(c)(3) non-profit public benefit corporation, is dedicated to supporting the San Bruno Park School District's Pre-K through eighth-grade students. With a focus on providing quality, well-rounded education, Bryan and the SBEF work to raise funds for key enrichment programs, including music, art, technology, summer programs, and professional development opportunities for teachers and staff. During his time as President, Bryan oversaw more than 500% growth in SBEF revenue and programs. All donations raised directly impact San Bruno schools and students, a testament to the efficiency of the all-volunteer staff that Bryan leads.

Beyond his educational advocacy, Bryan is a respected research scientist and project manager at Amgen, a leading global biotechnology company. Since joining Amgen

in June 2015, Bryan has been at the forefront of early discovery research and project leadership in inflammatory diseases and cancer immunotherapy. His impressive academic background, which includes a Ph.D. in Immunology from Harvard University and a Bachelor of Science in Biochemistry from the University of Michigan, is the cornerstone of his successful career.

However, Bryan's devotion to his community extends beyond his professional accomplishments. Before his journey in the academic and professional world, Bryan served as a naval officer, instilling in him a deep sense of service and commitment to others. This sense of duty carried over into his personal life, where he has consistently sought opportunities to mentor and coach local youth. Bryan has served as a coach for both AYSO Region 249 soccer and San Bruno Baseball, teaching children the fundamentals of sports, teamwork, and good sportsmanship. Additionally, he participated in the Big Brothers Amachi program for boys of incarcerated fathers in Massachusetts while attending Harvard, serving as a "Big Brother" from 2006 to 2009. Bryan is also a proud member of the Rotary Club of San Bruno, serving as President from 2022 to 2023.

Together, Bryan and his wife are parents to two children who attend San Bruno public schools. Through his leadership in the SBEF, his professional contributions to scientific research, and his personal commitment to mentorship, Dr. Bryan Vander Lugt exemplifies the qualities of an exceptional community member. His ongoing efforts continue to shape the San Bruno community, leaving a lasting impact on the lives of its residents.

JULIE LIND

Julie Lind, a steadfast advocate for workers' rights and a fourth-generation union member, presently serves as the Executive Officer and Executive Secretary Treasurer of the San Mateo County Central Labor Council. Born and raised in the Bay Area, she brings over two decades of political and labor-related expertise to her role, fervently striving for equitable conditions for workers of all backgrounds.

Julie embarked on her career in public service working alongside prominent politicians such as Congresswoman Zoe Lofgren, Assemblywoman Rebecca Cohn, and Senator Ellen Corbett. In 2010, she pivoted to the San Mateo Labor Council as the Political Director, before ascending to

its leadership in 2016. Under her stewardship, the Council has thrived, representing 99 affiliate unions and advocating for nearly 85,000 members and their families countywide.

Julie's influence extends beyond her primary role, contributing to various advisory boards and committees, including the State Federation/Central Labor Council Advisory Committee to the AFL-CIO and the Executive Committee of the California Labor Federation. She is also a member of the following Boards: NOVAworks (the Workforce Development Board for San Mateo County), the UC Berkeley Labor Center and the Labor Occupational Health Project, and serves on the San Mateo County Measure W Citizens Oversight Committee.

A graduate of San Jose State University, Julie holds a BA in English and a Master's in Public Administration. She completed the intensive Emerge California training program for Democratic women in 2008 and the Leadership Program at the Chamber of San Mateo County in 2020.

Throughout her career, Julie's service and dedication have not gone unnoticed. She was awarded the John F. Kennedy, Jr. Award for Excellence in Public Service by the California Democratic Party in 2011, and the San Mateo Mayor's award in 2020. On top of her professional endeavors, she also volunteers with the PTA at her daughter's elementary school.

Her unwavering commitment to her community, her extensive experience, and her profound understanding of workforce issues underscore Julie Lind's importance to the labor movement and her exceptional value as a member of Embarc's Community Advisory Board.

LEAH MCGLAUCHLIN

Leah currently serves as the Director of the Bay Area Entrepreneur Center (BAEC), an institution established by Skyline College in Downtown San Bruno in 2014. As part of the San Mateo County Community College District (SMC-CCD), the BAEC plays a crucial role as a business accelerator and resource center. Under Leah's direction, it provides aspiring entrepreneurs with the information, support, and business management guidance they need to elevate their existing businesses or turn their innovative ideas into reality.

Before joining the BAEC, Leah was the Associate Director of Business Services at the Children's Council of San Francisco for four years. In this role, she empowered over 600 women to establish successful childcare businesses. Leah's innovative management practices, successful partnerships across the State, and process improvement projects led to enhanced service delivery, improved client experiences, and increased staff efficiency, thereby driving agency-wide adoption of high-quality educational approaches and fostering an informed and empowered clientele.

Leah's dedication to social change took root during her time at the University of California, Berkeley, where she earned a Bachelor's degree in Conservation and Resource Studies. She later obtained an MBA/MPP in Food Policy and Business at Mills College.

Her commitment to community development and education is evident in her previous roles as a Program Manager at Project EAT and Program Developer at the Regional Occupational Programming at CPAA High School. Leah designed and implemented programs to boost youth engagement and promote community health.

PETER STIEHLER

Peter Stiehler is a beacon of hope and compassion in the San Bruno community. His lifelong dedication to serving the underprivileged exemplifies his deep commitment to social justice and community welfare. As the Director of Catholic Worker Hospitality House of San Bruno, he has made a significant impact on countless lives, consistently advocating for the rights and dignity of every individual he encounters.

Peter, a University of Texas Austin alumnus, and his wife Kate Chatfield, a UC Berkeley graduate, both former Jesuit Volunteers and veterans of the Los Angeles Catholic Worker, recognized the urgent need to serve the poor in their community. In 1996, they founded the San Bruno Catholic Worker House in San Mateo County, providing critical services to the less fortunate.

Under Peter's leadership, the Catholic Worker Hospitality House has developed a range of programs as resources allowed. These programs include a daily feeding program, an emergency overnight shelter, shower facilities,

and long-term affordable housing for ten formerly homeless men. Additionally, the organization maintains a nursery for habitat restoration for San Bruno Mountain, reflecting Peter's commitment to environmental education and conservation.

The mission of the Catholic Worker Hospitality House is grounded in the principles of love, respect, and dignity for all. They serve the needs of low-income and homeless individuals, offering a comforting presence and serving as a reminder of their inherent worth. Their work extends beyond the mere provision of resources; they create an environment of acceptance where no individual is refused service based on who they are, their origins, or their beliefs. Peter's work reflects the belief that every individual is a child of God deserving of respect and dignity.

Unique in its operation, Catholic Worker Hospitality House is not funded by St. Bruno's parish, the Archdiocese, or any governmental agency. Instead, it relies on the generosity of individuals, area churches of all denominations, and service groups. Through these partnerships, Peter and his team have built a network of support that enables them to continue serving the community.

Peter's work is part of a broader tradition, the Catholic Worker Movement, which began in 1933 in New York City. Despite the existence of approximately 150 Catholic Worker houses in the United States and around the world, each house operates independently, sharing common beliefs and values but lacking a national board or administrative structure.

Peter's commitment to serving the poor and his embodiment of the principles of the Catholic Worker Movement have made a profound impact on the San Bruno community. His life is a testament to the transformative power of service and compassion, reminding us all that as often as we help the least among us, we help the entirety of our community. Through his leadership of Catholic Worker Hospitality House, Peter Stiehler continues to inspire and create meaningful change, making him an exceptional community member and a cherished asset to San Bruno.

STEPHAN MARSHALL

Stephan Marshall is deeply rooted in his community. A proud San Bruno native and 45-year resident, his personal history is intertwined with that of his city. He exemplifies the spirit of service and community engagement, a legacy that runs deep in his family and continues to guide his work.

Born into a family rich with San Bruno history, Stephan grew up imbued with a profound love for the San Francisco Bay Area. His early education took place at St. Robert's grammar school in San Bruno and St. Ignatius College Preparatory in San Francisco, instilling in him a deep appreciation for the values of his community. Further education at Sonoma State University, Golden Gate University, and UCLA equipped him with the knowledge and skills to serve his community in more professional capacities.

In 2005, Stephan entered the real estate sector, following a family tradition that spans generations. His grandmother, father, sister, and brother had all contributed to shaping the Bay Area community through real estate, and Stephan was eager to carry on this legacy.

Stephan's innate talent for real estate shone through almost immediately. In his very first year, he was recognized as a "Rising Star" by Broker/Agent magazine in the San Mateo County real estate scene. Stephan consistently ranks among the top producers in his office, a testament to his dedication and skill.

Residing in Crestmoor Park with his three daughters, Stephan's commitment to San Bruno extends beyond his professional endeavors. He served several years on the San Bruno Parks and Recreation Commission, playing a key role in fostering community engagement and recreational activities in the City.

His community service also involves significant contributions to nonprofit organizations. As a two-term past President and current Board Member of StarVista, Stephan plays a crucial role in supporting social services in San Mateo County. StarVista provides counseling, case management, skill development, and crisis prevention programs that touch the lives of thousands of local residents.

Stephan's leadership extends to his role as the two-time

past President of the Rotary Club of San Bruno. His active involvement in the Club provides opportunities to serve and interact with the community closely. As a two-term St. Robert's School Board President and an active participant in the school's Men's Club, Stephan's belief in service as a formative component of leadership shines through. His volunteer work with the school and parish further illuminates his dedication to San Bruno and its people.

Stephan Marshall's journey is a testament to a life deeply entwined with his community. His professional achievements are matched, by his commitment to public service. His enduring legacy of service to San Bruno underscores his exceptional role as a community member, contributing to the vitality and resilience of the city.

It is this group of dedicated and trusted community leaders that will ensure benefits are directed to advance the neighborhood's needs and the long-term interests of residents with a focus on the community's youth.

Ultimately, the Board is comprised of leaders with diverse backgrounds and experiences that inform their ability to make thoughtful determinations regarding how Embarc San Bruno executes its community benefits. Specifically, the Community Advisory Board decides:

- Embarc's funding priorities;
- Embarc's volunteerism priorities;
- Embarc's workforce development partnerships;
- Embarc's financial support of City-sponsored activities;
- Embarc's ongoing neighborhood engagement plan; and
- Execution of Embarc's youth drug education and prevention program.

In addition to directing Embarc San Bruno's committed community funding, the Board meets quarterly to provide feedback on Embarc's operational model, including community outreach, neighbor and business engagements, local partnerships, the sensitivity of advertising and marketing efforts, and more.

Unlike most operators in the cannabis industry that attempt to apply their brand and values onto a community using a top-down approach, Embarc seeks to meet the needs of the community from the bottom up—as represented by the passion for the San Bruno community that these Board Members embody and the role they have been empowered to play within Embarc's local business.

COMMUNITY INVESTMENT FUND

The Community Advisory Board is able to make a sizable local impact because of our commitment to the creation of an internal Community Investment Fund. In addition to providing 6% of gross receipts as a cannabis business tax to the City of San Bruno, Embarc will allocate an additional 1% of gross receipts to our Community Investment Fund in perpetuity, generating significant, ongoing funding for community organizations through the efforts and allocations of our Community Advisory Board.

One hundred percent (100%) of the Community Investment Fund will be allocated by the Community Advisory Board to local organizations and partners, ensuring we prevent divestment by requiring all of the benefits generated from operating a local cannabis business remain local. This is the same commitment Embarc makes in every community it operates, ensuring that this commitment has proven sustainable and impactful in addressing community needs.

Identified Priorities

Our Community Advisory Board Members have lived and worked in San Bruno for decades and are unified in their commitment to preserving the unique and intangible qualities that make San Bruno a community where they choose to raise their families. As such, the Board's overarching mission is to support and uplift organizations, programs, and priorities that enrich the quality of life for San Bruno residents.

Studies have indicated that quality of life is predicated on multiple factors: internal value, or the extent to which you feel personally fulfilled; external value, or the extent to which your network enhances fulfillment; and your environment, which can impact both mental and physical wellbeing. Given the interconnectedness of these factors, the Board has identified the following pillars as a central focus of our efforts in San Bruno:

- To **enrich and empower the lives of youth**, as thriving youth are the lifeblood of families;
- To support **healthy and stable households**, as families are the pillars of community; and
- To **create and maintain a family-friendly environment** such that residents of San Bruno thrive.

Embarc recognizes that a community's needs and priorities shift over time, sometimes gradually and sometimes rapidly. That shift is why it is so critical for Embarc's focus to be driven by our Community Advisory Board, who live and work in San Bruno and are vital in determining prioritization.

Ultimately, these pillars ensure the Board will support diverse programs and provisions that benefit the community in myriad ways, including but not limited to the donation of equipment and supplies to San Bruno youth programs, the provision of equipment and other items for youth spaces such as parks and sporting areas, and other benefits through community and neighborhood groups, non-profits, and a variety of youth-servicing organizations. For examples of how this support can function in a community, please see Case Study: A Track Record of Delivering on Commitments in Tahoe later in this section.

Volunteerism

In addition to the financial commitments made above, Embarc will deploy significant human resources to benefit community partners and local community needs.

Employee Volunteerism

There are few things that feel better than doing a good deed, except maybe doing it with your peers while getting paid. Embarc is committed to providing a positive workplace that encourages employees to give back to their community. Partnering our workforce with community organizations will foster a culture of volunteerism among our employees.

Embarc employees will be afforded up to 40 hours of paid time off to participate in local community activities and programs per year through our volunteerism program. These opportunities for engagement provide employees with tools for professional development by exposing them

to a variety of local organizations. In addition, investment in employees reduces turnover and improves workplace performance.

Research shows that the best way to achieve employee participation is to provide structured volunteer opportunities. Embarc will provide our employees with opportunities to work with our community partners and allow team members to suggest and organize additional activities with their colleagues. These opportunities help employees:

- Learn new skills;
- Gain project management experience;
- Grow personal and professional networks;
- Create a positive presence in our community; and
- Participate in off-site team-building with purpose.

Embarc commits to providing up to 40 hours of paid community service per employee per year. Given we anticipate employing approximately 23 employees initially, this will result in 920 hours in paid volunteerism per year during the first year of operation and will scale to more than 1,680 hours per year at maturity.

PROMISES MADE, PROMISES KEPT: VOLUNTEERISM IN ACTION - PUTTING PEOPLE BEFORE PROFIT

With more families suffering from food and housing insecurity than ever before, a community partner called us for help. The local food bank received notice that their scheduled volunteers had canceled, leaving them with no team to prepare and serve the community members relying on them for a hot meal. In less than 12 hours, we mobilized our team, closed our doors, and redirected our entire store staff to cover the shift, ensuring the community's most vulnerable residents received the meals they depend on. This is indicative of the deeply entrenched nature of our community partnerships, and of the seriousness with which we approach volunteerism. Embarc seeks to be the type of partner you can call when it counts because of our track record of delivering on promises.

Executive Volunteerism

Our team represents the coming together of combined centuries of relevant business experience, which can be tremendously beneficial to local organizations and efforts. As part of our volunteerism commitment, we will provide more than just store-level employee volunteerism, although that is a critical component of our company ethos as it is important for team building and community investment.

Embarc will also donate significant, ongoing expertise and support from our owners and leadership team to drive ongoing efforts to bolster the community's priorities. This executive volunteerism demonstrates our willingness to act as a partner in achieving the City of San Bruno's goals.

PROMISES MADE, PROMISES KEPT: VOLUNTEERISM IN ACTION – OUR RESOURCES ARE YOURS

In today's world, educating and engaging youth and their families requires that organizations evolve to communicate in a manner that resonates. To accomplish this, The Tahoe Drug Free Coalition wanted to fundamentally reshape their organization's brand and identity within the community. With our leadership team's extensive experience in branding, marketing, and communications, they asked us for help in bringing their reimagined brand to life. Our team led the charge in their rebranding, designing a new logo, creating a new website, and developing a comprehensive marketing campaign that modernizes their communications channels and outreach. This was not a one-off project; it required coordination between our graphic designers, brand and development teams, public and community affairs executives and more. We joined board calls and internal strategy meetings to ensure our final work product addressed the goals of our partner. Embarc is committed to leveraging our internal expertise to benefit our partners and the community we seek to serve.

Quantifying Impact

Contemplating the 6% of gross receipts cannabis tax paid to the City and 1% of gross receipts to our internal Community Investment Fund, the projected financial public benefit associated with this proposal over the first 60 months is as follows:

Community Benefits	Year 1	Year 2	Year 3	Year 4	Year 5	5-Year Total
6% Cannabis Tax	\$1,491,343	\$1,715,044	\$1,972,301	\$2,268,146	\$2,608,368	\$10,055,202
Voluntary 1% Community Investment Fund	\$248,557	\$285,841	\$328,717	\$378,024	\$434,728	\$1,675,867
Total:	\$1,739,900	\$2,000,885	\$2,301,018	\$2,646,170	\$3,043,096	\$11,731,069

Based on our pro forma projections, Embarc San Bruno's operations are set to generate substantial tax revenues for the City. In our first year alone, we anticipate contributing \$1,491,343 via the 6% cannabis business tax on gross receipts. Over five years, we project this sum to total \$10,055,202.

These tax dollars will have a significant impact on the City's fiscal health. For instance, in the first year, our contributions could cover over 82% of the anticipated \$1,810,161 2023–2024 budget increase intended for police salaries and benefits. This funding is crucial to boost departmental salaries, recruit additional officers, and address chronic staffing shortages, particularly within the dispatch unit. Police Chief Ryan Johansen has expressed concerns about the unit's minimal staffing, a situation that strains resources and jeopardizes public safety. Embarc's tax contributions can provide much-needed financial support to alleviate these challenges.

In addition, our tax dollars will have far-reaching implications for the broader budgetary landscape. With San Bruno facing an estimated \$1.2 million budget deficit, Embarc's contributions can mitigate this shortfall, preventing the City from depleting its reserves further. Our projected tax payments can also support the City's ambitious capital improvement plan and vehicle replacement initiative, essential components of San Bruno's long-term financial stability and quality of life for residents.

The tax revenue Embarc will generate aligns with our shared commitment to strengthening the City's infrastructure and improving community welfare. As a significant new revenue stream for San Bruno, we stand ready to support the City in its journey towards fiscal recovery and sustained growth.

Additionally, as detailed above, Embarc commits to significant ongoing volunteerism from both retail and executive level employees:

RETAIL TEAM MEMBERS

Total value of committed store-level volunteerism over first 60 months

40 hours a year per retail employee = 12,760 hours

12,760 paid volunteerism hours at an average hourly rate of \$33/hr. is \$421,080 in paid volunteerism for employees.

EXECUTIVE TEAM MEMBERS

Total value of committed executive-level volunteerism over first 60 months:

100 hours a year x 10 employees = 1000 executive-level volunteer hours annually

1000 hours x \$500 an hour = \$500,000 a year or \$2,500,000 in volunteerism for executive team members

Over the first 60 months, Embarc estimates the following benefits within the San Bruno community:

Total Value of Financial Public Impact:	\$11,731,069
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Total Value of Volunteerism:	\$2,921,080
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Total:	\$14,652,149
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Additional Community Benefits Components

In addition to the efforts outlined above, Embarc will implement the following customary corporate social responsibility components expected of all community-oriented cannabis businesses as part of its broader Community Benefits and Investments Plan in San Bruno.

COMMUNITY EDUCATION

We will host educational panels, informational workshops, and non-profit partnership events as part of an ongoing community education and engagement effort. Education is critical in demystifying cannabis and breaking down the barriers and stigma that prevent many from feeling comfortable asking questions about appropriate use. Topics for this education range from cannabis specific (understanding dosing and your body) to public safety (how to safely store cannabis at home). These will be led by Embarc team members and external subject matter experts as appropriate.

SENIOR OUTREACH

Seniors are one of the fastest growing consumer demographics for cannabis, but they are also the most likely to be susceptible to cannabis' long-lasting stigma. Therefore, it is important to create an atmosphere that makes seniors in the community feel as though they are a part of and welcome at Embarc. Employing seniors within the store is critical in breaking down that barrier.

In recognition of the tremendous benefits cannabis can provide this demographic, Embarc is committed to ongoing education and engagement with San Bruno's senior community to dispel the myths, eliminate the stigma and provide education without a sales pitch to help seniors navigate this new normal. We will explore opportunities to partner with senior citizens' groups and organizations to provide free education workshops on CBD, THC, dosing, and more. Topics will include cannabis basics, cannabis and pain, cannabis, and sleep, and more. In recognition of fixed incomes, we will also provide a discount to senior citizens.

CREATING A SUBCOMMITTEE AT THE CHAMBER OF COMMERCE OR A LOCAL CANNABIS INDUSTRY ASSOCIATION

When implementing a new industry—and particularly when that industry is cannabis—we believe the community will benefit from having unified businesses that work together to achieve common, community-oriented goals. While we did not think it was prudent to do so prior to being awarded a permit and coordinating with the other operators, Embarc will gladly undertake an effort to coalesce the local cannabis industry under a common umbrella, or proactively engage in any existing efforts, through a subcommittee at the Chamber of Commerce or via an independent local Cannabis Industry Association.

By bringing a representative from each legal cannabis business to the table, we can facilitate ongoing working relationships and positive collaboration among the legal and compliant cannabis operators. This could also provide a representative from the City the opportunity to engage with a singular, unified voice for the industry through participation as part of this effort.

FINANCIAL LITERACY COMMUNITY WORKSHOPS

We will offer financial literacy workshops for the general public, providing access to seasoned financial executives that can assist low-income community members with issues such as budgeting, money management and building and repairing credit. This workshop leverages the financial literacy curriculum developed by the National Financial Educators Council, a proven model. We will seek to sponsor these in partnership with local partners for maximum efficacy.

NEIGHBORHOOD DISCOUNT PROGRAM

One component of enhancing existing efforts to revitalize the corridor is by creating partnerships that uplift existing businesses by encouraging our customers to dine, shop and enjoy other businesses when in the area to visit Embarc. Through our Neighborhood Discount Program, Embarc will offer a 10% discount to customers with same day receipts from local businesses within one mile of our location and will engage in appropriate business-to-business partnerships, spearheaded by our Community Affairs Lead (once hired).

LOCAL BUSINESS PARTNERSHIPS

Embarc will do its part to support working families by

keeping dollars local, thereby growing the local economy. This support drives local tax revenues which in turn supports our tax base and vital local services. It is our intention to obtain goods and retain services from locally licensed small businesses, including but not limited to construction services; landscaping services; maintenance and janitorial services; ongoing IT services; security services; miscellaneous professional services; local artisan goods/products; and most importantly—our employees. Chamber of Commerce membership will provide a great network of local business contacts for these and other vital components of keeping our dollars local.

In addition to hiring local employees, partnering with local vendors, and relying on local goods and services, Embarc will also create meaningful partnerships with local businesses to cross promote and market their goods and services. Such opportunities span a variety of businesses, ranging from health and wellness (yoga instruction, outdoor gear, etc.) to restaurants, coffee shops, and entertainment.

These partnerships are not just promises made but actual mandates we implement at the store level. For any Purchase Order or Service Contract to be approved, the General Manager must check a box that the contractor or vendor is based in San Bruno. If the store proposes to use a non-local service provider, leadership must explain the reasoning for selecting an entity from outside the City for review and approval and must then identify an alternative option in the County.

DISCOUNT PROGRAMS

High quality, safe and tested cannabis should be accessible rather than exclusive. As such, Embarc maintains a range of discount programs intended to benefit a variety of communities, including seniors, veterans, and neighbors. Additionally, to encourage customers to shop during non-peak hours and mitigate traffic and customer flow impacts, Embarc often offers incentives for online order pick-up or off-hours shopping.

ADDICTION RESOURCES

We understand that admitting you need help is the first and often hardest step to recovery, and as such we must be prepared to provide relevant resources to anyone who is willing to ask. Embarc will partner with local community

health organizations to make resources available regarding addiction recovery and will maintain materials onsite for such requests.

Youth Education & Prevention Resources

When founding members of our team led the development of Proposition 64, the initiative to legalize adult use cannabis in California, they knew youth prevention and education were paramount to maximizing public health and safety within communities. As such, and with intentionality, our team ensured that Proposition 64 would provide the resources and direction necessary to educate youth on the risks associated with cannabis use.

Proposition 64 included the development of a State-sponsored educational campaign, entitled “Let’s Talk” with curriculum specifically targeted to communities, parents, and youth. We have utilized this program, developed with a science-based approach by some of the brightest minds in California, as a foundation for resource development for the adults that play formative roles in the lives of youth.

Additionally, understanding impactful education requires tailored age-appropriate content, Embarc has adopted accredited and nationally recognized Botvin LifeSkills Training for middle school aged students for use by its selected community youth education and prevention partners. Embarc seeks to deploy targeted youth drug prevention education utilizing Botvin’s LST 1 for middle school aged youth in partnership with our Community Advisory Board.

We will continue to refine our approach based on lessons learned from other communities and real-time local feedback once launched in San Bruno. We will work closely with the Department of Public Health, our Community Advisory Board, the City and potentially other operators to ensure this program is the best fit for the San Bruno community. Cornerstones of this approach will be:

- Utilization of the “Let’s Talk” campaign to provide resources and toolkits for parents, teachers, coaches and others looking for guidance on how to navigate these discussions with youth; and
- Utilization of Botvin’s accredited LifeSkills program (or other similar curriculum as appropriate) specific to middle school aged youth, deployed through partnerships with appropriate messengers in the com-

munity including youth-oriented non-profits.

Program Background

The National Institute on Drug Abuse developed A Research Based Guide for Parents, Educators, and Community Leaders for Preventing Drug Use in Children and Adolescents, which serves as an internationally recognized analysis that cites Botvin’s research as a guide on how to develop and implement effective youth drug prevention campaigns. This comprehensive guide contains significant science-based research that directed Embarc’s efforts to develop and implement an effective youth education and drug prevention campaign.

The following served as foundations in this endeavor:

1. Prevention programs should be tailored to address risks specific to population or audience characteristics, such as age, gender, and ethnicity, to improve program effectiveness (Oetting et al, 1997).
2. Prevention programs aimed at general populations in key transition points, such as the transition to middle school, can produce beneficial effects even among high-risk families and children. Such interventions do not single out at-risk populations and, therefore, reduce labeling and promote bonding to school and community (Botvin et al, 1995; Dishion et al, 2002).
3. Community prevention programs reaching populations in multiple settings—for example, schools, clubs, faith-based organizations, and the media—are most effective when they present consistent, community-wide messages in each setting (Chou et al, 1998).
4. Community prevention programs that combine two or more effective programs, such as family-based and school-based programs, can be more effective than a single program alone (Battistich et al, 1997).
5. Prevention programs are most effective when they employ interactive techniques, such as peer discussion groups and parent role-playing, that allow for active involvement in learning about drug abuse and reinforcing skills (Botvin et al, 1995).
6. Prevention programs should include teacher training on good classroom management practices, such as rewarding appropriate student behavior. Such techniques help to foster students’ positive behav-

ior, achievement, academic motivation, and school bonding (Ialongo et al, 2001).

7. When communities adapt programs to match their needs, community norms, or differing cultural requirements, they should retain core elements of the original research-based intervention (Spath et al, 2002b), which include:
 - Structure (how the program is organized and constructed);
 - Content (the information, skills, and strategies of the program); and
 - Delivery (how the program is adapted, implemented, and evaluated).

Based on this significant body of research, it is clear that the most effective program:

- Targets youth with age-appropriate content at various stages in of development;
- Utilizes multiple learning formats including interactive content;
- Involves multiple parties including teachers, parents, faith-based organizations and more to provide multiple access points for information; and
- Benefits from hyper-localism, as long as the program remains rooted in structure, content and delivery.

As such, our campaign is designed with these best practices in mind.

Audience

To ensure we are both effective and inclusive in outreach, we have segmented our youth drug prevention education into three categories: Youth General, Youth Targeted Age, and Adults in the Lives of Youth.

YOUTH GENERAL: Research has proven that the most effective youth education and drug prevention programs utilize two or more effective programs rather than any single program alone. For example, an effective school-based curriculum is more successful when coupled with at-home and technological components. Thus, Embarc will implement a multicomponent program that takes a holistic approach to youth engagement through:

- Media campaigns with general anti-drug education

messaging targeted to all youth;

- Digital campaigns targeted to middle and high school students; and
- Educational programming for use as an in-school program, with a toolkit for teachers and/or a program coordinator.

Creating a multicomponent program will ensure that youth education and prevention efforts engage youth across multiple channels, in many forums, and on a consistent basis to maximize efficacy.

YOUTH TARGETED IMPACT (MIDDLE SCHOOL): Evidence demonstrates that the first year of middle school is when childhood drug use typically appears, so education before and during the teen years can delay or prevent experimentation and onset of use. At the middle-school level, children are eager to fit in, often overriding instincts to avoid unhealthy behavior especially in the face of peer pressure. As such, Embarc will focus our youth drug prevention and education efforts on this critical age through the use of Botvin's accredited model.

ADULTS IN THE LIVES OF YOUTH: Ensuring that adults who play a critical role in a young person's life have the tools and education necessary to address questions from youth is a critical component of a community's transition to legal cannabis. In coordination with accredited resources from the State's Let's Talk Campaign and Botvin's individualized tutorials for adults in the lives of youth, Embarc will ensure San Bruno adults have the resources necessary to educate youth about the dangers of youth drug use through materials, toolkits and hosted educational events. This is why we emphasize the importance of far-reaching relationships throughout the community, from youth non-profit leaders to pastors, to ensure we are able to disseminate information to parents and community members effectively.

Understanding these are difficult conversations that the arrival of legal cannabis may have pushed to happen sooner than parents would have hoped, we believe it is our responsibility as leaders in the legal cannabis industry to do our part to ensure parents have the tools needed to answer tough questions during these critical conversations.

Content

Our Community Advisory Board Members have committed to working collaboratively to implement this effort in collaboration with a youth organization in San Bruno. By utilizing the accredited and nationally recognized Botvin LifeSkills Training coursework as the starting point, we can leverage the best science available while tailoring our program specifically to this community.

Embarc's Youth Drug Prevention and Educational coursework was developed through a series of workshops with youth drug prevention and education specialists. Embarc undertook a rigorous process to select Botvin's curriculum as the most effective, engaging, and suitable youth drug prevention education coursework for young people today. Understanding that we alone should not decide what is the "best" education for young people, Embarc undertook an extensive process of ensuring Botvin's accredited and nationally recognized content was an impactful and engaging course for today's youth. We created our approach and coursework by:

- Identifying the target age group to focus our efforts
- Adopting certified coursework resources from Botvin's nationally recognized youth drug prevention work
- Pursuing a cognitive behavioral approach to education as our framework
- Conducting numerous workshops with drug prevention specialists, members of law enforcement, City Council members, parents and members of Unified School Districts in multiple California communities

Botvin's e-LST Middle School 1 is a substance abuse and violence prevention program based on more than 35 years of rigorous scientific research. LifeSkills Training is comprehensive and dynamic, designed to promote mental health, social-emotional learning (SEL) skills and positive youth development. In addition to helping young people resist drug, alcohol, and tobacco use, the LifeSkills Training Middle School program also effectively supports the reduction of violence and other high-risk behaviors. Through tailored courses, learning objectives include:

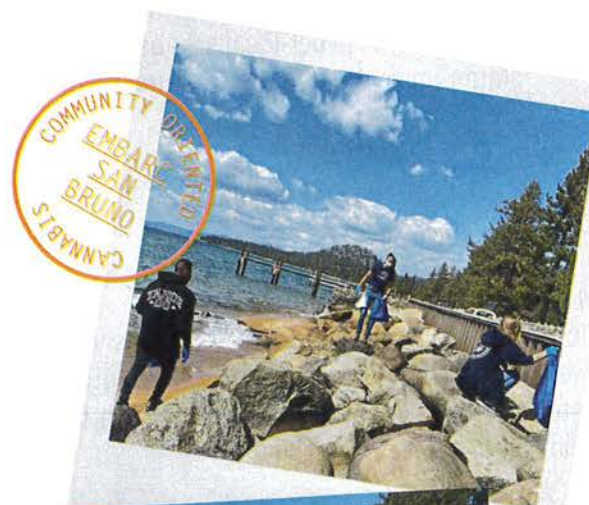
- **Personal Self-Management Skills:** Students develop skills that help them enhance self-esteem, develop problem-solving abilities, reduce stress and anxiety,

and manage anger for better mental health.

- **General Social Skills:** Students gain skills to meet personal challenges such as overcoming shyness, communicating clearly, building relationships, and avoiding violence.
- **Drug Resistance Skills:** Students learn skills that help them build effective defenses against pressures to use tobacco, alcohol, and other drugs.

In this way, we are providing a holistic approach to drug resistance by also focusing on the vital personal and interpersonal factors necessary to effectively discourage youth drug use.

Understanding that those tasked with educating our young people must have the expertise, credentials, and trust of the community, we aim to partner with an appropriate youth organization in San Bruno. This program will be tailored to the specific needs of the community through the guidance of our Community Advisory Board as youth drug prevention and education is not a one-time effort, but rather a continuous commitment to meeting the ever-changing needs of today's youth.



Case Study: A Track Record of Delivering on Commitments in Tahoe

In our myriad discussions with local stakeholders over many months in San Bruno, a common refrain was the community's desire that, if an existing operator is selected, it must be able to demonstrate a track record of follow through on commitments to the community—not as superficial check writing, but as a true partnership for the long haul. Thus, critical to understanding what our approach looks like in San Bruno is getting a better sense of what our partnership looks like in other communities. The following is a brief summary of Embarc's efforts in South Lake Tahoe. The goal in providing this case study is to show the comprehensive approach we undertake in each community where we operate.

SENSITIVELY SUPPORTING YOUTH: BOYS & GIRLS CLUB OF LAKE TAHOE

Embarc conducted initial outreach to the Boys and Girls Club of Lake Tahoe more than five years ago, prior to the community's licensing process even initiating, to get a better sense of community concern regarding legalization. At that time, it was virtually unheard of for a cannabis company to be working with a Boys and Girls Club, let alone for the discussion to be focused on youth education and how to navigate legal cannabis coming to the community.

Since that time, the Boys and Girls Club has continued to be a valued resource and community partner, both as a voice providing oversight of operations as a member of the Community Advisory Board and as a partner on vital local initiatives. Our partnership is multi-faceted, from providing volunteers for the organization's annual fundraisers, to food and clothing drives to support families during the pandemic, to providing significant (\$50,000) economic support for the organization to build a new Clubhouse for youth.

As mentioned earlier, the Boys and Girls Club successfully piloted Botvin's youth drug education and prevention curriculum in Tahoe, utilizing Embarc's resources and tools to engage local youth in meaningful conversations. The Club implemented the program with two distinct groups:

- 24 fifth-graders, who attended 45-minute sessions once per week for 10 weeks; and

- 28 teens, primarily sixth and seventh-graders, who participated in 45- to 60-minute sessions for 12 weeks.

The program facilitator reported that many students appreciated the emphasis on managing emotions and coping with stress. The participants expressed that they would remember the three Cs for making sound decisions: Clarify, Consider, and Choose. Furthermore, the students were struck by the addictive nature of nicotine and were surprised to learn how advertising specifically targets teenagers to consume cigarettes and vape pens. They also gained a better understanding of the detrimental effects these substances have on the human body. Overall, the program left a profound and lasting impact on the students, equipping them with valuable knowledge and life skills.

"I enjoyed teaching the Botvin curriculum because it gives kids the information to learn life skills they will use for the rest of their lives along with information on tobacco, alcohol, marijuana, and how it affects their body and mind because they are adolescents. The format allows kids to feel comfortable asking questions and have larger discussions around difficult topics and situations that they may not have the space to discuss otherwise. It also directly gives them information on how substances can harm them short term and long term. I specifically liked how it also discussed the advertising of tobacco and alcohol. Sharing how advertising works and how it targets teens really got them talking about it."

THERESA PAPANDREA,
BOYS & GIRLS CLUB OF LAKE TAHOE,
BOTVIN PROGRAM EDUCATOR

"The Advisory Board comprised of local community organizations, including our Drug Free Coalition, holds Embarc accountable to our community, while also advising them on how to distribute their business donations. Embarc is committed to philanthropy, and in the short time they have been open, have already donated thousands of dollars to local non-profits. I feel strongly that businesses permitted to retail cannabis must conform to the highest standards of ethics and business practices and be willing to work with and support local nonprofits and youth organizations. In Embarc you will find a business that exemplifies those standards and provides meaningful support and engagement with the local community."

JUDE WOOD,
EXECUTIVE DIRECTOR OF BOYS AND
GIRLS CLUB OF LAKE TAHOE

SUPPORTING YOUTH DEVELOPMENT: SCHOLARSHIPS TO SUMMER CAMP FOR LOW-INCOME LOCAL YOUTH

The past few years have been tremendously challenging for all, but especially our youth. Look no further than the mental health crisis among school age children to see the ramifications of a time spent in isolation and fear. With COVID restrictions lessening, the local Community Advisory Board felt it was critical to support opportunities for low-income youth to participate in summer camps.

Embarc provided financial support to two local organizations, the Tahoe Institute of Natural Sciences and the Tahoe Rim Trail Association, to provide scholarships for low-income children to attend summer camp, providing them with new and enriching experiences in the outdoors and some normalization as they prepared to go back to school.

"Community is a shared core value of both Embarc and the Tahoe Institute for Natural Science (TINS), and we welcome Embarc's leadership and partnership in ensuring that our community's youth are supported and prioritized ... Through Embarc's generous support, TINS will be able to continue to provide in-school and field trip programs to hundreds of school children, and free Boys and Girls Club camp programs for dozens of campers, annually. By inviting children to become engaged in their natural surroundings, our programs promote responsible environmental citizenship and stewardship. We are creating and cultivating a community that better understands, cares about, and cares for, Tahoe's natural environment, and we are deeply grateful to Embarc for their support in helping us achieve our goals."

WILL RICHARDSON,
EXECUTIVE DIRECTOR, TAHOE
INSTITUTE FOR NATURAL SCIENCES

ADDRESSING PRESSING COMMUNITY NEED: TAHOE COALITION FOR THE HOMELESS

When we first met with the Tahoe Coalition for the Homeless, the group had no shelter space and winter was rapidly approaching. The Embarc team sprang into action, securing a space that the Coalition utilized as a warm room all winter to meet the timely needs of the local homeless population. Since that time, the Coalition has received State grant funding to develop a local shelter and our support has transitioned from providing the physical space to helping to prepare the new one with volunteerism and financial support.

SUPPORTING A CITY INITIATIVE: FUNDING THE DEVELOPMENT OF A LOCAL PARK IN A HIGH-DENSITY AREA

The City of South Lake Tahoe recently received a donated parcel from three local families that had been working for nearly half a decade to secure land to create a gathering place in the neighborhood. Given one of the City's Strategic

Priorities is developing “a park or community garden in every neighborhood,” this was an exciting opportunity to advance that goal. Embarc is providing \$25,000 to support the creation of this local park in the heart of a high-density area that lacks this critical open space for families to enjoy.

ENVIRONMENTAL STEWARDSHIP: KEEP TAHOE BLUE

Given the Tahoe community’s deep appreciation for the region’s natural environment, our employees requested we focus some of our beautification efforts on the outdoor treasures that make Tahoe such a special place to live, work and play. Embarc hosts volunteer clean ups with our staff and incentivizes residents to participate through a special discount program.

SUPPORTING CRITICAL YOUTH EDUCATION WORK: TAHOE ALLIANCE FOR SAFE KIDS (TASK)

The Tahoe Drug-Free Coalition is a group of parents, community leaders and local law enforcement officers dedicated to providing educational resources to the community to prevent youth drug use. As noted in the volunteerism section, Embarc’s team integrated into the organization, attending Board meetings over many months to rebrand the organization into Tahoe Alliance for Safe Kids, developing a new identity package and website, and creating communications channels to better target youth and parents during the pandemic. Our team participates in ongoing meetings to keep our finger on the pulse of the community discussion regarding youth drug use prevention and continuously monitor for adverse impacts associated with legal cannabis operations.

“Embarc has been a steadfast partner in our shared commitment to youth drug prevention and education. From providing the expertise to modernize TASK’s website and branding to funding the expansion of Friday Night Live programming, I appreciate the collaborative approach Embarc takes to community benefits and have full confidence in their operations and leadership.”

PAULA PETERSON,
TAHOE ALLIANCE FOR SAFE KIDS,
ADVISORY BOARD MEMBER

ADDRESSING FOOD INSECURITY: BREAD & BROTH & LAKE TAHOE COMMUNITY COLLEGE EQUITY FOOD PANTRY

As noted earlier in this section, Embarc’s team supports Bread and Broth’s mission to address food insecurity in South Lake Tahoe through volunteerism and food drives. In this capacity, our team members engage on the frontlines of a pressing community issue. Additionally, college students should be worried about finals, not their next meal. Embarc donates to the Lake Tahoe Community College Equity Food Bank which provides free access to nutritious food for those who meet certain income thresholds.

CREATING SAFE SPACES FOR TEENS: FRIDAY NIGHT LIVE

The South Lake Tahoe Unified School District lost funding for Friday Night Live programming several years ago, but the community remained committed to the value of this type of programming and safe space for high schoolers in the region. Embarc provided the investment necessary to re-launch Friday Night Live locally by providing funding for a staff member to oversee the program and creating space for high school aged youth to congregate with their peers in a healthy, nurturing environment. Friday Night Live programming is designed to encourage peer-oriented programming that is youth driven and youth led, encourage and empower young people as active leaders and community resources and encourage youth to care about each other and the environment. The reinstatement of this program was so successful in the community that the City of South Lake Tahoe recently decided to also provide funding to support this venture.

KEEPING TEENS SAFE: SOBER GRAD NIGHT

Sober Grad Nights were developed by the California Highway Patrol in the 1980s to address the significant increase in alcohol related injuries and fatalities experienced in the month of June among graduating seniors. Since Sober Grad Night was established, these numbers have reduced dramatically, illustrating the importance of providing a fun alternative to the traditional celebration. Embarc provides funds to support sending the high school graduating class on an overnight boat trip out on the lake, providing a safe way to celebrate graduation.

SUPPORTING HIGHER EDUCATION: SCHOLARSHIPS TO LAKE TAHOE COMMUNITY COLLEGE

A number of Embarc Tahoe’s employees identify as LGBTQIA+, a community that can sometimes feel

unsupported in the Tahoe region. In recognition of this, Embarc provides financial support to the Lake Tahoe Equity PRIDE Scholarship Fund to support local LGBTQIA+ students in receiving a higher education.

SUPPORTING FAMILY RESOURCE CENTER: FUNDING THE DAILY FUNCTIONS

The Tahoe Family Resource Center is a school-based public benefit working to support learning, foster parent engagement, and promote wellness for all ethnicities and backgrounds. Embarc's Board provides grants to support the daily functions of the Resource Center to advance the vital work they do in supporting lower socio-economic families throughout the Tahoe basin.

RAISING AWARENESS OF ASSISTANCE FOR SURVIVORS: LIVE VIOLENCE FREE

Live Violence Free supports survivors of domestic abuse by empowering them with the tools and resources for independent success. Embarc's board provides grants to support the daily function of their operations. Embarc supports the broader work of Live Violence Free through promoting awareness of safe spaces for survivors of abuse to seek help.

SPONSORING HIGH SIERRA SOFTBALL: SUPPORTING GIRLS & SPORTS

Supporting local sports and outdoor activities is an ongoing priority for Embarc Tahoe's Board. With inequity in access to sports for low-income youth and particularly for young girls, Embarc sponsors the Girls High Sierra Softball League in recognition of the need to bring more underserved female youth into the benefits sports provide.

RECOGNIZING THE YOUTH MENTAL HEALTH CRISIS: TAHOE HIGH MEMORY GARDEN

With many parents and youth educators serving on Embarc Tahoe's Board, we are acutely aware of the challenges Tahoe youth have endured during the pandemic and the ramifications of the growing youth mental health crisis. In support and solidarity with Tahoe's youth, Embarc supported the creation of a Memory Garden at Tahoe High providing students with a safe, communal space to remember and honor their fellow classmates that have passed away from the rise in teen drug overdoses and suicides.

Much like San Bruno, Tahoe's Board is focused on preserving the unique quality of life in that community with a prioritization on supporting healthy kids and by extension healthy families as the lifeblood of the community. Our track record demonstrates our ability to meaningfully contribute to advancing those shared goals.

CONCLUSION

Embarc has a demonstrated track record of meeting the unique needs and priorities of each community it serves. As part of that ongoing effort, we have coalesced some of the leading voices in San Bruno into a Community Advisory Board tasked with ensuring our community benefits remain focused on addressing the pressing needs of local residents.

Formation of a Board is not something we will undertake if selected to operate; instead, our Board Members have been at the table in the development of this proposal. What results is a commitment of significant resources—both financial and human—to ongoing engagement with and betterment of the community we seek to serve, resulting in tangible impacts for San Bruno.

This plan also briefly highlights other key components of how Embarc will seek to integrate into and ultimately benefit this community. While not exhaustive, it is intended to illustrate many of the ways in which we believe we can serve as partners in community betterment. It builds on our existing track record in current operations, as well as our team's track record of local and regional philanthropy. Ultimately, it is the embodiment of our belief that true community benefits are not about static partnerships or one-time checks, they are the result of bringing the right voices to the table and providing them with significant ongoing resources to address pressing local needs.

"AN AUTHENTIC, PEOPLE AND COMMUNITY-FORWARD BUSINESS"



CALIFORNIA • DISPENSARIES

Lauren Carpenter was born and raised in Sacramento. After years of working her way up at some of the largest Cannabis retail operators in California, the Embarc CEO took a leap of faith and partnered with friend and entrepreneur Christy Wilson to open the first Embarc location in South Lake Tahoe in June of 2020. Around the time they got the doors open, Sacramento had begun the conversation around equity licensure and how to address the imbalance in the current system. The issue was debated and during that time, Carpenter partnered with another friend and entrepreneur to open Embarc's second location in Alameda.

Carpenter's personal trainer, Rob Jackson, began to hear all about her growing business and, a seasoned businessman himself, initiated a conversation around a partnership in a store in their mutual native city of Sacramento. Shortly thereafter, it was decided that California's capital city would pause awarding new retail licenses, and the next 10 licenses issued would go to minority owners to help diversify the space. With a great opportunity and the licenses aligned, Carpenter and Jackson moved to Sacramento to open the second location.



BEYOND BEING AMBITIOUS, THE METHODOLOGY CARPENTER AND HER TEAM ARE UTILIZING TO BUILD THE EMBARC EMPIRE IS, QUITE FRANKLY, WHAT'S BEEN MISSING IN CANNABIS RETAIL: PURPOSE. IT IS ABUNDANTLY APPARENT THAT THE LEADERSHIP IS HERE FOR MORE THAN JUST MONEY AND THE GOAL IS TO CREATE AN AUTHENTIC, PEOPLE AND COMMUNITY-FORWARD BUSINESS – NOT JUST ANOTHER CHAIN OF POT SHOPS.

COMMUNITY FIRST

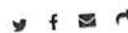
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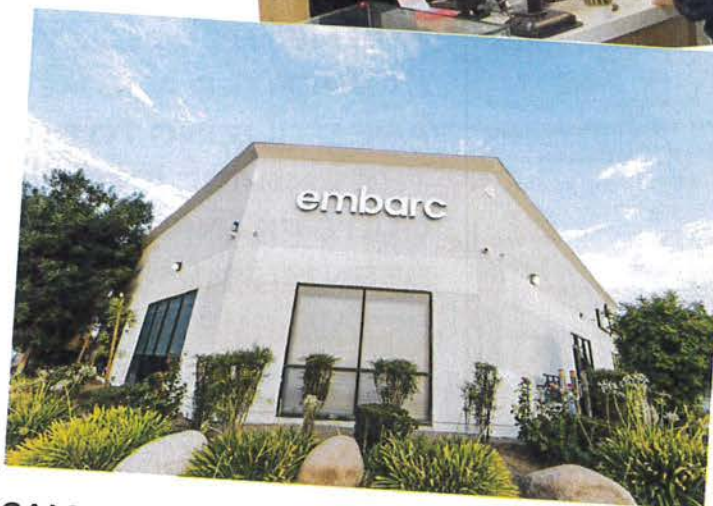
LOCAL

First Fresno cannabis dispensary opens. City councilmember is first official customer

BY THADDEUS MILLER
UPDATED JULY 14, 2022 4:45 PM



avenues. The shop is



CALIFORNIA CANNABIS DISPENSARY EMBARC PUTS COMMUNITY FIRST | INTERVIEW WITH FOUNDERS

MITCH PFEIFER • AUGUST 15, 2022

CALIFORNIA CANNABIS LEARN ABOUT CANNABIS 14 MIN READ

Many cannabis dispensaries claim to be about their local community. Some really live that, enter **embarc**. From the experience to shelf representation all the way to giving a portion of every piece of revenue to each store's direct community, Embarc quite literally puts community first. I had the privilege of talking with co-founders and partners, Dustin Moore and Lauren Carpenter. They talked about their journey in creating Embarc, the California market, legacy cannabis, and the importance of community.

TO DATE, EMBARC HAS WORKED WITH THE BOYS AND GIRLS CLUB, PROVIDED SHELTER FOR THE HOMELESS IN TAHOE, FUNDED COMMUNITY SCIENCE PROGRAMS, WRITTEN SCHOLARSHIPS FOR HIGHER EDUCATION, FUNDED SOBER GRADUATION NIGHTS, CLEANED STREETS, AND MORE

"THE BEST EXPERIENCE I'VE HAD AT A DISPENSARY."

**Jerry Morris**

1 review

★★★★★ 3 days ago **NEW**

I absolutely enjoyed embarc is great reasonable price and great staff would recommend everyone to go honestly it a blessed wonderful place.

Reply Like

**Jocelyn Kelzer**

4 reviews

★★★★★ 4 days ago **NEW**

Incredible new spot - online order with easy pickup. Friendly staff, great prices, quality product. Lucky to have so close!

Reply Like

**Elizabeth Payne**

Local Guide · 39 reviews · 221 photos

★★★★★ a day ago **NEW**

A very beautiful store very well thought out clean and pretty to look at I have found a few good deals that beat the other stores around. Kind and helpful employees. Definitely suggest that you check out embarc!

**Matt A**

4 reviews

★★★★★ 6 days ago **NEW**

Embarc is an amazing dispensary full of amazing people that just make you feel good about being you, I will always be a loyal customer! plus our bud tender we always get is named Jsolis he always makes us feel welcomed and helps us find exactly what we're looking for!

Reply Like

**Jon Bailey**

Local Guide · 23 reviews · 1 photo

★★★★★ a week ago **NEW**

This was my first experience at a dispensary in California and I was very impressed. The establishment was very clean and well managed. The staff was extremely accommodating and helpful. My budtender was able to give me great suggestions and was very knowledgeable. I left with a smile on my face. It's great to know 1% goes to making Fresno a better place too. Keep it up Embarc!

1

**Aileen Ford**

2 reviews

★★★★★ a day ago **NEW**

A welcoming place, always! Consistently EXCELLENT service, too! As always, Ana was right on point in helping me select a product for my changing needs. Especially appreciate being greeted by name at reception check in!! A pleasant boutique shop!

**“THEY KNOW THEIR CUSTOMERS
AND GO THE EXTRA MILE TO GIVE
EVERYONE A GREAT EXPERIENCE...”**



Alex Melendez-Soto
2 reviews

★★★★★ 2 weeks ago **NEW**

Awesome service and really went above and beyond to recommend exactly what I was looking for!



David Raymundo
1 review

★★★★★ 3 weeks ago **NEW**

“TOP SHELF PRODUCT MET WITH TOP SHELF SERVICE”.

I just had one of the best experiences at a dispensary in all 10 years of my patronage to these establishments.

I have never felt more welcome, been more informed on the products available to me or enjoyed talking to and learning from the staff at the Mack Rd location here in Sacramento, Ca Thanks to the assistance of the assistant general manager I was able to get top shelf product met with top shelf service! This is the new go to spot!



Isabella Ursos
2 reviews

★★★★★ a month ago

Upon entering this new dispensary, I was overwhelmed with the abundance of edibles. Alvin is an informative and passionate Budtender who helped me narrow down my options! 5 stars is not enough for the service and quality here.



Mamta Singh
1 review

★★★★★ a month ago

Alvin was the absolute sweetest bud-tender - for my first time ever buying I left with the biggest smile. He was so helpful, non-judgemental, and very accepting - exactly what I needed for my first time buying. Thank you sm, Alvin!



Courtney Briggs
1 review

★★★★★ a month ago

This place is nothing but classy. Everyone that works there is incredibly friendly and knowledgeable. This is our go to place. I am super happy to have this place in Alameda. If you aren't sure where to go, now you do.



Dawn Tudor
2 reviews

★★★★★ a month ago

The best shop! They know their customers and go the extra mile to give everyone a great experience. I'm loyal to embarc!

SECTION 3. NEIGHBORHOOD COMPATIBILITY PLAN (& ODOR CONTROL PLAN)

Embarc believes operating a cannabis business is a privilege and not a right and that a successful business model is predicated on the ability to consistently engage the community to ensure transparency, integrity, and collaboration. By putting the community first, Embarc ensures a positive relationship with the City, local leaders, and the neighborhood, ultimately allowing us to participate in—and give back to—the community in meaningful ways.

Our commitment to earning the community's trust is embodied in ways large and small, from neighborhood benefits and volunteerism to empowering community members to provide feedback and direction on our operational model through our Community Advisory Board.

Based on our experience operating compliant retail and delivery operations in other communities, we understand the importance of proactivity in resolving potential issues before they arise and that being accessible is vital to prevent concerns from escalating to issues. Embarc has a proven approach to neighborhood engagement and responsiveness, as well as a detailed plan to prevent and/or appropriately address community concerns to prevent them from rising to the attention of the City.

Embarc San Bruno will be maintained in accordance with the standards of the International Property Maintenance Code to ensure the licensed premises are safe, sanitary, and fit for occupation and use, and will utilize green business practices to ensure environmentally responsible operations.

We will proactively work with community members, neighborhood leaders, and local businesses to build a synergistic relationship based on respectful dialogue and ongoing approachability and have already identified and/or initiated meaningful partnerships that will ensure our re-imagining of the proposed location serves as a net benefit to the neighborhood's health, safety, aesthetics, and economic viability, both for our proposed business and neighboring uses.



Why San Bruno?

At a time when many cannabis operators are racing to establish the largest national footprint by pursuing retail licenses in every community open to licensure process, Embarc chooses a different path. Our mission is to thoughtfully expand our presence in the emerging industry by selectively building in communities that share our values and where we can cultivate genuine, long-lasting partnerships.

With a successful track record of operating eight dispensaries throughout California, including nearby locations such as Redwood City, Alameda, and Martinez, and more than half a dozen shops to open this year, we have identified San Bruno as the prime choice for our next location. Known as the “City With a Heart,” San Bruno is a welcoming, vibrant, and thriving community where both residents and businesses can thrive. Our decision to apply for a cannabis retail license in San Bruno is driven by these compelling factors:

TRANSIT CONNECTIVITY: San Bruno is conveniently situated, offering superior regional connectivity. BART and Caltrain connections ensure effortless travel to and from San Francisco, San Jose, and a host of Peninsula cities. Direct access to Oakland and San Francisco International Airport further augments the appeal. This interconnectiveness is indicative of a community that is embracing opportunity, which is exactly the culture we want to align ourselves with at the forefront of this emerging industry, and it is also why we believe our presence in more than half a dozen regional communities will benefit our proposed San Bruno location.

PROXIMITY TO SFO: San Bruno's unique geographical advantage as the home base for San Francisco International Airport (SFO) presents an unparalleled business opportunity. Should Embarc be privileged to receive a license, our San Bruno location will become the closest licensed dispensary to the airport. This places us in an ideal position to cater to a wide variety of customers, including international tourists and domestic travelers who might not have legal access to adult-use recreational cannabis in their home states or countries.

The opportunity to purchase cannabis products in a safe, legal environment is a significant draw, potentially more

so than other mainstream businesses. This customer influx would contribute to outside tax dollars flowing into the City of San Bruno. This not only bolsters the local economy but also fortifies the City's essential public services. San Bruno's proximity to SFO, in conjunction with our planned presence, sets the stage for attracting new customers, bolstering the local economy, and enhancing community services.

DIVERSE DEMOGRAPHICS: Embracing diversity is at the heart of Embarc's operations. San Bruno, with its culturally rich tapestry that includes various backgrounds, age groups, and income brackets, presents a perfect alignment with our ethos. The vibrancy and inclusivity of this community not only allow Embarc to serve customers of all backgrounds and experiences but also enable us to forge deeper connections with our consumers, community partners, and the neighborhood at large. Furthermore, the City's diversity offers us the opportunity to uphold our commitment to diverse and inclusive hiring practices, ensuring that we truly reflect the community we serve.

PROXIMITY TO MAJOR COMPANIES: San Bruno is home to YouTube's headquarters, which provides retail businesses with a potential steady stream of professionals who work in the City but may live in a neighboring community. These individuals represent a potential customer base for Embarc, bringing in additional tax dollars from outside the San Bruno residential community. Situating our business in proximity to these workplaces not only offers convenience for these professionals but also enables us to provide them with safe, legal, cannabis products. The resulting increase in sales will further contribute to the local economy and support San Bruno's public services.

SUPPORTIVE GOVERNMENT: The local government of San Bruno fosters an environment conducive to business growth and economic advancement. The city's policies actively support local businesses, encouraging innovation and success. Embarc appreciates this supportive business climate, and we look forward to contributing positively to the City's economic fabric and community development initiatives.

HIGH QUALITY OF LIFE: San Bruno has a distinctive charm that sets it apart from its neighbors. Its schools, beautiful parks, and a sense of community all contribute to a

remarkable quality of life for its residents. The city is also host to a variety of recreational and cultural opportunities, from its dynamic dining scene to numerous community events, fostering a vibrant and engaged community. This commitment to enhancing residents' lives provides an excellent platform for Embarc's Community Investment Fund to make a meaningful impact. By aligning with the City's values and contributing to community development initiatives, we aim to further enrich the life of San Bruno's residents and become an integral part of this thriving community.

The licensing process presents an opportunity for the City of San Bruno to select a partner that goes beyond the role of a mere cannabis purveyor, but rather one that can genuinely maximize the benefits to this community. We are confident Embarc is the ideal choice.

San Bruno's Mission Statement, "The City of San Bruno exists to provide exemplary services for our community that enhance and protect the quality of life," resonates with our own ethos. We believe that Embarc's presence in San Bruno will significantly enhance the lives of its residents, just as the collaboration from San Bruno residents has significantly enhanced our local proposal. Similarly, the City's values—Protecting, guarding, and shepherding public resources and interests; Teamwork; Exemplary service to the community; Competent, well-trained employees; Friendliness; and Commitment to the community—are perfectly aligned with our own values, as we've highlighted throughout this proposal. From our carefully chosen location on El Camino Real to our proposed community benefits, employee training and benefits, and ongoing neighborhood engagement plans outlined in this proposal, our commitment to San Bruno and its residents is unwavering and sincere.

Why Lomita Park & El Camino Real?

Our team's practical experience entitling dozens of cannabis operations has proven that location selection is critical to the viability of a proposed cannabis business. As such, prior to finalizing site selection, we undertake an

extensive diligence process informed by our community listening tour and led by our executive leadership team and feedback from Community Advisory Board members and other stakeholders.

The first step in our real estate diligence process is to generate citywide mapping to identify qualifying parcels. Our real estate team obtained a San Bruno parcel map and uploaded it into GIS mapping software to identify every eligible parcel in permissible zoning for commercial cannabis activity and overlay all sensitive use buffers to produce a complete list of compliant properties.

After an extensive review of all compliant parcels, we narrowed our focus to standalone buildings (to afford total control over the property) with parking and with appropriate square footage. We then reviewed all viable options with our Security Chief, Matt Carroll, to further narrow our review to properties that are most conducive to maximizing public safety. Finally, with a short list of just a few properties that met these criteria, we spoke with community members to understand where we would be most welcomed and mutually beneficial to local commerce.

As a result of these exhaustive efforts, we believe 120-124 El Camino Real in the Lomita Park neighborhood is the most optimal site for cannabis retail in the City of San Bruno for the following reasons:

SENSITIVE USES: The parcel exceeds the City's 600-foot sensitive use buffer from any sensitive use—youth centers, K-12 Schools, day care operations, and parks.

SQUARE FOOTAGE: The size of our proposed building is adequate to accommodate our proposed operations and estimated number of customers. Its condition will require only cosmetic and operational tenant improvements rather than full construction. Embarc has been the first of its cohort of license recipients to open in nearly all the communities where we operate today—a testament to our ability to operationalize quickly and to our understanding that municipal revenue generation is a primary goal of these endeavors. Extensive renovations would create delays in the design, permitting, construction, and operationalization of the business and would be antithetical to our track record of moving quickly upon award.

PARKING: A vital criterion in our site selection process was the availability of parking, an amenity many available properties within the City unfortunately lacked. Our proposed location features an on-site parking lot. This not only ensures customer convenience but is also instrumental to the business' success. Easy access and efficient traffic flow have a direct impact on customer satisfaction, visit frequency, and by extension, revenue generation. In turn, this influences the City's ability to collect corresponding taxes and fees. Parking is discussed further in Section 6.1. Description of the Proposed Location and 3.1. Proactively Addressing & Responding to Complaints below.

FREESTANDING BUILDING: The choice of a freestanding building for our proposed location is deliberate and strategic. Being the sole structure on the parcel, we are afforded complete control over the building's entire perimeter. This extends to the ability to implement customized security measures across the full property, including a robust network of surveillance cameras, advanced alarm systems, and comprehensive access control. Our Security Chief prioritizes this aspect of location selection due to the significant enhancement it provides to our site's security landscape. The standalone nature of the building enables us to build an integrated, top-tier security framework that aligns with our commitment to ensure the safety of our customers, employees, and the broader community.

LOCATED NEAR THE 101 & SFO: The proposed location is advantageously situated just about 4 miles, a mere ten-minute drive, from bustling SFO. As discussed earlier, this strategic positioning allows us to serve a diverse customer base, including travelers who might not have access to legal adult-use recreational cannabis in their home states or countries. Beyond this, our close proximity to the 101 freeway adds another layer of accessibility for our customers. This major arterial route provides a seamless commuting experience for customers traveling from both local and distant communities.

PEDESTRIAN-FRIENDLY: The site we propose is strategically nestled within a walkable radius of an array of businesses, including markets, clothing stores, and many restaurants. This pedestrian-friendly setup is not just about convenience, it facilitates a synergy between businesses that stimulate economic growth within the El Camino Corridor, creating a bustling commercial hub that

benefits the entire community.

Additionally, the City of Millbrae, situated to the south of our proposed location, is currently in the planning stages of a revitalization project aimed at creating a more pedestrian-friendly downtown. Millbrae's vision for the future includes a reimagining of El Camino Real with wider sidewalks, improved crosswalks, more trees, better lighting, and new commercial and residential developments. With Millbrae yet to license cannabis retail operations, it's likely that consumers from their downtown area will be drawn to our proposed San Bruno location due to its proximity. The cross-pollination of customers supports our business while amplifying San Bruno's economic benefits through increased revenue and tax dollars, thereby fostering city-wide growth and prosperity.

APPROPRIATE VISIBILITY: Our proposed location on El Camino Real offers an ideal balance of visibility for a cannabis business. The location is not overly conspicuous, which could detract from the neighborhood's atmosphere, yet it remains easily accessible without posing safety concerns. This location strikes the perfect balance, making it highly suitable for a cannabis retail establishment. Together with Embarc's tasteful exterior designs, residents felt that this location would be the most appropriate for a cannabis business, ultimately benefiting the City as a whole.

After a multi-month listening tour and community engagement with neighborhood leaders and community members City-wide, Embarc has coalesced a committed and engaged Community Advisory Board of local stakeholders who sat alongside us in the finalization (and hopeful implementation) of a community-oriented cannabis proposal that meets this neighborhood's needs while remaining approachable and accessible for those from throughout San Bruno and the region.

Ultimately, it is Embarc's intention to be a contributing and responsible force in the community, and we are committed to ensuring that our dispensary never poses a nuisance to the neighborhood. Below we describe specific strategies, procedures, and equipment to ensure just that.

3.1. PROACTIVELY ADDRESSING & RESPONDING TO COMPLAINTS

Describe how the CCOP holder will proactively address and respond to complaints related to noise, light, odor, litter, vehicle, and pedestrian traffic, and on-site and/or on-street parking.

Embarc San Bruno employs a protocol for addressing and responding to complaints related to its business, including any potential complaint concerning noise, light, odor, littering, vehicle and pedestrian traffic, parking, loitering, and public consumption. This protocol is critical to ensuring consistency in response and in providing the data we need to modify Standard Operating Procedures (SOPs) as needed to alleviate the likelihood of issue recurrence.

Embarc will implement comprehensive good neighbor and nuisance mitigation strategies to alleviate community concerns. Although we believe our Local Owner, General Manager, and the entire retail team will prevent these issues from arising by cultivating healthy and frequent communication with our neighbors, company policy will require that any staff receiving a complaint report the concern to their manager immediately.

We understand other potential impacts may arise from normal business operations which are not currently contemplated. Should that occur, we will work closely with community members, neighborhood leaders, and local businesses to document and resolve any issue. All necessary actions will be taken to resolve a complaint, and all records of complaints will be kept on-site. Should a complaint occur, employees will be required to adhere to the following written policies and procedures:

STEP 1 - DOCUMENT THE CONCERN OR COMPLAINT: Any employee receiving a complaint will first document the concern on a standardized form. The employee will record as much information as possible, including the source of concern and the length of time it has transpired. The employee will also ask for and record the individual's contact information for follow up. Employees will be trained to ensure the complainant understands that we are sympathetic to the concerns and seek to address them immediately and transparently.

STEP 2 - IMMEDIATELY REPORT THE CONCERN OR COMPLAINT: Employees will be trained and required to immediately report any concern or complaint to the General Manager, CEO, and the ownership team by scanning and emailing the form with the subject line "FOR IMMEDIATE ATTENTION." Employees are encouraged to provide their suggested solutions and potential mitigation strategies. Once emailed, the employee is also directed to speak with the General Manager in person, or a Store Manager if the General Manager is not available. If the issue is truly urgent, our ownership team will be called immediately. Chief Executive Officer Lauren Carpenter and President of Retail Jason Pitts will be notified so that the team can activate in real time.

STEP 3 - DEVELOP & EXECUTE A PLAN OF ACTION: Next, the General Manager and employee will develop and execute an action plan to resolve the issue. The plan will articulate, and Embarc will implement, a short-term solution to alleviate the complainant's concern as well as a long-term solution to prevent the issue from arising in the future. Long-term solutions will be incorporated into our SOPs to prevent reoccurrence and employees will be trained on the new policy within one week of the solution being implemented.

STEP 4 - FOLLOW UP WITH COMPLAINANT: A member of our ownership team and/or General Manager will personally follow up with the complainant to ensure the concern was adequately and efficiently resolved. During the conversation, Embarc will identify actions taken to mitigate the concern and protocols developed to prevent the issue from occurring again. Finally, we will inquire if there are any additional concerns the complainant would like rectified or if the issue was resolved to satisfaction.

STEP 5 - DOCUMENT THE INCIDENT AND RESOLUTION: Lastly, our General Manager or designee will create a complaint report of the incident that documents the following:

- Concern, complaint, or grievance;
- Reporting employee's information;
- Complainant's contact information;
- Action plan and resolution;
- Protocols that were implemented to prevent the issue from reoccurring;
- Follow up conversation with the complainant and

- their disposition of the resolution; and
- Trainings that occurred as a result of any newly developed SOPs .

Reports will be distributed to the ownership team and the Community Advisory Board to ensure accountability and awareness. Embarc will keep all complaint reports for a minimum of five years, unless otherwise required by law. Periodically, our ownership team will audit these complaint reports to certify the efficacy of the response and subsequent policy alterations. This report log will be available to the City upon request.

To address and respond to complaints, Embarc will operate and maintain a 24-hour landline telephone number, or hotline, at the premises for receiving complaints and other inquiries regarding the cannabis business as well as multiple 24/7 contacts. An Embarc manager engaged in the management of the cannabis business will be responsible for receiving, logging, and responding to these complaints and other inquiries daily following the protocol detailed in this section. The complaints will be logged and maintained in our business records in accordance with all local and State regulations. If any Embarc owner, manager, or employee logs any conduct which raises a reasonable suspicion of a violation of local or State regulations, Embarc will report the conduct to the Chief of Police, or their designee, within 24 hours of its discovery.

Embarc San Bruno will provide the City Manager with the name and telephone number (both land line and mobile, if available) of an on-site employee or owner to whom emergency notice can be provided at any hour of the day.

Noise

Embarc San Bruno is taking several precautions and implementing a variety of measures guaranteed to combat and mitigate excessive noise. Embarc will never produce excessive or unnecessary noises that would detrimentally impact the public health, comfort, safety, welfare, or prosperity of the surrounding neighborhood and San Bruno community. Embarc will comply with all applicable standards of SBMC Chapter 6.16.

All noise producing activities, including but not limited to construction, landscaping, and motor vehicle operation, will comply with all San Bruno noise ordinances. No sound

production or reproduction systems inside the facility will be maintained at a volume level higher than what is necessary for the convenient hearing of persons present, including receiving activities. We will prohibit use of horns or signal devices on any of our company or employee vehicles, except as a danger signal or to give warning.

To minimize our neighborhood impact during renovation, construction activities will only occur with a special permit from the City and between reasonable or preapproved hours. The premises, including the parking lot, will be monitored under constant video surveillance, and routinely patrolled by our guards to ensure no inappropriate noise is produced.

If any person or vehicle is identified as causing a disturbance or being excessively noisy, that individual will immediately be escorted off the premises and, if necessary, reported to law enforcement. We will ensure all motor vehicles on our premises adhere to appropriate sound level decibels. Motor vehicles exceeding established limits will be asked to leave the premises by our security team. Our Security Officers will also work to ensure no motor vehicle on our premises is left idling.

Light

Embarc will strictly adhere to the City's lighting standards to ensure safe vehicular operations in external spaces and parking areas and will obtain all required permits and approvals. As part of this commitment, we will submit a comprehensive exterior lighting plan. This plan will encompass a photometric survey detailing proposed light standards, fixtures, light sources, spacing, motion sensors, and shielding. We will seek approval for this detailed lighting scheme from the Director of Community and Economic Development and, if necessary, the Police Department.

Embarc San Bruno understands the community's desire for a safe and secure facility that blends seamlessly into the surrounding neighborhood, along with the ability to enjoy the night sky without obtrusive bright lights. In compliance with all regulations, the exterior of our facility, including the parking lot, will be adequately illuminated for security purposes while not posing a nuisance.

Exterior lighting will be balanced and will not result in

glare on adjoining properties. It will complement the security systems and ensure that all areas of the premises and parking areas are visible while also providing increased lighting at all entrances to the premises. The exterior lighting required will be turned on from dusk to dawn. Specific details regarding exterior light standards are further detailed in Section 5 – Security Plan included with this application.

Should facility lighting give rise to a complaint, we will work to develop a compliant lighting solution that accommodates neighborhood concerns without sacrificing security. Our security, maintenance, and operational teams will ensure that the electrical system and lighting comply with all applicable State and local laws, regulations, ordinances, and other requirements, are maintained in good repair, and do not present an electrical shock or fire hazard.

Odor

In compliance with San Bruno Municipal Code and through a combination of high-tech air scrubbing and carbon filtration systems, negative air pressure, and other odor mitigating techniques, Embarc San Bruno will employ industry-leading best practices to ensure regulatory compliance and nuisance mitigation.

Embarc commits to implementing odor control measures to prevent cannabis smells from reaching outside its premises, acknowledging that failure to do so may lead to suspension or revocation of its permit. These measures include an exhaust air filtration system with odor control and an air system creating negative pressure between the building's interior and exterior, or other methods deemed more effective by the Director of Community and Economic Development. These systems are outlined more in depth below in Section 3.3. through 3.6. Odor Mitigation Practices.

This plan ensures that our retail facility serves as an environmental steward for the community and does not create a public nuisance. Our Odor Mitigation Plan was created and refined through our teams' years of experience operating cannabis facilities. As a result of this experience, we know that, if not properly treated, cannabis odors can create a public nuisance in the surrounding community. Such a condition is antithetical to our goal of being a contributing member and good steward of our community. We will

take all possible steps to treat odors before they become problematic, and proactively address any complaints of unpleasant or offensive odors arising from the facility.

As a component of our proposed Good Neighbor Policy, Embarc will be responsible for the development, implementation, and maintenance of an Odor Mitigation Plan. This includes maintenance of all records relating to odor management including system installation, maintenance, equipment malfunctions, and deviations from the plan. The General Manager will verify the effectiveness of the air quality management system weekly by physically inspecting the system by listening for the sound of the system, visually ensuring the lights are on and the system is functioning, and verifying there is no odor. The General Manager will log that the system has been checked weekly in an odor control maintenance log.

In the event that Embarc receives an odor complaint, the General Manager will:

- Log the date, time, source, contact information, and description of the complaint.
- Within 30 minutes, the General Manager will identify the source of the odor by physically inspecting the facility for any unpackaged cannabis product that may be emitting odor. This includes inspection of all areas of the retail premises including the secure storage area and retail floor, or any other areas where cannabis products are featured or stored.
- Upon identification of the source of odor, the General Manager will dispose of the cannabis product in a secure and air-tight waste disposal area and log the disposal in the track-and-trace system as well as the odor control log.
- The General Manager will also physically inspect the odor control system, within 30 minutes of receiving an odor complaint, to ensure it is functioning properly.
- If the General Manager identifies that the odor control system is malfunctioning, the General Manager will immediately contact the manufacturer.

The General Manager will determine if the issue can be addressed with the manufacturer over the telephone and, if not, will schedule the first available appointment with the manufacturer to visit the retail facility to physically

inspect the odor control system.

If the odor control system cannot be fixed, the General Manager will immediately place an order for the first available replacement part or new system. The General Manager will immediately communicate the complaint and resolution to Embarc's President of Retail and Facilities team via email within 2 hours. The General Manager will discuss the source of the odor complaint or issue and its resolution with the retail team at the next team meeting to develop and implement procedures to avoid a future odor complaint.

Littering

We will utilize two primary methods for litter prevention and mitigation at our retail facility. The first method is providing ample waste receptacles for customers and staff. The second method is employee litter checks and hourly premises inspections.

In addition to these methods, we will adopt a strict no-littering policy for all employees and customers. Any employee who is discovered to be littering on the premises will first receive a written warning, followed by increasingly serious disciplinary actions. We believe the best tool in the fight against littering is to give our patrons and employees ample places to properly dispose of their refuse.

In the public facing portions of our facility, we will have multiple three-stream waste receptacles. These receptacles will allow customers to properly dispose of their non-cannabis waste in landfill, recycling, and compost compartments to streamline the disposal process. Similarly, Embarc will provide three-stream waste receptacles for non-cannabis waste in all back-of-house areas where only employees or authorized contractors will be present.

With ample access to proper receptacles, there will be no excuse for our employees to not dispose of waste properly. All cannabis product waste will be disposed of in compliance with all applicable State and local laws, regulations, ordinances, and other requirements and as detailed in our Waste Management Plan. In the event a neighbor or member of the community feels that litter is accumulating in or around our facility, our team will immediately rectify the situation.

Vehicle Traffic

Embarc San Bruno does not anticipate impacts to vehicle traffic, given the site's parking and thoughtful site layout. We have nevertheless considered vehicular turning movements in relation to traffic flow, proximity and relationship to intersections, adequacy of sight distances, location, and access of parking, and should impacts to vehicle traffic occur, Embarc will designate an employee to manage customer parking and traffic flow in the parking lot.

Furthermore, we will offer pre-ordering promotions and other discounts to encourage patrons to visit the store during non-peak hours to reduce vehicle traffic during peak hours. In the event a community member is concerned with vehicular traffic, our ownership and leadership team will immediately investigate the situation and develop a more robust response protocol.

We are aware that traffic on El Camino Real can occasionally be disrupted by vehicles waiting to access parking lots or businesses. To prevent this, we will ensure our establishment doesn't contribute to such traffic build-ups by clearly marking entry and exit paths to our parking lot and deploying "Lot Full" signage when needed. Furthermore, our management team and Security Officers will closely monitor the surveillance area to promptly address any potential traffic problems in the parking lot or on El Camino Real. If necessary, our Patrol Security Officer will advise anyone waiting to enter the parking lot from El Camino Real to circle the block, preventing any potential traffic congestion.

Pedestrian Traffic

Our facility has been thoughtfully designed with a designated waiting area to ensure efficient customer flow to prevent pedestrian traffic from spilling out beyond the property or otherwise impacting the flow of traffic. In the event that the store has a large gathering of customers, there will be clearly delineated lines and a waiting area to make certain that customers are waiting in an orderly fashion and avoiding a pileup of pedestrian traffic outside the store. Security Officers will also be patrolling the property to help the flow of pedestrian traffic.

If there are still issues pertaining to pedestrian traffic, Embarc will engage an employee outside the store to manage the flow of pedestrian traffic and offer pre-ordering

promotions and other discounts to encourage patrons to visit the store during non-peak hours. In the event a community member is concerned with pedestrian traffic, the General Manager will immediately investigate the situation and develop a more robust response protocol.

Given that our proposed location is situated along the bustling El Camino Real, we will take extra measures to ensure pedestrian safety. Signage will be posted to remind customers not to cross the street outside of designated crosswalks. The nearest crosswalks to our location are at Santa Lucia Avenue and San Felipe Avenue. To further enhance safety, we will include this important information on our website, guiding customers to choose the safest routes to our store if they're walking or using street parking. This information will also be prominently displayed in the store and parking lot as a part of our Good Neighbor Policy.

Importantly, our Security Officers will also engage in periodic neighborhood sweeps, ensuring no littering, loitering, or other negative impacts on the neighborhood. However, in the event a member of the community is concerned with any component of our operations, our owners, management team and security personnel will immediately rectify the situation.

Onsite & On-Street Parking

We are aware that the limited parking in San Bruno can be a significant concern for residents and businesses. Our proposed location addresses this issue by offering six parking spaces, including two ADA-compliant ones. This number surpasses what most available properties within the City currently offer. Our improvements to the location will include necessary repair and restriping of the parking lot, replacement of weathered signage, and installation of anchored bicycle racks, encouraging alternative modes of transportation. Customers also have the option to use the free two-hour street parking along both sides of El Camino Real.

We commit to implementing effective strategies to minimize vehicular congestion in the parking lot and ensure our operation doesn't inconvenience our residential or business neighbors. We'll post visible instructions inside and outside the store indicating proper parking etiquette, duration, and nearest crosswalk locations. Our

communications to our customers will clearly define acceptable parking zones. We will also include a notification about parking etiquette in our customer communication channels, such as emails, text messages, and on our website. Our Security Guards will monitor parking habits and politely intervene when necessary to uphold our Good Neighbor Policy.

Maintaining a good relationship with neighboring businesses and residents is crucial to us. As mentioned previously, we will provide the contact information of our General Manager to all our neighbors. In the unlikely event of a parking concern, such as our customers utilizing residential areas or other business parking lots without authorization, we will promptly take action. Our responsive measures will include heightened signage around our store and extended communications to our customers. We are committed to ensuring that our operation doesn't inconvenience our neighbors, and we will adapt our strategies as needed based on feedback.

Embarc actively encourages a reduction in vehicle usage by offering incentives for customers and employees to ride bicycles, use public transportation, or carpool. These incentives range from product discounts to free transportation vouchers. We also plan to collaborate with a local bike shop to offer our employees discounts for bike purchases and maintenance, promoting this environmentally friendly transport option. Pre-tax benefits for transit cards will also be available to employees, encouraging the use of public transit.

Our extensive experience operating eight licensed dispensaries makes us adept at managing customer flow effectively. Although the number of customers in the store per hour varies depending on time and business maturity, it's common for customers to arrive in groups utilizing one vehicle, use public transit, bicycles, or take advantage of our Buy Online, Pick Up in Store (BOPIS) feature and delivery service—all of which cut down on the number of vehicles in the parking lot at a given time.

We offer promotional programs that incentivize the use of our BOPIS and delivery services. This strategy has seen increasing success at our other operational locations, making it an integral part of our approach to address parking concerns in San Bruno. Through special incentives, we

encourage customers to visit our store during off-peak hours, reducing traffic during peak times. Pre-ordering via our website for express in-store pick-up or delivery not only minimizes time spent in-store but also eases parking lot usage.

By promoting the use of bicycle paths, public transit, BOPIS, and delivery options on our website, and clearly outlining associated discounts or promotions, we aim to influence patron's transportation choices effectively. Additionally, our website will provide clear instructions for using our BOPIS and delivery options, ensuring a seamless customer experience.

These strategies aim to optimize customer service, increase sales, enhance tax revenue, and most importantly, alleviate parking challenges in the community.

Loitering

Embarc prohibits all loitering outside the facility and will notify the San Bruno Police Department if anyone continues to loiter after all reasonable actions have been taken to remove the individual(s). Embarc will post signage (in multiple languages if desired and/or warranted) noting age restrictions and the prohibition on loitering. Simply put, loitering will not be tolerated under any circumstances.

All employees will receive training and implement protocols to reduce the risk of disruptive, nuisance behavior and negative impacts on neighbors. This includes ensuring that customers immediately exit the premises upon completing their purchase.

Security and staff will be responsible for controlling patrons' conduct on the property. As noted above, security personnel will be aware of customers leaving the facility who are carrying easily distinguishable exit bags and will monitor their exit from the premises. Because we will always have security personnel with visual access to both our security monitors and exterior, such personnel will be aware of any individuals on our property.

If any of our neighbors or members of the community feels that loitering on our premises is posing a nuisance to the community, we welcome them to reach out to our team, including but not limited to ownership and the General Manager, who will seek to rectify the situation

immediately. Additional protocols will be implemented to adequately meet the community's needs.

Importantly, our Security Officers will also engage in periodic neighborhood sweeps, ensuring no littering, loitering, or other negative impacts on the neighborhood. However, in the event a member of the community is concerned with loitering, our General Manager, along with security personnel, will immediately rectify the situation in real time.

Public Consumption

Embarc has clearly defined SOPs to ensure no public consumption surrounding its facility, which is strictly enforced by both the security department and retail staff.

Specifically, Embarc prohibits the consumption of cannabis or cannabis products at or on the premises, in the parking areas of the premises, within 300 feet of the premises on the public right-of-way, or in those areas restricted under the provisions of California Health and Safety Code Section 11362.79.

This policy is enforced by rigorous monitoring of the dozens of security cameras covering every inch of our parcel as well as by onsite security personnel who are trained to prevent consumption in or around the premises, including but not limited to regular patrol of the premises.

We will post clear and legible signs, measuring at least 8" by 10", inside the business at the check-out counter stating: "Smoking cannabis on this property, within twenty feet of the dispensary, or in any public place is illegal under California law."

If someone is consuming publicly, security immediately addresses the issue with a clear directive to cease consumption. If the behavior continues, patrons are warned that they will be banned from shopping at Embarc in the future. If after being addressed by security the consumption continues, security will notify the San Bruno Police Department. To date, Embarc has never required Police intervention regarding any public nuisance, including but not limited to public consumption.

Security personnel will be aware of customers leaving the facility because all products must leave the store in an

easily identifiable bag. This allows security to utilize visual inspection and live security camera feed monitoring to view customers exiting the facility. Because we will always have security personnel with visual access to both our security monitors and exterior, such personnel will be aware of any individuals on our property and can respond immediately should public consumption occur.

While Embarc has control over its premises, the reality is that no operator has meaningful control of what happens beyond the four boundaries of its property. As such, we complement our rigorous onsite monitoring and protocols with public education efforts to ensure that the community's cannabis consumers are aware of where they can and cannot consume cannabis in San Bruno. This educational information is intended to serve as an additional deterrent to public consumption.

Finally, deterring public consumption is part of actively monitoring for, and ultimately preventing, loitering, as further detailed below. It is coupled with onsite policies and procedures, including no opening of products onsite. By ensuring customers depart in a timely manner, loitering and on-premises consumption are avoided.

Embarc has developed a comprehensive approach to nuisance avoidance centered around proactive business management, easy-to-follow policies and procedures for its onsite team, and meaningful outreach to the surrounding neighborhood to ensure that neighbors know who to contact with questions or concerns. This approach is driven by lessons learned from existing operations and has proven effective in real-time. We welcome feedback or input from the City and our neighbors and view this plan as a living, breathing document. We will continue to evolve and adapt as we grow and will ensure our policies remain rooted in best practices as our industry evolves.

3.2. AVOIDING BECOMING A NUISANCE OR HAVING IMPACT ON THE COMMUNITY

Describe how the CCOP holder will be managed so as to avoid becoming a nuisance or having impacts on its neighbors and the surrounding community.

Embarc's best practices are rooted in proactive steps to ensure our cannabis operations avoid becoming a nuisance or having any negative impacts on our neighbors or the surrounding community. Embarc will proactively engage with our surrounding neighborhood to react and respond to potential complaints regarding any potential issue.

Embarc's best practices and SOPs ensure our business is a positive addition to the community and can be boiled down to three critical components—ensuring accountability and accessibility; proactively engaging the community and neighborhood; and creating tangible benefits for our neighbors.

Step 1: Accessibility & Accountability

The first step to avoiding becoming a nuisance or having negative impacts is accessibility and accountability with our neighbors and the City we serve. As such, Embarc will provide to both the City and to all neighboring businesses and residents within 1,000 feet contact information for our Local Owner and General Manager, both of whom notice of any problems can be provided.

Additionally, we will provide emergency contact information to both the City Manager and Police Chief with the name and telephone number (both landline and mobile, if available) of an onsite employee or owner to whom emergency notice can be provided at any hour of the day. A 24-hour contact will also be readily available online and posted conspicuously on the exterior of the facility such that any passerby can access management staff with issues at any time. Please note that 24/7 contact information will also be provided for all owners and our Security Department, ensuring ample team members are available at any time.

Embarc's 24-hour contact for receiving complaints and other inquiries will ensure accessibility at all levels for the neighborhood and surrounding community and will be an Embarc Manager responsible for receiving, logging, and

responding to any and all complaints and inquiries.

Embarc will encourage neighbors to report any impact, real or perceived, that they experience in relation to Embarc's operations and will dedicate all reasonable time and effort to resolving any such issue to the impacted neighbor's satisfaction. This mitigation could include making a roaming Security Officer available as a means of addressing any nuisance activities perceived as attributable to Embarc's business operations. Any such assigned Security Officer will be directed to mitigate the situation to the maximum limit permitted by the Private Security Services Act. Furthermore, Embarc will encourage neighboring residents to contact our personnel prior to contacting the City.

To ensure accountability, Embarc will maintain a log of any public nuisance activity on the premises or within 300 feet of the premises. The log will include information required by the Chief of Police, or their designee, including but not limited to the date and time of the occurrence, the type of activity, the circumstances surrounding the activity, the identity of any persons involved in the activity, the corrective action taken by Embarc, and the police case number if applicable. The log will be available to the City upon request.

The inquiry will be managed by our Local Owner or the General Manager depending on the nature of the issue and whether it is community or operationally based. Our Local Owner and/or the General Manager will be responsible for timely resolution of any issues or concerns brought to our attention.

Embarc's owners and managers are available to attend meetings with the City Manager or Director of Community and Economic Development, and other interested parties as deemed appropriate by the City Manager, to discuss costs, benefits, and other community issues arising as a result of retail cannabis implementation for the lifetime of the business.

Further, Embarc's owners and managers welcome the opportunity to attend regular meetings at the request of the City Manager, Chief of Police or any other relevant authority to discuss any and all issues associated with cannabis operations in San Bruno, and in fact have coalesced

coalitions comprised of the local cannabis operators in other communities where we operate for the purpose of providing a centralized place for the City to work collaboratively with industry.

Ultimately, our goal is to mitigate any concerns before they arise to City leadership and will utilize our proven policies and tactics to achieve this goal.

Step 2: Proactive Community & Neighborhood Outreach

In our experience, proactive community and neighborhood engagement is a critical step in building trust and in turn, positive relationships with our neighbors. We appreciate the importance of proactive engagement and ongoing collaboration with the community at large and the neighborhood surrounding our facility. As such, in addition to the extensive community benefits programs detailed in Section 2.6. Community Benefit Programs, we have also identified proactive and ongoing engagement strategies to ensure thoughtful integration of our proposed operations into the neighborhood:

NEIGHBORING BUSINESS OUTREACH: Embarc conduct outreach to neighboring businesses to detail proposed operations and identify opportunities for potential partnerships (where appropriate given the use type). Embarc will document these meetings and provide a record should the City seek verification regarding neighboring business outreach. As part of this outreach plan, Embarc will provide the name, telephone number, and email address of owners and managers to whom notice of problems associated with the commercial cannabis business can be provided. Embarc will provide this information to all parcels located within 1,000 feet.

Additionally, once the General Manager has been hired, Embarc will solicit another meeting to facilitate an introduction and sharing of contact information between the General Manager and neighboring business owners. We have found that establishing this relationship is the single most important mechanism for managing neighbor relations, as neighbors feeling comfortable contacting us directly with issues or concerns ensures we are able to address them in real time.

OPEN HOUSES: We will host at least two open houses between receipt of the right to operate locally and the

commencement of operations, designed to provide residents and other stakeholders with the opportunity to meet our owners, ask questions about our proposed operations and get a better understanding of Embarc's vision. During these open houses, we will focus on impact mitigation and community benefits and will be available to answer community questions and/or concerns. Having these direct engagement opportunities is important to addressing concerns related to operations.

One of these meetings will occur immediately prior to opening the store and will focus on those nearest to our property to afford them the opportunity to understand the myriad compliance and security measures in place governing operations. Based on our experience, this type of community outreach is essential to dispelling myths and creating awareness of how legal cannabis dispensaries operate.

INFORMATIONAL CANVASSING: Embarc will canvass the surrounding neighborhood to discuss our intended operations, compliance, security, and best practices. We will do this again immediately before opening to provide contact information for team members. Doing so helps to proactively address comments and concerns prior to opening the business.

ONGOING ENGAGEMENT: Once operational, our ownership and management team will host annual "listening sessions" where members of the community will be able to voice opinions, ask questions, and meet the Embarc team. Our goal for these sessions is to address any unforeseen concerns and to ensure we are fulfilling our obligations as a good neighbor.

Step 3: Creating Benefits for Our Neighbors

The third step in ensuring nuisance avoidance is creating and delivering tangible benefits through our operations to our neighbors and the surrounding community.

NEIGHBORHOOD SAFETY: Increased safety surrounding the facility is a positive byproduct of the immense attention to detail given to our facility's security measures. Our presence in the neighborhood comes with patrolling Security Officers, an industry-leading surveillance system with coverage extending across the entirety of the interior and exterior of the facility and beyond, and advanced alarm

systems with immediate access to local law enforcement. We are confident that the extreme importance placed on facility security and safety will result in a positive impact on the safety and wellbeing of our neighbors. In fact, other communities located near legal cannabis facilities have seen increased property values as a result of enhanced security and beautification efforts.

NEIGHBORHOOD BEAUTIFICATION: While engaging the neighborhood is critical, we also believe in the importance of rolling up our sleeves and participating in ongoing beautification efforts. As part of our paid employee volunteerism program, detailed further in Section 2.6. Community Benefit Programs, our staff will serve as a volunteer Street Team on beautification projects near the store, which will be informed by ongoing discussions regarding neighborhood priorities with our Community Advisory Board and neighboring businesses.

COMMUNITY ADVISORY BOARD FEEDBACK LOOP: EM-BARC'S Community Advisory Board is comprised of prominent local community members who will help shape best practices to innovate and improve operations and to mitigate any potential for complaints from citizens, customers, other businesses, and the community at large. Given the Board members' insights into this community, they will be empowered to provide ongoing feedback, guidance and accountability for our nuisance mitigation and proactive community engagement programs. This gives residents a seat at the table in addressing business operations in real time. Given our prioritization of neighborhood integration, we will gladly reserve a seat on the Community Advisory Board for a neighborhood representative.

PARTNERSHIP WITH SAN BRUNO POLICE DEPARTMENT: As we have done in every city where we operate, Embarc will form a positive and collaborative working relationship with local law enforcement to ensure trust and transparency with this nascent industry. We have reserved a non-voting seat on the Community Advisory Board for a representative from the San Bruno Police Department to provide quarterly updates and insight into the business and its operations but thought it inappropriate to conduct outreach about such participation until after the conclusion of this process. In other communities, we have found this helpful in maintaining open communication.

COMMUNITY WELLNESS EVENTS: Embarc seeks to support San Bruno's health and wellness industries. Through providing educational seminars and partnering on outreach, we are confident our team's knowledge and resources can benefit San Bruno's health and wellness industry. As further detailed in Section 2.6. Community Benefit Programs, Embarc is committed to hosting educational events on cannabis and welcomes the opportunity to include relevant wellness partners and businesses, when appropriate, in these efforts.

ENGAGING & UPLIFTING LOCAL BUSINESSES - NEIGHBORHOOD DISCOUNT PROGRAM: Encouraging our customers to dine, shop, and enjoy other businesses in the area when visiting our store is one way to create partnerships that support and uplift existing businesses in the community. Through our Neighborhood Discount Program, Embarc will offer a 10% discount to customers with same day receipts from local businesses within our neighborhood. Additionally, we have identified numerous neighboring businesses in immediate proximity for collaboration and amplification.

If selected to operate our Local Owner and General Manager will engage these and other neighboring businesses to provide and/or discuss the following:

- **Good Neighbor Policy:** Solicit feedback on our proposed plans to ensure neighborhood cleanliness, safety and security while answering any questions or concerns.
- **Neighborhood Discount Program:** Discuss opportunities for cross promotion and co-marketing initiatives to encourage patronage of local businesses.
- **Accessible Leadership:** Contact information for our ownership and store leadership team to ensure our neighbors know our team and understand our proposed use.

It is through this collaborative and proactive approach to business management, neighborhood engagement, and supporting local businesses that Embarc will ensure we do not pose a nuisance to our surrounding neighbors and are accessible, approachable, and transparent with the San Bruno community at large.

Proposed Good Neighbor Policy

In every community where we operate, Embarc institutes a Good Neighbor Policy specific to mitigating local concerns and modeled to address local regulations. We have drafted proposed policies informed by San Bruno Municipal Code but would also welcome the opportunity to discuss our Good Neighbor Policies with City staff to incorporate any guidance prior to finalization.

As a responsible cannabis operator, Embarc San Bruno must:

- Create a safe exterior environment through design and site management.
 - Provide outside lighting in a manner that illuminates the outside street and sidewalk areas and adjoining parking as appropriate, without bothering neighbors;
 - Maintain the premises and adjacent sidewalk in good condition at all times;
 - Manage parking and traffic to negate impacts to surrounding areas;
 - Prohibit double parking directly outside the premises;
 - Prohibit loitering around the premises, within 50 feet of the premises, or in the parking lot;
 - Enforce appropriate customer behavior outside the facility and in adjacent areas;
 - Prohibit littering in or around the premises;
 - Prohibit the consumption of cannabis products in or around the premises;
 - Post notices at all public entrances to and exits from the establishment that are clear, well-lit, prominently displayed, and maintained;
 - Direct patrons to leave the establishment and neighborhood peacefully and in an orderly fashion;
 - Direct patrons to not litter or block driveways; and
 - Advise individuals that consuming cannabis of any kind is prohibited in public places;
 - Advise individuals of the prohibition on loitering.
- Provide the contact information for Embarc's General Manager, responsible for community relations and issue mitigation.
- Provide adequate and appropriate ventilation to ensure odor controls result in no emission of noxious

odors.

- Be a benefit to surrounding parcels;
 - Maintain the premises in a clean and orderly fashion; and
 - Instruct security to secure the premises within 50 feet of any public entrance and exit.
- Implement youth education and prevention strategies.
 - Provide physical infrastructure, security, and tailored SOPs to discourage, mitigate and prohibit youth access and/or loitering; and
 - Provide ongoing investment for youth drug prevention and education to be deployed through community partners.

Youth Prevention Strategies – Our Commitment to Protecting San Bruno's Youth

In our experience, the most impactful way to address community concerns is to provide sustainable, dependable resources to educate youth both today and into the future. Embarc San Bruno and our trusted Community Advisory Board members are committed to providing the tools and investment needed to protect and educate San Bruno's next generation.

We understand the vital importance of safeguarding young people from the potential impacts of cannabis businesses as they begin to establish themselves within the City. We believe we can make a significant, positive impact through the careful implementation of our comprehensive youth education and drug prevention programs, given we have a track record of doing so in other communities we serve today. We are dedicated to carrying out these initiatives in every community where we operate, ensuring that we contribute meaningfully to the well-being of young people and the broader community.

Through collaboration with our Community Advisory Board, we hope to implement a youth drug education program in the City, inspired by our successful collaboration with the Boys and Girls Club of Lake Tahoe. We believe this initiative will significantly contribute to preventing youth in the community from accessing cannabis.

The Boys and Girls Club of Lake Tahoe successfully implemented Embarc's Youth Drug Prevention and Educational coursework, engaging local youth in meaningful

discussions. Developed through workshops with experts, Embarc chose Botvin's curriculum as the most effective and engaging youth drug prevention program. Our process involves identifying a target age group, adopting Botvin's certified resources, using a cognitive-behavioral framework, and conducting workshops with stakeholders such as drug prevention specialists, law enforcement, City Council members, parents, and Unified School District members across California communities.

Botvin's e-LST Middle School 1 is a scientifically-backed substance abuse and violence prevention program with over 35 years of research. The Boys and Girls Club of Lake Tahoe conducted the program for 24 fifth-graders in 10 weekly 45-minute sessions and 28 teens, primarily sixth and seventh-graders, in 12 weekly 45- to 60-minute sessions. Participants appreciated learning about managing emotions, coping with stress, and applying the three Cs (Clarify, Consider, and Choose) for decision-making. They were surprised by nicotine's addictiveness, targeted advertising, and its harmful effects on the body, ultimately gaining valuable knowledge and life skills. This program is further detailed in Section 2.6. Community Benefit Programs.

Ensuring Cannabis Products Do Not End Up in the Hands of Youth

In addition to youth drug prevention programming, it is essential for cannabis retailers to design their facilities and operations in a manner that effectively prevents cannabis from falling into the hands of young people. It is our responsibility to implement a robust Youth Prevention Plan to ensure the safety, security, and quality of life for the neighborhood, including for San Bruno's most promising residents—its youth.

As a cannabis retailer founded by policy and compliance experts, Embarc was born after the legalization and implementation of Proposition 64. We worked with State government to develop the policies that would inevitably lead to adult use legalization and industry-wide regulation. As part of that process, our team members have engaged with communities across the State and are acutely aware of the need to protect youth. When selling a product that was illegal during our lifetimes, we believe it is incumbent upon us to implement a plan that protects our youth while educating our community—through action and continuous engagement—that legal, regulated cannabis can and

should responsibly exist within a community.

While some studies and experiences from other regulated markets have found that youth cannabis use remains static or decreases in communities with access to legal, regulated cannabis, we believe that it is especially incumbent upon us as operators to proactively implement security and other deterrent measures to protect against youth exposure or access. We also believe in our responsibility to educate the community on the protocols and security measures we have in place to protect youth as a component of our ongoing commitment to supporting the successful implementation of youth drug prevention and education with our Community Advisory Board and non-profit partners.

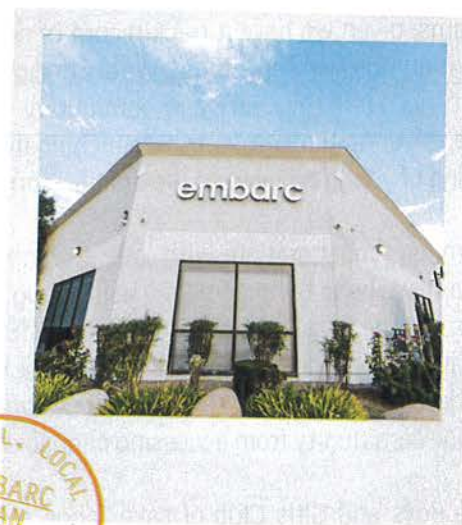
We have many parents on our team and intimately understand the real concern parents face when sending their kids to school for a variety of reasons, including the proximity to retail cannabis and alcohol shops. We believe in our duty and commitment to the City, community partners, and neighbors to proactively engage, identify, educate, and address our local community's concerns regarding the safety and security of our neighborhood and the children that live, learn, play, and grow within it.

Embarc has developed a holistic, multifaceted approach to ensuring cannabis products do not end up in the hands of underage youth and that our storefront is safe, secure, and only frequented by those of appropriate age. A variety of physical features, staff protocols, and functional design concepts will be implemented at Embarc San Bruno to ensure a secure, comfortable environment that poses no risk to San Bruno's youth and positively contributes to the neighboring community. We will take a multi-layer approach to diversion prevention, including several state-of-the-art physical and bio-metric controls; detailed record keeping software; adequate and aesthetically pleasing exterior lighting; education for staff and the public; categorical access control; and dozens of other applied measures to ensure our products are only in the hands of authorized adults.

As responsible, community-oriented operators, we have developed a comprehensive Youth Prevention Plan to proactively take steps to ensure cannabis products do not end up in the hands of underage youth, detailed below.

INFRASTRUCTURE & SECURITY

- Implement physical infrastructure, security, and training protocols to ensure no youth enter or loiter outside or within 50 feet of the storefront;
- Post all required signage in easily identifiable locations to communicate age restrictions, identification requirements, and to prevent loitering;
- Premises constructed and designed to prevent access by any unauthorized individual through a variety of security measures, including alarms, surveillance systems, and target hardening measures;
- The front public entrance always remains secured with commercial grade locks, and customers or authorized visitors will only be allowed access via remote unlock button (controlled by staff) after passing an initial visual inspection;
- Comprehensive surveillance system to provide full video coverage of the entire interior and exterior of the premises.
- Professional Security Officers enforcing age restrictions and preventing youth exposure or access; and
- Security Officers will conduct "youth prevention patrols" and will be trained to monitor against and prevent any shoulder tapping or potential third-party sales to minors.
- We will utilize mosquito alarms to deter loitering by emitting sound at high frequency intentionally tuned to be heard by those under the age 21. Mosquito alarms are known as an effective safety and security tool for preventing youth congregation.



PROMISES MADE, PROMISES KEPT: SUCCESSFULLY PREVENTING SHOULDER TAPPING

Our strict operational procedures and ongoing training protect against youth access and shoulder tapping activities. Our Tahoe location is situated on South Lake's main strip near Stateline, which can attract underage individuals seeking alcohol or cannabis access. Our team vigilantly monitors activities outside the shop, uses dedicated ID scanners to verify ID validity, and denies customers attempting third-party purchases for a group. We have caught attempted minor sales through these procedures and are confident in our ability to detect and deter attempted youth access to our storefronts. Moreover, we have significantly contributed to local youth activities during high-risk exposure times after school and on weekends, further safeguarding against potential youth access.

"The company met with representatives from the school district, City leadership, and the Martinez Police Department to discuss the ways in which the business would protect youth from exposure. The company also reserved seats for members of the school board to sit on Embarc's Community Advisory Board. Since opening and operating at their location on Alhambra Avenue in March 2021, Embarc Martinez has had no incidents of youth access or any compliance or public health and safety infractions. They are in good standing with the City of Martinez."

ERIC FIGUEROA,
FORMER MARTINEZ CITY MANAGER

STANDARD OPERATING PROCEDURES & EMPLOYEE TRAINING

- Staff training and education on the hazards of youth cannabis use and how to identify and prevent potential youth access to the licensed premises;
- Tailored operational procedures and post orders to provide specific guidance to Security Officers and employees on interacting with youth and develop store protocols around the path of travel timeframes for San Bruno's local students; and
- Stringent inventory control procedures will be put in place via an inventory tracking system, tools and forms for accounting and verification, and tasks and processes that will ensure accountability at every stage through the retail product cycle.

PRODUCT PACKAGING & LABELING:

- Embarc will only accept products from licensed distributors that conform to all packaging and labeling standards in the CCR § 17402-17412, including:
 - All packaging will be child-resistant and tamper-evident;
 - All packaging will have the California Universal Symbol;
 - All packaging will have the GOVERNMENT WARNING statement in bold print;
 - Package cannot imitate any package used for products typically marketed to children;
 - Edible products must be in opaque packaging;
 - Labeling must identify the product as a cannabis product or state "cannabis infuse."
- Employees utilizes a check list at the time of product intake to ensure all proper packaging and labeling;
- All products sold to customers will be placed in an opaque child-proof exit bag before they are allowed to be carried out of the store; and
- At check out, Embarc reminds all customers to safely store all cannabis products in their child-proof packaging and out of reach of children in their homes.

AESTHETICS

- Exterior design of the premises has been developed to be a neutral presence on the street, without bright colors, imagery, or any design feature that would appeal to youth;
- Exterior signage is for business identification only and does not feature any decals or other imagery intended to garner attention;
- No cannabis goods are visible from the exterior of the premises; and
- Site has been designed to be discreet and cohesive with neighboring uses.

OVERSIGHT & ENGAGEMENT

- Provide marketing materials to our Community Advisory Board for review and feedback to ensure community sensitive, age-appropriate, non-youth attracting images and messaging;
- Marketing and social media will meet audience composition data requirements and be respectfully tailored to address our only audience—adults;
- Participate in San Bruno Chamber of Commerce meetings to monitor local trends and identify opportunities of need to raise to the Board for consideration;
- Engage nearby school leadership to provide contact information for our Local Owner and General Manager and to seek to provide youth drug prevention educational resources as we have in other communities; and
- Engage in regular check ins with City staff and/or Council to provide updates on our operations, receive feedback, and incorporate recommendations.

ACCESSIBLE, COLLABORATIVE, & TRANSPARENT

- Provide all neighbors within 1,000 feet of our proposed location with the contact information for our Local Owner, General Manager, 24-hour community hotline;
- Facilitate transparent and accessible communications and relationships with our neighbors and surrounding community stakeholders; and
- Pursue a coordinated approach with neighboring and nearby businesses to collaboratively protect and support the youth in our community.

EDUCATE, EDUCATE, EDUCATE

- Educate all customers on the safe storage of cannabis in their home;
- Educate parents and community leaders by providing them with the resources to have difficult conversations with their kids about cannabis and the damages underage use can have on adolescent brain development as well as the increased potential of addiction in adolescent use;
- Partner with trusted community leaders to provide educational programming and resources to educators, community members, and non-profit stakeholders; and
- Fund a comprehensive, holistic approach to youth drug prevention and education programs (just as we do in every community where we operate).

Through our comprehensive and holistic approach to infrastructure, community engagement, operational procedures, youth prevention programming, and our proven track record of responsibly operating in the communities we serve, we are confident that cannabis will not end up in the hands of underage youth.

While many cannabis industry operators write checks but do not put in the work to build the partnerships and the infrastructure needed to make a lasting impact, Embarc has a proven track record of respectfully and impactfully integrating with our partner communities by prioritizing the safety and education of young people in our community investments as well as every aspect of our operations.

3.3. ODOR MITIGATION PRACTICES

Embarc San Bruno is committed to mitigating and controlling any odors associated with our facility and will be responsive to the odor control requirements set forth in the applicable State and local regulations. Specifically, Embarc will exceed the requirements set forth in the SBMC. Embarc commits to implementing odor control measures to prevent cannabis smells from reaching outside its premises, acknowledging that failure to do so may lead to suspension or revocation of its permit. These measures include an exhaust air filtration system with odor

control and an air system creating negative pressure between the building's interior and exterior, or other methods deemed more effective by the Director of Community and Economic Development.

Embarc utilizes odor control devices and techniques to ensure that odors from cannabis are not detectable off-site. Appropriate air purification systems and air scrubbers will be utilized to prevent the odor of cannabis from emanating beyond the walls of the premises. Other odor mitigation equipment will include, but not be limited to, charcoal filtration systems.

Embarc's odor mitigation practices are intended to serve the following purposes:

- To ensure that air circulation resulting from Embarc retail operations does not impact our employees' health and welfare;
- To ensure that air circulation resulting from Embarc retail operations does not impact surrounding businesses and outdoor areas; and
- To ensure thoughtful operations that demonstrate a true commitment to the health and welfare of the City and its residents.

Through our leadership team's years of operating cannabis facilities across the country, and the lessons learned at our existing eight dispensaries, we have developed industry-leading protocols and procedures to mitigate and eliminate any potentially offensive odors that could be detectable by the surrounding community.

Many of Embarc's odor mitigation practices overlap with its hygiene protocols. Embarc will train all employees to maintain a sanitary facility reinforced by anti-contamination SOPs. Per San Bruno regulations, Embarc prohibits employees from consuming cannabis within or outside our licensed facility, and odor control devices such as carbon filtration technology will be utilized to minimize the chances of off-site detection of odors emanating from our facility. To further minimize or eliminate odors emitted to the surrounding community, no cannabis will be stored or displayed in an area accessible to the general public or stored overnight outside of the building.

Our Odor Mitigation Plan will be approved by the applicable

City authorities prior to operation. The system will consist of an exhaust air filtration system utilizing multiple fans and active carbon filters to prevent internal odors from escaping the facility. Generally, this means exhaust air will be filtered through active carbon filtration and, where applicable, HEPA filters prior to exterior release.

Carbon filters will be regularly inspected and recharged and/or replaced in accordance with usage and manufacturer specifications. Embarc will also perform self-inspections, encourage employee observation and reporting, and create response protocols to effectively address any odor complaints that may arise. It is our intention to resolve any complaints received from neighbors in a timely and satisfactory manner.

Our administrative controls have been field-tested and proven effective. They have been designed to ensure that no odors will be detectable outside of our facility. Our General Manager will ensure all odor-producing activities are isolated and mitigated and will perform routine audits to ensure that odor mitigation equipment, filters, and ventilation are working effectively and in good order. Each employee will be trained to ensure that all doors remain closed and odor-emitting activities are isolated. If an employee notices any equipment malfunction, they are required to immediately report the situation to the General Manager, who will develop a plan of action to repair or replace the equipment.

Odor mitigation practices are only as good as their implementation. Thus, this Odor Mitigation Plan seeks to be all-encompassing, focused not only on the mitigation of odors but also on the ongoing maintenance of best practices with clearly defined process ownership, community engagement and communications protocols. It is this level of detail that ensures effective ongoing odor management is achieved.

Embarc's Odor Mitigation Plan detailed below contemplates the following critical components:

PHYSICAL INFRASTRUCTURE: Embarc's approach to retail design contemplates the importance of the physical infrastructure necessary to mitigate odors. For more on the techniques and devices used to mitigate odor in our physical infrastructure plans, please see Section 3.5. Odor

Control Devices, Equipment, & Techniques below.

BEST PRACTICES: Embarc will employ industry-leading best practices to prevent odors from being generated and/or detected inside or outside the facility. Embarc will provide a sufficient odor absorbing ventilation and exhaust system so that odor generated inside the business that is distinctive to its operation is not detected anywhere outside of the facility. For more on the devices and techniques used in Embarc's odor mitigating best practices, please see Section 3.5. Odor Control Devices, Equipment, & Techniques below.

COMMUNITY ENGAGEMENT & RESPONSIVENESS: In addition to physical infrastructure designed to mitigate odors, an important component of our odor control plan is community engagement and responsiveness. While our facility is designed to eliminate odors, we recognize that any new cannabis use, even if that use is not odor-generating, can result in questions and concerns from community leaders, residents, and businesses. Thus, a critical component of our Odor Mitigation Plan is a robust community responsiveness protocol designed to be proactive in addressing community questions and diligent in responding to concerns. For more information on our community engagement and responsiveness to community complaints regarding odor, see Sections 3.1. Proactively Addressing & Responding to Complaints and 3.2. Avoiding Becoming a Nuisance or Having Impact on the Community.

INTERNAL PROCESS OWNERSHIP: Embarc's retail management structure ensures that there is at least one manager on-site during all working hours. All managers and staff are trained extensively on SOPs, including the odor management protocols outlined in this proposal. Managers are responsible for ensuring that any odor issues are resolved promptly and that the resolution is communicated effectively both internally and externally.

3.4. SOURCES OF ODOR & ODOR MITIGATION PRACTICES

Identify potential sources of odor and odor mitigation practices.

Potential Sources of Odor

As cannabis is legalized across the country, significant research is being undertaken to better understand odor intensity at each point in the cannabis supply chain. These findings are integral to ensuring thoughtful air quality management best practices are in place specific to each point along the chain.

One example of the research driving the development of best practices can be seen in the City of Denver's Public Health and Environment Guide to reducing the impact of cannabis operations on air quality. Per this Guide, odor generation is typically associated with the cultivation and manufacturing of cannabis, as both processes are odor intensive, and not with retail operations given all products arrive in their final form. California law requires that all products arrive at a retail establishment fully processed, tested, packaged, and sealed in child-resistant packaging. Because all products arrive at Embarc retail facilities in their final packaged form, there are virtually no odors associated with this license type.

Specifically, per State law, all packaging shall:

- Protect the product from contamination;
- Be tamper evident and sealed so the contents cannot be opened without destruction of the seal; and
- Be child resistant as stipulated by the California Department of Public Health Code (40415).

Our proposed dispensary will receive, store, and sell packaged products in their final form. Consequently, it is highly improbable that any on-site product will emit a strong odor. Nevertheless, this section contains a comprehensive Odor Mitigation Plan designed to ensure odors are undetectable.

Odor Mitigation Practices

An overview of Embarc's proposed Odor Mitigation Plan is provided above in Section 3.3. Odor Mitigation Practices and more comprehensive information can be found

in Section 3.5. Odor Control Devices, Equipment, & Techniques. In response to this prompt, we've provided details on Embarc's staff training plan related to odor mitigation.

Staff Training Related to Odor

The General Manager will train all employees on odor detection, mitigation, reporting, and general system maintenance as part of the pre-store opening training and on an ongoing basis throughout the lifetime of the business. System and process maintenance training and activities are incorporated into the quarterly all hands meeting, and the General Manager will provide a weekly update for all staff with pertinent reminders including retrainings on control measures, maintenance responsibilities, and community engagement, among others.

Additionally, each new hire must complete an odor control training curriculum prior to reporting to work. In addition to technical and procedural components, this curriculum includes de-escalation techniques for use in discussion with community members should odor rise to the level of concern.

The General Manager will organize re-training on administrative and engineering activities for odor mitigation at least once a year or following any material change in odor mitigation equipment or policy.

Trainings will be conducted in person, using real world examples and hands-on learning activities. All Embarc San Bruno employees will be trained on the company's specific administrative and engineering activities for odor mitigation, including but not limited to:

- Employee responsibilities;
- The importance of closing doors and windows;
- Recordkeeping;
- System design;
- Employee observation and reporting;
- Equipment cleaning;
- Ensuring exhaust and filtration systems are running as required;
- Equipment maintenance; and
- Equipment audits and checks.

Embarc will also hold refresher courses throughout the year to remind employees of best practices for odor

mitigation. These refresher courses will be mandatory for all employees. During these trainings, Embarc will stress that odor mitigation is each employee's responsibility.

All employees will be trained to report any odors emitted or any discrepancies between our operations and our odor control SOP. Embarc will also emphasize the fact that we are members of the San Bruno community, and that each employee therefore has an obligation to monitor odors and make a positive impact on the neighborhood.

Embarc employee training practices have been proven successful at our seven existing dispensaries and this hands-on experience operating cannabis facilities has taken the guesswork out of developing training protocols. To date we have experienced no issues with odor management.

3.5. ODOR CONTROL DEVICES, EQUIPMENT, & TECHNIQUES

Describe odor control devices/equipment and techniques employed to ensure that odors from cannabis are not detectable beyond the licensed premises.

Odor control devices and techniques will be incorporated in all aspects of our facility to ensure cannabis odors are not detectable. Embarc San Bruno will provide an odor absorbing ventilation and exhaust system so that odor generated inside the property is not detected anywhere outside the facility, including the adjacent property or public rights of way, on or about the exterior or interior common area walkways, hallways, breezeways, foyers, lobby areas, or any other area available for use by common tenants or the visiting public, or within any other unit located inside the same building as Embarc San Bruno.

Physical Infrastructure

Examples of the physical infrastructure that has been contemplated in the development of a proposed Odor Plan for Embarc San Bruno include, but are not limited to, the following:

- Reduced path of travel for deliveries of bulk cannabis goods, i.e. a reduced path of travel to transport products from the distributor's vehicle to the Secure Product Storage Room;
- Installation of weather stripping on all doors and

windows to prevent odor leakage; and

- A sufficiently sized inventory room to allow for all (appropriately packaged and self-contained) product to be unpacked from bulk boxes within the inventory room to ensure interaction with cannabis products at a high volume are self-contained.

Odor Mitigation Techniques

Embarc San Bruno will implement the following odor mitigation strategies.

NO ODOR-PRODUCING ACTIVITIES ON-SITE: Embarc will not be conducting any cultivation, testing, packaging, extraction or distribution of cannabis and no noxious fumes or gases will be released.

CARBON CHARCOAL SCRUBBER: Embarc will use a carbon charcoal scrubber to remove contaminants and impurities using chemical absorption which will prevent odor from escaping the facility. Carbon charcoal scrubbers are an industry best practice for effectively neutralizing and mitigating odor from cannabis and other industries.

AIR FILTRATION AND NEGATIVE AIR PRESSURE: Our HVAC consultant will design our air system to maintain negative air pressure between the interior and exterior of the building. The HVAC consultant will follow industry standard procedures that are summarized here, based on a study conducted by the California Department of Health Services and the Lawrence Berkeley National Laboratory:

Maintain the interior as depressurized relative to the exterior of the building. Our pressure differentials will be between -5 to -7 Pa (-0.02 to -0.03 in. w.c.). Because of this, exhaust efficiencies of at least 90% will be achieved.

Air from the commercial cannabis sales area will be filtered and exhausted to the outside without recirculation to other occupied spaces.

Increasing the ventilation rate will diminish the concentration of contaminants in any air that happens to leak from the commercial cannabis sales floor to the other areas of the building.

We will work with our vendor, Pure N Natural Systems, to procure industry-leading technology to implement

the negative air pressure system including the use of the Clean Leaf System. This system captures VOCs, odors and more. As the air flows through three stages of filtration, it is cleaned of odors.

As a component of Embarc's commitment to sustainability, we will utilize biofiltration as a component of our broader odor control plans, effectively enhancing odor control efforts. A recent NASA Clean Air Study identified biofiltration as a powerful tool in controlling odors. Through use of "living walls" and beneficial microbes, Embarc will be able to filter indoor pollutants and odors from the air in a completely sustainable way.

ON-SITE ODOR NEUTRALIZATION: Embarc will utilize industry-leading odor neutralization gel to eliminate odors. Odor neutralizers are different than air fresheners as they are chemically compounded gels that bind to and absorb terpenes, thus eliminating the cannabis smell. By utilizing these products in the inventory room and sales floor, Embarc is adding another layer of odor mitigation.

VENTILATION SYSTEM: Our facility will be equipped with a ventilation system to maintain air quality and prevent any cannabis odor from leaving the premises. The ventilation system is designed to control the facility's environment, taking into consideration the square footage, quantity of cannabis products on site, and any odor-emitting activities that occur. Every occupied space will be ventilated by natural or mechanical means in accordance with the International Mechanical Code, International Building Code, and National Fire Protection Association Code. As previously stated, odor control equipment utilized at the facility will include responsible ventilation design and activated carbon filtration technology.

VENTILATION INTAKE OPENING: The location of air intake openings will comply with the International Mechanical Code. All intake fans will be equipped with UV and insect filters. Air intake openings that terminate outdoors will be protected with corrosion-resistant screens, louvers, or grilles. Openings in screens, louvers, and grilles will be sized in accordance with the International Mechanical Code and will be protected against local weather conditions. Outdoor air intake openings located in exterior walls will meet the provisions for exterior wall opening protective measures in accordance with the International Building Code.

OUTDOOR AIR: The minimum outdoor airflow rate will be determined in accordance with the International Mechanical Code. Ventilation supply systems will be designed to deliver the required rate of outdoor airflow to the breathing zone within each occupied space.

AIR BALANCING: The ventilation air distribution system will be provided with a means to adjust the system to achieve at least the minimum ventilation airflow rate, as required by the International Mechanical Code. Ventilation systems will be balanced by an approved method. Embarc will maintain air balancing reports in the Facility Maintenance Log.

NEGATIVE AIR PRESSURE: As detailed above, negative air pressure will be maintained at all times inside the building. We will accomplish this by compartmentalizing the facility and by utilizing negative pressure airlocks. Airtight functionality will create pressure differentials that alleviate the permeation and spread of odors. Furthermore, doors and windows will always remain closed, except for the minimum time required to allow people to enter and exit the building.

EXHAUST OPENING PROTECTION: Exhaust openings that terminate outdoors will be protected with corrosion-resistant screens, louvers, or grilles. Openings in screens, louvers, and grilles will be sized not less than a quarter inch ($\frac{1}{4}$ ") and not larger than half an inch ($\frac{1}{2}$ "). Openings will be protected against weather conditions. Outdoor openings located in exterior walls will meet the provisions for exterior wall opening protective measures in accordance with the International Building Code.

DUCT SYSTEMS: The ducting systems used for the facility's heating, air-conditioning, ventilating, and exhaust systems will conform to the provisions of the International Mechanical Code and National Fire Protection Association Code 90A.

Ultimately, Embarc San Bruno commits to utilizing the best available technology, devices, and techniques to eliminate odors and to effectively maintaining these systems to maximize their efficacy.

3.6. SYSTEM MAINTENANCE

Describe all proposed system maintenance.

Because each location is different, there is no one-size-fits-all maintenance schedule for retail operations. Rather, a customized plan is created for each location by the President of Development, Facilities Manager, General Manager, and construction team, encapsulating odor control as well as general facilities maintenance and management specific to the unique characteristics of the location.

President of Development Terri Gilles and Facilities Manager John Ngu oversee system maintenance for Embarc, bringing years of operational experience in cannabis and a variety of highly regulated industries. The operational excellence, including precise system maintenance protocols, exhibited at existing Embarc locations is a testament to this team's ability to approach system maintenance proactively and efficiently.

In accordance with all applicable municipal code requirements and regulations, Embarc's system maintenance plan will include detailed maintenance policies, procedures, and timelines for odor control. This timeline has daily, weekly, monthly, quarterly, and annual timelines (depending on item and focus area), and this timeline is built into our store-specific management software requiring proactive acknowledgment of completion for each activity. This proactive acknowledgment corresponds to various forms and checklists which are maintained electronically and built into the quarterly and annual performance review process for each General Manager at Embarc. This ensures ongoing maintenance is store-specific, detailed enough to ensure accuracy, and ongoing in nature.

As described previously, the odor control system's carbon filters will be regularly inspected and recharged and/or replaced in accordance with usage and manufacturer specifications. Embarc will also perform self-inspections, encourage employee observation and reporting, and create response protocols to effectively address any odor complaints that may arise. It is our intention to resolve any complaints received from neighbors in a timely and satisfactory manner.

Embarc is committed to ongoing preventative maintenance and ensuring proper functionality of all operations

as well as aesthetic management of the facility and surrounding area, including ensuring the property is consistently provided with adequate electricity, sewerage, disposal, water, fire protection, and storm drainage for the intended business purpose. We will maintain proper facility and system maintenance through the following processes.

At the conclusion of a store buildout, the President of Development and Facilities Manager will schedule a building walkthrough with key members of the construction team to review all components of the facility as well as all warranty and maintenance information. This site inspection and transfer of warranty and other documentation is required of the general contractor before final payment is made and is kept in a binder on the premises.

Upon finalizing the documentation and handover from the construction team, the President of Development and Facilities Manager will then meet with the local onsite General Manager to review the binder in detail and develop a comprehensive preventative maintenance schedule. Items requiring maintenance plans include, but are not limited to:

- HVAC System Maintenance
- Odor Mitigation Infrastructure
- Charcoal Filters
- General PM Schedule
- Waste, Recycling, and Composting Disposal
- Smoke Detectors & Carbon Monoxide Alarms
- Uninterrupted Power Sources (UPS) Batteries for DVR and Network Server Systems
- Exterior Camera Cleaning
- Roof Structures
- Landscaping
- Pest Control
- Plumbing Back Flow & Hydrojetting

During this meeting, the team will also identify all relevant contractors and service personnel and initiate contracts with them to ensure regular service. Embarc San Bruno seeks to achieve 100% local service providers and will utilize the Chamber of Commerce membership guide as a starting point for identifying service providers locally. In fact, for any purchase order or service contract to be approved, the General Manager and/or on-site Manager

must assure that the contractor or vendor is based in San Mateo County.

Non-local service providers will only be utilized when the service is not available locally or where warranties dictate the use of a specific entity. Thus, our commitment to utilizing local service providers goes beyond an abstract sense of community.

As noted above, the findings of this initial process development are then populated into the store-specific management software, with key daily, weekly, monthly, quarterly, and annual deadlines requiring proactive acknowledgment and documentation in order for the General Manager to remain in good standing with Embarc. The General Manager is supported in these key functions by the President of Retail, who oversees General Manager performance, and by the Facilities Manager, who works hand-in-hand with the General Manager to monitor and maintain the facility. Embarc's Facility Manager resides in Alameda and will be available to address any maintenance request requiring support within 24 hours.

Odor Control Record Keeping Systems & Forms

As discussed in Section 3.1. Proactively Addressing & Responding to Complaints above, Embarc has developed an Odor Mitigation Plan, which includes maintenance of all records relating to odor management, including system installation, maintenance, equipment malfunctions, and deviations from the plan. The General Manager will verify the effectiveness of the air quality management system weekly by physically inspecting the system by listening for the sound of the system, visually ensuring the lights are on and the system is functioning, and verifying there is no odor. The General Manager will log that the system has been checked weekly in an Odor Control Maintenance Log.

The equipment cleaning and maintenance records will include, at a minimum, the following information:

- Manufacturer information;
- Date equipment was put into service;
- Date and time of cleaning or maintenance;
- Detailed description of cleaning or maintenance;
- Name of employee who cleaned or maintained equipment;
- Name of tradesperson, if applicable; and

- Date of required next service.

The General Manager will also maintain an odor complaint log. Details of this procedure and log are outlined in part one of this Neighborhood Plan.

The General Manager will be responsible for creating and submitting a monthly odor management report, and Embarc San Bruno will maintain complete records that can be provided to the City upon request.

All records and logs related to the Odor Mitigation Plan will be stored onsite in the Management Office as well as electronically as part of the store-specific management software requiring proactive acknowledgment of completion for each activity. This proactive acknowledgment corresponds to various forms and checklists which are maintained electronically and built into the quarterly and annual performance review process for each General Manager at Embarc. This ensures ongoing maintenance is store-specific, detailed enough to ensure accuracy, and ongoing in nature.



3.7. WASTE MANAGEMENT PLAN

Describe the waste management plan. This should include handling and disposal of any unused or unsold cannabis products.

Below is an overview of Embarc's Waste Management Plan. A comprehensive guide with internal waste management SOPs is available upon request.

Waste Management Plan Overview: Compliance with Laws & Regulations

Embarc San Bruno's Waste Management Plan has been designed to ensure that cannabis waste is properly disposed of in accordance with all State and local regulations. All cannabis waste will be rendered unusable and unrecognizable through mixing the waste with approved non-consumable medium so that the resulting mixture is at least 50% non-cannabis waste and is unusable and unrecognizable. The resulting mixture will then be placed in locking waste bins and transferred to a waste disposal facility approved by the Chief of Police or designee.

Embarc strictly follows all regulations regarding waste promulgated by the Department of Cannabis Control (DCC) and as such, Embarc will not dispose of cannabis goods, unless disposed of as cannabis waste, i.e., the cannabis has been made unusable and unrecognizable. Cannabis waste will be stored, managed, and disposed of in accordance with all applicable waste management laws, including, but not limited to, Division 30 of the Public Resources Code. Cannabis goods intended for disposal will remain on the licensed premises until rendered into cannabis waste. Embarc will ensure that access to the cannabis goods is restricted to Embarc's employees or agents, and that storage of the cannabis goods allocated for disposal is separate and distinct from other cannabis goods.

To be rendered as cannabis waste for proper disposal, including disposal as defined under Public Resources Code section 40192, cannabis goods will first be destroyed on the licensed premises. This includes, at a minimum, removing or separating the cannabis goods from any packaging or container and rendering it unrecognizable and unusable. This does not require vape cartridges to be emptied of cannabis oil prior to disposal, provided that the vape cartridge itself is unusable at the time of disposal.

Cannabis byproducts that have been properly rendered into cannabis waste onsite will be transported offsite for disposal. All cannabis waste will be tracked and traced to its final location, and a non-hazardous waste manifest, bill of lading, or certified weight ticket issued upon disposal. Cannabis byproducts that have not yet been properly rendered shall be collected by a Licensed Cannabis Waste Handler for off-site rendering. Since the waste is still considered Cannabis byproducts, the Licensed Cannabis Waste Handler will follow all rules and regulations applicable to the transportation and handling of cannabis. The cannabis waste will be tracked and traced to its final resting place, and a non-hazardous waste manifest, bill of lading, or certified weight ticket issued upon disposal.

Cannabis waste on the licensed premises will be secured in a secure waste receptacle located in a designated area of the premises that is restricted to Embarc San Bruno's owners, select employees, and authorized waste hauler as noted below.

Embarc will report all cannabis waste activities, up to and including disposal, into the track-and-trace system. If cannabis goods are being destroyed or disposed of, Embarc will record the name of the employee performing the destruction or disposal, the reason for destruction and disposal, and the entity disposing of the cannabis waste into the track-and-trace system.

Any cannabis product determined unfit or rejected will be immediately segregated and placed in the Cannabis Waste Queue for destruction by authorized individuals only. The authorized individuals will adhere to our SOPs for the safe disposal of all unfit or rejected cannabis products.

Embarc will ensure that all cannabis products that have been subjected to improper conditions are not salvaged but, instead, are properly disposed of in accordance with the rules set forth by all applicable State and local laws, regulations, ordinances, and other requirements. Such improper conditions may include but are not limited to, extremes in temperature, humidity, smoke, fumes, pressure, age, or radiation. Any cannabis product that fails to meet the needs or preferences of Embarc San Bruno's customers will likewise be disposed of properly and compliantly. Our General Manager will determine and document the need for the disposal of excess, unfit, or rejected

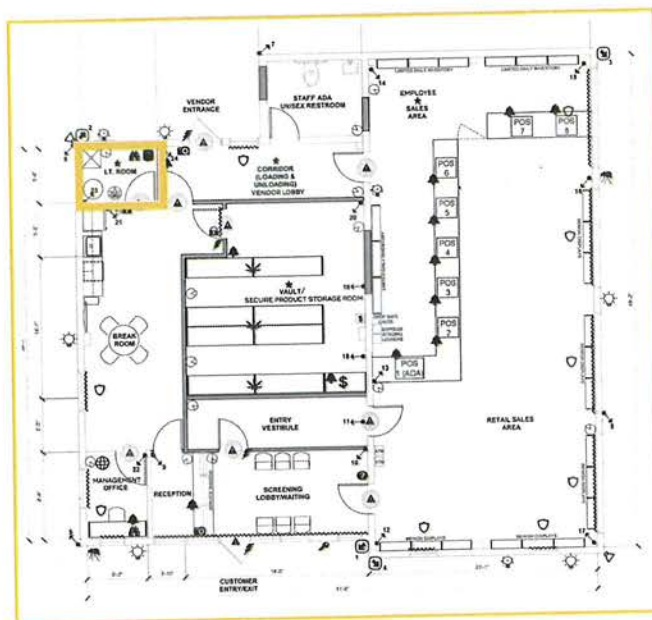
inventory. Unfit or rejected cannabis will be rendered unusable in the same manner as other cannabis waste, as detailed above.

Embarc will remove the recalled product from its website and shelves and place the affected batch in a quarantine state in the locked inventory room. All recalled products that are intended to be destroyed will be quarantined for a minimum of 72 hours. Embarc will affix to the recalled products any bills of lading, shipping manifests, or other similar documents with product information and weight. Embarc acknowledges the product held in quarantine will be subject to auditing by the Department of Public Health. Following the quarantine period, Embarc will render the recalled cannabis product unusable and unrecognizable and dispose of it in accordance with our SOPs under video surveillance.

Embarc will use the track-and-trace database and on-site documentation to ensure that the recalled cannabis products intended for destruction are identified, weighed, and tracked while on the licensed premises and when disposed of in accordance with this regulation. Embarc will enter the products, weight, count, reason for destruction and dates of quarantine into the track-and-trace database.

Cannabis Waste Disposal Locations

As noted on the diagram below, the cannabis waste disposal location is within the limited-access I.T. Room to prevent diversion.



Recycling & Composting Plan

As a company, we prioritize sustainability and reducing waste. The premises will be kept clean to prevent the accumulation of waste, and all waste generated will be disposed of safely and in accordance with local laws and ordinances. We will not produce any hazardous waste, and the majority of our waste will be paper products and office supplies. We are committed to responsible waste management practices.

Embarc has implemented a waste reduction strategy to increase the recycling and reuse of materials, except in cases where waste management (such as cannabis waste) is strictly governed by specific regulations. In both the areas of our premises that are accessible to the public and in the back-of-house area, we will have waste receptacles with three compartments for landfill, recycling (including paper, glass, plastics, and metals), and composting. We will have clear signage on these receptacles to educate individuals on which items to place in which compartment. To reduce waste, we will not provide single-use plastics and styrofoam in our staff breakroom, such as bags, cutlery, cups, and coffee pods. Instead, we will offer washable, reusable, and compostable alternatives.

Embarc also encourages vendors to reduce the use of styrofoam and/or plastics and increase composting of materials. Pursuant to Section 5413 (b) Title 16 of California Code of Regulations, all cannabis packaging must be resealable, tamper-evident and child resistant. While these requirements limit the products on the market that are recyclable, Embarc has been working with the State's largest distributors to identify and prioritize vendors that provide sustainably packaged products. Furthermore, we will use our purchasing power as a multi-location operator to encourage vendors to adopt sustainable packaging.

Embarc's waste management efforts also contemplate the importance of recycling, both to ensure items such as used vape pens are not readily accessible in trash cans and for environmental purposes. As part of our waste management efforts, Embarc will maintain a locked, secured recycling vessel in the secure storage area to facilitate our vape pen recycling program. Customers are encouraged to recycle their old vaporizers and are provided a discount on their next purchase for every vaporizer they recycle with Embarc, irrespective of where it was purchased.

Embarc takes several steps to reduce the amount of waste produced and increase the number of materials composted. As noted above, both the areas of our premises that are accessible to the public and in the back-of-house area will have waste receptacles with three compartments for landfill, and composting. The compost compartment will be reserved for food scraps, food-soiled paper, yard trimmings, and Biodegradable Products Institute (BPI) certified compostable products. We will have clear signage on these receptacles to educate individuals on which items to place in which compartment. We will use BPI-certified compostable products whenever possible. As noted above, we will not provide single-use plastics and styrofoam in our staff breakroom and will offer washable, reusable, and compostable alternatives.

Gaiaca is our contracted licensed cannabis waste hauler. Gaiaca is a highly integrated cannabis waste management provider with certifications as both a Green Business and Small Business Enterprise (SBE). As the nation's first fully licensed cannabis waste management company, Gaiaca's primary mission is to provide licensed cannabis operators with a compliant yet sustainable solution for their regulated cannabis waste. Gaiaca is responsible for the transportation of rendered waste material for final disposal and/or recycling. Gaiaca is dedicated to diverting waste from landfills through composting, recycling, fuel blending, and waste-to-energy efforts, and we are proud to partner with them in this endeavor.

Cannabis Waste Disposal Security Measures

Embarc will purchase a secured cannabis waste receptacle, which will only be accessible by authorized personnel, its identified and contracted cannabis waste hauler, and any regulatory agencies needing access. No access will be available to the public. The secure waste receptacle will be nonabsorbent, water-tight, vector resistant, durable, easily cleanable, galvanized metal or heavy plastic with a tight-fitting lid. The container will be filled only to capacity allowing complete closure of the lid.

Embarc will ensure that access to cannabis goods is restricted to our employees or agents and storage of cannabis goods allocated for disposal is separate and distinct from other cannabis goods. All areas where cannabis waste is being stored or where waste disposal activity is taking place will be under 24/7 video surveillance.

Embarc will report all cannabis waste activities up to and including disposal into the track-and-trace system. If cannabis goods are being destroyed or disposed of, Embarc will record the name of the employee performing the destruction or disposal, the reason for destruction and disposal, and the entity disposing of the cannabis waste into the track-and-trace system. Waste containers will always be properly labeled with the type of waste accumulated and will be properly logged as part of Embarc's track-and-trace program. Containers will be identified with a unique identification number ("UID"), tracking number, waste description, net weight, volume, and date of origin. Additionally, any cannabis and/or product UIDs will be documented upon disposal.

Methods of Rendering All Waste Unusable & Unrecognizable

Pursuant to requirements, all cannabis waste must be separated from its packaging and/or container and rendered unrecognizable and unusable prior to leaving the dispensary. This rendering will be conducted under video surveillance. For destruction, mechanical and/or manual means (with hand tools) and proprietary methods will be used, unique to the category of waste material, as follows.

Organic cannabis goods will be sorted and separated from inorganic cannabis goods for composting purposes. Cannabis goods will be smashed and pulverized, and thoroughly blended with other organic, non-cannabis, non-hazardous material. Non-cannabis material includes, but is not limited to, wood shaving, shredded paper, vermiculite, absorbent, soil, and sand. The resulting mixture will then be thoroughly saturated with a non-toxic, biodegradable, odor-reducing, colored pigment that alters recognizability and usability. Finally, the final unusable and unrecognizable material will be transported offsite for further treatment (i.e. composting, recycling, waste-to-energy, etc.) and/or disposal.

Method of Disposal

Embarc has identified Gaiaca as its waste management partner. Gaiaca is CESCO, CAC, CMC, and CDPH certified and is a leader in cannabis waste disposal as the nation's first fully licensed, compliant cannabis waste management company. Embarc has partnered with Gaiaca to develop a robust Waste Management Plan that exceeds State and local regulations, which is briefly summarized in this response.

Gaiaca is a highly integrated cannabis waste management provider with certifications as both a Green Business and Small Business Enterprise (SBE). As the nation's first fully licensed cannabis waste management company, Gaiaca's primary mission is to provide licensed cannabis operators with a compliant yet sustainable solution for their regulated cannabis waste.

Since 2016, Gaiaca has been the preeminent leader in the cannabis waste space, with a footprint in California, Nevada, Arizona, Michigan, Florida, and New York. Their policies and goals reflect environmental conscientiousness, and they are in good standing with the DCC, the California Department of Food and Agriculture (CDFA), the California Department of Public Health (CDPH), the Environmental Protection Agency (EPA), the California Occupational Safety and Health Administration (Cal-OSHA), the Department of Toxic Substances Control (DTSC), and CalRecycle.

Embarc will adjust its contract with Gaiaca to ensure the proper removal and storage of all cannabis waste as needed to reflect volume. Prior to final disposal, Gaiaca will ensure all cannabis goods have been destroyed, including removing the product from any packaging and rendering it unrecognizable and unusable as prescribed by the Dept. of Cannabis Control.



SECTION 4. SAFETY & HAZARDOUS MATERIALS PLAN

Embarc San Bruno ("Embarc") has developed a comprehensive Safety Plan and will implement and maintain strict procedures to ensure public health and safety. Given spatial constraints, this section provides only relevant responses to the prompts, but we welcome the opportunity to provide the City with a detailed plan upon request. The following Safety Plan is built on four program elements:

Management Leadership & Employee Involvement

Embarc's management team will commit the necessary financial, human, and time resources to ensure that all persons on the premises are protected from identifiable safety hazards. Management will be responsible for leading the design, implementation, and continuous improvement of the site's safety procedures that include avenues for employee involvement in safety decision making and problem solving. Activities will include problem solving groups; designated safety observers; peer safety training; analyzing and protecting against safety hazards; and planning activities to heighten safety awareness. Additionally, our team will ensure that visitors to the site do not introduce preventable safety hazards and have knowledge of safety procedures applicable to the purpose and function of their visit.

Worksite Safety Analysis

Our management team has and will continue to engage outside consultants as necessary to conduct baseline surveys that identify and develop preventative controls to address potential facility safety hazards. Management and employees will work together to organize and conduct site inspections to continually address safety hazards and ensure safety remains top of mind in every aspect of our operations.

Hazard Prevention & Control

Management and employees will work together to analyze safety hazards inherent to job functions and will find means to eliminate those hazards whenever possible.

Comprehensive Ongoing Training

Employee involvement in our safety program is only successful when everyone receives sufficient training to



understand how to fulfill their safety responsibilities and opportunities. All employees will be trained in an initial and ongoing capacity to recognize safety hazards and to report any hazard found to the appropriate team member so that it can be corrected as soon as possible. Safety procedures will be integrated into both initial and ongoing employee training and will be provided to visitors on a case-by-case basis as it becomes relevant.

4.1. FIRE PREVENTION & SUPPRESSION CONSULTANT

The Safety Plan should consider all possible fire, medical, and hazardous situations, and shall be prepared and/or assessed by a professional fire prevention and suppression consultant. Complete policy/procedures manuals are not required with the initial application materials but may be requested by the City during the application evaluation process. Please describe each of the following:

Professional Fire Prevention & Suppression Consultant

This detailed Safety Plan is rooted in Embarc's existing operational experience and best practices with all appropriate elements of the plan developed with the assistance of California professional fire prevention and suppression consultant David Hoover of HYT Corporation. Founded in 1996, HYT Corporation is a California Small Business firm specializing in fire protection engineering, consulting, and design. HYT Corporation's service delivery capabilities and experience include, but are not limited to, risk identification and assessment, water supply testing and analysis, fire protection and life safety system evaluation, business continuity evaluation, operations, maintenance, and administrative program review and development.

DAVID W. HOOVER

Mr. Hoover has over 35 years of experience in the areas of fire protection engineering, assessment, applications, and design. He specializes in the application of fire protection principles and regulatory code compliance concerns to special hazard occupancies and processes. Mr. Hoover has consulted with many types of occupancies and industries including refineries, chemical plants, universities, research laboratories, power plants, and manufacturing facilities.

At the request of the California State Fire Marshal, Mr. Hoover recently served on a special subcommittee to develop criteria for system design and installation parameters for the State's planned adoption of the fire sprinkler requirements for residential occupancies in the 2010 Building and Fire Codes.

Mr. Hoover has provided code consulting for permitting and occupancy, fire protection hazards analysis, and design services for new and existing plants, processing facilities, warehouses, manufacturing facilities, and laboratories. His experience includes code compliance assessments, development of fire protection and process safety criteria, fire protection design and consulting for facilities domestic and abroad. He is experienced in fire water supply and distribution systems, automatic sprinkler systems, deluge systems, fire detection and alarm systems, and special hazard suppression systems including foam, halon, bulk dry chemical, and CO2 systems. He has provided consulting services for application of hazardous materials requirements at the federal, State, and local levels.

Mr. Hoover recently completed the design of the replacement fire alarm systems for all of the buildings located at the Elmwood Correctional Facility located in Milpitas, California, Santa Clara County, EBMUD's high rise administration building and six EBMUD facilities located at the Adeline Maintenance Center.

Mr. Hoover was previously employed as Manager, Fire Protection Services for Crawford & Company, an international engineering and consulting firm. Prior to that engagement, he was a supervising engineer with ABB Impell Corporation. Previous employment includes his services as a project engineer for Walter Kidde Fire Systems Operations. He functioned as a safety engineer for two Mobil Oil Corporation refineries (Augusta, KS and Torrance, CA). He also has over 7 years of experience as a paid and volunteer fire fighter/EMT.

4.1.1. HAZARDOUS MATERIAL

Types, amounts, use, and storage/transport details for any hazardous material to be used as part of project operations.

Embarc will not utilize any hazardous materials as part of its operations and will utilize environmentally friendly cleaning supplies as appropriate for the regular maintenance of a clean and orderly facility.

4.1.2. ACCIDENT & INCIDENT REPORTING PROCEDURES

All accidents and injuries, including exposure to fire or other hazards that result in injury, illness to employees or customers, or damage to property and/or product will be documented and investigated. The investigation will be conducted to specifically identify the factors, conditions, and/or practices that contributed to the incident to prevent recurrence. Minor accidents or near accidents will also be documented and investigated as they represent a precursor to potential hazards that could result in serious injury, exposure, or damage.

Specific Investigation Procedures

All employees are trained extensively on investigation procedures, with General Managers and managers required to undergo numerous “mock” incident investigations prior to opening the store. These specific investigation procedures include:

- Immediately assess the scene of the incident;
- Interview workers and witnesses to record witness statements for the incident;
- Immediately review security footage (since the entirety of the premises is under surveillance, this is a significant tool in investigating an incident in real time);
- Document initial findings in an Accident & Incident Report Form;
- Examine the report and workplace for factors associated with the incident;
- Ascertain the cause(s); and
- Record findings and make necessary procedural adjustments to prevent future incidents.

Accident & Incident Reporting Procedures

Embarc will maintain an Accident & Incident Log to report all notable occurrences at the facility, especially fire,

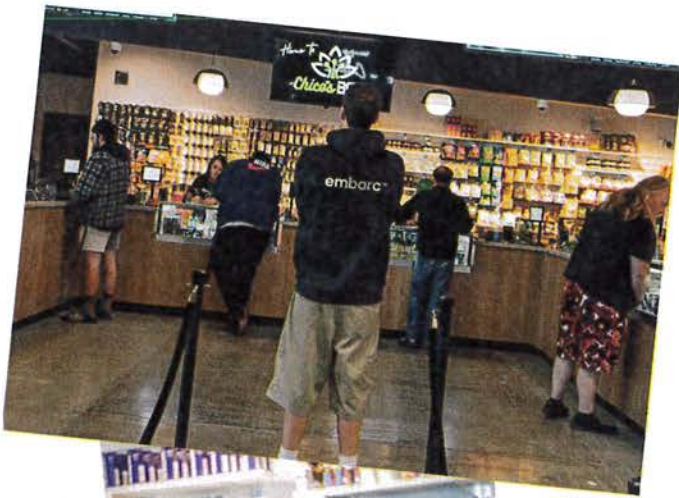
medical, hazardous, or any other type of emergency. An “accident” is defined as an unexpected or unintentional event that typically results in damage or injury, while an “incident” is defined as (but not limited to) an alarm activation, broken access point, evidence of tampering, suspicious activity, or any unauthorized breach of safety or security.

All staff will be trained and be expected to report and maintain a log of accidents or incidents, document these notable events, and keep the entire team and company aware of all accidents/incidents, no matter how seemingly small. Immediately following an incident, the discovering team member and the General Manager or supervisor will immediately complete an “Accident & Incident Report Form” to file in the Accident & Incident Log. This form must be completed no later than 24 hours after the accident/incident and must encapsulate, at minimum, the following:

- Manager name and ID number;
- Date, time, and location of accident/incident;
- Names and contact information of any witnesses;
- A description of the event;
- Nature and extent of injuries, if any;
- A description of any first aid performed; and
- Any conditions, methods, or practices related to the accident/incident (e.g., the job function performed by an employee during the accident/incident, if any).

After the report is filed in the Accident and Incident Log, Embarc’s management team will review the report, note any changes to the physical nature of the facility, determine any action that should be taken, and address any changes to operational procedures that should be developed as a result of the event. Finally, the responding management team will document and report on their accident and incident review process.

As soon as practical, the Director of Human Resources will meet with relevant employees as needed to complete the State mandated Department of Industrial Relations Workers Compensation Claim Form provided by Embarc. Additionally, any serious injury or illness that requires inpatient hospitalization for more than 24 hours for anything other than observation, or in which an employee suffers a loss of any member of the body or suffers any serious degree of permanent disfigurement will be reported, immediately



and no later than 8 hours, to the nearest OSHA office.

Pursuant to Cal. Code Reg. Tit. 16, §5036(a), the Head of Security will notify the Police Department and the Department of Cannabis Control within 24 hours after discovering any of the following:

- Significant discrepancies identified during inventory. (Note: Pursuant to Cal. Code Reg. Tit. 16, §5034, a significant discrepancy in inventory means a difference in actual inventory compared to records pertaining to inventory of 5%.);
- Diversion, theft, loss, or any criminal activity involving the retail store or any employee;
- Loss or unauthorized alteration of records related to cannabis goods, customers, or employees; or
- Any other breach of security.

All accidents and incidents will be communicated to appropriate State and local authorities, including the fire department, and guidance will be sought on any follow up action, information, or investigation required. If needed and relevant, video surveillance records of the accident/incident will be saved and stored onsite for up to 5 years. Pursuant to Cal. Code Reg. Tit. 16, §5036(b), notification to the Department will be submitted on the Notification and Request Form, BCC-LIC-027, and will include the date and time of occurrence of the theft, loss, or criminal activity, the name of the local law enforcement agency that was notified, and a description of the incident including, where applicable, the item(s) that were taken or lost.

Please see Section 4.1.5. Fire & Medical Emergencies for specific procedures and employee training related to fire and medical emergencies.

Sample SOP - Evacuation Drill Form

For illustrative purposes, below, please find a drill response form intended to demonstrate the thorough and actionable nature of Embarc's safety infrastructure and training.

**EMERGENCY EVACUATION DRILL
RESPONSE FORM****Section 1: General Information**

Date:	
Time:	
Address:	
Your Name:	
Badge Number:	

Section 2: Drill Information

Type & Notification Method:	
Time Alarm Set Off:	
Time Alarm Silenced:	
Congregation Point:	

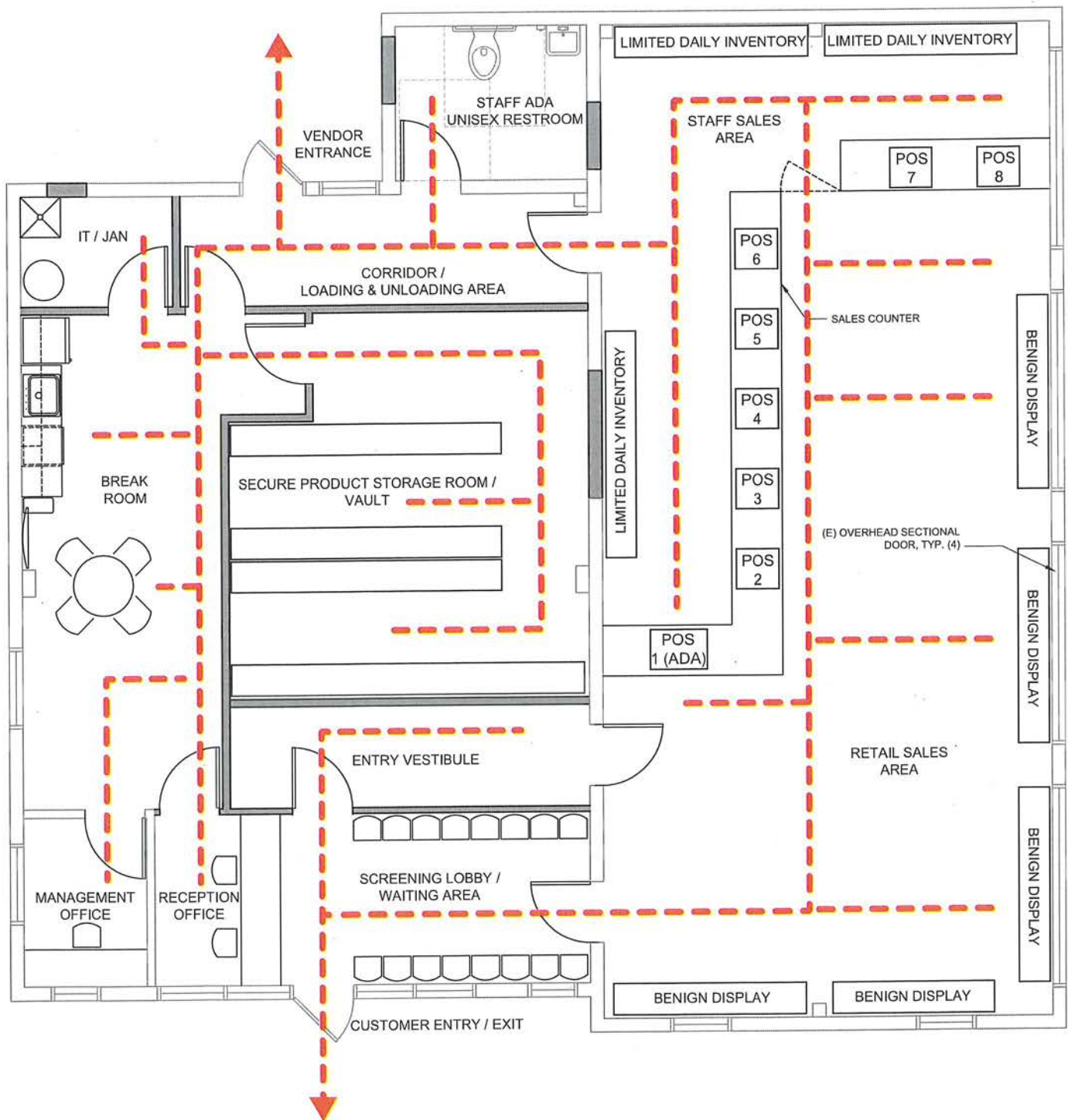
Section 3: Evacuation Information

Length of Evacuation:	
Was Evacuation Orderly?	Yes _____ No _____
All Occupant Areas Checked?	Yes _____ No _____
Names of Participants:	
Number of Occupants:	
Special Conditions Simulated:	
Problems Encountered:	

Last Modified: 10/21/22
Operational SOP – FINAL FORM

4.1.3. EVACUATION ROUTES

Customers and those in need of special assistance during an evacuation are of the highest priority and will be escorted to a safe location by staff. Once the building has been evacuated, management will confirm that all the building's occupants are accounted for with an employee headcount as well as the total number of customers on site as indicated electronically with-in our point-of-sale software. Please see the premises diagram below for highlighted evacuation routes.



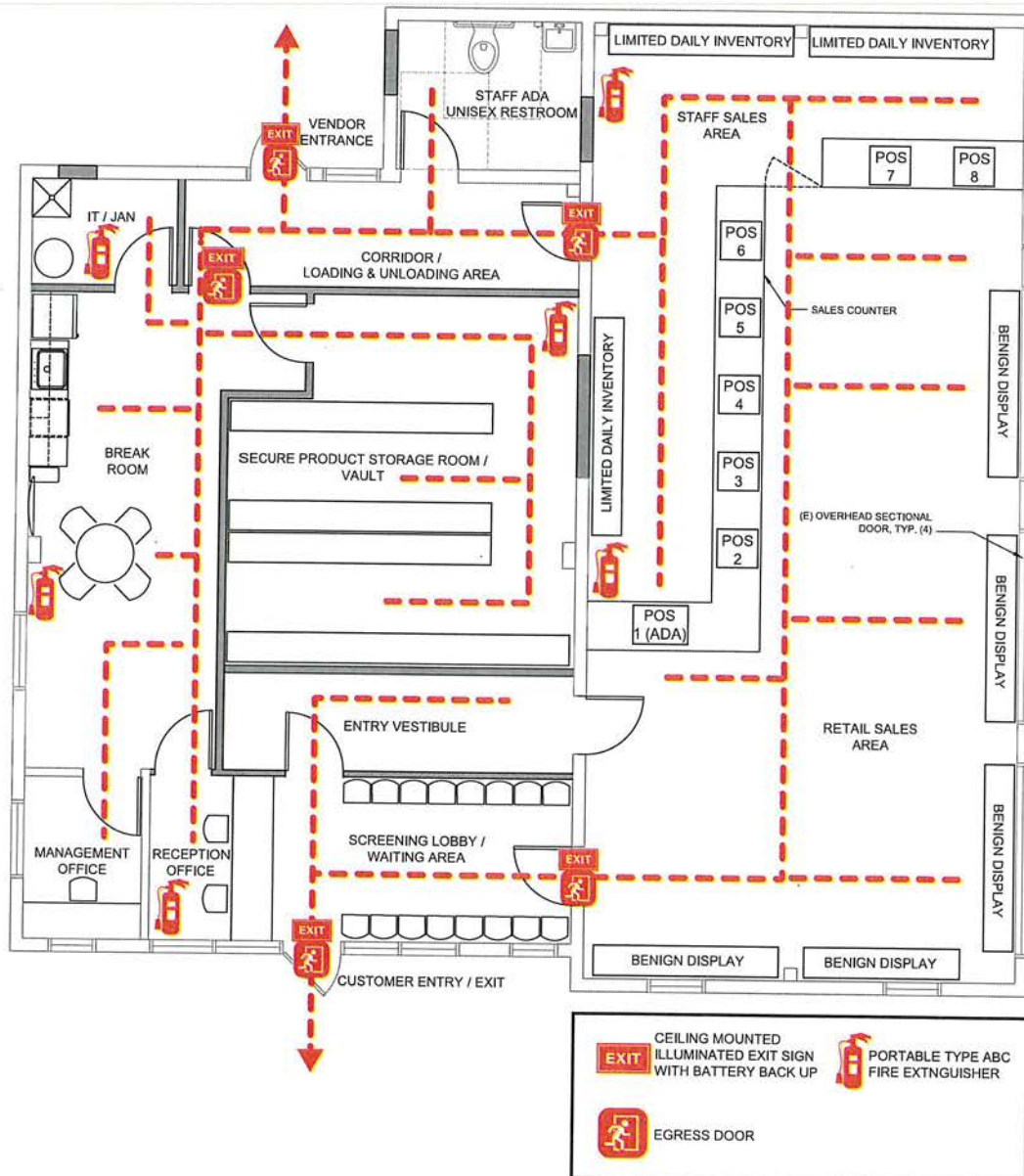
To assist all staff, visitors, and contractors, escape route maps will be developed and posted in various areas throughout the facility. Each map will indicate the routes to an exit. A finalized, detailed evacuation plan will be developed with the help of the Fire Department and/or Fire Marshal and will be posted conspicuously within all areas of the facility. Additionally, the facility will utilize illuminated exit signs, will prominently and visibly feature fire extinguishers, and will include emergency lighting, among other standard features and safety protocols.

4.1.4. EXTINGUISHERS & OTHER FIRE SUPPRESSION EQUIPMENT

The location of fire extinguishers and other fire suppression equipment.

Fire Extinguishers

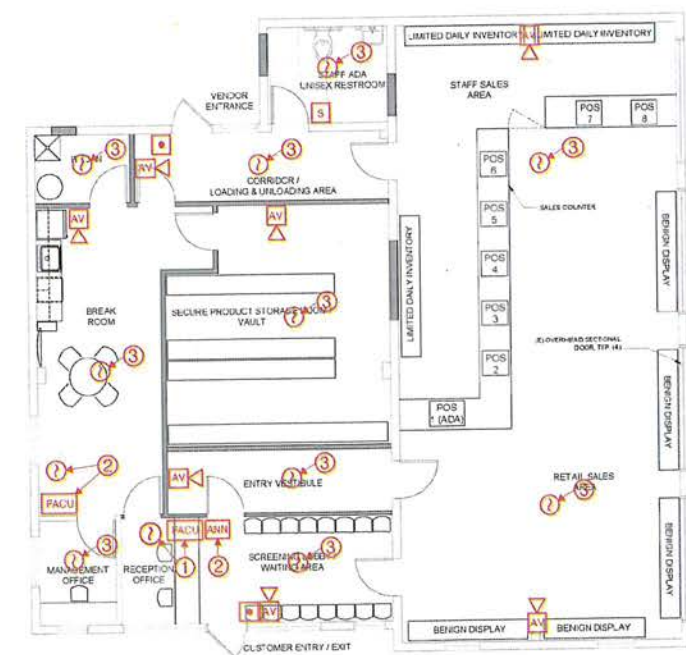
Portable fire extinguishers will be located throughout the premises. There are a total of six extinguishers. They can be found at the Reception Office, Break Room, Secure Product Storage Room / Vault, IT Room, and two in the Retail Sales Area. The placement of fire extinguishers is shown in the diagram above.



Fire Alarm Systems

Our licensed premises will be equipped with an automatic fire alarm system installed prior to initiating operation of the cannabis business at the premises. The fire alarm system will meet NFPA 72, National Fire Alarm and Signaling Code, as amended by California and the City and will provide both fire department notification by transmitting a signal to a UL listed Central Station Monitoring Company and occupant notification utilizing approved notification appliances.

Further, where an approved automatic sprinkler system is installed in the building, the fire alarm system will monitor the fire sprinkler water flow and valve position supervisory switches. The system will also include manual fire alarm pull stations located at each building exit to initiate a fire alarm signal. The fire alarm system will be fully functional at all times and provided with secondary power and monitoring by a UL listed central station device. Occupant notification appliances (visual, audible and combination audible/visual) will be provided in accordance with the relevant requirements of NFPA 72 and as approved by the Fire Marshal. The fire alarm control unit will either be located in an area immediately accessible to responders; or provided in a secure location with an annunciator located in an area immediately accessible to responders.



LEGEND

- FACU FIRE ALARM CONTROL UNIT
- M MANUAL FIRE ALARM PULL STATION
- AV WALL MOUNTED HORN/STROBE
- S WALL MOUNTED STROBE
- I SMOKE DETECTOR
- ANN FIRE ALARM ANNUNCIATOR

NOTES

- ① Option 1; Control unit located in accessible area. Code requires a detector at the control unit.
- ② Option 2; Control unit located in secure area with annunciator located in accessible area. Code requires a detector at the control unit.
- ③ This shows a typical manual fire alarm system. If a fire detection system is desired/required, detectors would have to be spaced w/no more than 900 sq ft coverage each. A representative arrangement is shown and noted with a "3" (in addition to the pull stations and occupant notification provided for a manual system).

Note: The depicted fire alarm system layout shows three possible configurations. These plans are illustrative and not intended to represent an actual design. As required and suitable, any finalized design for the fire alarm system will be submitted to the Fire Department for comprehensive review and subsequent approval.

4.1.5. FIRE & MEDICAL EMERGENCIES

Procedures and training for all fire and medical emergencies.

As detailed below, employees will be trained to first protect their own lives and then to contact first responders. The first call in emergencies that require an immediate response is 9-1-1. In addition to calling 9-1-1, employees will follow the incident reporting procedures outlined in this document.

FIRE EMERGENCIES

In the case of a fire emergency at the facility, Embarc will employ the response procedure described below. This procedure will be overseen by the onsite General Manager and will be deployed verbally through face-to-face communication with employees and patrons. In the case of a fire emergency, employees will be instructed to call 9-1-1 immediately. In the case of a non-emergency (such as a broken sprinkler pipe, etc.), employees will be instructed to call San Bruno's 24/7 Non-Emergency Line at 650-616-7100 (Police) or 650-616-7096 (Fire). These phone numbers will be posted at conspicuous locations within the facility.

Employees will be instructed to notify the fire department as the first step in any fire emergency. Employees may attempt to suppress a fire ONLY if:

- The San Bruno (San Mateo County) Fire Department has been notified;
- The fire is small and is not spreading to other areas;
- Escaping the area is possible by backing up to the nearest exit; and
- Personnel are trained in the use of fire suppression equipment, e.g. a portable fire extinguisher.

Upon being notified about the fire emergency, occupants must:

- Leave the building using the designated evacuation routes;
- Assemble in the designated area;
- Remain outside until the competent authority (Designated Safety Official or designee) announces that it is safe to reenter; and
- Assist all physically challenged employees, visitors

and customers in emergency evacuation.

The primary life safety strategy procedure for evacuating occupants during an emergency will include staff training relating to the identification of potential emergency scenarios associated with the operation, such as fire evacuation, civil disobedience, earthquake, and/or medical emergencies. This safety strategy will also include directing employees and customers away from the presented hazard and to the closest exit. Customers and those in need of special assistance during an evacuation are of the highest priority and will be escorted to a safe location by staff. Once the building has been evacuated, management will confirm that all the occupants of the building are accounted for with an employee headcount plus the total number of customers onsite as indicated electronically within our point-of-sale software. A site plan has been developed and will be posted identifying the occupancy assembly point.

Fire hazards associated with normal use and occupancy of the premises may include the accumulation of ordinary combustible storage, such as office supplies, stock supplies, and products. The Building Owner is responsible for the inspections, maintenance, and servicing of the fire protection systems, on the annual and 5-year schedule in accordance with California Title 19. Embarc's management team will be responsible for ensuring that its activities do not compromise the proper operation of the fire protection systems (e.g. obstructed fire sprinklers, fire alarm appliances, etc.); that the existing systems are not compromised by the business activities; and that proper housekeeping is in place to prevent and/or control fire hazards.

MEDICAL EMERGENCIES

While uncommon, medical accidents and incidents may arise from time to time, requiring immediate attention from Embarc team members. In the case of a medical emergency, the onsite Manager will immediately dial 9-1-1, providing as many details as possible to both the operator and first responder(s), and issue appropriate directions to other employees.

In the case of a non-emergency medical incident, employees will be instructed to call San Bruno's 24/7 Non-Emergency Line at 650-616-7100 (Police) or 650-616-7096

(Fire). Both the emergency and non-emergency phone numbers will be posted at appropriate locations within the facility and all managers and staff will receive ongoing training on how to respond calmly and efficiently in instances of medical emergency.

Depending upon the severity of the medical emergency, employees will be instructed to notify the emergency number prior to initiating assistance. This ensures adequate help is on the way. Additionally, and only after contacting the emergency number, employees may, depending upon the severity of the medical emergency:

- If the individual experiencing the medical emergency is conscious, ask for affirmative consent before providing any care; and
- Ask for individuals on the premises who may be trained in CPR and/or first aid to provide required assistance prior to professional medical help arriving.

Because only trained responders should provide first aid assistance, all Embarc managers will be required to attend a CPR training class prior to the store opening. Training includes refraining from moving the victim unless the victim's location is unsafe.

If personnel trained in first aid are not available, at a minimum, manager(s) may attempt to provide the following assistance:

- If bleeding, apply firm pressure to the wound(s) to try and stop the bleeding and take "universal precautions" to prevent contact with body fluids and exposure to blood borne pathogens (avoid contact with blood or other bodily fluids).
- "Universal precautions" include, but are not limited to, the following: avoiding contact with bodily fluids such as blood, saliva, vomit, etc., and wearing protective coverings, such as gloves, face shield, splash glasses/goggles, mouthpiece, etc. which will be available at the facility.
- Rescue breaths may be administered using a sterile mouthpiece/breathing barrier. Employees must thoroughly wash their hands after contact and, in instances of choking, may attempt to clear the air passages using the Heimlich Maneuver.

In addition to these fire and medical emergency procedures, Embarc will employ a detailed Illness and Injury Prevention Program (IIPP) as well as COVID-19 public health and safety protocols (as required at the time of operation) that will be available to the City upon request given they are too voluminous to be included here.

The General Manager and all managers will receive safety training utilizing these resources, with managers subsequently responsible for training all employees and for utilizing daily, weekly, monthly, quarterly, and annual meetings as opportunities for re-trainings. Records of these training sessions, including attendees and topics covered during the meetings, will be maintained by the on-site managers.

Any employee with knowledge or reasonable suspicion of an accident/incident is instructed to make an immediate report to the General Manager or the Head of Security. The person reporting the accident/incident will complete the Accident & Incident Report Form, which will be maintained on-site in the Accident & Incident Log. The General Manager or Head of Security will ensure the following information is collected:

- Date, time, and location of occurrence or suspected occurrence;
- Names and contact information of parties involved and any witnesses;
- Description of accident/incident;
- Nature and extent of injuries, if any, and a description of any first aid performed;
- Any evidence supportive of the event; and
- Any other information required to be collected under such circumstances by the City.

Other Safety Procedures & Training

Embarc will implement the procedures and training outlined below to ensure ongoing safety for all business operations.

Emergency Action Plan

Embarc maintains an Emergency Action Plan that all employees are trained on for handling emergencies, including evacuation procedures, providing emergency medical attention, and reporting emergencies to employees and community agencies. A complete copy of this plan and

affiliated training curriculum is available upon request by the City. The plan includes:

- Means of reporting;
- Evacuation procedures and emergency escape routes;
- Procedures for critical operations;
- Accounting of employees;
- Rescue and medical duties; and
- Contact persons.

Personal Protective Equipment (PPE)

Embarc employees will be trained to don appropriate PPE per Occupational Safety and Health Administration regulation 29 CFR 1910.132 entitled "Personal Protective Equipment." This equipment will be provided to the employees at no charge. The following is a description of each of the work conditions in the facility that requires the use of protective equipment.

- **RESPIRATORY PROTECTION:** If necessary due to the COVID-19 pandemic, all employees will be provided with face coverings/masks, which will be required to be worn at all times while inside the facility or as directed by Cal-OSHA regulations at the time of operation.
- **LOADING AND UNLOADING:** Loading and unloading activities must be conducted wearing appropriate protection, including closed toe shoes.
- **CLEANING AND DISINFECTING ACTIVITIES:** These activities may be conducted in any area of the facility using cleaning agents certified as safe for use with cannabis. Personal Protective Equipment will be worn according to the cleaning agent manufacturer's recommendations. These may include aprons or splash-resistant wear over uniforms, disposable or heavier reusable protective gloves, face shields, and closed toe shoes.

Hygiene & Sanitary Procedures

As the COVID-19 pandemic has reminded all of us, hygiene and sanitary procedures are an important part of employee and community safety due to the potential of germ transmission through surfaces. Viruses can live on objects and surfaces for up to a week, and all types of germs can potentially spread when surfaces are not disinfected correctly and thoroughly, if equipment is not properly

cleaning and sanitized after use, and if personal hygiene measures are not integrated into daily operations. Written processes and standard operation procedures addressing the following will be in place and employees will be regularly trained on them to ensure all team members and visitors leverage the best hygiene and sanitary practices while onsite. Appropriate documentation will be posted in bathrooms, breakrooms, common areas, and in multiple languages as needed.

- **HAND WASHING:** Employees will be required to wash hands before starting work; before putting on or changing gloves; after using the toilet or bathroom facilities; after sneezing, coughing, or using a handkerchief or tissue; after touching hair, face, or body; after eating, drinking, or chewing gum; after any clean up activity such as sweeping, mopping, or wiping counters; after handling trash; and after any time the hands may become contaminated.
- **SANITATION:** Before starting a shift or after completing a workday, employees will clean and disinfect work surfaces, floors, and facility common areas (employee break room, bathrooms, hallways, etc.). Sanitation procedures will follow best practices for healthcare settings utilizing detergents, soaps, and housekeeping cleaners approved for use around vegetables, fruit, medicinal plants, or food contact surfaces.
- **PERSONAL PROTECTION EQUIPMENT (PPE):** Employees in all departments will be held to strict standards on how to initially garb and deconstruct PPE as outlined above. Our PPE materials will be sourced from FDA, EPA, OSHA, and/or USP approved suppliers for hospital, agricultural, manufacturing, and food grade facilities.

Safety Training

Employee training is paramount in all aspects of our business, but we place an extra emphasis on training related to fire and medical emergencies in order to provide a safe and healthy workplace for our employees and customers.

Embarc acknowledges that it bears the ultimate responsibility for training related to fire and medical emergencies, which is intrinsically linked to our Safety Plan. The management and ownership team will delegate these duties to an onsite Head of Security as well as specific roles and

responsibilities for the General Manager as outlined and identified in this document. In times of crisis, all employees must play a part in protecting public health and safety, which is why this training is mandatory for all employees.

The Head of Security will ensure that all employees understand their respective roles and responsibilities, including the chain of command in the event of any accident or incident. The Head of Security will also train the General Manager on their duties in the case of fire, life, or other security emergencies. Employees at all levels will be trained to:

- Identify threats and vulnerabilities;
- Implement mitigating strategies;
- Understand when and why they could be targets; and
- How to respond accordingly.

Staff will be tested no less than semi-annually regarding their knowledge of the premises' fire, life safety, and security strategies. Development of policies and procedures will be ongoing during and after the initial planning process. Embarc's Head of Security will continuously audit the plan as the business evolves and will ensure appropriate training of employees as new procedures are implemented.

To demonstrate an understanding of the safety training content delivered, all employees will be required to undergo an assessment. Assessments will include, at minimum, a hands-on demonstration by the employee as it relates to fire and life safety policies and procedures included in the training. Embarc will conduct quarterly drills at the premises to ensure that all employees understand how to respond to various emergencies or threats at the premises. Fire and life safety drills and armed robbery and burglary discovery drills are examples of drills that may be conducted on the premises as part of comprehensive safety training.

Fire Prevention & Suppression Training

The intended use does not present a high risk of fire. However, fires often start as small events and can escalate quickly; as such, an immediate response is always necessary. When a fire emergency is observed or discovered by an employee, Embarc employees will be trained to immediately notify the nearest manager and GET HELP.

The Manager will determine if evacuation is required and will activate immediately. If the fire is severe, employees will pull the fire alarm immediately. Occupant notification appliances will be provided to alert people of a possible emergency on the property. The alarm system will be monitored by an approved monitoring source for the purpose of notifying the fire department. All staff will be trained to evacuate immediately along with customers in the event of a fire alarm.

Embarc team members trained to use portable fire extinguishers may be expected to fight fires in the initial stages. If the fire is still small, trained staff may use a fire extinguisher to try to suppress it but must be careful not to position the fire between themselves and the exit. If the fire is so large that it cannot be contained or extinguished with one fire extinguisher, staff will be trained to pull the fire alarm, notify people around the area to evacuate, and get out as soon as possible. Fire alarms will be taken seriously.

Staff will be trained to close all doors in the area and proceed with customers to the nearest exit that is not affected by the event. The management team will work quickly to determine the cause of the problem and restore the facility to operating status. Staff, customers, and any authorized visitors will be notified when it is safe to reenter.

If facility evacuation is necessary, the General Manager will first give verbal notification to evacuate the building. If verbal notification is not feasible, the alarm will be pulled. When the evacuation is signaled, employees, customers, and visitors will proceed to the nearest facility exit by taking the primary escape route. If the primary escape route is blocked or inaccessible, the secondary escape route will be taken.

Fire Drills

Prior to commencing operations, Embarc will work with our fire prevention and suppression consultants to further develop our comprehensive Fire Drill and Safety Policy. The following emergency evacuation "R.A.C.E." will be adhered to:

- **RESCUE:** Move anyone in danger to an area of safety;
- **ALARM:** Sound alarm and call the fire department;

- **CONFINE:** Close all (accessible) doors; and
- **EXTINGUISH:** Fight the fire, but only if completely safe to do so.

Embarc will conduct regular fire drills including upon initial opening, at least quarterly, and for all new employees. Records regarding fire drills will be maintained onsite by the Security Director for all required emergency evacuation drills. Records will include the identity of the person conducting the drill, the date/time of the drill, notification method used, staff members participating, number of occupants evacuated, special conditions simulated, problems encountered, weather conditions when evacuating outside, and time required to accomplish a complete evacuation.

The facility management team, led by the onsite Security Director, will be responsible for fire evacuation plans and notices, the inspection and signage placement of fire safety equipment, including portable fire extinguishers and fire suppression systems, and training staff on their use as follows:

- Notices re: location of equipment, alarms, smoke detectors, and emergency evacuation routes;
- Directions for fire extinguishers, including remove from the mount, pull the pin, and verify the pressure/level gauge, aim at the base of flame, and fire in bursts with sweeping motions; and
- Directions for fire alarms, including pull down on lever completely (breaking glass or insert), press the "fire" button on the security alarm panel, press the panic button (wireless), and call 911 on accessible lines and/or cellular phones from a safe area.

All persons onsite must evacuate the facility when the fire alarm sounds using the nearest exit or the exit farthest from the fire or smoke and must not re-enter the building until authorized to do so by fire officials. Facility management are responsible for orienting themselves and their team to the facility, for making themselves aware of the safety procedures, for adhering to all fire safety policies, and for conducting all activities in the safest possible manner.

Mandatory Personnel Training—External & Internal

Embarc will employ both internal and external training

related to fire, medical, and safety emergencies.

Externally, managers will participate in a 30-hour OSHA training course from an authorized OSHA Training Institute (OTI) Education Center. The course teaches safety awareness, which helps in recognizing and reducing the risks of job site hazards. This interactive training covers safety and health hazards workers may face on work sites. The course places emphasis on hazard identification, avoidance, control, and prevention. Upon successful completion of the course, employees receive a 30-Hour Cal/OSHA General Industry Outreach course completion card. This course covers:

- Electrical Hazards
- Exposures to Airborne Contaminants
- Flammable Liquids and Gases
- Hazard Communication
- Hazardous Energy—Lockout/Tagout
- Heat Illness Prevention
- Injury and Illness Prevention Program
- Machine Hazards
- Personal Protective Equipment
- Point of Operation Hazards
- Pressure Vessels
- Prohibition on Smoking in the Workplace
- Repetitive Motion Injuries
- Sanitation and Pest Control
- Slips, Trips, Falls and Use of Ladders

Internally, Embarc thoroughly trains employees on the Emergency Action Plan when they are hired or when there are changes to the plan. The plan is reviewed with employees during the initial assignment of employees to job functions and when changes to the plan or employee actions/responsibilities occur.

Annual retraining including drills are conducted to practice evacuation and gathering in the designated assembly area and ongoing education and training is conducted on emergency types, courses of action, functions and elements of the Emergency Action Plan, special hazards, fire hazards, and the fire prevention plan. General training includes:

- Roles and responsibilities;
- Threats, hazards, protective actions;

- Notification, warning, communications;
- Location/use of emergency equipment;
- Procedures;
- Emergency response;
- Evacuation and shelter-in-place;
- Assembly and accounting of employees; and
- Emergency shutdown of operations.

Employees are certified annually and are required to complete the training as many times as required to successfully pass. Additionally, employees are trained annually in general fire safety with general fire safety practices that include:

- No smoking or consumption of cannabis onsite the premises;
- No storage of combustible materials in buildings;
- Storage will be separated from heaters or heating devices by distance or shielding so that ignition cannot occur;
- Reporting of emergencies;
- Coordination with emergency response forces;
- Emergency plans and procedures for managing or responding to emergencies;
- Emergency evacuation drills; and
- General Managers and managers are required to be trained in CPR.

Additionally, security training is a critical component of a life Safety Plan. Thus, all employees working in the premises will complete introductory training relating to facility security prior to engaging in any occupancy or work on the premises. Security training will include, at minimum, the following:

- Operation of security equipment within the scope of role(s);
- Inspecting and monitoring security equipment within the scope of role;
- Emergency notifications, response and reporting procedures;
- Effective patrolling of the premises;
- Identifying opportunities for diversion;
- Securing the premises and assigned work areas;
- Critical incidents, situational policies and procedures; and
- Proper method for securing cannabis and currency

throughout and at the end of each workday.

CITY ENGAGEMENT

Embarc welcomes the opportunity to solicit feedback from the Fire Department, Police Department, and any other pertinent stakeholders in the implementation of this Safety Plan. As with all Embarc locations, local Police and Fire Departments will be invited to tour the facility prior to opening to ensure open communication, a clear understanding of Embarc's intended operations, and to facilitate introductions to Embarc's General Manager and management staff. This has proved tremendously valuable in Embarc's other locations, where clear and open communication between Embarc and the Police Department has facilitated collaboration on a number of occasions, including the use of Embarc captured security footage in the pursuit of an unrelated incident.

For these purposes, Head of Security Matt Carroll will be the primary contact with ownership, and the General Manager will be available and engaged at any time.

Embarc's Safety Plan has been developed to be responsive to the City's specific prompts and contemplates features, protocols, and safety measures proven in existing operations and developed with the sole purpose of protecting public health and safety at all times. It includes dozens of robust safety features, including but not limited to first aid boxes, a Knox Box, fire extinguishers, illuminated exit signs, carbon monoxide monitoring, emergency lighting, fire alarm panels, smoke detection, and much more. It is intended to train and empower employees to respond calmly and appropriately in the case of an incident. It is a living, breathing document that can be further developed and/or refined in coordination with the Fire and Police Departments as desired.

SECTION 5. SECURITY PLAN

REDACTED
Pages 170 to 212
is not included



SECTION 6. LOCATION & SITE PLANS

Embarc spent nearly a year engaged in a robust community listening tour to understand the unique needs, priorities, opportunities, and concerns regarding localized commercial cannabis activities.

As a partnership between experienced cannabis operators and a local with deep ties to San Bruno, we believe strongly in the importance of creating a thriving retail location for the community, as operational experience has taught us the importance of a properly sited and developed location to the business' ultimate success. As such, we have secured property at 120-124 El Camino Real—an appropriate location with parking, buffered from sensitive uses, and validated as appropriate by multiple key community stakeholders and decades-long residents.

Our proposal was informed by our team's extensive community engagement efforts, which include speaking with dozens of community members. With the support of our Community Advisory Board, comprised of local stakeholders, we have developed a community-oriented cannabis proposal that meets the neighborhood's needs while remaining approachable and accessible to residents from San Bruno and across the region.

Given the engagement we have and continue to do, we believe strongly that Embarc San Bruno will honor, respect, and reflect the community it serves in every aspect, from store aesthetics and product offerings to local hiring and community benefits. Our proposed location is a vital component and representation of this broader commitment.

Why San Bruno?

At a time when many cannabis operators are racing to establish the largest national footprint by pursuing retail licenses in every community open to licensure process, Embarc chooses a different path. Our mission is to thoughtfully expand our presence in the emerging industry by selectively building in communities that share our values and where we can cultivate genuine, long-lasting partnerships.

With a successful track record of operating eight dispensaries throughout California, including nearby locations



such as Redwood City, Alameda, and Martinez, and more than half a dozen shops to open this year, we have identified San Bruno as the prime choice for our next location. Known as the “City With a Heart,” San Bruno is a welcoming, vibrant, and thriving community where both residents and businesses can thrive. Our decision to apply for a cannabis retail license in San Bruno is driven by these compelling factors:

TRANSIT CONNECTIVITY: San Bruno is conveniently situated, offering superior regional connectivity. BART and Caltrain connections ensure effortless travel to and from San Francisco, San Jose, and a host of Peninsula cities. Direct access to Oakland and San Francisco International Airport further augments the appeal. This interconnectedness is indicative of a community that is embracing opportunity, which is exactly the culture we want to align ourselves with at the forefront of this emerging industry, and it is also why we believe our presence in more than half a dozen regional communities will benefit our proposed San Bruno location.

PROXIMITY TO SFO: San Bruno's unique geographical advantage as the home base for San Francisco International Airport (SFO) presents an unparalleled business opportunity. Should Embarc be privileged to receive a license, our San Bruno location will become the closest licensed dispensary to the airport. This places us in an ideal position to cater to a wide variety of customers, including international tourists and domestic travelers who might not have legal access to adult-use recreational cannabis in their home states or countries.

The opportunity to purchase cannabis products in a safe, legal environment is a significant draw, potentially more so than other mainstream businesses. This customer influx would contribute to outside tax dollars flowing into the City of San Bruno. This not only bolsters the local economy but also fortifies the City's essential public services. San Bruno's proximity to SFO, in conjunction with our planned presence, sets the stage for attracting new customers, bolstering the local economy, and enhancing community services.

DIVERSE DEMOGRAPHICS: Embracing diversity is at the heart of Embarc's operations. San Bruno, with its culturally rich tapestry that includes various backgrounds, age

groups, and income brackets, presents a perfect alignment with our ethos. The vibrancy and inclusivity of this community not only allow Embarc to serve customers of all backgrounds and experiences but also enable us to forge deeper connections with our consumers, community partners, and the neighborhood at large. Furthermore, the City's diversity offers us the opportunity to uphold our commitment to diverse and inclusive hiring practices, ensuring that we truly reflect the community we serve.

PROXIMITY TO MAJOR COMPANIES: San Bruno is home to YouTube's headquarters, which provides retail businesses with a potential steady stream of professionals who work in the City but may live in a neighboring community. These individuals represent a potential customer base for Embarc, bringing in additional tax dollars from outside the San Bruno residential community. Situating our business in proximity to these workplaces not only offers convenience for these professionals but also enables us to provide them with safe, legal, cannabis products. The resulting increase in sales will further contribute to the local economy and support San Bruno's public services.

SUPPORTIVE GOVERNMENT: The local government of San Bruno fosters an environment conducive to business growth and economic advancement. The city's policies actively support local businesses, encouraging innovation and success. Embarc appreciates this supportive business climate, and we look forward to contributing positively to the City's economic fabric and community development initiatives.

HIGH QUALITY OF LIFE: San Bruno has a distinctive charm that sets it apart from its neighbors. Its schools, beautiful parks, and a sense of community all contribute to a remarkable quality of life for its residents. The city is also host to a variety of recreational and cultural opportunities, from its dynamic dining scene to numerous community events, fostering a vibrant and engaged community. This commitment to enhancing residents' lives provides an excellent platform for Embarc's Community Investment Fund to make a meaningful impact. By aligning with the City's values and contributing to community development initiatives, we aim to further enrich the life of San Bruno's residents and become an integral part of this thriving community.

The licensing process presents an opportunity for the City of San Bruno to select a partner that goes beyond the role of a mere cannabis purveyor, but rather one that can genuinely maximize the benefits to this community. We are confident Embarc is the ideal choice.

San Bruno's Mission Statement, "The City of San Bruno exists to provide exemplary services for our community that enhance and protect the quality of life" resonates with our own ethos. We believe that Embarc's presence in San Bruno will significantly enhance the lives of its residents, just as the collaboration from San Bruno residents has significantly enhanced our local proposal. Similarly, the City's values—Protecting, guarding, and shepherding public resources and interests; Teamwork; Exemplary service to the community; Competent, well-trained employees; Friendliness; and Commitment to the community—are perfectly aligned with our own values, as we've highlighted throughout this proposal. From our carefully chosen location on El Camino Real to our proposed community benefits, employee training and benefits, and ongoing neighborhood engagement plans outlined in this proposal, our commitment to San Bruno and its residents is unwavering and sincere.

Why Lomita Park & El Camino Real?

Our team's practical experience entitling dozens of cannabis operations has proven that location selection is critical to the viability of a proposed cannabis business. As such, prior to finalizing site selection, we undertake an extensive diligence process informed by our community listening tour and led by our executive leadership team and feedback from Community Advisory Board members and other stakeholders.

The first step in our real estate diligence process is to generate citywide mapping to identify qualifying parcels. Our real estate team obtained a San Bruno parcel map and uploaded it into GIS mapping software to identify every eligible parcel in permissible zoning for commercial cannabis activity and overlay all sensitive use buffers to produce a complete list of compliant properties.

After an extensive review of all compliant parcels, we narrowed our focus to standalone buildings (to afford total control over the property) with parking and with appropriate square footage. We then reviewed all viable options with our Security Chief, Matt Carroll, to further narrow our review to properties that are most conducive to maximizing public safety. Finally, with a short list of just a few properties that met these criteria, we spoke with community members to understand where we would be most welcomed and mutually beneficial to local commerce.

As a result of these exhaustive efforts, we believe 120-124 El Camino Real in the Lomita Park neighborhood is the most optimal site for cannabis retail in the City of San Bruno for the following reasons:

SENSITIVE USES: The parcel exceeds the City's 600-foot sensitive use buffer from any sensitive use—youth centers, K-12 Schools, day care operations, and parks.

SQUARE FOOTAGE: The size of our proposed building is adequate to accommodate our proposed operations and estimated number of customers. Its condition will require only cosmetic and operational tenant improvements rather than full construction. Embarc has been the first of its cohort of license recipients to open in nearly all the communities where we operate today—a testament to our ability to operationalize quickly and to our understanding that municipal revenue generation is a primary goal of these endeavors. Extensive renovations would create delays in the design, permitting, construction, and operationalization of the business and would be antithetical to our track record of moving quickly upon award.

PARKING: A vital criterion in our site selection process was the availability of parking, an amenity many available properties within the City unfortunately lacked. Our proposed location features an on-site parking lot. This not only ensures customer convenience but is also instrumental to the business's success. Easy access and efficient traffic flow have a direct impact on customer satisfaction, visit frequency, and by extension, revenue generation. In turn, this influences the City's ability to collect corresponding taxes and fees. Parking is discussed further in Section 6.1. Description of the Proposed Location below.

FREESTANDING BUILDING: The choice of a freestanding

building for our proposed location is deliberate and strategic. Being the sole structure on the parcel, we are afforded complete control over the building's entire perimeter. This extends to the ability to implement customized security measures across the full property, including a robust network of surveillance cameras, advanced alarm systems, and comprehensive access control. Our Security Chief prioritizes this aspect of location selection due to the significant enhancement it provides to our site's security landscape. The standalone nature of the building enables us to build an integrated, top-tier security framework that aligns with our commitment to ensure the safety of our customers, employees, and the broader community.

LOCATED NEAR THE 101 & SFO: The proposed location is advantageously situated just about 4 miles, a mere ten-minute drive, from bustling SFO. As discussed earlier, this strategic positioning allows us to serve a diverse customer base, including travelers who might not have access to legal adult-use recreational cannabis in their home states or countries. Beyond this, our close proximity to the 101 freeway adds another layer of accessibility for our customers. This major arterial route provides a seamless commuting experience for customers traveling from both local and distant communities.

PEDESTRIAN-FRIENDLY: The site we propose is strategically nestled within a walkable radius of an array of businesses, including markets, clothing stores, and many restaurants. This pedestrian-friendly setup is not just about convenience, it facilitates a synergy between businesses that stimulates economic growth within the El Camino Corridor, creating a bustling commercial hub that benefits the entire community.

Additionally, the City of Millbrae, situated to the south of our proposed location, is currently in the planning stages of a revitalization project aimed at creating a more pedestrian-friendly downtown. Millbrae's vision for the future includes a reimagining of El Camino Real with wider sidewalks, improved crosswalks, more trees, better lighting, and new commercial and residential developments. With Millbrae yet to license cannabis retail operations, it's likely that consumers from their downtown area will be drawn to our proposed San Bruno location due to its proximity. The cross-pollination of customers supports our business while amplifying San Bruno's economic benefits through

increased revenue and tax dollars, thereby fostering city-wide growth and prosperity.

APPROPRIATE VISIBILITY: Our proposed location on El Camino Real offers an ideal balance of visibility for a cannabis business. The location is not overly conspicuous, which could detract from the neighborhood's atmosphere, yet it remains easily accessible without posing safety concerns. This location strikes the perfect balance, making it highly suitable for a cannabis retail establishment. Together with Embarc's tasteful exterior designs, residents felt that this location would be the most appropriate for a cannabis business, ultimately benefiting the City as a whole.

After a multi-month listening tour and community engagement with neighborhood leaders and community members City-wide, Embarc has coalesced a committed and engaged Community Advisory Board of local stakeholders who sat alongside us in the finalization (and hopeful implementation) of a community-oriented cannabis proposal that meets this neighborhood's needs while remaining approachable and accessible for those from throughout San Bruno and the region.

6.1. DESCRIPTION OF THE PROPOSED LOCATION

The application shall include a thorough description of the proposed CCOP holder location, including but not limited to the overall property, building, and floor plan.

Property Address: 120-124 El Camino Real, San Bruno, CA 94066

APN: 21172240

Zoning: MXR

Land Use: Multi-Use Residential Focus

Date Constructed: 1969

Legal Description: LOT 21 BLOCK 6 LESS PTN TO HWY LOMITA PARK SUB NOS 1 & 2

Council District: 4

Neighborhood: Lomita Park

Cross Streets: El Camino Real & West San Marco Avenue

Overall Property

Embarc San Bruno's proposed location is at 120-124 El Camino Real, San Bruno, CA 94066. The APN is 21172240. The property is situated outside of the six-hundred-foot buffer zones for sensitive uses.

The lot contains an existing standalone building that was built in 1969 and is approximately 2,460 square feet. It is situated on an approximately 0.13 acre lot just southeast of the intersection of El Camino Real and West San Marco Avenue. The property is in the Lomita Park neighborhood and located just west of San Francisco International Airport. The zoning and land use is MXR Multi-Use Residential Focus in City Council District 4. This site fully complies with the San Bruno Municipal Code. The legal description is as follows: LOT 21 BLOCK 6 LESS PTN TO HWY LOMITA PARK SUB NOS 1 & 2.

The property features a single-story structure, currently partitioned into two units, 120 and 124 El Camino Real. Our proposal is to merge these units, transforming them into a unified retail space. Additionally, the property boasts a parking lot to cater to our customers' convenience. As part of our security measures, we propose the addition of a 6-foot tall fence, constructed of decorative tubular steel and equipped with climb resistant toppers, or as otherwise restricted by local ordinance.

The parcel is neighbored to the south by the Camino Corner Restaurant at 110 El Camino Real, to the north by Dog House and Z-One Kitchen at 130 El Camino Real, to the west by Liberty Health Acupuncture at 121 El Camino Real, and to the east by a blank parcel.

Embarc's proposed location complies with San Bruno Municipal Code and sensitive use restrictions. Further, the property:

- Conforms with the City's general plan and design requirements.
- Complies with all applicable zoning and related development standards pursuant to City Code.
- Is constructed (and will be further enhanced) in a manner that minimizes odors to surrounding uses, and promotes quality design and construction, and consistency with the surrounding properties.
- Is adequate in size and shape to accommodate the parking and loading facilities, landscaping, and all items as required for business operations.
- Is served by highways adequate in width and improved as necessary to carry the kind and quantity of traffic such use will generate.
- Is provided with adequate electricity, sewerage, dis-

posal, water, fire protection, and storm drainage facilities for the intended purpose.

Existing Building - Exterior

The site features a single-story, 2,460 square-foot building, constructed in 1969, with a rectangular footprint. The building currently accommodates two units—120 and 124 El Camino Real. We aim to unite these two spaces into one for our purposes. We propose to revitalize and modernize our building's façade with a fresh design that demonstrates our commitment to playing a role in the broader revitalization efforts of this corridor.

The section of the building at 124 El Camino Real was most recently inhabited by an auto shop. This side of the building boasts four sets of garage doors that face toward the parking lot. These doors will remain permanently locked and inoperable for security purposes but offer an intriguing architectural element and invite abundant natural light into the Retail Sales Area. Our plan is to enhance the aesthetic appeal of the building by restoring its original brick exterior, which will involve sanding away the current layers of paint. This will be complemented by a contrast of ebony accents—the garage doors will receive a fresh coat of black paint, and the windows along the El Camino Real façade will be expanded and replaced with black steel-framed, paned windows. Large planters will be added in front of each garage door to add greenery and act as bollards and an extra layer of security against vehicular intrusion. The trim along the roofline will also adopt this ebony color palette. The finishing touch will be the placement of Embarc signage atop the brick exterior, positioned just above the garage doors, for easy business identification.

The 120 El Camino Real section of the building features the main entrance. The doors and windows of this section of the building will be replaced with the same black steel-framed, paned style. The smooth stucco exterior will be painted a sophisticated eggshell white shade. With the City's approval, we hope to incorporate lush, drought-tolerant greenery within various planters along the setback, promoting a sustainable, visually engaging environment. Prominent Embarc branded signage in black will be displayed atop the building above the entrance, complemented by new address numbers and an entrance sign to facilitate clear customer wayfinding.

The exterior lighting will also be improved to foster a safe and inviting ambiance, with an industrial modern aesthetic as our inspiration. Unique wall sconces made of oil-rubbed bronze metal, bearing arched silhouettes and golden highlights, will be installed. These will be paired with cylindrical shades crafted from clear seeded glass. Overhead, we'll install classic factory dome fixtures made of solid brass, featuring curved gooseneck arms.



Parking

We are aware that the limited parking in San Bruno can be a significant concern for residents and businesses. Our proposed location addresses this issue by offering six parking spaces, including two ADA-compliant ones. This number surpasses what most available properties within the City currently offer. Our improvements to the location will include necessary repair and restriping of the parking lot, replacement of weathered signage, and installation of anchored bicycle racks, encouraging alternative modes of transportation. Customers also have the option to use the free two-hour street parking along both sides of El Camino Real.

We commit to implementing effective strategies to minimize vehicular congestion in the parking lot and ensure our operation doesn't inconvenience our residential or business neighbors. We'll post visible instructions inside and outside the store indicating proper parking etiquette, duration, and nearest crosswalk locations. Our Security Guards will monitor parking habits and politely intervene when necessary to uphold our Good Neighbor Policy.

Embarc actively encourages a reduction in vehicle usage by offering incentives for customers and employees to ride bicycles, use public transportation, or carpool. These incentives range from product discounts to free transportation vouchers.

We also plan to collaborate with a local bike shop to offer our employees discounts for bike purchases and maintenance, promoting this environmentally friendly transport option. Pre-tax benefits for transit cards will also be available to employees, encouraging the use of public transit.

Our extensive experience operating eight licensed dispensaries makes us adept at managing customer flow effectively. Although the number of customers in the store per hour varies depending on time and business maturity, it's common for customers to arrive in groups utilizing one vehicle, use public transit, bicycles, or take advantage of our Buy Online, Pick Up in Store (BOPIS) feature and delivery service—all of which cut down on the number of vehicles in the parking lot at a given time.

We offer promotional programs that incentivize the use of our BOPIS and delivery services. This strategy has seen increasing success at our other operational locations, making it an integral part of our approach to address parking concerns in San Bruno. Through special incentives, we encourage customers to visit our store during off-peak hours, reducing traffic during peak times. Pre-ordering via our website for express in-store pick-up or delivery not only minimizes time spent in-store but also eases parking lot usage.

By promoting the use of bicycle paths, public transit, BOPIS, and delivery options on our website, and clearly outlining associated discounts or promotions, we aim to influence patron's transportation choices effectively. Additionally, our website will provide clear instructions for using our BOPIS and delivery options, ensuring a seamless customer experience.

These strategies aim to optimize customer service, increase sales, enhance tax revenue, and most importantly, alleviate parking challenges in the community.

Driveways

This location is ideally situated on a main artery with an existing driveway that is sufficient and provide appropriate ingress and egress on the site. Vehicular access is provided by a driveway along El Camino Real. This driveway will be clearly marked and maintained for efficient use.

We are aware that traffic on El Camino Real can occasionally

be disrupted by vehicles waiting to access parking lots or businesses. To prevent this, we will ensure our establishment doesn't contribute to such traffic build-ups by clearly marking entry and exit paths to our parking lot, as stated above, and deploying "Lot Full" signage when needed. Furthermore, our management team and Security Officers will closely monitor the surveillance area to promptly address any potential traffic problems in the parking lot or on El Camino Real. If necessary, our Patrol Security Officer will advise anyone waiting to enter the parking lot from El Camino Real to circle the block, preventing any potential traffic congestion.

Pedestrian Sidewalks / Rights-of-Way

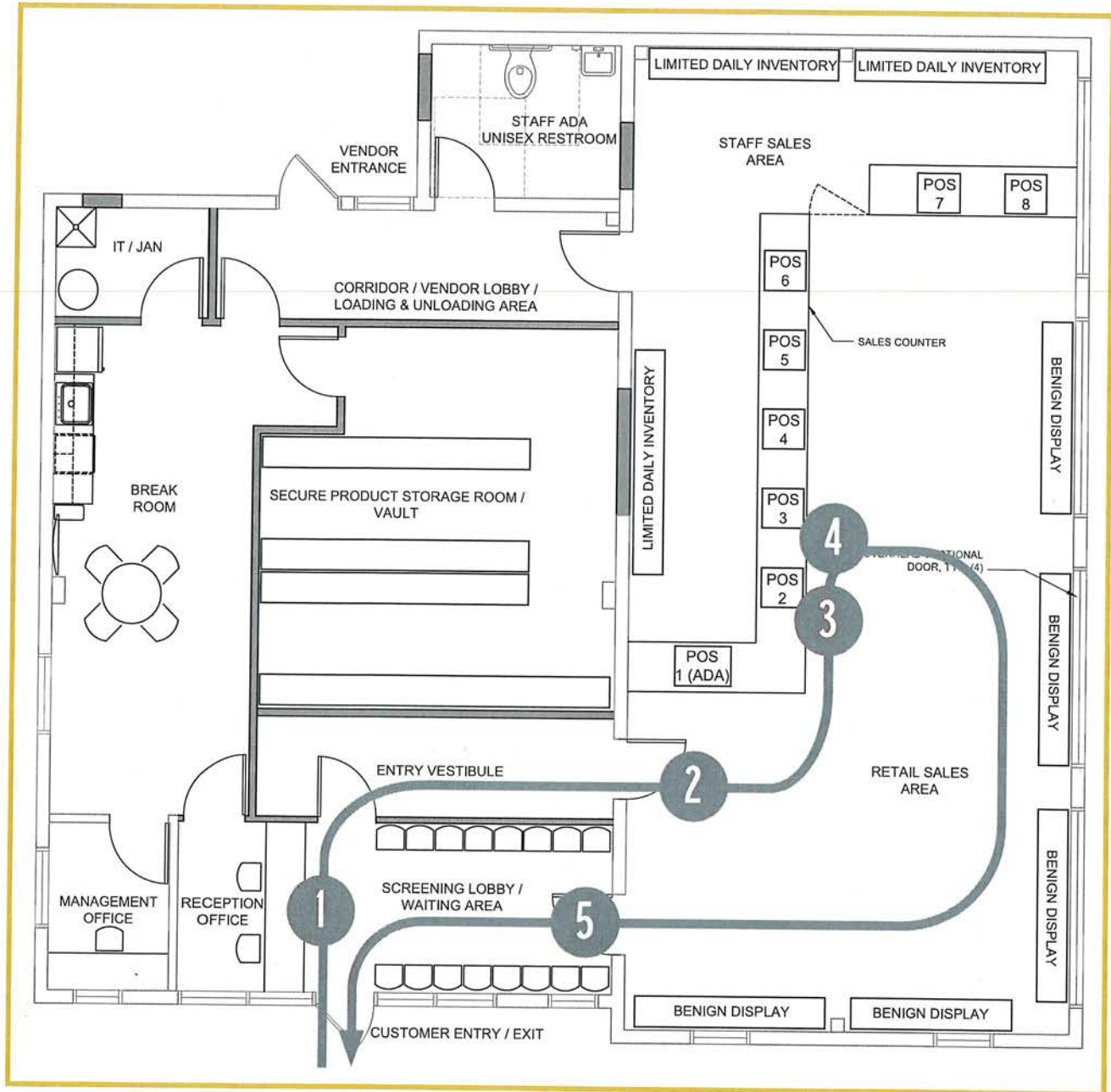
Pedestrian sidewalks and public rights of way about the property, ensuring the site enjoys ample pedestrian sidewalks allowing for ease of access. The pedestrian sidewalks are along El Camino Real and West San Marco Avenue.

Given that our proposed location is situated along the bustling El Camino Real, we will take extra measures to ensure pedestrian safety. Signage will be posted to remind customers not to cross the street outside of designated crosswalks. The nearest crosswalks to our location are at Santa Lucia Avenue and San Felipe Avenue. To further enhance safety, we will include this important information on our website, guiding customers to choose the safest routes to our store if they're walking or using street parking. This information will also be prominently displayed in the store and parking lot as a part of our Good Neighbor Policy.



Floor Plan

Our layout and customer flow have been designed to maximize security, compliance, and an optimal consumer experience. This concept has been proven in other communities where we operate, with zero compliance citations or issues with youth access or diversion. The concept is predicated on the following customer flow and experience:



1. GREETED: Guests are buzzed into the Screening Lobby, where they are welcomed by staff, and undergo immediate identification and age verification. While this is a strict compliance protocol, our staff are trained to ensure this is a warm and inviting experience.

2. INTRODUCED: Once identification and age are verified, guests are invited to move into the waiting area of the Screening Lobby, which has been designed with the customer in mind. Here you will find educational materials regarding cannabis as

well as community-specific activations and installations. Based on customer flow in the Retail Sales Area, guests will either move directly from Screening Lobby through the Entry Vestibule and into the Retail Sales Area or stay in the waiting area until space permits.

3. GUIDED: After entering the Retail Sales Area through the Entry Vestibule, guests will approach the countertop where they are greeted by a retail sales associate, called a “Guide.” Guides take the guest through product selection, answer questions, and provide individualized suggestions. If there is a line of customers when a guest first enters the Retail Sales Area, the guest will queue until called up to the counter by a Guide.

4. CHECKOUT: Once the customer has selected products, the Guide will obtain the products and facilitate the transaction at a point-of-sale station. Purchased products are placed into an opaque exit package and guests are reminded to always keep their products stored in the product’s compliant child-proof packaging to prevent accidental youth access. The easily identifiable exit package allows Security Officers to monitor customers exiting the building.

5. EXIT: Guests are thanked for coming and are directed to exit through the secure door back into the Screening Lobby and exit through the main entry/exit doors. Customers will not be permitted to loiter on the property.

Description of Each Room

Below is a more in depth description of the overall floor-plan and each room within the premises.

MAIN ENTRY: The building’s main entrance along El Camino Real will always remain locked, controlled by staff and/or Security Officers. We plan to feature a black steel-framed, paned style door. Subject to the City’s approval, our aim is to enhance the curb appeal with drought-tolerant greenery in planters along the set back. Prominent black Embarc signage will grace the building’s top, paired with new address numbers and an entrance sign to aid in customer navigation.

SCREENING LOBBY & WAITING AREA: Upon entering the premises, customers will first step into the Screening Lobby. Their identification will be verified by an employee in

the Reception Office, which is conveniently located behind a screening window. The Lobby will also house a comfortable waiting area for those awaiting entry into the Retail Sales Area. A connecting Entry Vestibule will guide customers into the sales area (further detailed below).

The Lobby’s reception desk, with its vertical wood slats and natural stone accents, will create an immediate design statement. The grey concrete floor will be softened by a black and white geometric rug, adding visual texture. Illumination will be provided by recessed lighting fixtures and an Italian chandelier, enhancing the ambiance within the chantilly lace white walls and natural wood doors. The Embarc sign, backlit and situated on an ebony wall behind the reception desk, will underscore our brand’s presence. Greenery in unique pottery pieces and glass partitions interspersed throughout the area will create a welcoming, open atmosphere.

The concrete floors will extend throughout the premises, leading customers with clear wayfinding arrows. An ebony wall will feature a neon sign that illuminates Embarc’s ethos—Community, Craft, & Culture. Customers will be able to settle onto a vintage 1970s-style olive velvet tufted sofa or into mid-century style lounge chairs with oak frames, ensuring their wait is both comfortable and aesthetically pleasing.

RECEPTION OFFICE: The Reception Office and Screening Lobby will be the first contact point for customers, ensuring security and ease of entry. A protective screening window will separate reception employees from unidentified individuals. From their station, reception employees will have a clear surveillance view of the main entrance, enabling them to effectively control access to the premises. This design consideration offers a balance of welcoming customer interaction and stringent security measures.

ENTRY VESTIBULE: The Entry Vestibule, which separates the Screening Lobby from the Retail Sales Area, will incorporate a door-redundant design. This structure enhances the security by providing the reception employee with additional perception/reaction time in case an individual attempts unauthorized access, such as piggybacking or other methods. Each of the three doors between the exterior and the Retail Sales Area will be electronically controlled by the reception employee, ensuring a secure

pathway for incoming customers. Furthermore, by providing distinct inbound and outbound pathways, we will minimize the chance of unauthorized entry via the Retail Sales Area exit.

RETAIL SALES AREA: The Retail Sales Area's L-shaped service counter will promote natural surveillance of customers from two distinct angles, effectively eliminating any anonymity. A strategically placed point-of-sale counter will demarcate customer zones from live goods, cash, and access to the back-of-house/limited access areas, reinforcing the notion of different territories.

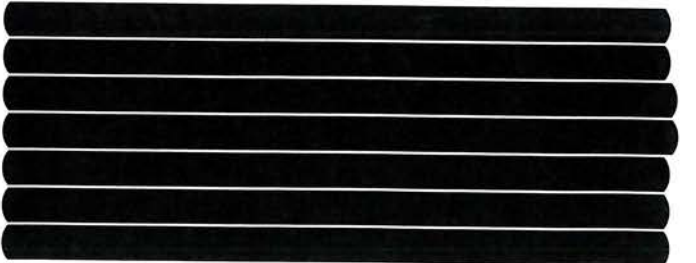
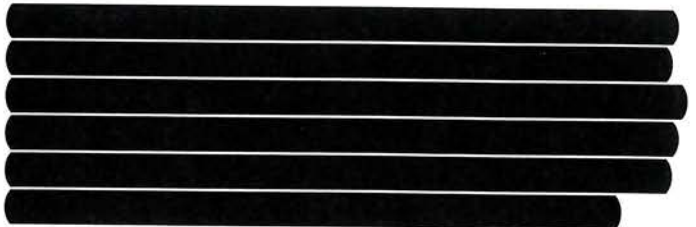
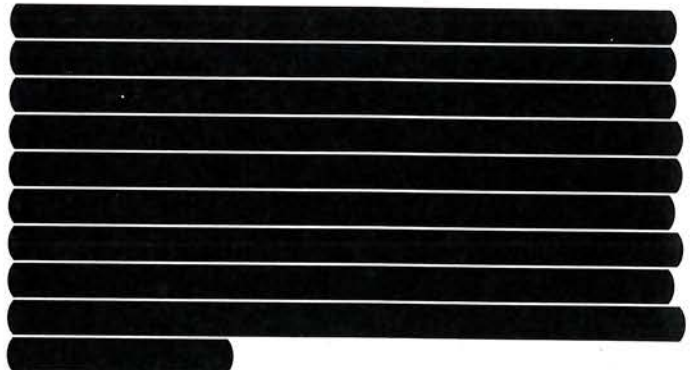
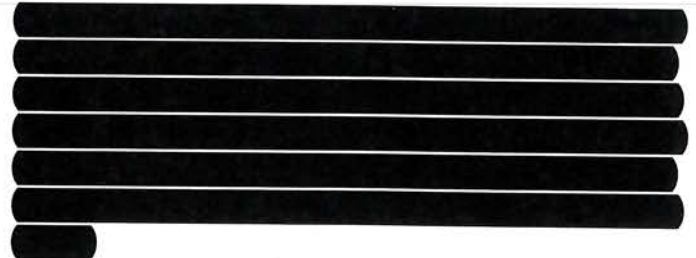
This space will be well lit with suspended industrial track lighting and recessed lights scattered throughout. The prominent L-shaped checkout counter and display case, made of light-finished wood, glass, and natural stone, will establish the area's structure. A prominent table, built from wood and stone, will safely display cannabis flowers in secured Sensory Pods, while sawhorse-style wooden shelves will present branded merchandise, guiding customer lines more elegantly than traditional stanchions. The room's perimeter will feature wooden cabinets with stone countertops and assorted display shelving, showcasing a variety of display products, plants, décor, and accessories. To facilitate swift customer service, large display screens will highlight current offers and menus. The area will also have a customizable demo section for brands to demonstrate their products and educate customers. Additionally, a striking Embarc San Bruno wall decal will enhance the area's visual appeal.

EMPLOYEE POINT-OF-SALE AREA: The restricted-access Employee Point-of-Sale Area located behind the POS counter will safely house a modest amount of daily inventory in lockable storage cases. A wall-integrated drop safe will provide direct access to the Secure Product Storage Room/Cash Vault. This area will feature eight POS stations, each equipped with panic alarms, with one station dedicated exclusively to ADA / BOPIS (Buy Online, Pick Up in Store) services. A controlled access swinging door will be installed between the POS stations, offering easy employee access to the customer area of the Retail Sales Floor.

MANAGEMENT OFFICE: The Management Office will contain a surveillance viewing area for all cameras on the premises. A locking records storage area is also located here. Additionally, a secured storage area for records will also be situated within this office.

BREAK ROOM: The break area features a kitchenette and a small dining area for employees.

I.T. ROOM: This limited-access area contains a surveillance viewing area for all cameras on the premises, cannabis waste storage, and a locking server cabinet with video archives.



[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

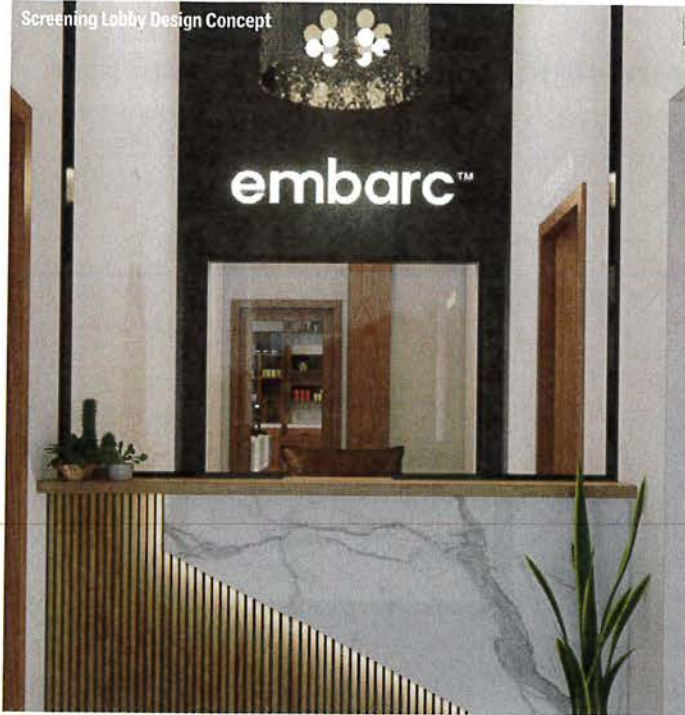
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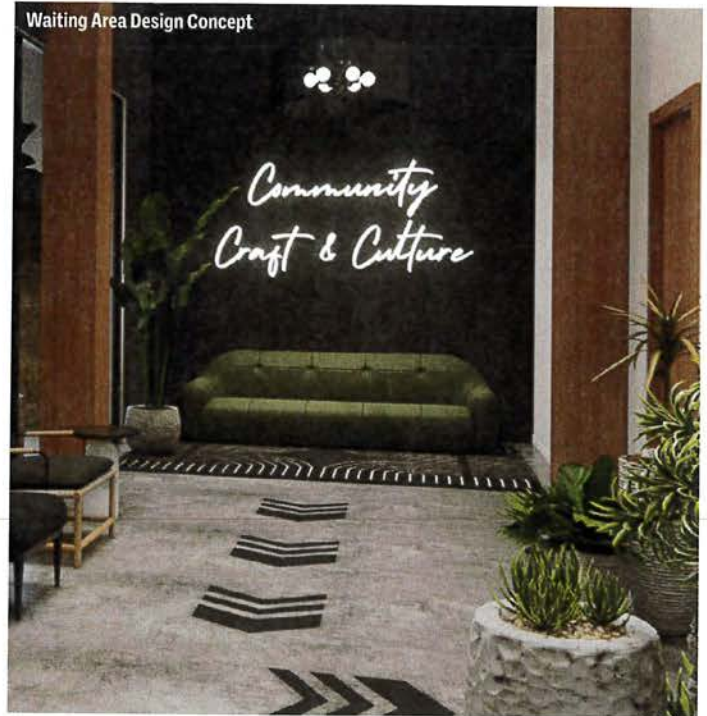
RESTROOM: The ADA / unisex restroom is intended for staff only. The restroom will remain locked and under the control of management.



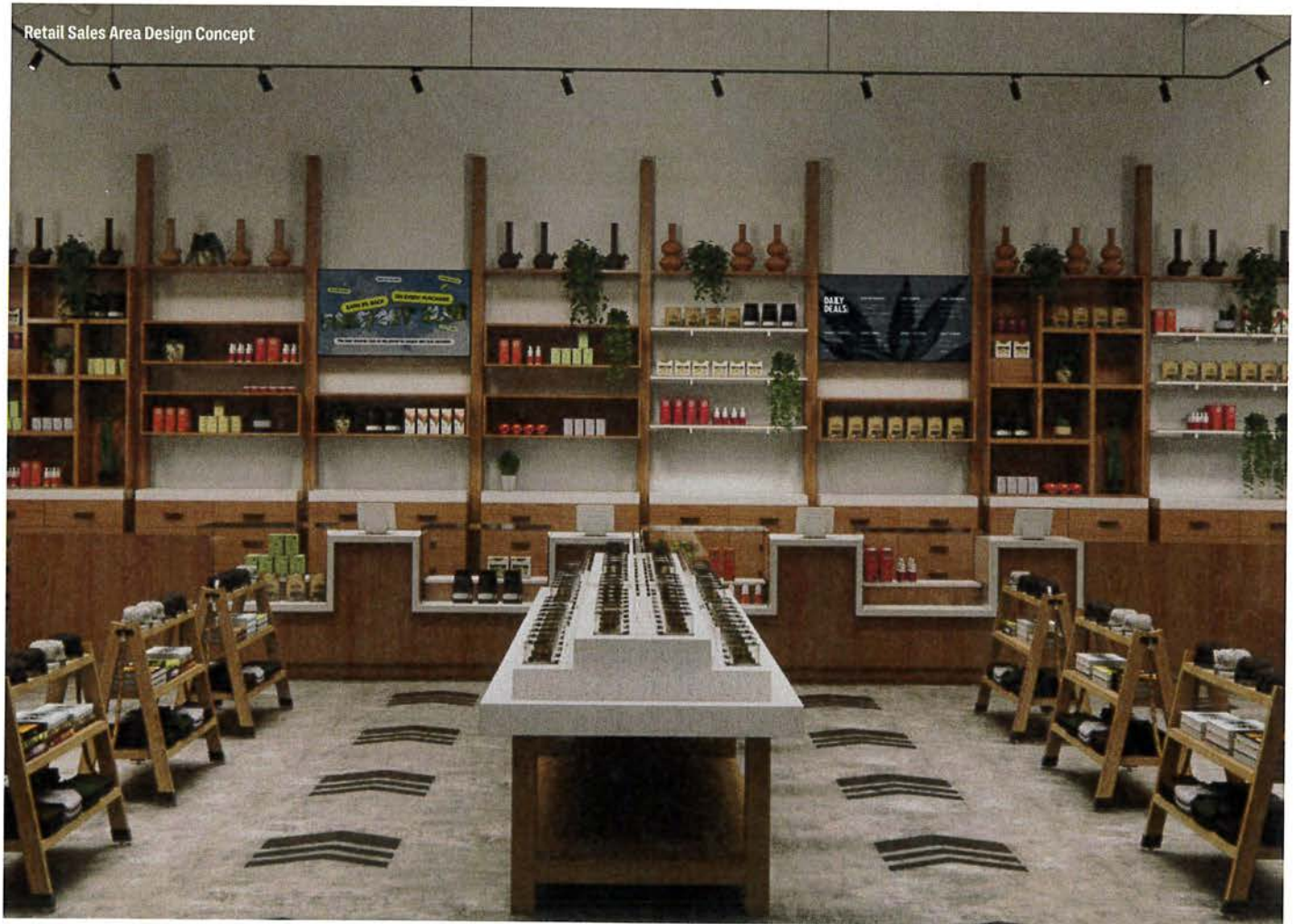
Screening Lobby Design Concept



Waiting Area Design Concept



Retail Sales Area Design Concept

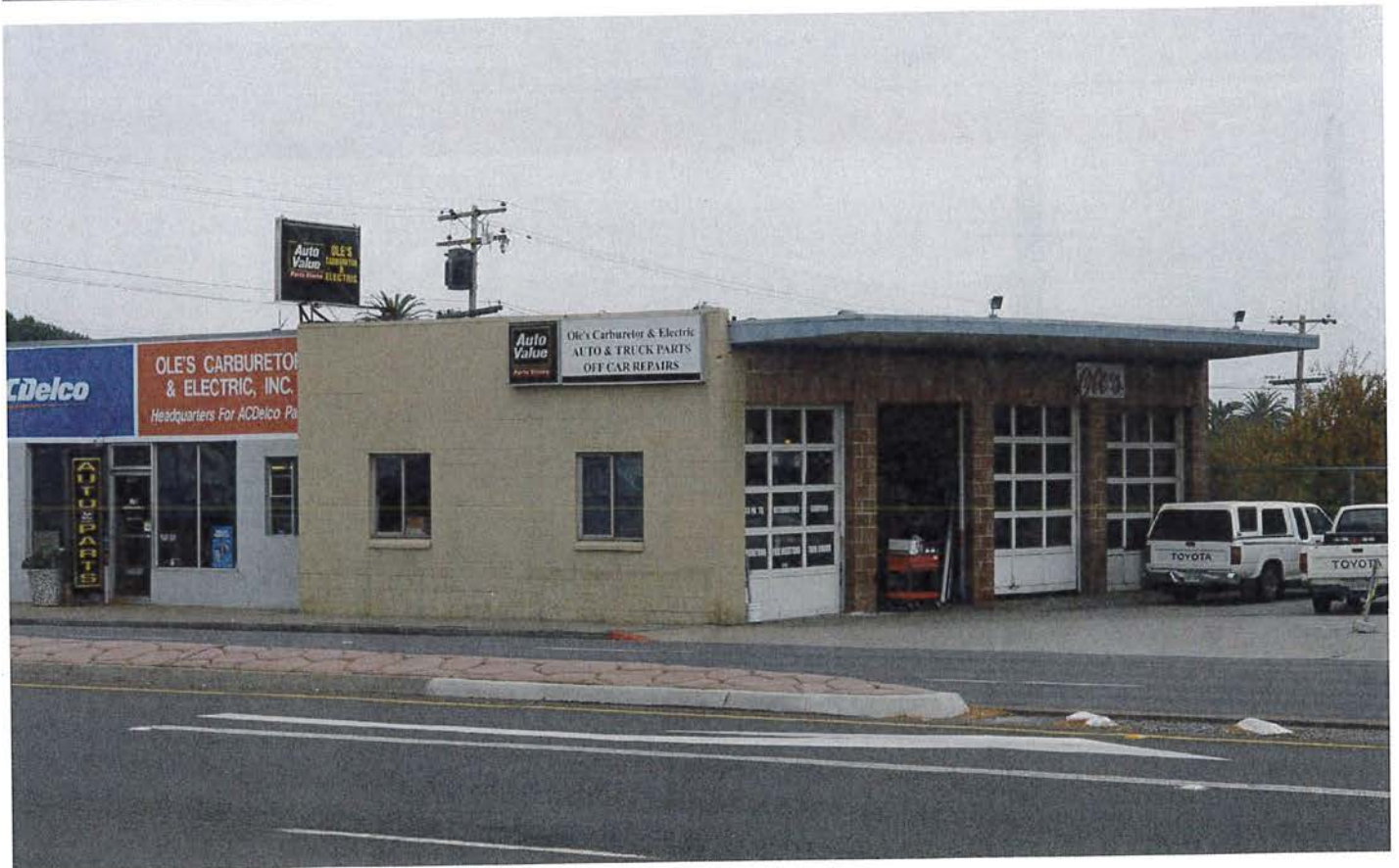
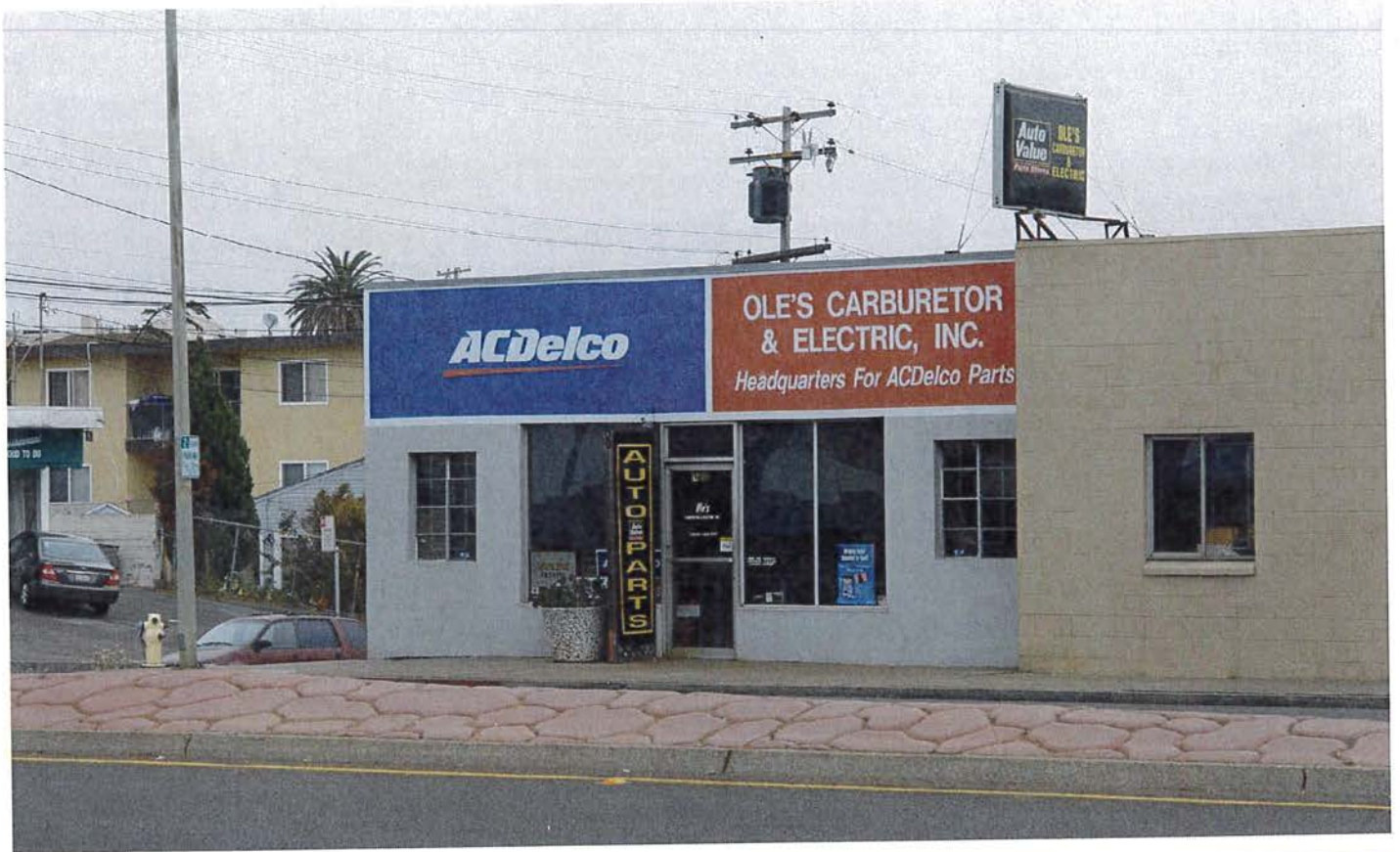


6.2. PHOTOGRAPHS

The application shall include at least one (1) photograph of the building frontage or street view of the vacant parcel.







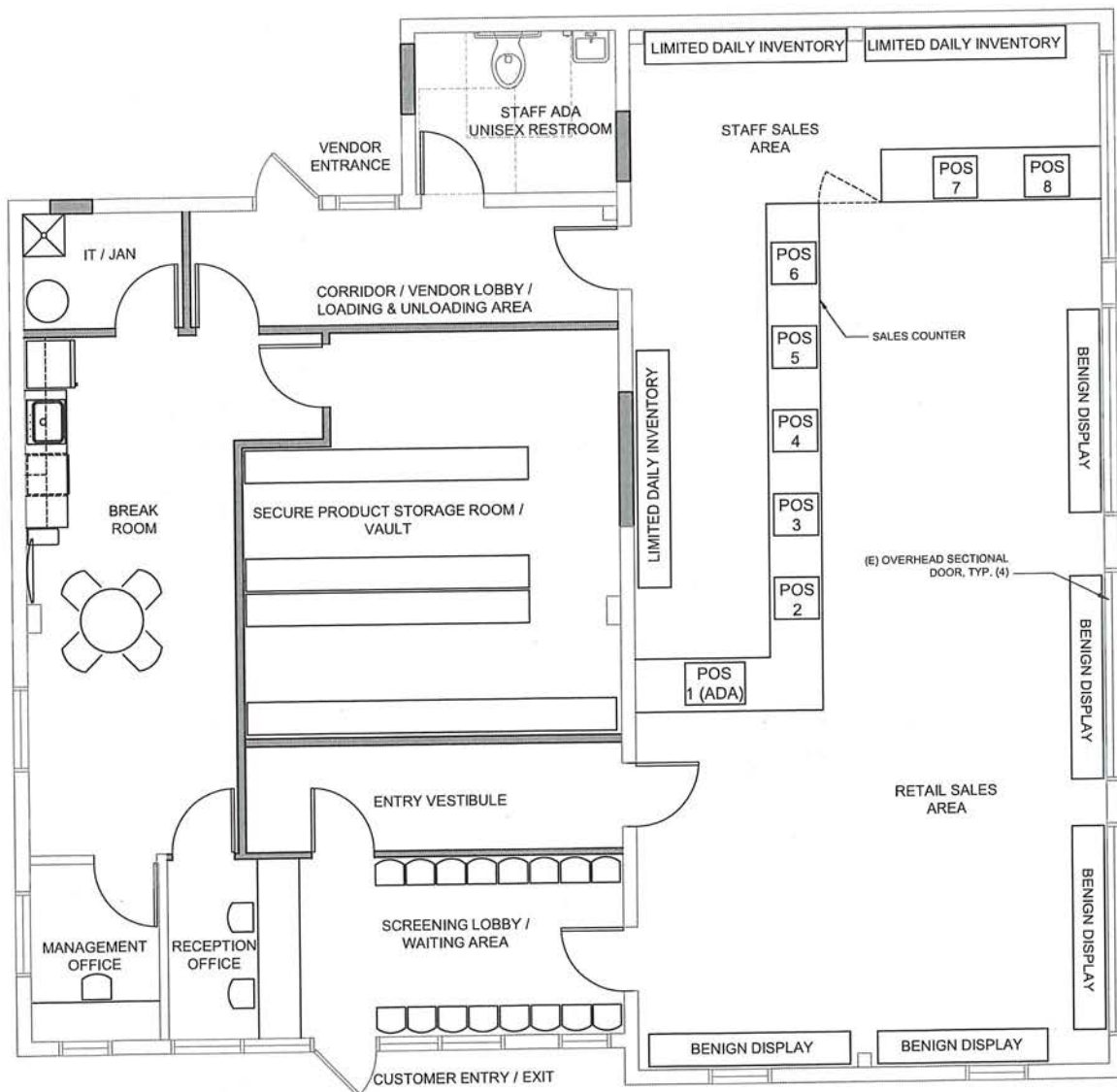


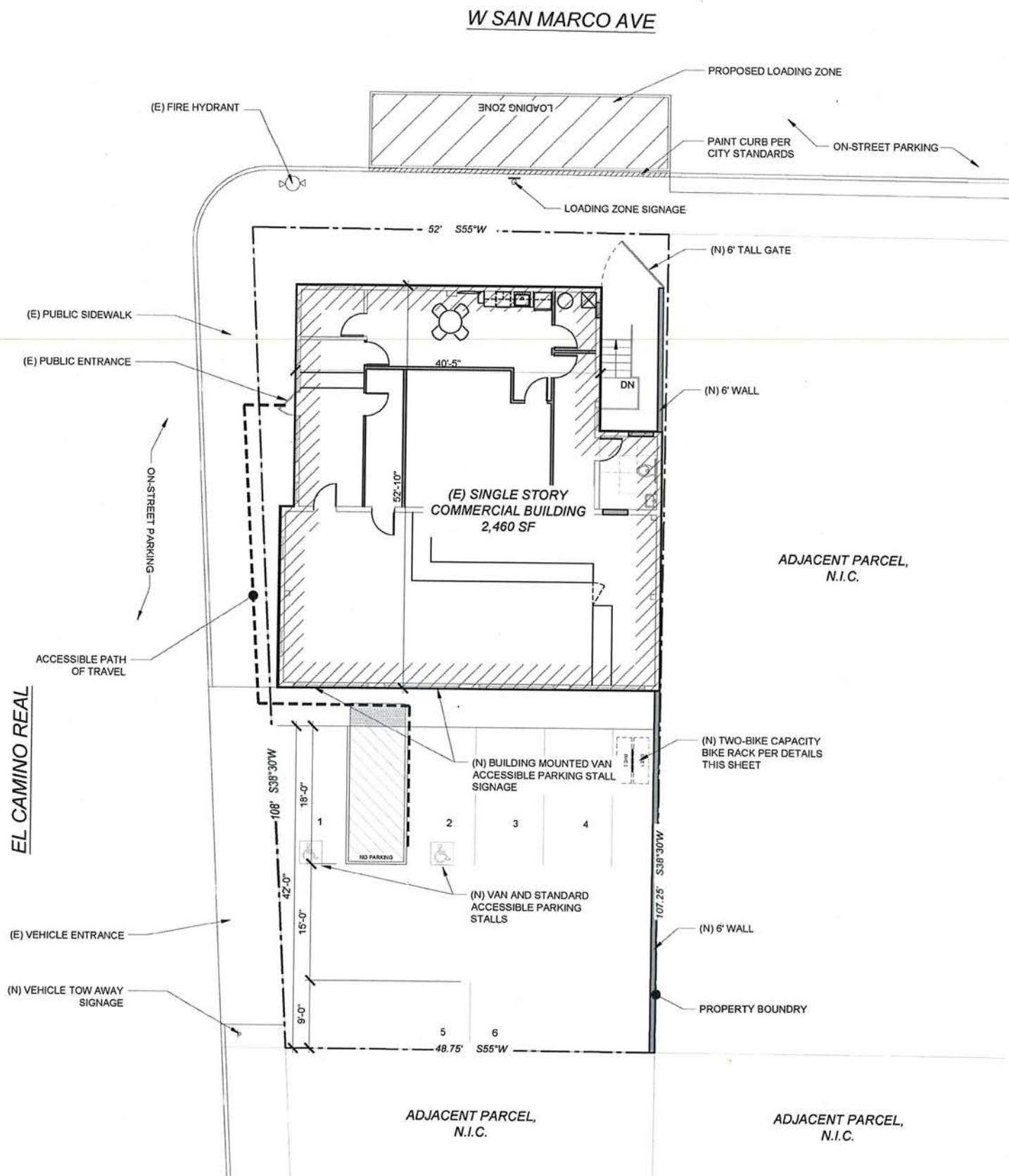
6.3. PREMISES (SITE) DIAGRAM

Premises (Site) Diagram for each proposed location. In addition to the Premises (Security) Diagram, applicants shall submit a premises/site and building floor plan diagram that focuses on the overall property and building(s). This diagram should show the parcel and adjoining or neighboring buildings that may be affected by the CCOP holder.

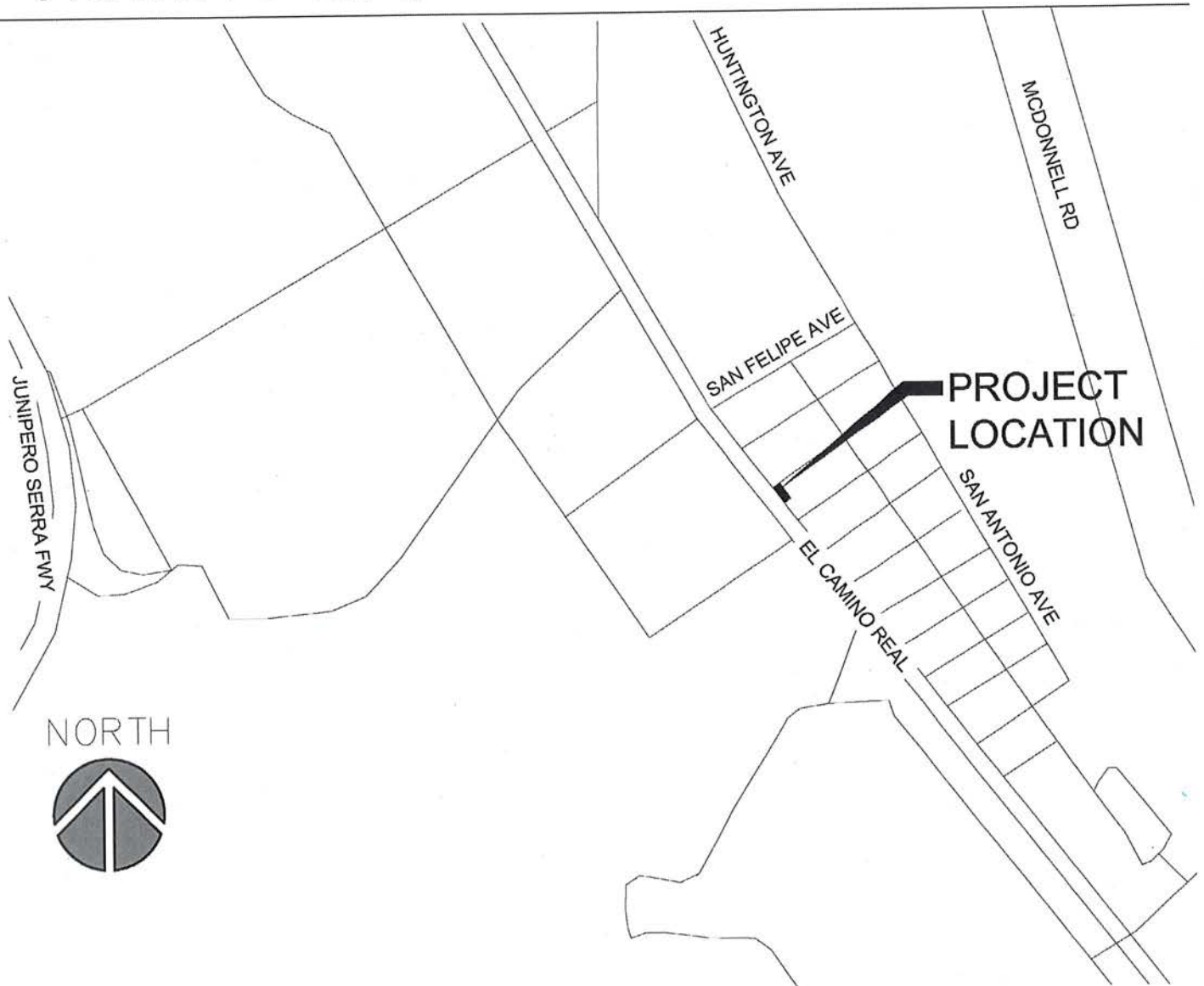
6.3.1. A Premise (Site) Diagram must be accurate, dimensioned and to-scale (minimum scale of 1/4"). The diagram shall provide a detailed description of all available/shared parking spaces, driveway locations, and auxiliary buildings on the parcel. (Blueprints and engineering site plans are not required to be submitted with the initial application but may be requested by the City during the application evaluation process. Security features are not required for this section.)

1/4" scale plans are provided on the following pages.

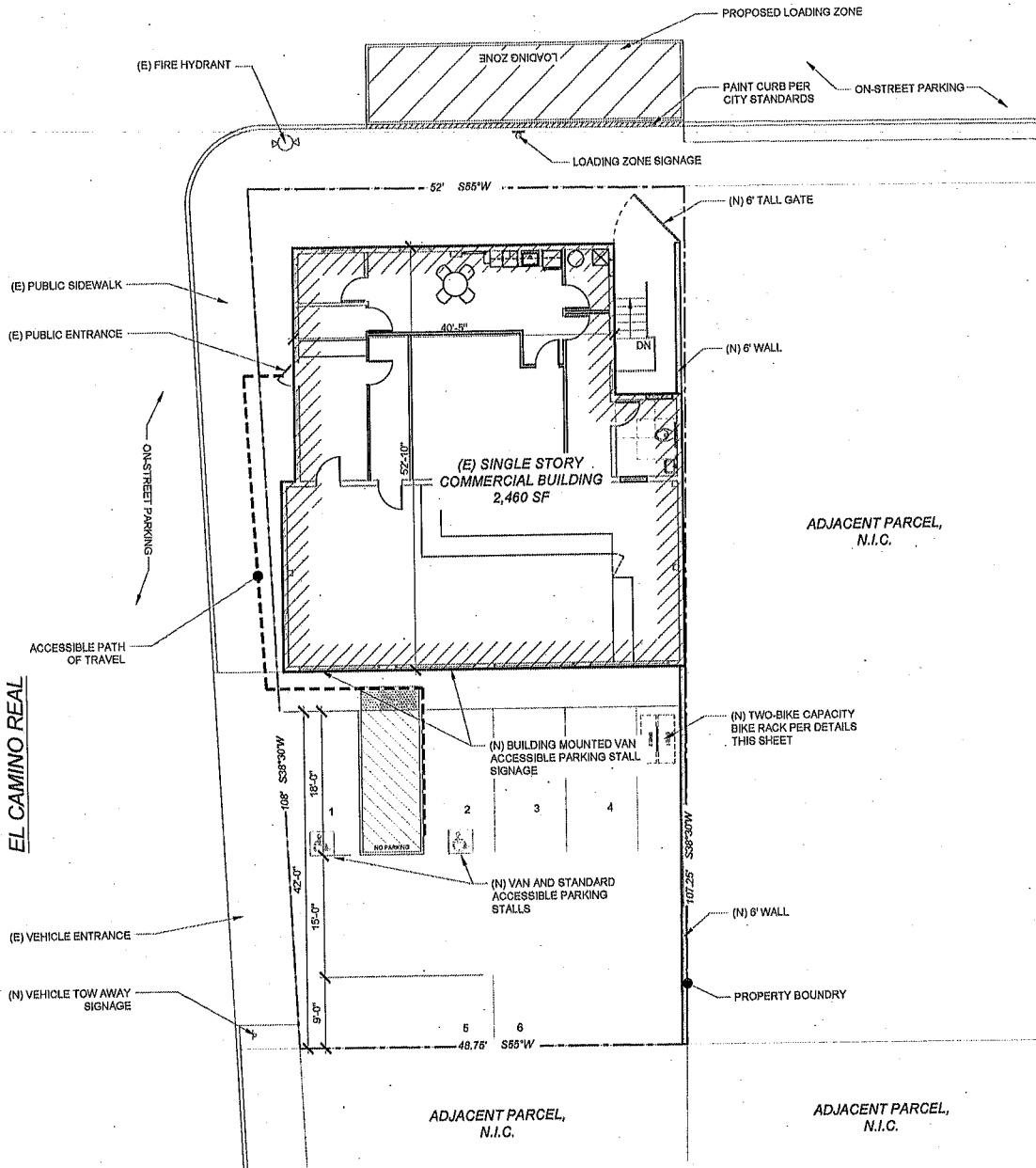




VICINITY MAP



W SAN MARCO AVE



KM Architecture, Inc.
A Full Service Architectural Practice
3420 COACH LANE, SUITE 9,
CAMERON PARK, CA,
95682
(530) 344-4073

EMBARC, SAN BRUNO
TENANT IMPROVEMENTS
120 EL CAMINO REAL
SAN BRUNO, CA 94066

CONSTRUCTION DOCUMENTS

APN:
021172240

Project Manager
KIRK MILLER
Project Architect
KIRK MILLER
Scale
AS NOTED
Date
01/07/2023
Project Number
20112.17

PRELIMINARY

This drawing is not final, or to be used for construction until the Architect or Engineer's seal and signature appear above.

SHEET TITLE

ARCHITECTURAL
SITE PLAN

MARK DESCRIPTION DATE
SHEET NO.

A00

VICINITY MAP

