RECORDING REQUESTED BY
AND WHEN RECORDED MAIL TO:

City of Lake Elsinore
130 South Main Street
Lake Elsinore, CA 92530
Attn: City Clerk

(Space Above Line For Recorder's Use Only)
(Exempt from Recording Fees Per Gov. Code § 27383)

DEVELOPMENT AGREEMENT

BY AND BETWEEN THE

CITY OF LAKE ELSINORE

AND

MODERN LEAF CULTURE, INC.

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AND MODERN LEAF CULTURE, INC.

This Development Agreement ("Agreement"), dated for identification only as of December 1, 2018, is made by and between the City of Lake Elsinore, a California municipal corporation ("City"), and Modern Leaf Culture, Inc., a California corporation ("Developer"). This Agreement shall take effect on the "Effective Date," as this term is hereafter defined. City and Developer may each be referred to herein individually as a "Party" or collectively as the "Parties."

RECITALS

A. In 1996, the California Legislature approved Proposition 215, also known as the Compassionate Use Act ("CUA"), which was codified under Health and Safety Code section 11262.5 *et sec*., and was intended to enable persons in need of medical marijuana for specified medical purposes, such as cancer, anorexia, AIDS, chronic pain, glaucoma and arthritis, to obtain and use marijuana under limited circumstances and where recommended by a physician. The CUA provides that "nothing in this section shall be construed or supersede legislation prohibiting persons from engaging in conduct that endangers others, or to condone the diversion of marijuana for non-medical purposes."

B. In 2004, the California Legislature enacted the Medical Marijuana Program Act (Health & Saf. Code, § 11362.7 *et seq*.) ("MMP"), which clarified the scope of the CUA, created a state-approved voluntary medical marijuana identification card program, and authorized cities to adopt and enforce rules and regulations consistent with the MMP. Assembly Bill 2650 (2010) and Assembly Bill 1300 (2011) amended the MMP to expressly recognize the authority of counties and cities to "[a]dopt local ordinances that regulate the location, operation, or establishment of a medical marijuana cooperative or collective" and to civilly and criminally enforce such ordinances.

C. In September 2015, the California State Legislature enacted, and Governor Brown signed into law three bills – Assembly Bill 243, Assembly Bill 266, and Senate Bill 643 – which together comprise the Medical Marijuana Regulation and Safety Act (the "MMRSA"). The MMRSA created a comprehensive dual state licensing system for the cultivation, manufacture, retail, sale, transport, distribution, delivery, and testing of medical cannabis.

D. The MMRSA was renamed the Medical Cannabis Regulation and Safety Act (the "MCRSA"), under Senate Bill 837 in June 2016, which also made included substantive changes to the applicable state laws, which affect the various state agencies involved in regulating cannabis businesses as well as potential licensees.

E. On November 8, 2016, the Control, Regulate, and Tax Adult Use of Marijuana Act ("AUMA") was approved California voters as Proposition 64 and became effective on November 9, 2016, pursuant to the California Constitution (Cal. Const., art. II, § 10(a).). Proposition 64 legalized the nonmedical use of cannabis by persons 21 years of age and over, and the personal cultivation of up to six (6) cannabis plants.

F. AUMA also created a state regulatory and licensing system governing the commercial cultivation, testing, and distribution of nonmedical cannabis, and the manufacturing of nonmedical cannabis products.

G. On June 27, 2017, Governor Brown signed the Legislature-approved Senate Bill 94. Senate Bill 94 combined elements of the MCRSA and AUMA to establish a streamlined singular regulatory and licensing structure for both medical and nonmedical cannabis activities. The new consolidated provisions under Senate Bill 94 is now known as the Medicinal and Adult-Use Cannabis Regulation and Safety Act ("MAUCRSA") to be governed by the California Bureau of Cannabis Control. MAUCRSA refers to medical cannabis as "medicinal cannabis" and nonmedical/recreational cannabis as "adult-use cannabis."

H. On September 16, 2017, Governor Brown signed Assembly Bill 133 into law, which provided cleanup and substantive changes to MAUCRSA, including the removal of the requirement that licensed premises remain "separate and distinct" for each license type.

I. MAUCRSA grants local jurisdictions discretion over whether businesses engaged in commercial cannabis activity may operate in a particular jurisdiction and, if authorized, where within such jurisdiction.

J. On November 28, 2017, the City Council approved Ordinance No. 1382 amending the Lake Elsinore Municipal Code ("LEMC") Chapter 17.156 to: (i) require all cannabis businesses in the City to have a State license and a City cannabis business permit; (ii) establish procedures for the review and issuance of a cannabis business permit; (iii) to allow cannabis dispensaries, cannabis distribution, indoor cannabis cultivation, cannabis manufacturing and cannabis testing laboratories in M-1 (limited manufacturing) and M-2 (general manufacturing) zoning districts; and (iv) establish regulations related to such activities.

K. Ordinance No. 1382 allows persons to engage in a permissible "Cannabis Business" upon the City's issuance of a "Cannabis Business Permit," which requires City approval of a conditional use permit, development agreement, and other applicable approvals.

L. Developer has an equitable interest in that certain real property located at 31877 Corydon Road, Suite 120 in the City of Lake Elsinore, County of Riverside, State of California, Assessor's Parcel Number 370-051-016-7, which is within a manufacturing zoning district (the "Site").

M. The Site is more particularly described in the legal description attached hereto as Exhibit A, the Site Plan is attached hereto as Exhibit B, and the Floor Plan is attached hereto as Exhibit C.

N. Developer affirms that it has an equitable interest in the Site, evidenced in writing with the owner of the Site, Joshua Grant (the "Property Owner"), for the purpose of carrying out the Project.

O. The Property Owner has provided notarized written consent to the terms of this Agreement and the recordation thereof, attached hereto as Exhibit D.

P. Developer proposes to improve, develop, and use the Site for a Cannabis Business (as defined below), in accordance with California Cannabis Laws (as defined below) and the LEMC, as each may be amended from time to time (the "Project").

Q. To strengthen the public planning process, encourage private participation in comprehensive planning and reduce the economic risk of development, the California Legislature adopted Government Code section 65864 *et seq*. (the "Development Agreement Statute"), which authorizes the City and an individual with an interest in real property to enter into a development agreement that establishes certain development rights in real property that is subject to a development agreement application.

R. Consistent with the requirements of the Development Agreement Statute, the City adopted LEMC, Chapter 19.12 ("Development Agreement Ordinance") authorizing the use of and establishing the procedures and requirements for the consideration of development agreements within the City.

S. LEMC, Section 19.12.010 requires submittal of an application along with information and supporting data as requested by the Director of Community Development for consideration of any development agreement. Developer has satisfied this requirement.

T. On November 20, 2018, the City of Lake Elsinore Planning Commission held a duly noticed public hearing to consider Owner's application for this Agreement and recommended to the City Council approval of this Agreement.

U. On December 11, 2018, the City Council held a duly noticed public hearing to consider this Agreement and found and determined that this Agreement: (a) is consistent with the objectives, policies, general land uses and programs specified in the City's General Plan and any applicable specific plan; (b) is compatible with the uses authorized in, and the regulations prescribed for the Site and the surrounding area and will not adversely affect the orderly development of the Site or the preservation of property values; (c) is in conformity with public convenience, general welfare and good land use practices; (d) will have an overall positive effect on the health, safety and welfare of the residents of and visitors to the City; and (e) constitutes a lawful, present exercise of the City's police power and authority under the Development Agreement Statute and Development Agreement Ordinance.

V. Based on the findings set forth in Section 1.1, the City Council entered into this Agreement pursuant to and in compliance with the requirements of the Development Agreement Statute and the Development Agreement Ordinance; and did therefore, in approving this Agreement introduce for first reading Ordinance No. 2018- ___ (the "Enabling Ordinance"). On _____ __, 201__, the City Council conducted the second reading of the Enabling Ordinance thereby approving this Agreement, to become effective thirty (30) days after the adoption thereof.

NOW, THEREFORE, in consideration of the mutual terms, obligations, promises, covenants and conditions contained herein and for other valuable consideration, the sufficiency of which is hereby acknowledged, the Parties, and each of them, agree as follows:

AGREEMENT

ARTICLE 1.
GENERAL PROVISIONS

1.1. Findings. City hereby finds and determines that entering into this Agreement furthers the public health, safety, and general welfare and is consistent with the City's General Plan.

1.2. Recitals. The Recitals above are true and correct and are hereby incorporated into and made a part of this Agreement. In the event of any inconsistency between the Recitals and the provisions of Articles 1 through 9 of this Agreement, the provisions of Articles 1 through 9 shall prevail.

1.3. Exhibits. The following "Exhibits" are attached to and incorporated into this Agreement:

Exhibit A	Legal Description
Exhibit B	Site Plan
Exhibit C	Floor Plan
Exhibit D	Property Owner Consent

1.4. Definitions. All following initially-capitalized words, terms, and phrases have the meanings assigned to them below, unless the context indicates otherwise.

"Additional City Approvals" means all ministerial and discretionary permits, licenses, or other similar entitlements that must be secured by the Developer in order to develop the Project on the Site, in addition to the Conditional Use Permit and the Cannabis Business Permit.

"Additional Insureds" has the meaning set forth in Section 5.1.

"Agreement" means this Development Agreement and all Exhibits attached hereto.

"AUMA" has the meaning as set forth in the Recitals, above.

"California Building Standards Codes" means the California Building Code, as amended from time to time, in Part 2, Volumes 1 and 2, as part of Title 24 of the California Code of Regulations, as may be adopted by the LEMC.

"California Cannabis Laws" includes AUMA, MAUCRSA, CUA, the MMP, and the regulations adopted and promulgated by the State Licensing Authorities pursuant to such laws, as such laws and regulations may be amended from time to time.

"Cannabis" means all parts of the plant Cannabis sativa Linnaeus, Cannabis indica, or Cannabis ruderalis, whether growing or not; the seeds thereof; the resin, whether crude or purified, extracted from any part of the plant; and every compound, manufacture, salt, derivative, mixture, or preparation of the plant, its seeds, or resin. "Cannabis" also means the separated resin, whether crude or purified, obtained from cannabis. "Cannabis" does not include the mature stalks of the plant, fiber produced from the stalks, oil or cake made from the seeds of the plant, any other compound, manufacture, salt, derivative, mixture, or preparation of the mature stalks (except the resin extracted therefrom), fiber, oil, or cake, or the sterilized seed of the plant which is incapable of germination. For the purpose of this division, "cannabis" does not mean "industrial hemp" as defined by Section 11018.5 of the Health and Safety Code. Cannabis and the term "marijuana" may be used interchangeably.

"Cannabis Business" includes cultivation, possession, manufacture, processing, storing, laboratory testing, labeling, transporting, distribution, delivery, or sale of cannabis or a cannabis product that requires a state license pursuant to MAUCRSA.

"Cannabis Business Permit" means the City permit established and authorized by LEMC, Section 17.156.040, authorizing permissible Cannabis Business activity which can only be issued upon City approval of a conditional use permit, development agreement, and Additional City Approvals for each proposed Cannabis Business activity project.

"City" means the City of Lake Elsinore, a municipal corporation.

"City Council" means the City of Lake Elsinore City Council as described in LEMC, Chapter 2.08.

"City Manager" means the City Manager of the City of Lake Elsinore, or designee, as described in LEMC, Chapter 2.04.

"Community Benefits" has the meaning set forth in Section 4.1 of this Agreement.

"Community Benefits Fees" has the meaning set forth in Section 4.2 of this Agreement.

"Conditional Use Permit" means a conditional use permit issued by the City to Developer pertaining to Developer's development of the Project, pursuant to LEMC, Chapter 17.168. In the event that the Conditional Use Permit may not have been issued to the Developer as of the Effective Date, the City hereby reserves its discretion under the police power to approve, conditionally approve, or deny the issuance of the Conditional Use Permit.

"CUA" has the meaning as set forth in the Recitals, above.

"Developer" means Elsinore Community Investment Corp, a California corporation.

"Development Agreement Ordinance" has the meaning as set forth in the Recitals, above.

"Development Agreement Statute" has the meaning as set forth in the Recitals, above.

"Development Regulations" means the following regulations as they are in effect as of the Effective Date and to the extent they govern or regulate the development of the Site, but excluding any amendment or modification to the Development Regulations adopted, approved, or imposed after the Effective Date that impairs or restricts Developer's rights set forth in this Agreement, unless such amendment or modification is expressly authorized by this Agreement or is agreed to by Developer in writing: the City's General Plan; any existing Specific Plan that include the Site, and, to the extent not expressly superseded by this Agreement, all other land use and subdivision regulations governing the permitted uses, density and intensity of use for obtaining required City permits and approvals for development, and similar matters that may apply to development of the Project on the Site during the Term of this Agreement that are set forth in Title 16 of the LEMC (Subdivisions), Title 17 of the LEMC (Zoning), and Title 19 of the LEMC (Development). Notwithstanding the foregoing, the term "Development Regulations," as used herein, does not include any City ordinance, resolution, code, rule, regulation or official policy governing any of the following: (i) the conduct of businesses, professions, and occupations; (ii) taxes and assessments; (iii) the control and abatement of nuisances; (iv) the granting of encroachment permits and the conveyance of rights and interests which provide for the use of or the entry upon public property; (v) the exercise of the power of eminent domain; or (vi) the California Building Standards Codes.

"Effective Date" has the meaning as set forth in Section 1.6.

"Exhibits" has the meaning set forth in Section 1.3.

"Floor Area" means rentable interior floor area at the Site; rentable square footage measured based on Building Owners and Managers Association International industrial building standards.

"Marijuana" has the same meaning as cannabis and those terms may be used interchangeably.

"MAUCRSA" has the meaning as set forth in the Recitals, above.

"MCRSA" has the meaning as set forth in the Recitals, above.

"MMP" has the meaning as set forth in the Recitals, above.

"MMRSA" has the meaning as set forth in the Recitals, above.

"Mortgage" has the meaning set forth in Article 6.

"Non-Payment Penalty" has the meaning set forth in Section 4.3.

"Notice of Non-Payment Penalty" has the meaning set forth in Section 4.3.

"Project" has the meaning as set forth in the Recitals, above.

"Property Owner" means Joshua Grant.

"Regulatory Fees" mean charges owed by the Developer to the City for the City's costs incurred in processing applications related to the Project, administering its cannabis-related ordinance with regard to the Project, and monitoring legal compliance of the Project on the Site, including, but not limited to building and safety-related inspections by the City.

"Site" has the meaning as set forth in the Recitals, above.

"State Cannabis License" means a license, including a temporary license, to conduct Cannabis Business activities issued by a State Licensing Authority to Developer for the Development of the Project on the Site.

"State Licensing Authority" means the state agency responsible for the issuance, renewal, or reinstatement of State Cannabis Licenses, or the state agency authorized to take disciplinary action against a business licensed under the California Cannabis Laws.

"Term" has the meaning described in Section 1.7.

"Term Commencement Date" has the meaning described in Section 1.7.

1.5. Project is a Private Undertaking. The Parties agree that the Project is a private development and that City has no interest therein, except as authorized in the exercise of its governmental functions. City shall not for any purpose be considered an agent of Developer or the Project.

1.6. Effective Date of Agreement. This Agreement shall become effective (the "Effective Date") upon the date when all of the following conditions have been satisfied: (i) the City ordinance approving this Agreement becomes effective; (ii) this Agreement has been fully executed by the Parties; and (iii) the Developer have delivered evidence of insurance coverage in favor of the City as set forth in Article 5 of this Agreement.

1.7. Term. The term of this Agreement (the "Term") shall be twenty (20) years commencing from the issuance of the Cannabis Business License to Developer for the Project (the "Term Commencement Date"). Nothing in this Section 1.7 shall prohibit or otherwise restrict the termination of this Agreement in accordance with Section 1.8.

1.8. Termination. This Agreement shall terminate upon the occurrence of any of the following events:

a. the expiration of the Term;

b. the Developer no longer has a possessory, legal or other equitable interest in the Site;

c. the Developer has ceased all operations related to the Project on the Site for a period of one year or more;

d. mutual written consent of the Parties;

e. abandonment of the Developer's Conditional Use Permit pursuant to LEMC, Section 17.168.080 including the failure of the Developer to commence operation of the Project on the Site within the time presented following the approval of the Conditional Use Permit;

f. suspension or revocation of Developer's Conditional Use Permit pursuant to LEMC, Section 17.168.110;

g. following the Term Commencement Date, the failure to have a valid Cannabis Business Permit for the Project;

h. following the Term Commencement Date, the failure to have a valid Developer's State Cannabis Permit for the Project; or

i. unauthorized assignment of interest of the Developer in the Project or in the Site pursuant to Section 9.1 of this Agreement.

The rights and obligations of the Parties set forth in Sections 4.2, 4.3, 4.4, 5.4, 9.2, 9.3, 9.4, and 9.6 of this Agreement and any right or obligation of the Parties in this Agreement, which by its express terms or nature and context is intended to survive termination of this Agreement, will survive any such termination.

1.9. Operating Memoranda; Amendment of Agreement.

a. Operating Memoranda. The provisions of this Agreement require a close degree of cooperation between the City and the Developer. The Development of the Developer Property may demonstrate that clarifications to this Agreement and the Existing Land Use Regulations are appropriate with respect to the details of performance of the City and the Developer. To the extent allowable by law, the Developer shall retain a certain degree of flexibility as provided herein with respect to all matters, items and provisions covered in general under this Agreement, except for those which relate to the (i) term; (ii) permitted uses; or (iii) density or intensity of use. When and if the Developer finds it necessary or appropriate to make changes, adjustments or clarifications to matters, items or provisions not enumerated in (i) through (iii) above, the Parties shall effectuate such changes, adjustments or clarifications through operating memoranda (the "Operating Memoranda") approved by the Parties in writing which reference this Section 1.9(a). Operating Memoranda are not intended to constitute an amendment to this Agreement but mere ministerial clarifications; therefore public notices and hearings shall not be required. The City Manager shall be authorized, upon consultation with,

and approval of, the Developer, to determine whether a requested clarification may be effectuated pursuant to this Section or whether the requested clarification is of such character to constitute an amendment to this Agreement which requires compliance with the provisions of Section 1.9(b) below.

b. Amendment. Subject to the notice and hearing requirements of the Government Code, this Agreement may be modified or amended from time to time only with the written consent of the Developer and the City or their successors and assigns in accordance with the provisions of the Development Agreement Ordinance and the Development Agreement Statute.

1.10. Fees. Developer agrees to pay all Regulatory Fees, Community Benefits Fee, and any other applicable fees to the City related to Developer's development and operation of the Project on the Site.

ARTICLE 2.
DEVELOPMENT OF THE PROPERTY

2.1. Intent. Developer has expended and will continue to expend substantial amounts of time and money planning and preparing for development of the Project. Developer represents and City acknowledges that Developer would not make these expenditures without this Agreement, and that Developer is and will be making these expenditures in reasonable reliance upon its vested rights to develop the Project as set forth in this Agreement.

2.2. Vested Right to Develop. During the Term, Developer shall have the vested right to develop the Project on the Site, in accordance with the Agreement, the Conditional Use Permit, Additional City Approvals if any, the Cannabis Business Permit, the City's Development Regulations.

2.3. Permitted Uses and Operational Requirements. Developer shall be permitted to develop, construct, and use the Site to carry out the Project, consistent with California Cannabis Laws, this Agreement, the Conditional Use Permit, Additional City Approvals, the Cannabis Business Permit, the LEMC (as may be amended except for the Development Regulations), and the State Cannabis License.

2.4. Additional Entitlements, Approvals, and Permits. Successful implementation of the Project may require the Developer to obtain additional approvals and permits from City and other local and state agencies. In connection with the consideration and issuance of any such Additional City Approval which is not ministerial in nature, the City reserves its discretion under the police power to approve, conditionally approve, or deny the issuance of each City Additional Approval.

2.5. Conditional Use Permit. Pursuant to LEMC, Chapter 19.12, Developer shall not engage in the permitted uses set forth above pertaining to the Project on the Site without first obtaining the Conditional Use Permit allowing for the operating of a "cannabis business" (as defined in Section 17.156.030 of the LEMC).

2.6. Cannabis Business Permit. Pursuant to LEMC, Section 17.156.040, no person may engage in a "cannabis business" in the City without obtaining a Cannabis Business Permit.

2.7. State Cannabis License. Pursuant to California Cannabis Laws, Developer shall not engage in the permitted uses set forth above pertaining to the Project on the Site without first obtaining a State Cannabis License necessary to conduct the type of Cannabis Business on the Site as authorized by the Cannabis Business Permit.

ARTICLE 3.
APPLICABLE RULES, REGULATIONS, AND OFFICIAL POLICIES

3.1. Rules on Permitted Uses. Unless otherwise provided in this Agreement, the City's ordinances, resolutions, rules, regulations, and official policies governing the permitted uses of the Site and the maximum height, bulk, and size of proposed buildings related to the Project on the Site shall be those in force and effect at the time of the City's issuance of the Cannabis Business Permit for the development of the Project at the Site.

3.2. Rules on Design and Construction. Unless otherwise provided in this Agreement, the ordinances, resolutions, rules, regulations, and official policies governing the design, improvement, and construction standards and specifications applicable to the Project shall be those in force and effect at the time of the City's issuance of the Cannabis Business Permit for the development of the Project at the Site.

3.3. Uniform Codes Applicable. Unless otherwise provided in this Agreement, the Project shall be improved and constructed in accordance with the provisions of the California Building Standards Codes in effect at the time as of the time of the City's consideration of approval of the relevant permit sought by Developer for the Project.

3.4. Changes Mandated by Federal or State Law. The Site and Project shall be subject to subsequently enacted state or federal laws or regulations that may preempt the LEMC, or mandate the adoption or amendment of local regulations, or are in conflict with this Agreement or local rules or guidelines associated with City's Cannabis Uses (LEMC, Ch. 17.156) or Cannabis Business Permit. As provided in section 65869.5 of the Development Agreement Statute, in the event state or federal laws or regulations enacted after the Effective Date prevent or preclude compliance with one or more provisions of this Agreement, such provisions shall be modified or suspended as may be necessary to comply with such state or federal laws or regulations. Upon discovery of a subsequently enacted federal or state law meeting the requirements of this Section, City or Developer shall provide the other Party with written notice of the state or federal law or regulation, and a written statement of the conflicts thereby raised with the provisions of the LEMC or this Agreement. Promptly thereafter, City and Developer shall meet and confer in good faith in a reasonable attempt to modify this Agreement, as necessary, to comply with such federal or state law or regulation provided City shall not be obligated to agree to any modification materially increasing its obligations or materially adversely affecting its rights and benefits hereunder. In such discussions, City and Developer will attempt to preserve the terms of this Agreement and the rights of Developer derived from this Agreement to the maximum feasible extent while resolving the conflict. If City, in its judgment, determines it necessary to modify this Agreement to address such conflict, City shall

have the right and responsibility to do so, and shall not have any liability to Developer for doing so or be considered in breach or default of this Agreement. City also agrees to process, in accordance with the provisions of this Agreement, Developer's proposed changes to the Project that are necessary to comply with such federal or state law and that such proposed changes shall be conclusively deemed to be consistent with this Agreement without further need for any amendment to this Agreement.

3.5. Health and Safety Emergencies. In the event that any future public health and safety emergencies arise with respect to the development contemplated by this Agreement, City agrees that it shall attempt, if reasonably possible as determined by City in its discretion, to address such emergency in a way that does not have a material adverse impact on the Project.

3.6. Reservation of Authority. Any other provision of this Agreement to the contrary notwithstanding, the development of the Project shall be subject to new or modified ordinances, resolutions, rules, regulations, and official policies related to the following:

a. Regulatory Fees imposed on the Developer by the City, which are charged by the City to cover its actual and reasonable expenses incurred in processing permits, licenses, and other entitlements related to the Project, administering its cannabis-related ordinance with regard to the Project, and monitoring legal compliance of the Project on the Site, including, but not limited to building and safety-related inspections by the City;

b. Development impact fees or charges imposed by the City on and in connection with a development or other similar fees or charges imposed by other governmental entities regardless of whether the City is required to collect or assess such fees pursuant to applicable laws (e.g., school district impact fees pursuant to Government Code Section 65995), or general or special taxes and assessments.

c. Procedural regulations related to hearing bodies, petitions, applications, notices, findings, records, hearings, reports, recommendations, appeals, and other similar procedural matters; and

d. Regulations, including, but not limited to, the California Building Standards Codes, necessary to protect the public health and safety so long as such regulations are generally applicable and do not impose a severe and significant financial burden on the Developer or materially delay the development or carrying out of the Project as contemplated in this Agreement.

ARTICLE 4.
COMMUNITY BENEFITS FEE

4.1. Intent. The Parties acknowledge and agree that this Agreement confers substantial private benefits on the Developer that will place significant burdens, including both known costs and potential but currently unknown costs, on City infrastructure, services, and neighborhoods and that the private benefits provided to the Developer should be balanced with commensurate public benefits for the community ("Community Benefits"). Accordingly, City and Developer recognize and agree that but for Developer's payments as provided herein, City would not and could not approve use of the Site for the Project as provided by this Agreement.

City's approval of this Agreement is in reliance upon and in consideration of Developer's agreement to make the payments required hereunder.

4.2. Community Benefits Fee. In addition to Developer's obligation to pay the City through its Regulatory Fees, Developer shall be obligated to provide Community Benefits as follows, which shall be referred to as the "Community Benefits Fee":

a. **Community Benefits Fee**. Concurrent with the Term Commencement Date, and on each anniversary thereafter, Developer shall make payment to the City pursuant to the following fee schedule:

All Cannabis Business activities	$18.00 per square foot of Floor Area annually

Notwithstanding the foregoing, Developer may elect, on a one-time basis, to make payment of the Community Benefit Fee due on the Term Commencement Date in two equal installments, the first one-half installment to be made on the Term Commencement Date and the second one-half installment to be due and payable on a date six (6) months from the Term Commencement Date.

b. **Annual Increase.** In order to account for the increasing cost of providing City services, the Community Benefits Fee set forth in Section 4.2(a) shall be increased annually commencing on each anniversary of the Term Commencement Date (each of which day shall be referred to as an "Adjustment Date"). Each Adjustment Date shall be numbered in sequence (e.g., First Adjustment Date, Second Adjustment Date, Third Adjustment Date, etc.). Each such annual increase in the Community Benefits Fee shall be determined as follows:

> Four percent (4%) of the amount of the Community Benefits Fee payable immediately preceding such adjustment (For example and for illustration purposes only, if Developer's Community Benefits Fee was $109,800 [$18.00 x 6,100 square feet of Floor Area] upon the initial issuance of a Cannabis Business Permit on March 15, 2019, the Community Benefits Fee due on the First Adjustment Date, that is, March 15, 2020, is the product of $109,800 times 1.04, in which case the Community Benefits Fee payable on the First Adjustment Date would be $114,192).

4.3. Penalty. If Developer fails to make a payment of the Community Benefits Fee, as required by this Agreement, the City may impose a "Non-Payment Penalty." A Non- Payment Penalty of five percent (5%) shall be applied to all past due Community Benefits Fees. The City shall deliver to Developer a "Notice of Non-Payment Penalty." Payment of the Non- Payment Penalty and past due Community Benefits Fees shall be in a single installment due on or before a date fifteen (15) days following delivery of the Non-Payment Penalty.

4.4. Interest on Unpaid Non-Performance Penalty; Past Due Community Benefits Fees. If Developer fails to pay the Non-Performance Penalty and all past due Community Benefits Fees after City has delivered the Notice of Non-Performance Penalty, then, in addition

to the principal amount of the Non-performance Penalty and past due Community Benefit Fees, Developer shall pay City interest at the rate of eighteen percent (18%) per annum, computed on the principal amount of the Non-Performance Penalty and past due Community Benefit Fees, from a date fifteen (15) days following delivery of the Notice of Non-performance Penalty. Notwithstanding the foregoing provisions of this Section 4.4, in no event shall the rate of interest payable by Developer exceed the maximum rate of interest permitted to be charged under applicable law.

ARTICLE 5.
INSURANCE AND INDEMNIFICATION

5.1. General Liability Insurance. Developer shall maintain comprehensive general liability insurance issued by a California admitted insurance courier whose Best Insurance Guide, current edition insurance rating is not less than "B+(vii)" with a per-occurrence combined single limit of not less than Two Million Dollars ($2,000,000) with a claim deduction not more than One Hundred Thousand Dollars ($100,000) per claim. Such insurance policy shall name the City and City's elected and appointed councils, boards, commissions, legislative bodies, officials, employees, and representatives as "Additional Insureds" by endorsement with respect to the performance of this Agreement and shall include either a severability of interest clause or cross-liability endorsement and other customary and reasonable endorsements and provisions approved by the City's risk manager.

5.2. Workers' Compensation Insurance. Developer shall maintain workers' compensation insurance for all its employees employed at or on the Project. Developer shall require each contractor and subcontractor working at or on the Project to provide workers' compensation insurance for its respective employees. Developer indemnification of City set forth in Section 5.4 of this Agreement shall apply to Developer's failure to maintain any such insurance.

5.3. Evidence of Insurance. Evidence of the insurance in favor of the City required under Section 5.1 shall be provided to the City as of the Effective Date. Thereafter no Cannabis Business Permit for the Project shall be valid unless and until Developer furnishes satisfactory evidence of the other insurance required in Article 5 of this Agreement. In each case, the evidence of insurance provided to the City shall include satisfactory evidence that the insurance carrier shall give the City at least fifteen (15) days' prior notice of the cancellation or reduction in coverage of each policy of insurance required in Article 5 of this Agreement.

5.4. Indemnification. The Developer agrees to indemnify, defend with counsel acceptable to City, and hold harmless the City and City's elected and appointed councils, boards, commissions, legislative bodies, officials, employees, and representatives from any and all claims, costs (including legal fees and costs), or liabilities of any kind arising out of or connected to any act or omission of Developer or Developer's contractor, subcontractor, agent, or representative related to its establishment or operation of the Project or arising out of or related to the approval or issuance of any permit, license, or approval by the City for the Project, except to the extent such claims, costs, and liabilities are caused by the sole negligence or willful misconduct of the City. The Developer agrees that it shall be responsible for all costs incurred by the City in the event of a third-party challenge related to such claims, costs, or liabilities.

5.5. Failure to Indemnify. The Developer's failure to indemnify the City, when required by this Agreement, shall constitute a material breach of this Agreement and of any applicable Conditional Use Permit, Cannabis Business Permit, and Additional City Approvals, which shall entitle the City to all remedies available under law, including, but not limited to, specific performance and damages. Failure to indemnify shall constitute grounds upon which the City may rescind its approval of any entitlement, permit, or license related to the Project, or any portion thereof, and a waiver of Developer's right to file a claim, action, or proceeding against the City and City's elected and appointed councils, boards, commissions, legislative bodies, officials, employees, and representatives based upon the City's rescission or revocation of any applicable Conditional Use Permit, Cannabis Business Permit, and Additional City Approvals, or City's failure to defend any claim, action, or proceeding based upon Developer's failure to indemnify the City.

5.6. Waiver of Damages; Referendum. Notwithstanding anything in this Agreement to the contrary, the Parties acknowledge that City would not have entered into this Agreement had it been exposed to liability for damages from the Developer and, therefore, the Developer hereby waives all claims for damages against City for breach of this Agreement. The approvals (including development agreements) must be approved by the City Council and that, under law, the City Council's discretion to vote in any particular way may not be constrained by contract. The Developer therefore waives all claims for damages against City in the event that this Agreement or any Project approval is: (1) not approved by the City Council or (2) is approved by the City Council, but with new changes, amendments, conditions, or deletions to which Developer is opposed. Developer further acknowledges that, as an instrument which must be approved by ordinance, a development agreement is subject to referendum; and that, under law, the City Council's discretion to avoid a referendum by rescinding its approval of the underlying ordinance may not be constrained by contract, and Developer waives all claims for damages against City in this regard.

5.7. Bankruptcy. The obligations of this Agreement shall not be dischargeable in bankruptcy.

ARTICLE 6.
MORTGAGEE PROTECTION

This Agreement, once executed and recorded, shall be superior and senior to any lien placed upon the Site or any portion thereof following recording of this Agreement, including the lien of any deed of trust or mortgage ("Mortgage"). Notwithstanding the foregoing, no breach hereof shall defeat, render invalid, diminish, or impair the lien of any Mortgage made in good faith and for value. This Agreement shall immediately be deemed in default and immediately terminate upon the foreclosure or transfer of any interest in the Site or Project, whether by operation of law or any other method of interest change or transfer, unless the City Manager has authorized such change or transfer in advance, in writing.

ARTICLE 7.
PERIODIC REVIEW

City shall review this Agreement ("Periodic Review") in accordance with the Development Agreement Ordinance, including LEMC, Section 19.12.140 and the procedures set forth in LEMC, Section 19.12.150. Notwithstanding the foregoing, the City's failure to review the Developer's compliance with this Agreement, at least annually, will not constitute or be asserted by either Party as a breach by the other Party.

ARTICLE 8.
DEFAULT

8.1. General Provisions. The failure of either Party to perform any obligation or duty under this Agreement within the time required by this Agreement shall be a default and after the giving of notice and the passage of the applicable amount of time, such a default shall constitute an event of default.

8.2. Notice. The "Complaining Party" may not assert that an event of default has occurred against the "Defaulting Party" unless the Complaining Party has first given written notice to the Defaulting Party, specifying the nature of the default and the manner in which the default may be cured, if known to the Complaining Party. Any failure or delay by the Complaining Party in giving such notice shall not waive such default or waive any of the Complaining Party's remedies.

8.3. Cure. The Defaulting Party shall have thirty (30) days from the receipt of notice to cure the default except as provided in the next sentence. In the case of a monetary default (e.g. failure to make the payments of fees required under this Ordinance), any such default must be cured by the payment of the amount demanded within such thirty (30) day period. In the case of non-monetary defaults, if the default cannot be reasonably cured within such time, the default shall be deemed cured if:

a. The cure is commenced at the earliest practicable date following receipt of notice;

b. The cure is diligently prosecuted to completion;

c. At the earliest practicable date (but in no event later than thirty (30) days after receiving the notice of default), the Defaulting Party provides written notice to the Complaining Party that the cure cannot be reasonably completed within such thirty (30) day period; and

d. The default is cured at the earliest practicable date, but in no event later than sixty (60) days after receipt of the first notice of default.

8.4. Remedies. If the Defaulting Party fails to cure a default in accordance with the foregoing, an event of default shall be deemed to have occurred and the Complaining Party shall have the right to seek all appropriate remedies, at law or in equity, including specific penalty or termination of this Agreement without further or separate notice to the Defaulting Party.

8.5. Estoppel Certificates.

a. City shall, upon not less than thirty (30) days prior written notice, execute, acknowledge, and deliver to Developer, Developer's lender, potential investors, or assignees an estoppel certificate in writing which certifies that this Agreement is in full force and effect, that there are no breaches or defaults under the Agreement except as described in such estoppel certificate, and that the Agreement has not been modified or terminated and is enforceable in accordance with its terms and conditions.

b. The City may recover its actual and reasonable costs and attorneys' fees in connection with the timely dealing of any such estoppel certificate, in an amount not to exceed $2,500 per estoppel certificate.

ARTICLE 9.
OTHER GENERAL PROVISIONS

9.1. Assignment. The rights and obligations of Developer hereunder shall not be assigned or transferred, except that on thirty (30) days written notice to City, Developer may assign all or a portion of Developer's rights and obligations there under to any person or persons, partnership or corporation who purchases all or a portion of Developer's right, title and interest in the Site, or Project, provided such assignee or grantee assumes in writing each and every obligation of Developer hereunder yet to be performed, and further provided that Developer obtains the written consent of City to the assignment, which consent shall not be unreasonably withheld. Notwithstanding the foregoing provision concerning the written consent of City, and provided that the assignment is to an affiliate of Developer (an entity which is controlled by, controls, or is under common control with, Developer), the City shall in such cases provide its written consent provided that all other requirements of this Section 9.1 are satisfied. The notice to City shall include the identity of any such assignee and a copy of the written assumption of the assignor's obligations hereunder pertaining to the portion assigned or transferred. After such notice and the receipt of such consent, the assignor shall have no further obligations or liabilities hereunder. The City Manager may act on behalf of City regarding any actions concerning the assignment of this Agreement.

9.2. Notices. Any notice shall be in writing and given by delivering the same in person or by sending the same by registered, or certified mail, return receipt requested, with postage prepaid, or by overnight delivery, to the respective mailing addresses, as follows:

If to City:	City of Lake Elsinore 130 S. Main Street Lake Elsinore, CA 92530 Attn: City Manager
If to Developer:	Modern Leaf Culture, Inc. 31877 Corydon, Suite 120 Lake Elsinore, CA 92595 Attn: Joshua Grant

Either City or Developer may change its mailing address at any time by giving written notice of such change to the other in the manner provided herein at least ten (10) days prior to the date such change is effected. All notices under this Agreement shall be deemed given, received, made or communicated on the earlier of the date personal delivery is effected or on the delivery date or attempted delivery date shown on the return receipt, or air bill.

9.3. Governing Law and Venue. This Agreement shall be interpreted and governed according to the laws of the State of California. In the event of litigation between the Parties, venue, without exception, shall be in the Riverside County Superior Court of the State of California. If, and only if, applicable law requires that all or part of any such litigation be tried exclusively in federal court, venue, without exception, shall be in the Central District of California located in the City of Riverside, California.

9.4. Severability. If this Agreement in its entirety is determined by a court to be invalid or unenforceable, this Agreement shall automatically terminate as of the date of final entry of judgment. If any term or provision of this Agreement shall be determined by a court to be invalid and unenforceable, or if any term or provision of this Agreement is rendered invalid or unenforceable according to the terms of any federal or state statute, any provisions that are not invalid or unenforceable shall continue in full force and effect and shall be construed to give effect to the intent of this Agreement. The Parties expressly agree that each Party is strictly prohibited from failing to perform any and all obligations under this Agreement on the basis that this Agreement is invalid, unenforceable, or illegal. By entering into this Agreement, each Party disclaims any right to tender an affirmative defense in any arbitration or court of competent jurisdiction, that performance under this Agreement is not required because the Agreement is invalid, unenforceable, or illegal.

9.5. Constructive Notice and Acceptance. Every person who after the Effective Date and recording of this Agreement owns or acquires any right, title, or interest to any portion of the Site is and shall be conclusively deemed to have consented and agreed to every provision contained herein, whether or not any reference to this Agreement is contained in the instrument by which such person acquired an interest in the Site, and all rights and interests of such person in the Site shall be subject to the terms, requirements, and provisions of this Agreement.

9.6. Reserved.

9.7. Waiver. A waiver by any Party of any breach of any term, covenant, or condition herein contained or a waiver of any right or remedy of such Party available hereunder, at law or in equity, shall not be deemed to be a waiver of any subsequent breach of the same or any other term, covenant, or condition herein contained or of any continued or subsequent right to the same right or remedy. No Party shall be deemed to have made any such waiver unless it is in writing and signed by the Party so waiving.

9.8. Integration. This Agreement, together with its specific references, attachments, and Exhibits, constitutes all of the agreements, understandings, representations, conditions, warranties, and covenants made by and between the Parties hereto. Unless set forth herein, no Party to this Agreement shall be liable for any representations made, express or implied.

9.9. Captions. The captions of this Agreement are for convenience and reference only and the words contained therein shall in no way be held to explain, modify, amplify, or aid in the interpretation, construction, or meaning of the provisions of this Agreement.

9.10. Mandatory and Permissive. "Shall" and "will" and "agrees" are mandatory. "May" or "can" are permissive.

9.11. Counterparts. This Agreement may be executed simultaneously and in several counterparts, each of which shall be deemed an original, but which together shall constitute one and the same instrument.

9.12. Other Documents. The Parties agree that they shall cooperate in good faith to accomplish the objectives of this Agreement and, to that end, agree to execute and deliver such other instruments or documents as may be necessary and convenient to fulfill the purposes and intentions of this Agreement.

9.13. Authority. All Parties to this Agreement warrant and represent that they have the power and authority to enter into this Agreement.

9.14. Advice of Legal Counsel. Each Party acknowledges that it has reviewed this Agreement with its own legal counsel and, based upon the advice of that counsel, freely entered into this Agreement.

9.15. Attorneys' Fees and Costs. Unless otherwise provided in this Agreement, if any action at law or in equity, including action for declaratory relief, is brought to enforce or interpret provisions of this Agreement, the prevailing Party shall be entitled to reasonable attorney's fees and costs, which may be set by the court in the same action or in a separate action brought for that purpose, in addition to any other relief to which such Party may be entitled.

9.16. Calculation of Time Period. All time referenced in this Agreement shall be calendar days, unless the last day falls on a legal holiday, Saturday, or Sunday, in which case the last day shall be the next business day.

9.17. Recordation of Development Agreement. The City Clerk shall cause a copy of this Agreement to be recorded against title of the Site within ten (10) business days of the Effective Date.

[SIGNATURES ON NEXT PAGE]

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the dates set forth below.

"CITY"

CITY OF LAKE ELSINORE,
a municipal corporation

Date: _____ By:_____
Mayor

ATTEST:

By:_____
Susan M. Domen, MMC, City Clerk

"DEVELOPER"

MODERN LEAF CULTURE, INC.,
a California corporation

Date:_____ By:_____
Joshua Grant, President

Date:_____ By:_____
Ashley Grant, Secretary/Treasurer

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, _____ a Notary Public, 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 of Notary

(Affix seal here)

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, _____ a Notary Public, 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.

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Signature of Notary

(Affix seal here)

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STATE OF CALIFORNIA)
) §
County of _____)

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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 of Notary

(Affix seal here)

EXHIBIT A

LEGAL DESCRIPTION

The real property referred to herein is situated in the County of Riverside, City of Lake Elsinore, State of California, and is described as follows:

A CONDOMINIUM COMPRISING INTEREST IN UNIT #F-2 AS SHOWN ON THE CONDOMINIUM PLAN RECORDED ON JUNE 2, 2005, AS INSTRUMENT NUMBER 2005-0441925 IN THE RIVERSIDE COUNTY OFFICIAL RECORDS ("PLAN") AND AS FURTHER DESCRIBED IN THE DECLARATION OF RESTRICTIONS FOR INDUSTRIAL CONDOMINIUM OWNERSHIP RECORDED ON AUGUST 5, 2003 INSTRUMENT NUMBER 2003-592581 IN THE RIVERSIDE COUNTY OFFICIAL RECORDS AND AS AMENDED IN THE FIRST AMENDMENT OF DECLARATION OF RESTRICTIONS FOR BLUE LAKE CONDOMINIUM OWNERSHIP RECORDED ON MAY 27, 2005 AS INSTRUMENT NUMBER 2005-0423404 IN THE RIVERSIDE COUNTY OFFICIAL RECORDS (COLLECTIVELY, THE "DECLARATION"), WHICH CONDOMINIUM IS LOCATED ON THE REAL PROPERTY DESCRIBED AS PARCEL 2 AS SHOWN BY RECORD OF SURVEY ON FILE IN BOOK 73 PAGE 44 OF RECORDS OF SURVEY, RECORDS OF RIVERSIDE COUNTY, CALIFORNIA.

EXCEPTING THEREFROM AND RESERVING EASEMENTS AS DEFINED IN THE DECLARATION.

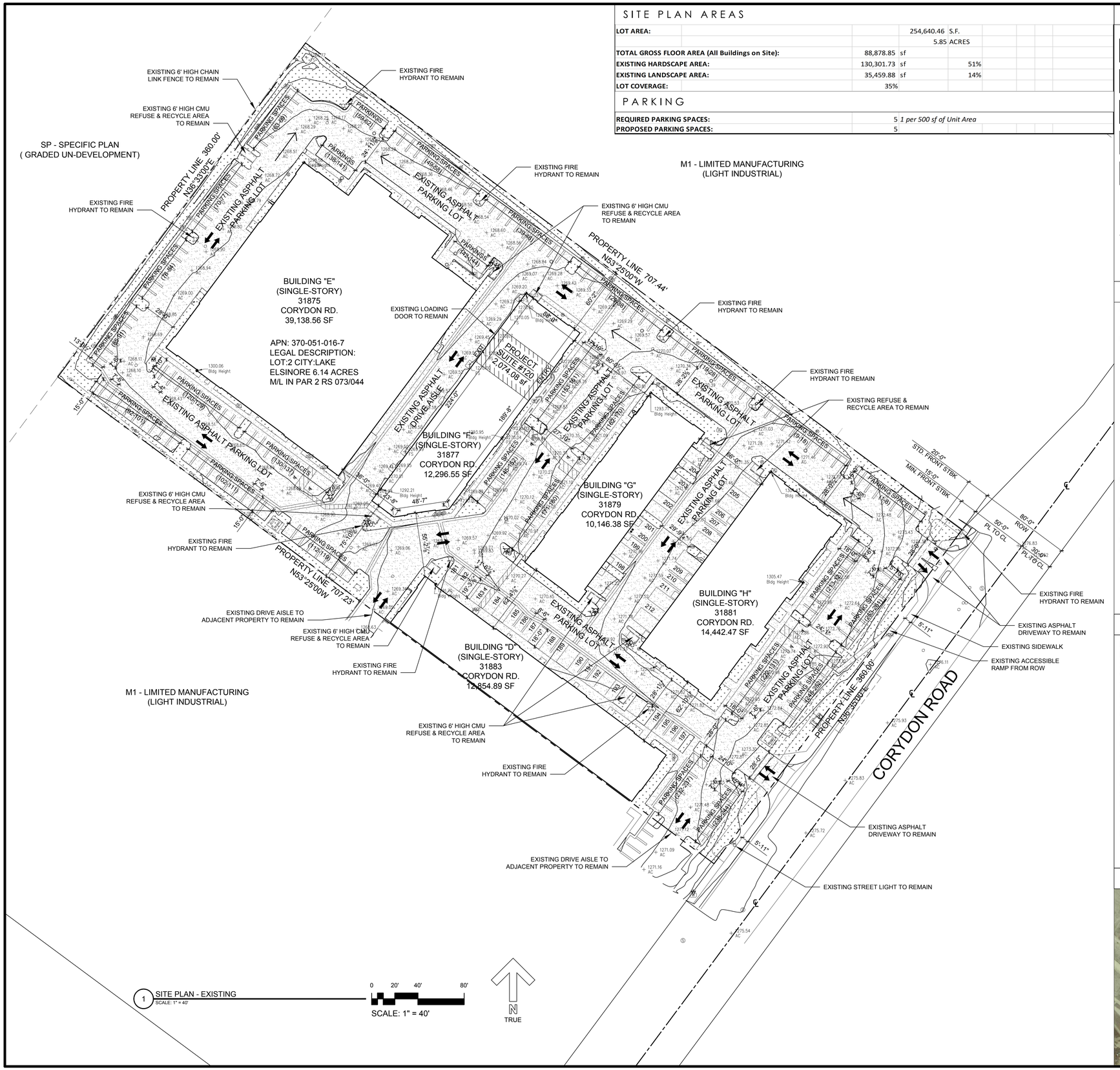
FURTHER EXCEPTING THEREFROM ALL NUMBERED CONDOMINIUM UNITS ON THE PLAN AND DESCRIBED IN THE DECLARATION OTHER THAN THE UNIT CONVEYED ABOVE AND THE ASSOCIATION COMMON AREA OR COMMON AREA AS DEFINED IN THE DECLARATION OR SHOWN ON THE PLAN.

APN: 370-051-016-7

EXHIBIT B

SITE PLAN

[On Following Page]



1 SITE PLAN - EXISTING
SCALE: 1" = 40'

SITE PLAN AREAS

LOT AREA:	254,640.46	S.F.	
	5.85	ACRES	
TOTAL GROSS FLOOR AREA (All Buildings on Site):	88,878.85	sf	
EXISTING HARDSCAPE AREA:	130,301.73	sf	51%
EXISTING LANDSCAPE AREA:	35,459.88	sf	14%
LOT COVERAGE:	35%		

PARKING

REQUIRED PARKING SPACES:	5	*1 per 500 sf of Unit Area*
PROPOSED PARKING SPACES:	5	

SITE PLAN LEGEND

- PROPERTY LINE
- OUTLINE OF EXISTING STRUCTURES
- OUTLINE OF PROPOSED RENOVATION/REMODEL
- AREA OF EXISTING LANDSCAPE
- AREA OF EXISTING HARDSCAPE
- SITE DRAINAGE PATTERN
- ACCESSIBLE PATH
- VEHICULAR CIRCULATION

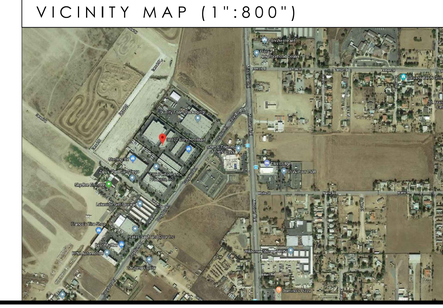
SITE PLAN NOTES

A. The site plan is for informational and general site reference only. Refer to other construction documents for complete scope of work.
B. Before commencing any site foundation or slab cutting or excavation, the contractor shall verify and mark locations of all site utilities, dimensions and conditions. These include but are not limited to property lines, setback location to all new or existing walls, easements (if any), existing site utilities, including water, sewer, gas and electrical lines and any other new or existing site items which could affect in any way the construction of the building. Flag or otherwise mark all locations of site property lines, easements (if any), underground utilities, and indicate utility type.
C. The Contractor or subcontractor shall notify TECHNE if any conflicts or discrepancy occurs between the information on this plan and actual field conditions. Do not proceed with work in conflict with these drawing until written or verbal instructions are issued by TECHNE.
D. Protect and mark all existing building structure including walls, beams, columns, area separation walls, and other items that are part of the existing structure and not part of the scope of the tenant improvement, and mark perimeter of construction zone.
E. Coordinate with other tenants the temporary shutoff of any site utilities.
F. Refer to Topographic Survey for additional information.
G. If the city Building Inspector determines non-compliance with any accessibility provisions, a complete and detailed revised plans clearly showing all existing non-complying conditions and the proposed modifications to meet current accessibility requirements (including site plan, floor plans, details, etc.) will be submitted to the department for review and approval.

PROJECT TEAM

PROPERTY OWNER:
Modern Leaf Culture INC.
1147 Railroad St.,
Corona, CA 92882
Tenant / Applicant:
Modern Leaf Culture INC.
1147 Railroad St.,
Corona, CA 92882
DESIGN FIRM:
TECHNE
Project Contact: Abhay Schweitzer - Assoc. AIA
3956 30th Street
San Diego, CA 92104
Phone #: 619-940-5814
email: abhay@techne-us.com
SURVEYOR:
LG Land Surveying, Inc.
30355 Callejo Feliz Ter.,
Valley Center, CA 92082
Phone #: 619-535-1172

VICINITY MAP (1":800")



TECHNE
DESIGN | DEVELOPMENT
3956 30th Street, San Diego, CA 92104
techne-us.com sustainablearchitect.org
o 619-940-5814 m 313-595-5814

CONSULTANTS

31877 Corydon Rd., Suite 120
Lake Elsinore, CA 92530

OWNER

Joshua Grant

MARK	DATE	DESCRIPTION
01	04.13.18	1st Submittal
02	08.05.18	2nd Submittal
03	08.29.18	3rd Submittal

4/12/2018 6:15:51 PM

PROJECT NO: 1809
CAD DWG FILE: A101 SITE PLAN - EXISTING.DWG
DRAWN BY: ABHAY SCHWEITZER, B.P., C.G., S.V.
CHK'D BY: ABHAY SCHWEITZER

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SHEET TITLE
SITE PLAN - EXISTING

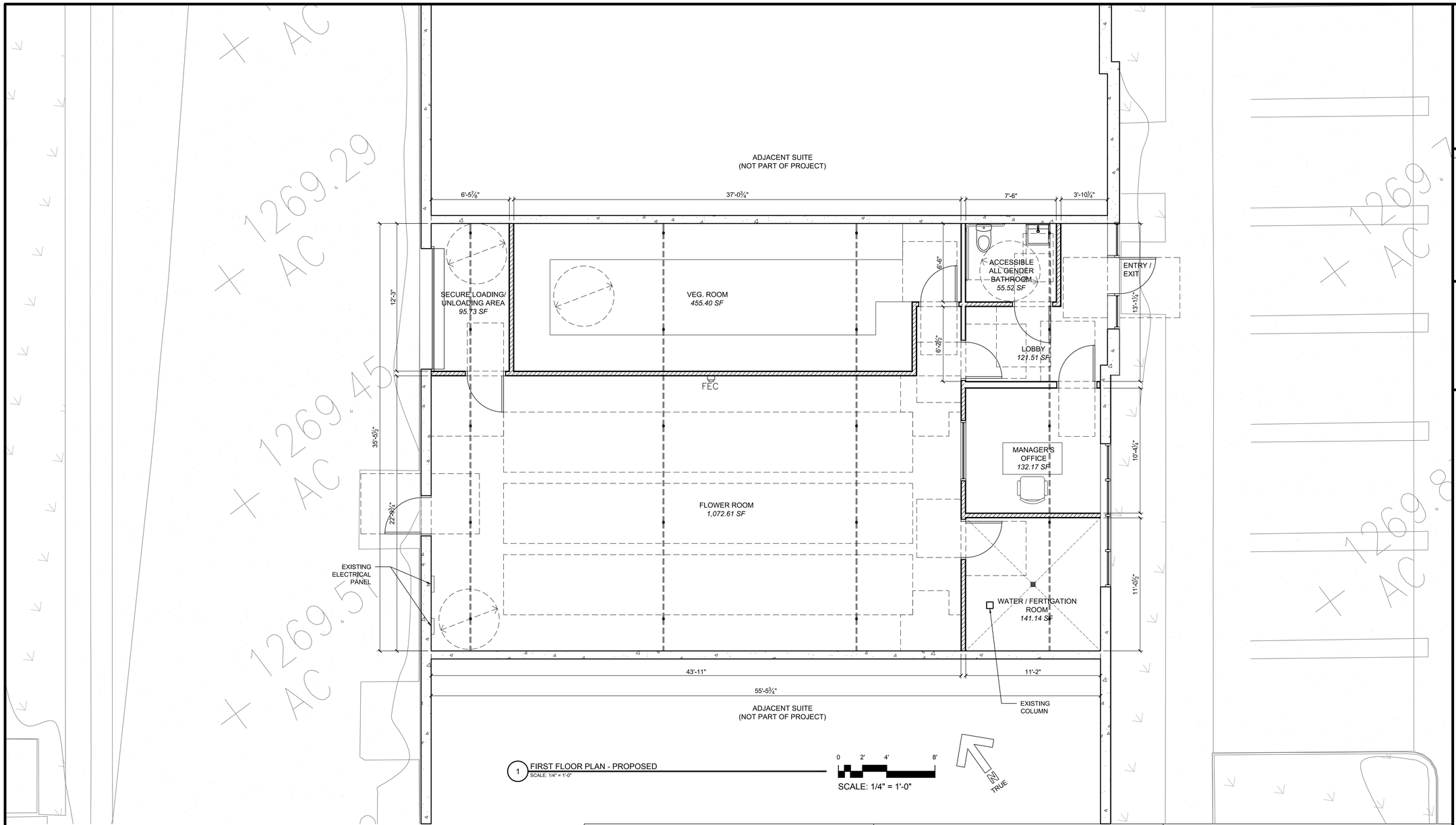
A101

SHEET 3 OF 8

EXHIBIT C

FLOOR PLAN

[On Following Page]



1 FIRST FLOOR PLAN - PROPOSED
SCALE: 1/4" = 1'-0"

ADDITIONAL FLOOR PLAN NOTES

1. Cannabis shall not be consumed by anyone on the premises of any commercial cannabis business.
2. No cannabis or cannabis products shall be visible from the exterior of any property issued a commercial cannabis business permit, or on any of the vehicles owned or used as part of the commercial cannabis business. No outdoor storage of cannabis or cannabis products is permitted at any time.
3. Each commercial cannabis business shall have in place an electronic pointof-sale software system, which provides and includes inventory tracking and management capabilities, and shall be utilized to track and report on all aspects of the commercial cannabis business including, but not limited to, such matters as cannabis tracking, inventory data, gross sales (by weight, purchase price, mark-up percentages, and gross receipts derived from the wholesale or retail sale thereof) and other information which may be deemed necessary by the City. The commercial cannabis business shall ensure that such information is compatible with the City's record-keeping systems. In addition, the system must have the capability to produce historical transactional data for review. Furthermore, any system selected must be approved and authorized by the City Administrator prior to being used by the permittee.
4. All cannabis and cannabis products sold, tested, distributed or manufactured shall be cultivated, manufactured, and transported by licensed facilities that maintain operations in full conformance with State and local regulations.
5. Each commercial cannabis business shall provide the City Administrator with the name, telephone number (both land line and mobile, if available) of an on-site manager or owner to whom emergency notice may be provided at any hour of the day.

FLOOR PLAN NOTES

A. The General Contractor or Sub-Contractor shall verify all conditions or dimensions on these plans in the field with actual site conditions.
B. Written dimensions shall take precedence over scaled dimensions and shall be verified on the job site. On-site verification of all dimensions and conditions shall be the sole responsibility of the General Contractor and Sub-Contractors.
C. The Contractor or sub-contractor shall notify TECHNE if any conflicts or discrepancy occurs between this information on this plan and actual field conditions.
D. Any discrepancies with this drawing affecting project layout shall be brought to the attention of TECHNE. Do not proceed with work until written or verbal instructions are issued by TECHNE.

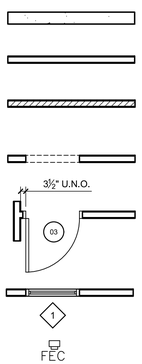
DIMENSIONS

- EXTERIOR WALL DIMENSIONS TO FACE OF FINISH (U.N.O.)
- INTERIOR WALL DIMENSIONS TO CENTER LINE OF STUD (U.N.O.)
- CLEARANCE DIMENSIONS ARE TO FACE OF FINISH MATERIALS, NOTED WITH CLR.

CLOSURE PLAN NOTES

1. The project does not propose to permanently constructed any items for use solely for the purpose of cultivating cannabis.
2. All proposed permanent construction shall be customary with a light industrial type of use including walls, HVAC, doors, etc...
3. No permanently constructed any items for use solely for the purpose of cultivating cannabis will be left behind (none proposed) if the project ceases to operate as proposed.

FLOOR PLAN LEGEND



EXISTING CONCRETE WALL TO REMAIN

EXISTING NON-STRUCTURAL INTERIOR WALL TO REMAIN

PROPOSED NON-STRUCTURAL INTERIOR WALL: 3⅝" Light Gauge Steel Stud @ 24" O.C. with 1 layer of ⅝" gypsum board each side.

WALL OPENING: 80" high u.n.o. Finished with ⅝" gypsum board with square corners.

DOOR AND SYMBOL. See door schedule for complete information

WINDOW AND SYMBOL. See window schedule for complete information

FIRE EXTINGUISHER CABINET

TECHNE
DESIGN | DEVELOPMENT
3956 30th Street, San Diego, CA 92104
techne-us.com sustainablearchitect.org
o 619-940-5814 m 313-595-5814

CONSULTANTS

31877 Corydon Rd., Suite 120
Lake Elsinore, CA 92530

OWNER

Joshua Grant

MARK	DATE	DESCRIPTION
01	04.13.18	1st Submittal
02	08.05.18	2nd Submittal
03	08.29.18	3rd Submittal

8/28/2018 5:05:55 PM

PROJECT NO: 1809

CAD DWG FILE: A104 FIRST FLOOR PLAN - PROPOSED.DWG

DRAWN BY: ABHAY SCHWEITZER, B.P., C.G., S.V.

CHK'D BY: ABHAY SCHWEITZER

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SHEET TITLE

FIRST FLOOR PLAN - PROPOSED

A104

SHEET 6 OF 8

EXHIBIT D

PROPERTY OWNER CONSENT

[On Following Page]

Property Owner Affidavit

To Whom it May Concern:
The building located at 31877 Corydon Ave, Ste 120, Lake Elsinore, CA 92595 ("Property") is owned by Joshua Grant.
This letter is to certify that Joshua Grant is allowing Modern Leaf Culture, Inc. to apply for a permit to operate a commercial cannabis cultivation facility at the Property.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

Joshua Grant

Date: 7·25·18

CALIFORNIA JURAT WITH AFFIANT STATEMENT **GOVERNMENT CODE § 8202**

☑ See Attached Document (Notary to cross out lines 1–6 below)
☐ See Statement Below (Lines 1–6 to be completed only by document signer[s], *not* Notary)

Signature of Document Signer No. 1 *Signature of Document Signer No. 2 (if any)*

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 Riverside

Subscribed and sworn to (or affirmed) before me on this 25th day of July, 2018, by
Date *Month* *Year*
(1) Joshua Grant
(and (2)), *Name(s) of Signer(s)*

proved to me on the basis of satisfactory evidence to be the person(s) who appeared before me.

DANA L. CAMPBELL
COMM. # 2101538
NOTARY PUBLIC - CALIFORNIA
RIVERSIDE COUNTY
MY COMM. EXP. MAR. 26, 2019

Signature Dana L Campbell
Signature of Notary Public

Seal
Place Notary Seal Above

OPTIONAL

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

Description of Attached Document

Title or Type of Document: Property Owner Affidavit **Document Date:** 7/25/18

Number of Pages: 1 **Signer(s) Other Than Named Above:** _____

©2014 National Notary Association • www.NationalNotary.org • 1-800-US NOTARY (1-800-876-6827) Item #5910