



CITY COUNCIL STAFF REPORT

DATE: December 2, 2009 PUBLIC HEARING

SUBJECT: REVIEW AND EVALUATION OF ELEVEN APPLICATIONS FOR POSSIBLE AWARD OF TWO PERMITS FOR THE OPERATION OF A MEDICAL CANNABIS COLLECTIVE/COOPERATIVE

FROM: David H. Ready, City Manager

BY: Department of Planning Services

SUMMARY

The Medical Cannabis ordinance was approved March 4, 2009 and went into effect on April 4, 2009. The ordinance established a 90 day application filing period, which ended July 6, 2009. Eleven (11) applications were received by the deadline. An additional 30 days was set to prepare reports required by the ordinance. This report summarizes staff's evaluation of the applications. Detailed analyses of individual applications are attached to this staff report. The City Council will evaluate the applications, receive public testimony and provide direction, as appropriate.

RECOMMENDATION:

Upon conclusion of public testimony, the Council should close the public hearing and designate which applicants will be invited to submit supplemental information for the Council's final determination on December 16, 2009.

BACKGROUND:

The Medical Cannabis ordinance (Ordinance 1758) establishes that medical cannabis cooperatives and collectives that comply with the Guidelines for the Security and Non-Diversion of Marijuana Grown for Medical Uses issued by the Attorney General of the State of California in August 2008 are permitted uses in zones C-M, M-1 and M-2 subject to compliance with the procedural and operational requirements of the Ordinance. The Ordinance imposes certain restrictions on operations, requires a regulatory permit to operate a medical cannabis cooperative or collective, provides that

no more than two cooperatives or collectives will be allowed in the City, and sets forth a process for the evaluation and approval of applications.¹

The eleven applications that were received during the application period have been evaluated by Planning Department Staff for conformance with the requirements of the ordinance. Background criminal checks were performed by Police Department staff as required by the ordinance.

STAFF ANALYSIS:

During the period of July 6, 2009 and August 6, 2009, Planning Department staff did a comparative analysis of the eleven applications against the applicable regulations outlined in PSZO Section 93.22.00 (*Medical Cannabis Collectives and Cooperatives*). A report for each of the eleven applications was produced summarizing staff's analysis.

Section 93.22.00(H) of the Palm Springs Zoning Code summarize the review process and notes that "...upon completion of the review process, the regulatory permit shall be deemed a qualified application subject to the final certification and approval of the City Council pursuant to the allotment process...unless the City Manager finds that the applicant:"

1. *has made false statements.*
2. *the proposed collective is not allowed by state or local law.*
3. *that the applicant is not the primary caregiver, qualified patient or legal representative.*
4. *that the applicant or any person has been convicted of a felony, convicted of a misdemeanor involving moral turpitude² or the illegal use, possession, transportation, distribution or similar activities related to controlled substances..."*
5. *has engaged in unlawful or deceptive business practices,*
6. *has not satisfied each and every requirement of this section.*

The table below summarizes the analysis of each application against the requirements of PSZO Section 93.22.00. None of the applications at this time meet all the requirements of the ordinance and thus none were deemed "qualified." Staff believes that certain requirements, such as off-street parking, distance to other cannabis collectives and not-for-profit governance structure merit further consideration; these are discussed in more detail later in this report. Applicants have been notified of non-conforming conditions within their applications and several have submitted letters requesting that the City Manager and City Council grant relief from specific

¹ From the City Attorney Summary of Ordinance 1758.

² **Moral turpitude** is a legal concept in the United States that refers to "conduct that is considered contrary to community standards of justice, honesty or good morals.

App No:	001	002	003	004	005	006	007	008	009	010	011
Name & address of Applicant:	Cannahelp 505 Industrial Place	Organic Solutions of the Desert 560 Williams Road	CAPS Apothecary 4050 Airport Center Drive	PS Compassionate Care 3585 Del Sol Road	Greenway Nature Care Fdn 823 Williams Road	Desert Organic Solution 19437 Newhall Road	Farmacy Collective 3455 N. Indian Canyon Drive	Happy Relief Center 19391 Newhall Road	Herbal Solutions 4765 Ramon Road	Desert Valley Patients Assoc 905 Crossley Road	West Valley Patients Collective 19406 Newhall Road
93.22.00(G,4,d) Outdoor lighting of windows, doors & comply with Outdoor Lighting Ordinance.	C	C	C	C	C	C	C	C	C	C	C
93.22.00(G,4,e) Windows & Storage secured, plan for cannabis to be secure.	C	C	C	C	C	C	C	C	C	C	C
93.22.00(G,5) Contact information for manager, employees, for criminal background check	C	C	C	C	C	C	C	C	C	C	C
93.22.00(G,6) Prop. Owner/Lessor Name/Address & MCC acknowledgement	C	C	C	C	C	C	C	C	C	C	C
93.22.00(G,7) Release of Info Authorization for City Mgr to verify.	C	C	C	C	C	C	C	C	C	C	C
93.22.00(G,8) Evidence of Bona Fide Non-profit cooperative	<u>??</u>	<u>??</u>	<u>??</u>	<u>??</u>	<u>NO</u>	<u>NO</u>	<u>NO</u>	<u>??</u>	<u>??</u>	C	C
Business Area Square Footage (used to calculate parking)	8,300	1,210	3,130	5,000	800	3,000	13,225	3,000	8,000	1,416	1,412
93.22.00(K,2) Hours of Operations 9 am and 7 pm Monday through Saturday only	C	C	C	C	C	C	C	C	C	C	C
93.22.00(K,9,10) Signage "No smoking/consuming" & business name only	C	C	C	5	5	5	5	5	5	5	5
QUALIFIED:	<u>NO</u>	<u>Maybe</u>	<u>NO</u>	<u>NO</u>	<u>NO</u>	<u>NO</u>	<u>NO</u>	<u>Maybe</u>	<u>Maybe</u>	<u>NO</u>	<u>Maybe</u>

Notes: (the notes below provide further explanation to specific staff responses noted in the table above)

1. Applicants have requested relief from non-conforming regulatory requirements.
2. These applications are within 1,000 feet of each other. (further discussion below)
3. Use of an AMM and calculating cultivation rooms as warehouse uses would potentially resolve the non-conforming off-street parking status of these applications (further discussion below)
4. Security system is partially installed at the time of application review
5. Lease pending approval of permit, signage application to be submitted at a later date.

The City Attorney has advised us that his office has commenced litigation against five "marijuana dispensaries," three of which are applicants for permits under the current process. Two of these facilities, Cannahelp and CAPS, voluntarily ceased operations involving the dispensing of marijuana. The third, West Valley Patients, however, has remained opened and is operating in violation of the City's Code. Of the two

dispensaries that did not apply and were the subject of the City Attorney's enforcement action, Community Caregivers closed, and the second, THC, which is located on North Palm Canyon, is still operating in violation of the Code. The City Attorney will continue to pursue these enforcement efforts until full compliance with the City's Code is attained.

Two areas that merit further consideration are off-street parking requirements and the requirement for collectives to be not closer than 1,000 feet from other collectives.

1. Off Street Parking. Several of the proposed locations are only a few spaces short of the required quantity of off-street parking spaces. Engaging an Administrative Minor Modification (to reduce off-street parking requirements by up to 10%), and calculating parking needs for cultivation rooms at the warehouse standard (1 space per 800 square feet) resolves the parking shortage on the following cases: 001, 004, 006, 008, 010, and 11.

2. Distance to another Cooperative/Collective. Five cases (002, 006, 008, 009, and 011) were identified as "unqualified" because they are within 1,000 feet of locations proposed by each other. Of the potentially qualified applications, Numbers 002 and 009 are proposed on adjacent parcels (560 Williams Place and 4765 Ramon), and numbers 008 and 011 are all located within 1,000 feet of each other on Newhall Road. Based on the Council's selection, there could be an issue of the minimum separation between applicants.

STATUS OF CRIMINAL BACKGROUND CHECKS:

All applicants have provided release forms for the Palm Springs Police Department to perform criminal background checks on the owner, manager and employees. The Police Department has completed all criminal background checks.

BONA FIDE COLLECTIVES/COOPERATIVES:

The Police Department and the City Attorney's Office have concerns regarding certain aspects of the governance structure of the applicants. The Municipal Code requires that each applicant provide the City with "[e]vidence that the cooperative is organized as a bona fide non-profit corporation, affiliation, association, or collective of persons comprised exclusively and entirely of qualified patients and the primary caregivers of those patients..." The Attorney General's Guidelines observe that "cooperative corporations are 'democratically controlled and are not organized to make a profit . . .'" [Citing Corp. Code Sec. 12201]."

The Police Department and the City Attorney have reservations about any applicant that either does not describe the role of its members in the governance of the entity or those that specifically declare that the members do not have a voice in how the entity is governed or managed. Certain applicants have specifically stated in its by-laws that its

members do not have any voting power: Greenway, Desert Organic, and Farmacy. Staff has concluded that these applicants should be removed from consideration. Several others did not provide sufficient evidence to show the role of members in governance (Cannahelp, Organic Solutions, CAPS, PS Compassionate, Happy Relief, and Herbal Solutions). Staff believes these may qualify if they provide additional information to demonstrate that they meet the Attorney General's governance guidelines.

Only two of the applicants reasonably complied with the requirement by submitting "Articles of Association and Bylaws" that clearly preserve the role of members in the the governance of their respective associations and appear to be consistent with the City's requirements and the Attorney General's guidelines (Desert Valley Patients and West Valley Patients).

CEQA ANALYSIS:

Each application for a Medical Cannabis Cooperative/Collective Permit has been evaluated under the guidelines of the California Environmental Quality Act (CEQA). Each application has been determined to be a Project under the definition of CEQA. The individual cases have been evaluated and staff has made a determination in each individual case that the application is "Categorically Exempt" from further analysis under CEQA in accordance with CEQA Section 15303 (*New Construction or Conversion of Small Structures*).

RECOMMENDATION:

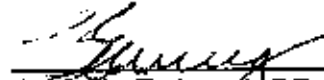
As indicated above, no applicant is fully compliant with all requirements of the City's Code. However, with minor accommodations and with additional information that would show full compliance with the ordinance four applicants could potentially qualify.

As discussed in this report, these accommodations are to adjust the application of the off-street parking requirements, approve only those applications that maintain the required distance to other cooperatives or collectives, and allow for additional information to be provided regarding not-for-profit governance. Based on these factors, the following four applicants could potentially be deemed qualified:

- MC09-002, Organic Solutions of the Desert, Jim Camper; 560 Williams Road
- MC09-008, Happy Relief Center, Jmathew Carl Rangel; 19391 Newhall Road
- MC09-009, Herbal Solutions, Mark Adams; 4765 Ramon Road
- MC09-011, West Valley Patients Collective, Lillian R. Lazarin; 19486 Newhall Rd.

Staff recommends that the City Council direct the above four applicants to submit supplemental information regarding their governance to the City no later than December 8th at 5 p.m. Staff will review the supplemental information and report its findings to the Council at the meeting of December 16, 2009.

FISCAL IMPACT: No fiscal impact.



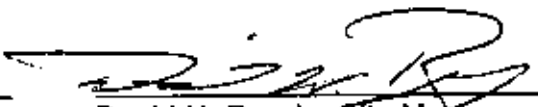
Craig A. Ewing, ACP
Director of Planning Services



Thomas J. Wilson
Assistant City Manager



Douglas C. Holland, City Attorney



David H. Ready, City Manager

Attachments:

1. PSZO Section 93.22.00 Medical Cannabis Cooperative/Collectives
2. Eleven Medical Cannabis Collectives / Cooperatives (requested)
 - a. Staff Memo
 - b. Vicinity Map
 - c. Application
3. Correspondence

93.22.00 Medical Cannabis Cooperative or Collective Special Standards.

- A. No land use entitlement, permit (including building permit) approval, site plan, certificate of occupancy, zoning clearance, or other land use authorization for a Medical Cannabis Cooperative shall be granted or permitted except in conformance with this Section.
- B. Medical Cannabis Cooperatives or Collectives shall be permitted, upon application and approval of a regulatory permit in accordance with the criteria and process set forth in this Section.
- C. No Medical Cannabis Cooperative or Collective shall be established, developed, or operated within five hundred (500) feet of a school, public playground or park, or any residential zone property, child care or day care facility, youth center, or church, or within one thousand (1000) feet of any other Medical Cannabis Cooperative or Collective, and shall not be located on any property that is occupied with a commercial retail use where such use is the primary use on such property. All distances shall be measured in a straight line, without regard to intervening structures, from the nearest point of the building or structure in which the Medical Cannabis Cooperative or Collective is, or will be located, to the nearest property line of those uses describe in this Subsection.
- D. A Medical Cannabis Cooperative or Collective is not and shall not be approved as an accessory use to any other use permitted by this Zoning Code.
- E. A Medical Cannabis Cooperative or Collective shall be parked at a rate of 1 space for every 250 gross square feet of the entire business space.
- F. No more than two Medical Cannabis Cooperatives and/or Collectives shall be maintained or operated in the City at any time. In the event more than two cooperatives or collectives are eligible for regulatory permits under this Section, the City Council shall review and evaluate all qualified applications and will approve issuance of regulatory permits to the most qualified as determined through the Allotment Process described below.
- G. Prior to initiating operations and as a continuing requisite to conducting operations, the legal representative of the persons wishing to operate a Medical Cannabis Cooperative or Collective shall obtain a regulatory permit from the City Manager under the terms and conditions set forth in this Section. The legal representative shall file an application with the City Manager upon a form provided by the City and shall pay a filing fee as established by resolution adopted by the City Council as amended from time to time. An application for a regulatory permit for a Medical Cannabis Cooperative or Collective shall include, but shall not be limited to, the following information:
1. An estimate of the size of the group of primary caregivers and/or qualified patients who will be served by the non-profit cooperative; this description should include whether delivery service will be provide and the extent of such service.
 2. The address of the location from which the cooperative for which application is made will be operated;
 3. A site plan and floor plan of the premises denoting all the use of areas on the premises, including storage, cultivation areas, exterior lighting, restrooms, and signage.
 4. A security plan including the following measures:
 - a. Security cameras shall be installed and maintained in good condition, and used in an on-going manner with at least 120 concurrent hours of digitally recorded documentation in a format approved by the City Manager. The cameras shall be in use 24 hours per day, 7 days per week. The areas to be covered by the security cameras include, but are not limited to, the storage areas, cultivation areas, all doors and windows, and any other areas as determined by the City Manager.
 - b. The lease/business space shall be alarmed with an alarm system that isoperated and monitored by a recognized security company.
 - c. Entrance to the dispensing area and any storage areas shall be locked at all times, and under the control of cooperative staff.

- d. The business entrance(s) and all window areas shall be illuminated during evening hours. The applicant shall comply with the City's lighting standards regarding fixture type, wattage, illumination levels, shielding, etc., and secure the necessary approvals and permits as needed.
 - e. All windows on the building that houses the cooperative or collective shall be appropriately secured and all marijuana securely stored, and a reliable, commercial alarm system shall be installed and maintained.
 5. The name and address of any person who is managing or responsible for the Medical Cannabis Cooperative or Collective's activities, and the names and addresses of any employees, if any, and a statement as to whether such person or persons has or have been convicted of a crime(s), the nature of such offense(s), and the sentence(s) received for such conviction(s).
 6. The name and address of the owner and lessor of the real property upon which the business is to be conducted. In the event the applicant is not the legal owner of the property, the application must be accompanied with a notarized acknowledgement from the owner of the property that a Medical Cannabis Cooperative or Collective will be operated on his/her property.
 7. Authorization for the City Manager to seek verification of the information contained within the application.
 8. Evidence that the cooperative or collective is organized as a bona fide non-profit cooperative, affiliation, association, or collective of persons comprised exclusively and entirely of qualified patients and the primary caregivers of those patients in strict accordance with the Compassionate Use Act.
 9. A statement in writing by the applicant that he or she certifies under penalty of perjury that all the information contained in the application is true and correct.
 10. Any such additional and further information as is deemed necessary by the City Manager to administer this Section.
- H. The City Manager shall conduct a background check of any applicant for a regulatory permit, including any person who is managing or is otherwise responsible for the activities of the cooperative or collective, and any employee, and shall prepare a report on the acceptability of the applicant's background and the suitability of the proposed location. Upon completing the review process, the regulatory permit shall be deemed a qualified application subject to the final certification and approval by the City Council pursuant to the allotment process, unless the City Manager finds that the applicant:
1. Has made one or more false or misleading statements, or omissions on the application or during the application process; or
 2. The proposed cooperative or collective is not allowed by state or local law, statute, ordinance, or regulation, including this Code, at a particular location.
 3. Is not a Primary Caregiver or Qualified Patient or the legal representative of the cooperative or collective; or
 4. The applicant, or any person who is managing or is otherwise responsible for the activities of the cooperative or collective, or any employee, if any, has been convicted of a felony; or convicted of a misdemeanor involving moral turpitude, or the illegal use, possession, transportation, distribution or similar activities related to controlled substances, with the exception of marijuana related offenses for which the conviction occurred prior to passage of Compassionate Use Act. A conviction within the meaning of this section means a plea or verdict of guilty or a conviction following a plea of nolo contendere.
 5. The applicant. Or any person who is managing or is otherwise responsible for the activities of the cooperative or collective has engaged in unlawful, fraudulent, unfair, or deceptive business acts or practices.
 6. Has not satisfied each and every requirement of this Section.

Based on the information set forth in the application and the City Manager's report, the City Manager, or the City Council pursuant to the allotment process, may impose reasonable terms and conditions on the proposed operations in addition to those specified in this Section. A regulatory permit issued pursuant to this Section is not transferable.

I. The City Manager will accept applications for Medical Cannabis Cooperatives or Collectives during a ninety (90) day period commencing on the effective date of this Section. Such 90 day time period plus an additional 30 days to complete the reviews and the preparation of the reports called for in this Section shall be considered the "Application Period." In the event there are no more than two qualified applications submitted during the Application Period and determined to be conditionally

qualified by the City Manager, the City Manager shall refer the applications to the City Council with a recommendation that the City Council approve the issuance of a regulatory permit to the applicants, subject to full compliance with the provisions of this Section and any conditions of approval. In the event three or more applications have been determined to be qualified by the City Manager during the Application Period, the City Manager shall submit the qualified applications and the City Manager report on each application to the City Council for review and consideration. The qualified applications shall be considered concurrently by the City Council at a public hearing noticed and conducted pursuant to the provisions of Section 94.02.00 C of this Code. The City Council shall consider the qualified applications after evaluating the applications on their respective merits and the City Council may conditionally approve each qualified application or deny one or more of such applications if the Council makes one or more of the findings listed in Subsection H. The City Council shall rank all qualified applications in order of those that best satisfy the requirements of this Section and provide the highest level of service and opportunities for residents of Palm Springs. The two highest ranked qualified applications shall be granted regulatory permits pursuant to this Section.

I. The obligations of the Medical Cannabis Cooperative or Collective, including all on-going and continuing obligations required pursuant to any provision of this Section or as may be provided in any conditional approval of the City Manager or the City Council, shall be set forth in a covenant running with the land or the leasehold interest, approved as to form by the City Attorney, and enforceable by the City. Such covenant shall also provide that the cooperative or collective shall annually provide to the City Manager an updated application containing the information contained in Subsection G. To the fullest extent permitted by law, the City shall not assume any liability whatsoever, and expressly does not waive sovereign immunity, with respect to medical cannabis, or for the activities of any Medical Cannabis Cooperative or Collective. Upon receiving possession of a regulatory permit as provided in this Section, the collective or cooperative shall

1. Execute an agreement indemnifying the City;
2. Carry insurance in the amounts and of the types that are acceptable to the City Manager;
3. Name the City as an additionally insured.
4. Agree to defend at its sole expense, any action against the City, its agents, officers, and employees because of the issues of such approval.
5. Agree to reimburse the City for any court costs and attorney fees that the City may be required to pay as a result of such action. The City may, at its sole discretion, participate at its own expense in the defense of any such action, but such participation shall not relieve the operator of its obligation hereunder.

K. No persons shall engage in, conduct, or be permitted to engage in or conduct a Medical Cannabis Cooperative or Collective ("cooperative") unless each of the following requirements is continually met:

1. The cooperative or collective shall comply fully with all of the applicable restrictions and mandates set forth in state law, including without limitation the Attorney General Guidelines.
2. The cooperative shall only be open between the hours of 9:00 a.m. and 7:00 p.m., Monday through Saturday.
3. Physician's referrals shall be verified by the cooperative prior to inclusion into the cooperative and at least every six months thereafter.
4. Each member of the cooperative or collective shall be a patient or a qualified primary caregiver. The cooperative shall maintain patient records in a secure location within the City of Palm Springs, available to the City Manager to review upon demand. Such records shall include without limitation a copy of the physician's referral and, if using a primary caregiver, a notarized written authorization from the patient to be represented by such primary caregiver.
5. Cannabis shall be kept in a secured manner during business and nonbusiness hours.
6. If consumable Medical Cannabis products (including, but not limited to, lollipops, brownies, cookies, ice cream, etc.) are present on site or offered for distribution, then the applicant shall secure a County of Riverside Department of Health Services approval for handling food products.
7. No cooperative or collective shall conduct or engage in the commercial sale of any product, good, or service. All transactions between the cooperative or collective and its members or the members' primary caregivers shall be made by check or credit card; no cash transactions shall be allowed.
8. Any Medical Cannabis Cooperative or Collective must pay any applicable sales tax pursuant to federal, state, and local law.

9. On-site smoking, ingestion, or consumption of cannabis or alcohol shall be prohibited on the premises of the cooperative or collective. The term "premises" as used in this Subsection includes the actual building, as well as any accessory structures and parking areas. The building entrance to a cooperative or collective shall be clearly and legibly posted with a notice indicating that smoking, ingesting, or consuming marijuana on the premises or in the vicinity of the cooperative or collective is prohibited.
10. Signage for the cooperative shall be limited to name of business only, and no advertising of the goods and/or services shall be permitted.
11. Alcoholic beverages shall not be sold, stored, distributed, or consumed on the premises. A cooperative or collective shall not hold or maintain a license from the State Department of Alcohol Beverage Control to sell alcoholic beverages, or operate a business that sells alcoholic beverages. In addition, alcohol shall not be provided, stored, kept, located, sold, dispensed, or used on the premises of the cooperative or collective.
12. Except as provided in Subsection G-4, windows and/or entrances shall not be obstructed and must maintain a clear view into the premises during business hours.
13. No one under 18 years of age shall be a member of a cooperative or a collective without written authorization of a parent or legal guardian.
14. Physician services shall not be provided on the premises. "Physician services" does not include social services, including counseling, help with housing and meals, hospice and other care referrals which may be provided on site.
15. The building in which the cooperative or collective is located as well as the operations as conducted therein shall fully comply with all applicable rules, regulations, and laws including, but not limited to, zoning and building codes, the City's business license ordinances, the Revenue and Taxation Code, the Americans with Disabilities Act, and the Compassionate Use Act.
16. The cooperative or collective shall not distribute, sell, dispense, or administer cannabis to anyone other than qualified patient members of the cooperative or collective and their primary caregivers.
17. A Medical Marijuana Cooperative or Collective shall distribute only cannabis cultivated on the premises or by a member of the cooperative or collective or the member's primary caregiver. The cooperative or collective shall do an inventory on the first business day of each month and shall record the total quantity of each form of cannabis on the premises. These records shall be maintained for two (2) years from the date created.
18. Provide the City Manager with the name, phone number, facsimile number, and email address of an on-site community relations or staff person or other representative to whom one can provide notice if there are operating problems associated with the Cooperative. The Cooperative shall make every good faith effort to encourage residents to call this person to try to solve operating problems, if any, before any calls or complaints are made to the police or planning departments.
19. Fully comply with and meet all operating criteria required pursuant to the Compassionate Use Act, state law, the Attorney General Guidelines, the provisions of this Section, and any specific, additional operating procedures and measures as may be imposed as conditions of approval of the regulatory permit, and all requirements set forth in the covenant as described in Subsection J, in order to ensure that the operation of the cooperative or collective is consistent with the protection of the health, safety, and welfare of the community, qualified patients, and primary caregivers, and will not adversely affect surrounding uses.

L. Enforcement.

1. Recordings made by the security cameras shall be made available to the City Manager upon verbal request; no search warrant or subpoena shall be needed to view the recorded materials.
2. The City Manager shall have the right to enter the Medical Cannabis Cooperative or Collective from time to time unannounced for the purpose of making reasonable inspections to observe and enforce compliance with this Section and all laws of the City and State of California.
3. Operation of the cooperative or collective in non-compliance with any conditions of approval or standards of this Section shall constitute a violation of the Municipal Code and shall be enforced pursuant to the provisions of this Code.
4. The City Manager may revoke a medical marijuana regulatory permit if any of the following, singularly or in

combination, occur:

- a. The City Manager determines that the cooperative or collective has failed to comply with this Section, any condition or approval, or any agreement or covenant as required pursuant to this Section; or
- b. Operations cease for more than 90 calendar days, including during change of ownership proceedings; or
- c. Ownership is changed without securing a regulatory permit; or
- d. The cooperative or collective fails to maintain 240 hours of security recordings; or
- e. The cooperative or collective fails to allow inspection of the security recordings, the activity logs, or of the premise by authorized City officials.

5. Any decision regarding the approval, conditional approval, denial, or revocation of a regulatory permit may be appealed to the City Council. Said appeal shall be made by a notice of appeal from the person appealing within thirty (30) days from the date of the decision. The appeal shall be accompanied by a fee, which shall be established by resolution of the City Council amended from time to time, and a written, verified declaration setting forth the basis for the claim that the permit was improperly approved, denied, conditioned or revoked. Filing of an appeal shall suspend the issuance of all regulatory permits until action is taken on the appeal.

M. In the event a qualified cooperative or collective that receives an allotment under Subsection I of this Section ceases to operate for any reason, the City Manager shall reopen the allotment process and provide an opportunity for new applications to be submitted. The time periods and process provided in Subsection I shall be applied to the review and consideration of applications and the allotment of a regulatory permit. (Ord. 1758 § 5, 2009)



Staff Report to City Manager

Date: August 7, 2009

Case No.: 09-001 MC

Application Type: Medical Cannabis Cooperative Application

Location: 505 Industrial Place

Applicant: Cannahelp, Stacy Hochanadel

Zone: C-M (Commercial Manufacturing)

General Plan: Mixed Use

APN: 508-162-008

From: Craig A. Ewing, AICP, Director of Planning Services

Project Planner: Ken Lyon, Associate Planner

PROJECT DESCRIPTION

An application has been submitted by Stacy Hochanadel of Cannahelp requesting a permit to operate a medical cannabis cooperative at 505 Industrial Place, Zone CM Section 23/T4/R4. Pursuant to Zoning Code Section 93.22.00(H), a report shall be prepared on the acceptability of the applicant and the suitability of the proposed location. This report describes the proposal and evaluates it against the standards and provisions of the applicable zoning provisions.

CONCLUSIONS

Following review of the application, staff has determined that the application does not conform to the following requirements of Section 93.22.00:

1. 93.22.00(C) The proposed site is within 500 feet of a religious institution and two residential zones.

2. 93.22.00(E) The proposed site (a multi-tenant building) is approximately 5 spaces short of off-street parking requirements.
3. 93.22.00(H) Full background check of criminal records not yet available.

Section 93.22.00(H)(6) notes that the City Manager may determine that an application is not qualified unless "each and every requirement of this Section" (is) satisfied. Based on the non-conforming conditions noted above, Staff is recommending that this is not a qualified application. The applicant has submitted a request for relief from items 1 and 2 above (attached).

BACKGROUND AND SETTING

Table 2.0: Comparison of Requirements for Medical Cannabis Cooperatives against the proposed project

	Requirements for Medical Cannabis Cooperatives	Proposed Application
Application fee/deposit	\$7,500 Deposit	\$7,500 deposit submitted (conforms)
93.22.00(C) Distance to sensitive uses:	Prohibited within 500 feet.	A religious institution is within 500 feet of the proposed business location. Residential zones are within 500 feet. Does not conform.
93.22.00(C) Distance to other Medical Cannabis Cooperatives	Prohibited within 1,000 feet	Conforms.
Restrictions relative to primary uses on property.	Prohibited on parcels with commercial-retail as primary use.	Primary use of subject parcel is office and service oriented businesses. (Conforms)
93.22.00(E) Off-Street Parking Requirements:	1 space for every 250 gsf. (8,300 gsf = 33 required off-street parking spaces)	All on site uses require 46 spaces, 41 existing spaces on site; site is short 5 spaces. Does not conform
93.22.00 (G.1) Estimated number of primary caregivers or qualified patients	No minimum or maximum requirement	Approximately 3,000 persons.

<p>93.22.00 (G.1) Delivery service (if provided describe extent of the delivery service)</p>	<p>Delivery Service not required</p>	<p>Delivery Service will be offered Monday through Saturday 9am to 7pm</p>
<p>93.22.00 (G.2) Address</p>	<p>As noted</p>	<p>505 Industrial Place</p>
<p>93.22.00 (G.3) Site & Floor Plans of Building including area comprising this business</p>	<p>No minimum area required.</p>	<p>Approximately 8,300 square feet business (expanded lease area after application was submitted)</p>
<p>93.22.00 (G.4) Security Plan</p>	<p>Security plan is required:</p>	<p>As noted in attached application:</p>
<p>93.22.00 (G.4.a.) Security System Requirements</p>	<p>Security cameras w/min 120 hrs of recording. Operated 24hr/day, 7days/week covering all areas as determined by the City Manager</p>	<p>120 hours of concurrent digital recordings operating 24/7. (Conforms)</p>
<p>93.22.00 (G.4.b) Security System Requirements</p>	<p>Security Alarm operated and monitored by a recognized security company</p>	<p>Premier Security: installer and maintenance contractor. (will conform when installed as proposed)</p>
<p>93.22.00 (G.4.c) Control of Entrances</p>	<p>Entrance locked at all times and controlled by staff</p>	<p>As described in application</p>
<p>93.22.00 (G.4.d) Outdoor Lighting Requirements</p>	<p>Windows and entrances / conform to the City's outdoor lighting ordinance.</p>	<p>Existing lighting at site. (may require additional work to conform)</p>
<p>93.22.00 (G.4.e) Windows & Marijuana Storage</p>	<p>Windows secured, marijuana securely stored. Maintain a</p>	<p>Windows secured. (may require additional construction work to</p>

requirements	clear view into the premises	conform) Existing reflective film on windows must be removed as a condition of approval
93.22.00 (G.5) Contact information required	Name address of manager and employees and statement on criminal background.	Stacy Hochanadel; Owner 666 Vista Oro Palm Springs, CA 92264.
93.22.00 (G.6) Property Owner requirements	Name & address of Owner and lessor of property; notarized acknowledgement from bldg. owner that a MCC will be operated on his/her property	Michael Rice 158 Desert Lakes, Drive Palm Springs, CA. Acknowledgement submitted (conforms)
93.22.00 (G.7) Release of Information Requirements	Authorization for City Mgr to verify information.	Provided.
93.22.00 (G.8) Proof of Business Establishment	Non-profit cooperative, in accord w/the Compassionate Use Act	Attached to application (Articles of incorporation). IRS Employer ID No: 26-3745563 Non-profit. Conforms
Building Area comprising this business	No minimum required.	Approximately 8,300 square feet
93.22.00 (K.2.) Hours of Operations restricted	Between 9 am and 7 pm Monday through Saturday only	Conforms
93.22.00 (K.9, & 10) Signage	No smoking/consuming marijuana on premises sign and name of business sign only	Separate sign application required.

DISCUSSION OF ACCEPTABILITY OF APPLICANT AND SUITABILITY OF PROPOSED LOCATION.

As noted in the table above, this application does not conform to the following requirements of the Medical Cannabis ordinance:

- Distances to sensitive uses
- Off-street parking
- Unable to complete background criminal activity checks

Further explanation of each nonconforming condition is outlined below.

Distance to sensitive uses. Section 93.22.00(C) requires medical cannabis cooperatives to be not closer than 500 feet to sensitive uses (for example religious institutions, parks and day care centers). The proposed cooperative at 505 Industrial Place is within 500 feet of a religious institution (The Palm Springs Christian Science Church). The applicant has submitted a letter requesting relief from this requirement stating the existing environmental conditions adequately separate the two uses. (Letter attached). The applicant is also within 500 feet of residentially zoned parcels on S. Riverside Drive (R-3)

Off-street parking. Section 93.22.00(E) requires 1 parking space for every 250 square feet of collective. The building at 505 Industrial Place is an approximately 12,600 square foot multi-tenant building with office and warehouse tenants. The parcel is provided with 28 off-street parking spaces in a lot to the east of the building and 13 bay parking spaces along the front of the building for a total of 41 spaces¹. The building is comprised of roughly 1,900 square feet of office uses, roughly 2,300 square feet of warehouse uses and roughly 8,300 square feet for the medical cannabis use. Combined, these uses require 46 spaces. The site is short 5 spaces. The applicant has submitted a letter requesting relief from this requirement (letter attached).

Federal criminal background data not available. Section 93.22.00 (G) requires the City Police Department to run criminal background checks on all owners and employees of the collective. The applicant has submitted a release; however as of the writing of this staff report, national database systems have not been able to confirm all individuals associated with this application. Staff anticipates release of this information shortly.

Other considerations. The existing facility does not fully conform in its existing condition to the security requirements of the ordinance. It is Staff's opinion that additional capital improvements and equipment will be required to establish the required level of security at the existing facility for the proposed use.

¹ Site plan does not denote property lines; thus it is not confirmed that the bay parking spaces are legally conforming spaces.

93.22.00 (H) BACKGROUND CRIMINAL CHECK

The Palm Springs Police Department has evaluated the information provided by the applicant and identified the following statistics and data as summarized from their June 18, 2009 memo (attached):

Live Scan electronic fingerprinting was conducted on the following persons and the following are the results of the investigation:

Status:	Name:	Findings:
Owner:	Stacy Hochanadel	2008, Misdemeanor conviction ²
Employee	Kirby Levad	pending
Employee	Michael Meade, Jr.	pending
Employee	Eric Sandoval	No criminal history

The Live Scan obtained information from the State of California database, but no Federal data was obtained

ENVIRONMENTAL ASSESSMENT

Pursuant to the California Environmental Quality Act (CEQA) Guidelines, the permitting or entitlement of use by a public agency is deemed a project. This application is therefore determined to be a project under CEQA. The City has evaluated the project and determined that it is Categorical Exempt in accordance with CEQA Section 15303 "New Construction or Conversion of Small Structures".



Ken Lyon
Associate Planner



Craig A. Ewing, AICP
Director of Planning Services

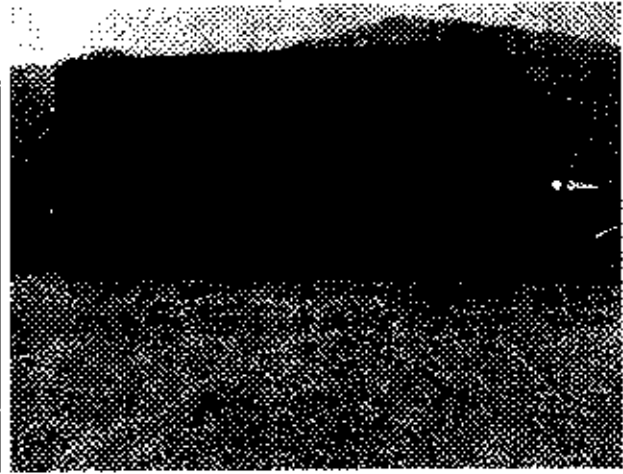
ATTACHMENTS

1. Vicinity Map
2. Application including site, plans, photos and letters.
3. Hall to Ewing memo dated 6-18-09

² The misdemeanor identified was for a "crime of weapons" which is not generally considered a crime of moral turpitude.



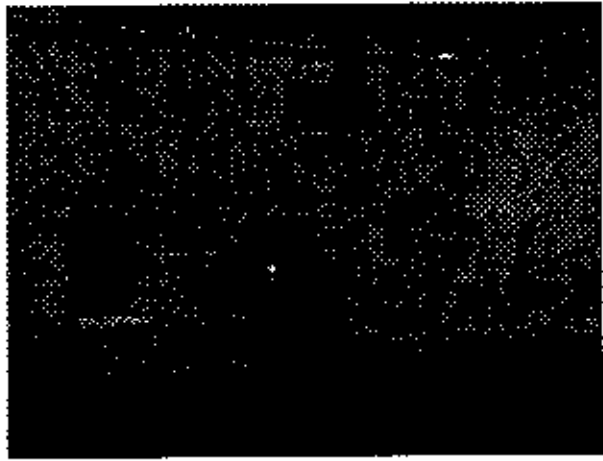
Front of 505 Industrial Place



East Elevation and parking lot



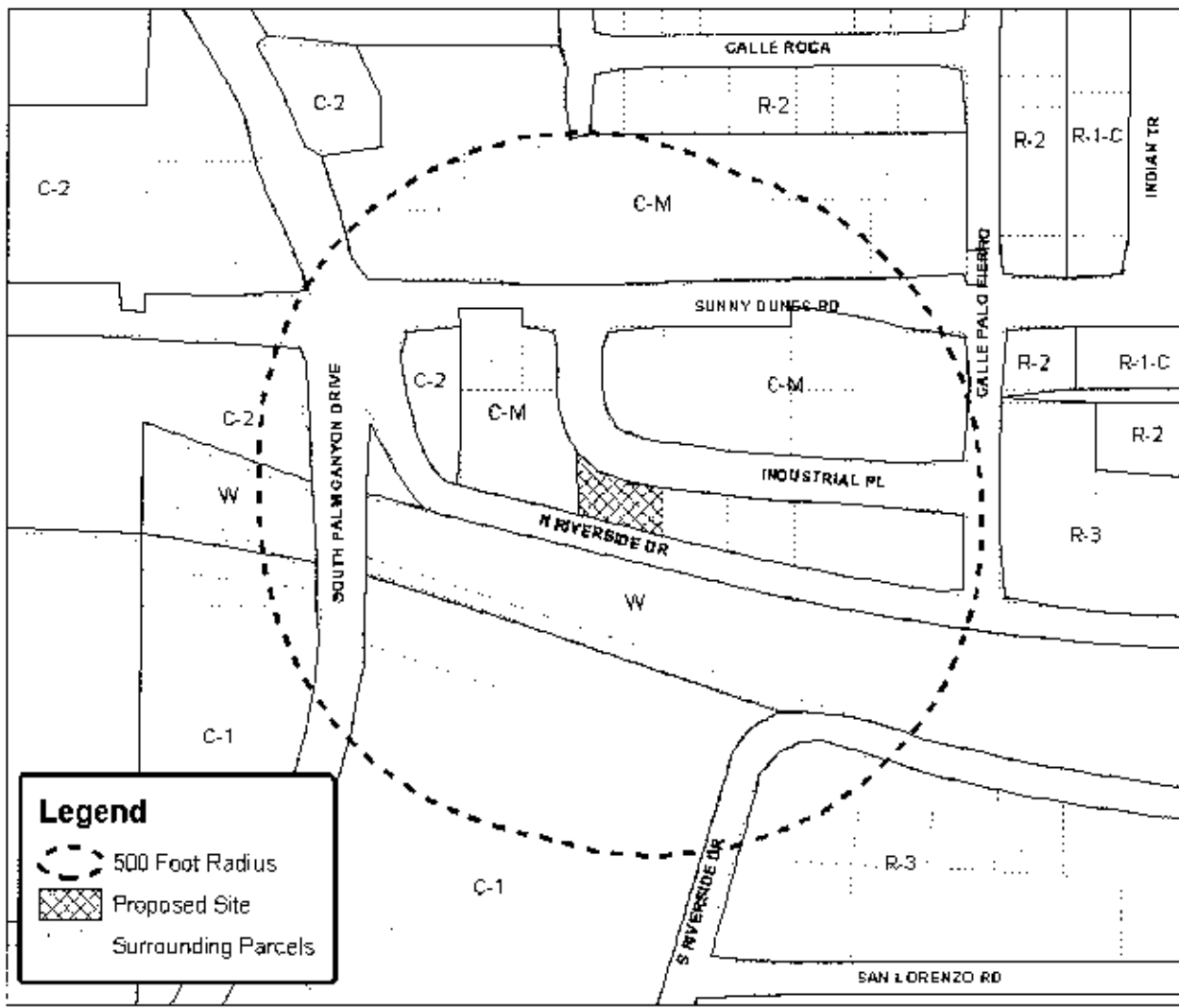
South side of building



South side of building



Department of Planning Services Vicinity Map



Legend

- 500 Foot Radius
- Proposed Site
- Surrounding Parcels

CITY OF PALM SPRINGS

CASE NO: MC 09-001

APPLICANT: CannaHelp

DESCRIPTION: Application for a medical cannabis cooperative/collective at 505 Industrial Place.

CANNAHELP
505 Industrial Place
Palm Springs CA. 92264
April 6, 2009

**Application for Medical Cannabis Cooperative or Collective
Permit to the Department of Planning Services, City of Palm
Springs Ca 92262**

See Attached Site plan & Floor plan – Approx. 2,300 sq. feet.

1. Approximately 3000 qualified patients will be served. We will offer delivery service to patients Monday thru Saturday 9 am to 7 pm. Patients must have registered at the Collective in person and their Doctors recommendation verified in accordance with the State Attorney Generals guidelines.
2. The address of the collective is Cannahelp 505 Industrial Place Suite A & C Palm Springs CA 92264
3. **Security Plan:**
 - a. Fifteen security cameras have been installed and are operating on a 24 hour per day 7 days per week basis and all cameras are digitally recorded for documentation with 120 hours of concurrent recordings.
 - b. Cannahelps exterior property is being patrolled by Maxwell Security 24 hours a day. And Premier Security will install and maintain commercial alarm system.
 - c. All entrances to the dispensing area, storage area and growing area are locked and a mantrap has been installed leading to the dispensing, growing and storage areas with steel doors throughout the Collective, with a bullet proof laminate window at the reception desk.
 - d. Business entrances and all window areas are illuminated during the evening hours. Lights were existing.

RECEIVED

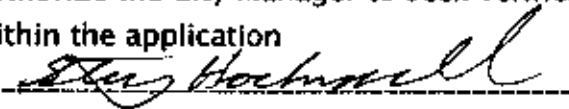
e .All windows on the building are appropriately secured and all marijuana is secured and stored. Premier Security will install and maintain the commercial alarm system.

4. Stacy Hochanadel is the owner and is responsible for the management of the collective Stacy Hochanadel address is 666 Vista Oro Palm Springs CA 92264. There are no employees at this time. Stacy has been convicted of a misdemeanor crime of weapons with three years probation.

5. The name and address of the owner of the real property is Mr. Michael Rice
158 Desert Lakes Dr. Palm Springs Ca
See attached notarized acknowledgement

6. I Stacy Hochanadel authorize the City Manager to seek verification of the information contained within the application

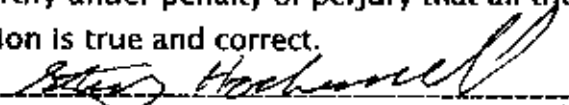
Signed Stacy Hochanadel



7. See Attached Is evidence that the Cannahelp is organized as a non profit collective in accordance with proposition 215 the Compassionate Use Act

8. I Stacy Hochanadel certify under penalty of perjury that all the information contained in the application is true and correct.

Signed Stacy Hochanadel



To The City of Palm Springs Ca

As the owner of the property at 505 Industrial Place Palm Spring CA. 92264

I Mr. Michael W Rice acknowledge that part of my building Suite A & C has been leased to Stacy Hochanadel to be used as a Medical Cannabis Collective. For the use of growing and distributing Medical Cannabis

Signed Mr. Michael W. Rice Michael W. Rice Living Trust
158 Desert Lakes Dr. Palm Springs Ca Michael W. Rice Living Trust
Date 4/6/09

Notary

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

State of California

County of Riverside

On April 6th 2009 before me, Joseph Lee Scott Notary Public
Date Here Insert Name and Title of the Officer

personally appeared Michael W. Rice
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 Joseph Lee Scott 123
Signature of Notary Public

Place Notary Seal Above



State of California
Secretary of State

I, DEBRA BOWEN, Secretary of State of the State of California, hereby certify:

That the attached transcript of 1 page(s) has been compared with the record on file in this office, of which it purports to be a copy, and that it is full, true and correct.



IN WITNESS WHEREOF, I execute this certificate and affix the Great Seal of the State of California this day of

NOV 17 2008

Debra Bowen

DEBRA BOWEN
Secretary of State

ARTICLES OF INCORPORATION

ENDORSED - FILED
In the office of the Secretary of State
of the State of California

OF

NOV 13 2008

Cannabelp corporation

I.

The name of the corporation is Cannabelp corporation

II.

A. This corporation is a nonprofit **MUTUAL BENEFIT CORPORATION** organized under the Nonprofit Mutual Benefit Corporation Law. The purpose of this corporation is to engage in any lawful act or activity, other than credit union business, for which a corporation may be organized under such law.

B. The specific purpose of this corporation is to dispensing medical marijuana in accordance with proposition 215, SB. 420 and the ca state attorney general guidelines.

III.

The name and address in the State of California of this corporation's initial agent for service of process is:

Ulrich R. McNulty, 801 East Tahquitz Canyon Way Suite 100, Palm Springs, CA 92262

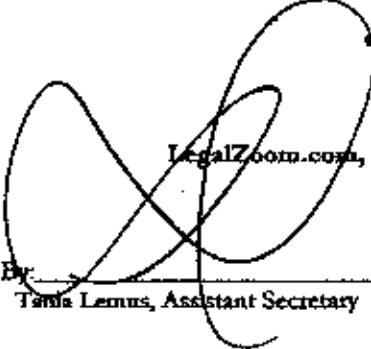
IV.

Notwithstanding any of the above statements of purposes and powers, this corporation shall not, except to an insubstantial degree, engage in any activities, or exercise any powers that are not in furtherance of the specific purpose of this corporation.

IN WITNESS WHEREOF, the undersigned incorporator has executed these Articles of

Incorporation on the date below.

Date: November 11, 2008



LegalZoom.com, Inc., Incorporator

By: _____
Tania Lemus, Assistant Secretary

Date of this notice: 11-20-2008

Employer Identification Number:
26-3745563

Form: SS-4

Number of this notice: CP 575 A

CANNAHELP CORPORATION
505 E INDUSTRIAL PL STE A
PALM SPRINGS, CA 92264

For assistance you may call us at:
1-800-829-4933

IF YOU WRITE, ATTACH THE
STUB AT THE END OF THIS NOTICE.

WE ASSIGNED YOU AN EMPLOYER IDENTIFICATION NUMBER

Thank you for applying for an Employer Identification Number (EIN). We assigned you EIN 26-3745563. This EIN will identify you, your business accounts, tax returns, and documents, even if you have no employees. Please keep this notice in your permanent records.

When filing tax documents, payments, and related correspondence, it is very important that you use your EIN and complete name and address exactly as shown above. Any variation may cause a delay in processing, result in incorrect information in your account, or even cause you to be assigned more than one EIN. If the information is not correct as shown above, please make the correction using the attached tear off stub and return it to us.

Based on the information received from you or your representative, you must file the following form(s) by the date(s) shown.

Form 941	04/30/2009
Form 940	01/31/2010

If you have questions about the form(s) or the due date(s) shown, you can call us at the phone number or write to us at the address shown at the top of this notice. If you need help in determining your annual accounting period (tax year), see Publication 538, *Accounting Periods and Methods*.

We assigned you a tax classification based on information obtained from you or your representative. It is not a legal determination of your tax classification, and is not binding on the IRS. If you want a legal determination of your tax classification, you may request a private letter ruling from the IRS under the guidelines in Revenue Procedure 2004-1, 2004-1 I.R.B. 1 (or superseding Revenue Procedure for the year at issue). Note: Certain tax classification elections can be requested by filing Form 8832, *Entity Classification Election*. See Form 8832 and its instructions for additional information.

If you are required to deposit for employment taxes (Forms 941, 943, 940, 944, 945, CT-1, or 1042), excise taxes (Form 720), or income taxes (Form 1120), you will receive a Welcome Package shortly, which includes instructions for making your deposits electronically through the Electronic Federal Tax Payment System (EFTPS). A Personal Identification Number (PIN) for EFTPS will also be sent to you under separate cover. Please activate the PIN once you receive it, even if you have requested the services of a tax professional or representative. For more information about EFTPS, refer to Publication 966, *Electronic Choices to Pay All Your Federal Taxes* and Publication 4248, *EFTPS (Brochure)*. If you need to make a deposit before you receive your Welcome Package, please visit an IRS taxpayer assistance center to obtain a Federal Tax Deposit Coupon, Form 8109-B. To locate the taxpayer assistance center nearest you, visit the IRS Web site at <http://www.irs.gov/localcontacts/index.html>. Note: You will not be able to obtain Form 8109-B by calling 1-800-829-TAXFORMS (1-800-829-3676).

CANNAHELP
505 Industrial Place
Palm Springs CA. 92264

Staley
CRAIG Ewin's
D.H.R.

Mr. David Ready Esq., Ph.D
City of Palm Springs
3200 East Tahquitz Canyon
Palm Springs CA. 92262

May 20, 2009

RE: Case 09-001 MC - Application for permit for medical cannabis cooperative/ collective at 505 Industrial Place.

Dear Mr. Ready,

I am responding to Mr. Lyon's letter dated May 6, 2009. I have supplied you with the site plan you requested, along with the list of other businesses / tenants in the building. See Attached.

The building is 12600 Square feet Cannahelp occupies 2480 sq. ft. of the building. Paul Associates is in B-2, 708 sq. ft an office only, Account Recovery Agency is in B-3, 640 sq. ft. The owner Mr. Mike Rice has 546 sq feet a personal art studio on the second floor. Remainder of building, (office space and warehouse), is currently vacant.

There are 33 existing spaces in our parking lot

In regard to the religious institution within the 500 feet.

The First Church of Christ Scientist 605 South Riverside Drive is on the opposite side of the Tahquitz Canyon wash, it is not accessible to my business without hiking down the steep sides of the wash through the water and up the other side. I have also done some research and found out the Church is open on Sunday at 10:00 a.m. and its posted Wednesdays meeting at 7:30 p.m. is held at the Reading Room at 235 S. Palm Canyon Dr. In accordance with the Ordinance No.1758 our business will

700
340
300
1912 080
2400
1000
1000
1000





Staff Report to City Manager

Date: August 7th, 2009

Case No.: 09-002 MC

Application Type: Medical Cannabis Cooperative Application

Location: 560 Williams Place

Applicant: Organic Solutions of the Desert (James Camper)

Zone: M-1 (Manufacturing)

General Plan: Industrial

APN: 680-101-013

From: Craig A. Ewing, AICP, Director of Planning Services

Project Planner: Ken Lyon, Associate Planner

PROJECT DESCRIPTION

An application has been submitted by Jim Camper of Organic Solutions of the Desert requesting a permit to operate a medical cannabis cooperative at 560 South Williams Road, Zone M-1 Section 19/T4/R5. Pursuant to Zoning Code Section 93.22.00(H), a report shall be prepared on the acceptability of the applicant and the suitability of the proposed location. This report describes the proposal and evaluates it against the standards and provisions of the applicable zoning provisions.

CONCLUSIONS

Following review of the application, staff has determined that the application does not conform to the following requirements of Section 93.22.00:

1. 93.22.00(C) Distance to other medical cannabis locations.
2. 93.22.00(H) Full background check of criminal records not yet available.

Section 93.22.00(H)(6) notes that the City Manager may determine that an application is not qualified unless "each and every requirement of this Section" (is) satisfied. The application is within 1,000 feet of another medical cannabis application. Because of this staff is recommending that this is not a qualified application.

BACKGROUND AND SETTING

ZONING ORDINANCE:

Medical Cannabis Cooperatives are a permitted use in the C-M, M-1 and M-2 zones subject to procedural and operational requirements of PSZO Section 93.22.00. Table 2.0 outlines the requirements for establishment of Medical Cannabis Cooperatives and compares this application for conformity against those requirements. The proposed project is located in the M-1 zone and thus is located in a zone where such uses have been determined to be permissible.

Table 2.0: Comparison of Requirements for Medical Cannabis Cooperatives against the proposed project

	Requirements for Medical Cannabis Cooperatives	Proposed Application
Application fee/deposit	\$7,500 Deposit	\$7,500 deposit submitted (conforms)
93.22.00(C) Distance to sensitive uses:	Prohibited within 500 feet.	Conforms
93.22.00(C) Distance to other Medical Cannabis Cooperatives	Prohibited within 1,000 feet	Another MC application is at 4765 Ramon Road, which is within 1,000 feet of this location. Does not conform
Restrictions relative to primary uses on property.	Prohibited on parcels with commercial-retail as primary use.	The primary use the subject parcel is service oriented businesses. (conforms)
93.22.00(E) Off-Street Parking Requirements:	1 space for every 250 gsf. (1,210 gsf = 5 required off-street parking spaces)	40 spaces provided – conforms.
93.22.00 (G.1) Estimated number	No minimum or maximum requirement	Approximately 1,250 to 1,500 persons

of primary caregivers or qualified patients		
93.22.00 (G.1) Delivery service (if provided describe extent of the delivery service)	Delivery Service not required	No delivery service planned
93.22.00 (G.2) Address	As noted	560 Williams Road
93.22.00 (G.3) Site & Floor Plans of Building including area of this business	No minimum area required.	Approximately 1,210 square feet business
93.22.00 (G.4) Security Plan	Security plan is required:	As noted in attached application:
93.22.00 (G.4.a.) Security System Requirements	Security cameras w/min 120 hrs. of recording. Operated 24hr/day, 7days/week covering all areas as determined by the City Manager	120 hours of concurrent digital recordings operating 24/7. (Conforms)
93.22.00 (G.4.b) Security System Requirements	Security Alarm operated and monitored by a recognized security company	Protection One is the installer and maintenance contractor for the alarm system once it is installed. (Will conform once system is fully installed)
93.22.00 (G.4.c) Control of Entrances	Entrance locked at all times and controlled by staff	Provided (see application)
93.22.00 (G.4.d) Outdoor Lighting Requirements	Windows and entrances / conform to the City's outdoor lighting ordinance.	Existing lighting at site. (Conforms)

<p>93.22.00 (G.4.e) Windows & Marijuana Storage requirements</p>	<p>Windows secured, marijuana securely stored. Maintain a clear view into the premises</p>	<p>Windows secured. (Conforms) Existing reflective film on windows must be removed as a condition of approval (security system must be complete to conform)</p>
<p>93.22.00 (G.5) Contact information required</p>	<p>Name address of manager and employees and statement on criminal background.</p>	<p>Jim Camper, Owner 53-865 Juarez La Quinta, CA 92253 Four employees as noted.</p>
<p>93.22.00 (G.6) Property Owner requirements</p>	<p>Name & address of Owner and lessor of property; notarized acknowledgement from bldg. owner that a MCC will be operated on his/her property</p>	<p>Hal Chaplin, Manager, Courtland Holdings, LLC 560 Williams Road Palm Springs, CA 92264 Acknowledgement submitted (conforms)</p>
<p>93.22.00 (G.7) Release of Information Requirements</p>	<p>Authorization for City Mgr to verify information.</p>	<p>Provided.</p>
<p>93.22.00 (G.8) Proof of Business Establishment</p>	<p>Non-profit cooperative, in accord w/the Compassionate Use Act</p>	<p>Attached to application Conforms</p>
<p>Building Area comprising this business</p>	<p>No minimum required.</p>	<p>Approximately 1,210 square feet</p>
<p>93.22.00 (K.2.) Hours of Operations restricted</p>	<p>Between 9 am and 7 pm Monday through Saturday only</p>	<p>Conforms</p>
<p>93.22.00 (K.9, & 10) Signage</p>	<p>No smoking/consuming marijuana on premises sign and name of business sign</p>	<p>Separate sign application required.</p>

	only	
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DISCUSSION OF ACCEPTABILITY OF APPLICANT AND SUITABILITY OF PROPOSED LOCATION.

As noted in the table above, this application conforms to the requirements of the Medical Cannabis ordinance except as follows:

- 93.22.00(C) Distance to other Medical Cannabis locations.
- Unable to complete background criminal activity checks

Further explanation is outlined below.

Section 93.22.00(C) Requires that medical cannabis cooperatives may not be closer than 1,000 from another cannabis collective. In this case, another medical cannabis application has been made for the building at 4765 Ramon Road, which is immediately to the north of this proposed location. In the event that the City Council determines these are both qualified applications, it is possible that only one of these two may be permitted in order to comply with this requirement of the ordinance.

Federal criminal background data not available. Section 93.22.00 (G) requires the City Police Department to run criminal background checks on all owners and employees of the collective. The applicant has submitted a release, and has stated he has two charges (DUI and Recklessness). Staff does not believe these are misdemeanors of moral turpitude. As of the writing of this staff report, national database systems have not been able to confirm all individuals associated with this application. Staff anticipates release of this information shortly.

Other considerations. The proposed facility does not conform in its existing condition to the security requirements of the ordinance. It is Staff's opinion that some capital improvements and equipment will be required to establish the required level of security at the existing facility for the proposed use prior to approving the site for the intended use.

93.22.00 (H) BACKGROUND CRIMINAL CHECK

The Palm Springs Police Department has evaluated the information provided by the applicant and identified the following statistics:

Live Scan electronic fingerprinting was conducted on the following persons and the following are the results of the investigation:

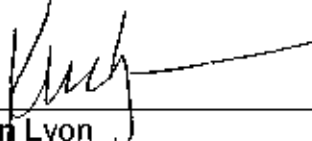
Status:	Name:	Findings:
Owner:	Jim Camper	pending

Employee	Mickey LaTorre	No criminal history
Employee	Eric Van Oosting	1998 Misdemeanor conviction
Employee	Stephen Smolens	No criminal history
Employee	Aaron Starkey	pending


The Live Scan obtained information from the State of California database, but no Federal data was obtained.

ENVIRONMENTAL ASSESSMENT

Pursuant to the California Environmental Quality Act (CEQA) Guidelines, the permitting or entitlement of use by a public agency is deemed a project. This application is therefore determined to be a project under CEQA. The City has evaluated the project and determined that it is Categorical Exempt in accordance with CEQA Section 15303 "New Construction or Conversion of Small Structures".



Ken Lyon
Associate Planner



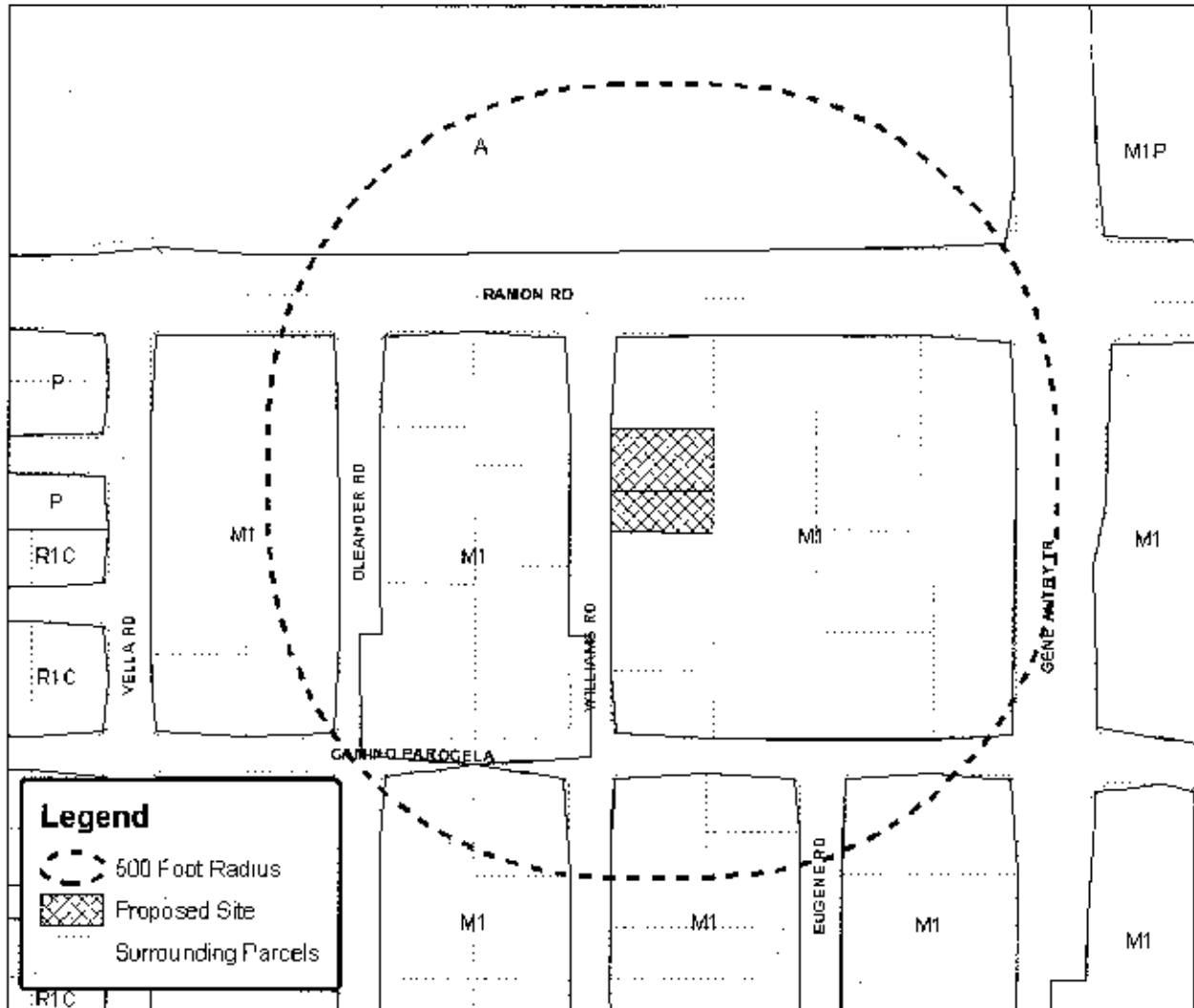
Craig A. Ewing, AICP
Director of Planning Services

ATTACHMENTS

1. Vicinity Map
2. Application including site, plans, photos and letters.
3. Hall to Ewing memo dated 6-18-09



Department of Planning Services Vicinity Map



Legend

- 500 Foot Radius
- Proposed Site
- Surrounding Parcels

CITY OF PALM SPRINGS

CASE NO: MC 09-002

APPLICANT: Organic Solutions of the Desert

DESCRIPTION: Application for a medical cannabis cooperative/collective at 560 Williams Road.

Organic Solutions of the Desert

Proposal To Open A Medical

Marijuana Collective

***560 S. Williams Rd.
Palm Springs, Ca. 92264
760-296-0634***

RECEIVED

APR 7 11 2009

PLANNING SERVICES
DEPARTMENT

***1210 sq ft, 8-9 parking stalls
zoned m1, compliant with state
guidelines and city ordinance.***

Microsoft word 03

139

*Jim CAMPER
760-296-0634*

*happycamper598@aol.com
760. 564. 5444 call*

04-09-09

***Organic Solutions of the Desert
Proposal To Open A Medical Marijuana Collective***

***1. Estimate size of group to be served:
1250-1500 to be served efficiently***

We will have an open enrollment policy for first 1250 patients with verified doctors recommendation and I.D only requirement.

Closed enrollment policy for 1250+ patients, valid paper work, referral from a collective member, meet with director, and proof they reside in Riverside Co.

No Delivery service planned

Organic Solutions of the Desert is located at:

***560 S. Williams Rd, Palm Springs Ca. 92264
760-296-0634***

The building is located in m1 industrial zone and meets all requirements of the Palm Springs city ordinance, and state guidelines. We have been located here, paying rent, since Nov 08, but have remained closed.

04-11-09

Organic Solutions of the Desert

*Proposal To Open A Medical Marijuana
Collective*

560 S. Williams Rd.

Palm Springs, Ca. 92264

760-296-0634

Security Plans

The front entrance to the collective will have a security door install which will be monitored by a security guard who will check to verify patients have proper paperwork with them before they can enter. Patients doctors recommendation and proper identification will be verified by receptionist who will call to verify paperwork valid. Security Guard will then escort patient to dispensing room when it is their turn, based on a 1 to 1 ratio. Never more then 1 patient per staff member allowed in dispensing room. Inner hall doors leading to dispensing room, directors office and grow rooms will have security doors installed and remain locked, all rooms monitored by security cameras and alarm system.

There will be a security guard present when collective open 10am to 7pm, night watchman on site after closing 10pm to 6am.

Front entrance open and well lit with motion lights in parking/exterior area .

Building approx 1210 sq ft with 8-9 parking stalls, wheel chair accessible.

12 security cameras to be installed as per required by city council, to be used in an ongoing manner, 24 hours per day, seven days a week with at least 120 concurrent hours of digitally recorded documentation. Areas to be covered show on floor plan and include but not limited to dispensing room, grow room, storage area and doorways. These areas also covered by alarm system.

Camera Area covered

- 1. Front Entrance/security door*
- 2. Waiting room/receptionist*
- 3. Hallway to security door*
- 4.& 5 Dispensing Room*
- 6.Inner Hallway/2nd security door*
- 7.grow room #1*
- 8.Grow Room#2/or classroom#2*
- 9.Class Room#1*
- 10.Directors Office/Safe/File Cabinet*
- 11. End of Hallway/entrance to grow room & class rooms*
- 12 Hallway/ entrance to directors office*

*Alarm System installed and monitored by:
Protection One (see copy of billing)*

Front entrance to remain illuminated during evening hours as well as 2 bathroom windows, no other windows in collective, only these 3. Monitored by alarm system and security cameras.

Patient files to be filed and placed in a locked cabinet and to remain locked at all times and remain onsite in Directors Office, key to remain with staff in charge.

Storage of medicine:

Medicine to be kept in dispensing room during business hours which is to remain locked at all times, key to remain with staff in charge.. After closing, inventory of all meds completed and meds place in safe when closed and to remain in safe til collectives opens the following day. Dispensing room and Directors Office monitored by security cameras and alarm system.

Tracking Medicine:

All meds must be documented when acquired, if purchased from collective member,

- 1. verify paperwork valid*
- 2. verify active collective member*
- 3. receipt needed for purchase from vendor*
- 4. issue vendor 1099 tax form*
- 5. Inventory medicine into stock*
- 6. document all sales*
- 7. inventories taken daily at beginning and the end of each shift*

All medicine to be documented and placed in inventory, either donated, grow by collective or purchased from member.

Policy and Procedure
Acquire, Possess, and Distribute and Store
Lawfully Cultivated Medical Marijuana Guidelines.

How to Acquiring and inventory Medicine:

1. Verify Vendors status as qualified patient or caregiver and collective member.

2. Document source or how acquired meds are obtained, issue 1099 tax form w/grower info or a receipt showing source of acquisition

3. Add medicine acquired into inventory

4. Inventory all meds before opening

5. Inventory all meds after closing

STORAGE; After inventory completed at end of day, all meds to be locked in safe. During business hours meds to remain in dispensing room which is to remain locked at all times, keys with staff in charge.

DISTRIBUTION and SALES to NON MEMBERS are PROHIBITED

Marijuana grown at collective for medical purposes maybe:

a. Provided free to qualified patients and primary caregivers who are members of the collective or cooperative.

b. Provided in exchange for services rendered to the entity.

c. Allocated based on fees that are reasonably calculated to cover overhead costs and operating

expenses; or

d. Any combination of the above.

04-09-09

Organic Solutions of the Desert

Proposal to Open Medical Marijuana Collective

Employee List for background check:

Director; Jim Camper

53-865 Ave Juarez

La Quinta, Ca. 92253

1. 07/2004 DUI served 12 days house arrest

2. 09/2008 Reckless, served 1 day, fine

Office Manager:

Mickey LaTorre

47-385 Via Koron

La Quinta, Ca. 92253

Receptionist:

Katlyn Kerr

53-865 Ave Juarez

La Quinta, Ca 92253

Counter Sales

Aaron Starkey

53-865 Ave Juarez

La Quinta, Ca. 92253

12/08 DUI, 18 days house arrest, fin

Cashier

Laura Harris

47-385 Via Koron

La Quinta, Ca. 92253

***Securiy Guard and Night Watchman positions
open at this time.***

Courtland Holdings LLC
560 S. Williams Road
Palm Springs, Ca 92264

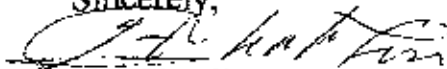
3/2/2009

RE: Letter to City of Palm Springs
Jim Camper
560 S. Williams Road
Palm Springs, Ca 92264

Dear Jim,

This letter is meant to acknowledge that I fully understand the business you plan to operate as soon as permission is given (Organic Solutions). Our lease agreement for the space at the above referenced location continues to be in force for that purpose.

Sincerely,



Hal Chaplin

Managing member Courtland Holdings LLC

ACKNOWLEDGMENT

State of California
County of Riverside

On 3/3/2009 before me, JUDY JOHNSTON NOTARY PUBLIC
(Insert name and title of the officer)

personally appeared Harry Chaplin
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/henr/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 [Handwritten Signature]

(Seal)



04-07-09

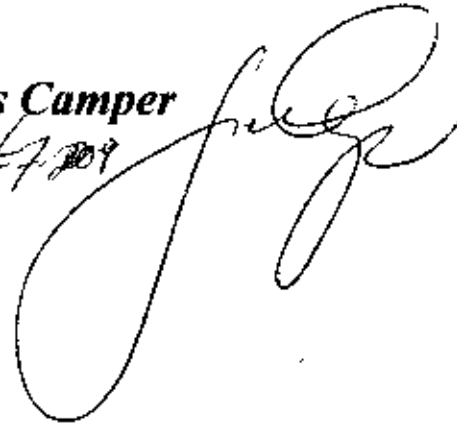
Organic Solutions of the Desert

I James Camper, Director of the collective, Organic Solutions of the Desert do hereby authorize the City Manager of Palm Springs permission to seek verification of the information contained within the application.

Thank You

James Camper

4-7-09

A large, stylized handwritten signature in black ink, appearing to read 'James Camper', written over the printed name.



State of California
Secretary of State

I, DEBRA BOWEN, Secretary of State of the State of California, hereby certify:

That the attached transcript of 2 page(s) has been compared with the record on file in this office, of which it purports to be a copy, and that it is full, true and correct.



IN WITNESS WHEREOF, I execute this certificate and affix the Great Seal of the State of California this day of

MAR 10 2009

Debra Bowen

DEBRA BOWEN
Secretary of State

**CERTIFICATE OF AMENDMENT OF
ARTICLES OF INCORPORATION**

ENDORSED - FILED
in the office of the Secretary of State
of the State of California

FEB 23 2009

The undersigned certify that:

They are the **president** and the **secretary**, of **ORGANIC SOLUTIONS OF THE DESERT, INC.**, a California corporation.

Article II of the Articles of incorporation of this corporation is Amended to read as follows:

This corporation is a nonprofit **Mutual Benefit Corporation** organized under the Nonprofit Mutual Benefit Corporation Law. The purpose of this corporation is to engage in any lawful act or activity, other than credit union business, for which a corporation may be organized under such law.

Article IV of the Articles of incorporation of this corporation is Amended to read as follows:

Notwithstanding any of the above statements of purposes and powers, this corporation shall not, except to an insubstantial degree, engage in any activities or exercise any powers that are not in furtherance of the purposes of this corporation.

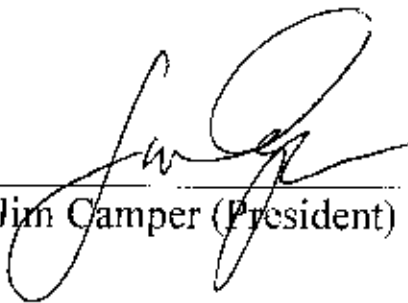
Upon the amendment of this article to read as herein set forth, each outstanding share is cancelled.

The foregoing amendment of Articles of Incorporation has been approved by the board of directors and also been duly approved by the required vote of shareholders in accordance with Section 902, California Corporations Code.

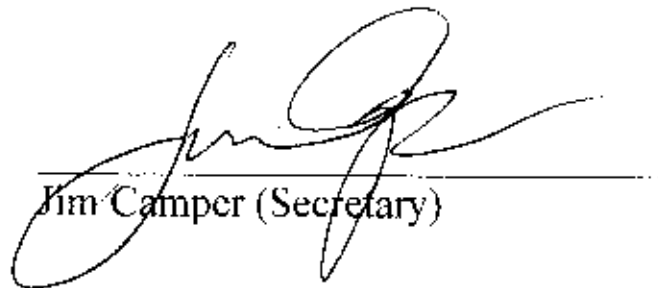
The total number outstanding shares of the corporation is 25,000. The number of shares voting in favor of the amendment equaled or exceeded the vote required. The percentage vote in favor was at 100%.

We further declare under penalty of perjury under the laws of the State of California that the matters set forth in this certificate are true and correct of our own knowledge.

DATE: 2-12-09



Jim Camper (President)



Jim Camper (Secretary)



04-07-09

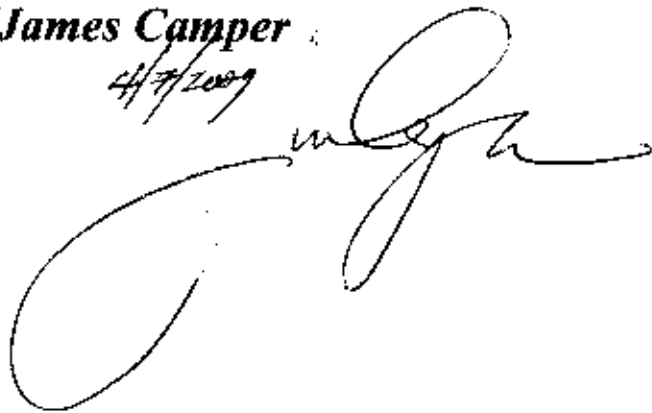
Organic Solutions of the Desert

I, James Camper, president of the collective, Organic Solutions of the Desert do hereby certify under penalty of perjury that all information contained in the application is true and correct.

Thank You

James Camper

4/7/2009

A large, stylized handwritten signature in black ink, appearing to read 'James Camper', written over the typed name and date.

04-11-09

Organic Solutions of the Desert

Proposal To Open A Medical Marijuana Collective

Emergency contact number:

*In case of emergency related to collective
operating problems please call:*

Jim Camper/Director

760-564-5404

760-564-5404 fax

760-2960634

happycamper598@aol.com

Mickey LaTorre/office manager

760-564-0346

760-564-0346 fax

Proposal to Open A Non Profit Medical Marijuana Collective In The City of Palm Springs

Introduction:

My name is Jim Camper, I am the director of a nonprofit medical marijuana collective, Organic Solutions of the Desert now located at 560 S Williams Rd. in Palm Springs. I have completed 3 ½ years of higher education at Cal State San Bernardino in Psychology. I have worked 2 years at the Betty Ford Center as a substance abuse specialist now dedicated to bringing safe access to medical marijuana patients-members while serving the needs of the community in a positive way. I have not opened, or been operating at any time but am ready to open at such time the city ordinance is passed and a license obtained. We have obtained a building located in the industrial zone of the city and more than 500 feet from any school, day care, church or private residents, 1000 from another collective and in complete compliance per guidelines of .S.A. Brown.

Organic Solutions is a small, non-profit collective. Both staff and patients follow very strict guidelines (attached) of conduct. Members must agree to abide by our strict rules of conduct and lawful medical Marijuana requirements. We require full membership before distributing medical cannabis to any patient, regardless of documentation alone.

Organic Solutions has set up stringent guidelines concerning the amount of medication that can be obtained by a qualified patient or caregiver of 1 ounce per

visit. We also limit the number of visits per day to one, and limit the quantity of multiple visits to total no more than 2 ounces per week.



ACCOUNT NUMBER

11/1/2008 SR EHC 100-833112

ORGANIC SOLUTIONS OF THE DSRT INC
560 S WILLIAMS RD
PALM SPRINGS, CA 92264-1551

NOTICE TO PERMITTEE:
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.

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 VALID ONLY AT THE ABOVE ADDRESS.

THIS PERMIT IS VALID UNTIL REVOKED OR CANCELED AND IS NOT TRANSFERABLE. IF YOU SELL YOUR BUSINESS OR DROP OUT OF A PARTNERSHIP, NOTIFY US OR YOU COULD BE RESPONSIBLE FOR SALES AND USE TAXES OWED BY THE NEW OPERATOR OF THE BUSINESS.

Not valid at any other address

For general tax questions, please call our Information Center at 800-400-7115.

For information on your rights, contact the Taxpayers' Rights Advocate Office at 888-324-2798 or 916-324-2798.

BCE-442-R REV. 15 (2-06)

A MESSAGE TO OUR NEW PERMIT HOLDER

As a seller, you have rights and responsibilities under the Sales and Use Tax Law. In order to assist you in your endeavor and to better understand the law, we offer the following sources of help:

- Visiting our website at www.boe.ca.gov
- Visiting a district office
- Attending a Basic Sales and Use Tax Law class offered at one of our district offices
- Sending your questions in writing to any one of our offices
- Calling our toll-free Information Center at 800-400-7115

As a seller, you have the right to issue resale certificates for merchandise that you intend to resell. Conversely, you have the responsibility of not misusing resale certificates. While the sales tax is imposed upon the retailer,

- You have the right to seek reimbursement of the tax from your customer
- You are responsible for filing and paying your sales and use tax returns timely
- You have the right to be treated in a fair and equitable manner by the employees of the Board
- You are responsible for following the regulations set forth by the Board

As a seller, 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 Board representative when requested. You are also expected to 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. If it becomes necessary to surrender this permit, you should only do so by mailing it to a Board office, or giving it to a Board representative.

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

Please post this permit at the address for which it was issued and at a location visible to your customers.

STATE BOARD OF EQUALIZATION

Sales and Use Tax Department

MEMBERSHIP RULES

To be a patient or primary caregiver associated with Organic Solutions of the Desert Inc., you are required to agree and comply with the following Membership Rules. **Any violation of these rules will subject you to immediate expulsion from membership.**

1. Medical Marijuana is dispensed at this facility to patients and primary caregivers ONLY, as per California Health and Safety Code section 11362.5, et seq.
2. No medication from this facility may be transferred, gifted, sold disseminated or otherwise transmitted to anyone other than the visiting patient or primary caregiver. Medication is for personal consumption by patients only.
3. One visit per patient or primary caregiver per day, NO EXCEPTIONS.
4. While medical marijuana is legal under the laws of the State of California, it is illegal under federal law and California Law may or may not provide you protection as a patient or primary caregiver. This facility can offer no assurance of legality of medical marijuana.
5. Do not use medical marijuana and operate heavy machinery or operate a motor vehicle.
6. Do not open medication until in a safe location and at a minimum distance of 1000 feet from this, or any, dispensary.
7. While this facility may or may not require returning patients to carry their original, or a copy of the doctor's recommendation, California law requires all patients to have their recommendation on their person when traveling from location to location with medication.
8. This facility does not allow any patient or primary caregiver to receive over one (1) ounce of medication, in any combination of forms (edibles excluded) in less than a twenty-four (24) hour period, SO DON'T ASK. If additional medication is require because of hi-volume necessity, please contact your recommending physician and request a hi-dosage addendum to your recommendation.
9. WE RESERVE THE RIGHT TO REFUSE ANYONE, FOR ANY REASON.
10. All bags must be left and/or checked at the front door, NO EXCETPIONS.
11. No cell phone use when in the dispensary area, NO EXCEPTIONS.
12. No smoking is permitted inside this facility or within twenty-five (25) feet from any entrance or exit.



Account Summary

Account No:	6938302
Invoice Date:	12/21/2008
Invoice Number:	70519735
P.O. Number:	

DEC 31 2008
Date

Your World Is Worth Protecting®
www.ProtectionOne.com

Date	Description	Qty	Unit Price	Amount
11/22/08-12/31/08	HOME CO HBC INC 560 WILLIAMS ROAD 24 Hour Alarm Monitoring	-1.2903	25.00	-32.26
Total Due				-32.26

Need to Reach Us?



Customer Service:
(800) GET-HELP
(800) 438-4357

Hearing Impaired:
(800) 595-6137



Please write to us at:
Customer Service
P.O. Box 49292
Wichita, KS 67201
www.protectionone.com

Messages from Protection One

Have you tested your alarm system recently?

Your security system communicates with our Alarm Monitoring Center via telephone lines. If your system doesn't "dial out" properly, it may fail when you need it most. So check this vital link at least once a month. It's easy ... just call Customer Service, and we'll guide you through a system test.

Is Your Alarm Registered?

Authorities in most areas require alarm users to have a permit. If this is required in your area (you can check with your local Police or Fire Department if you are unsure), it is vital that we have your permit number on file for dispatch purposes.

You will be charged a \$25.00 fee for any payment returned.

Please detach this portion and send with your payment.



Your World Is Worth Protecting®
www.ProtectionOne.com

Invoice Number 70519735
 Invoice Date 12/21/2008
 Account Number 6938302

Amount Due:	-32.26
Payment Due Date:	01/15/2009
Amount Enclosed:	

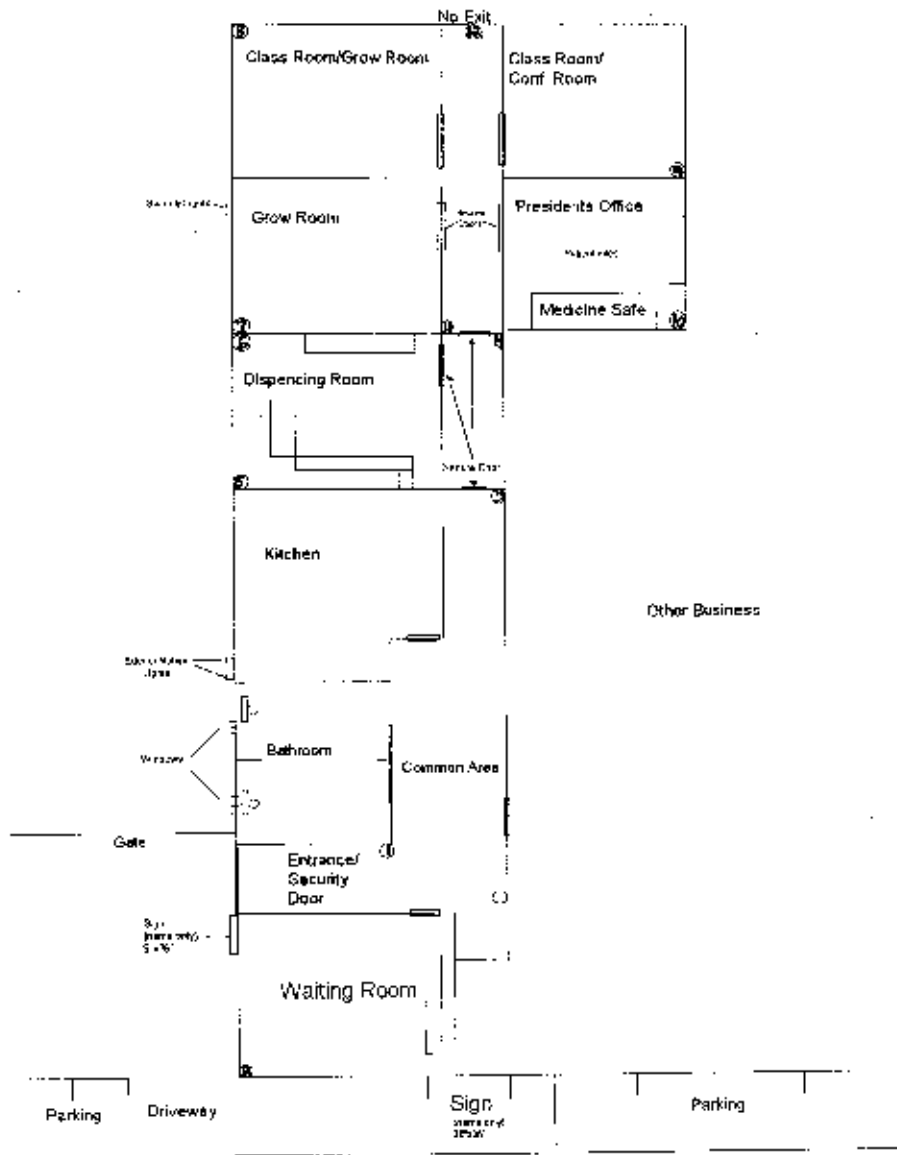
Please check box if your billing address has changed, and indicate change on reverse side.

Payments should be made payable to **Protection One**. Please write your account number on your check. We also accept credit card payments. See reverse side.

0000 01 006938302 00000000000 & 0070519735 4

1-800-558-817
COURTLAND HOLDINGS LLC
560 S WILLIAMS RD
PALM SPRINGS CA 92264-1551

PROTECTION ONE
PO BOX 5714
CAROL STREAM IL 60197-5714



Williams Rd

1100 S. 1st St. (at the corner)
 500 E. 1st Street, Ste. 100
 Fresno, CA 93704
 559-269-0600

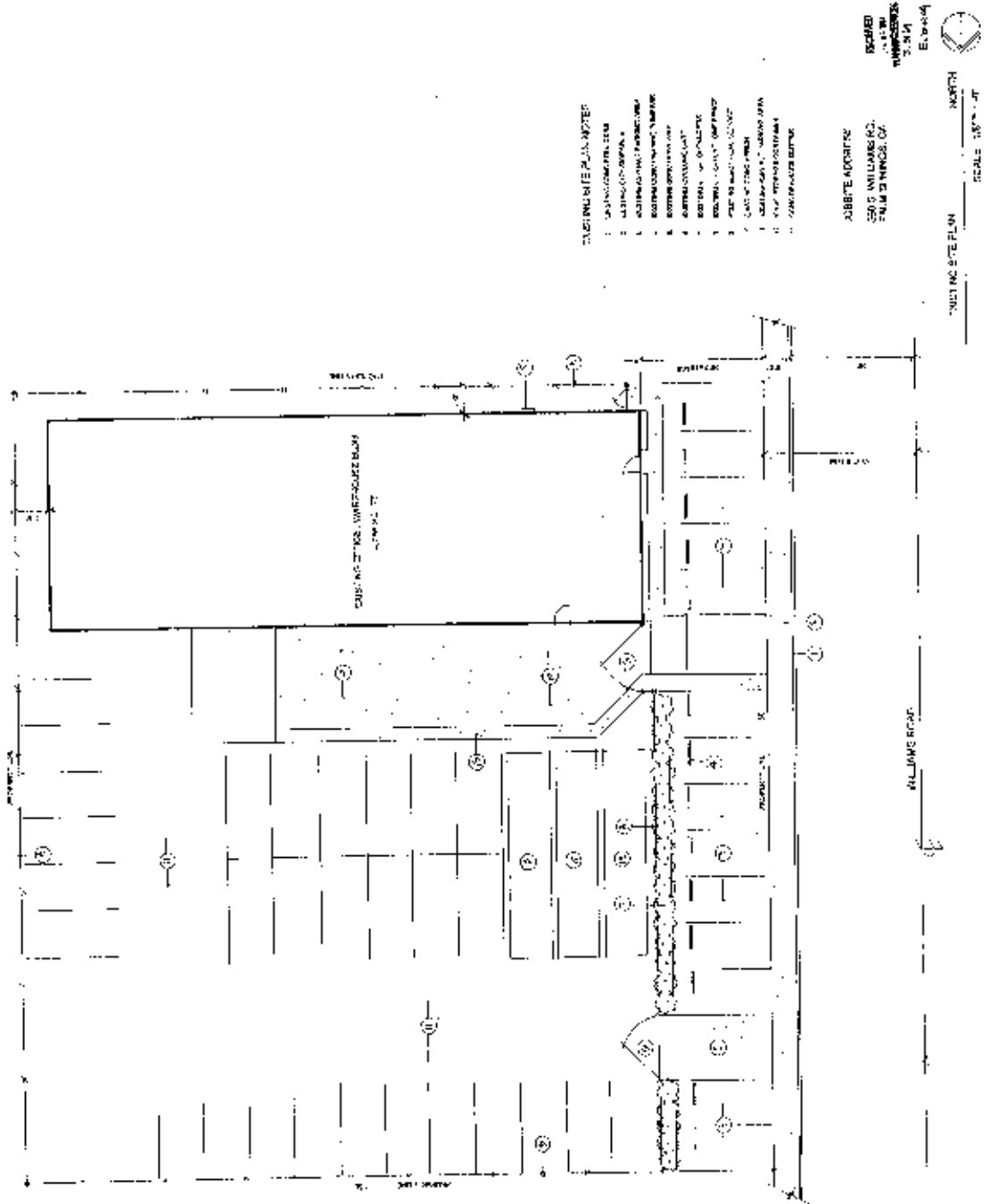
1100 S. 1st St.
 5 Parking Stalls

Alarm System Monitored by Pink One Alarm Co.

← Ramon Rd. Legend
 ○ Security Camera
 — Door

19

FACADE REMODEL
 FOR
 COURTLAND HOTELS LLC
 7550 BEAVERTAL BL.
 PALM DESERT, CA. 92260
 (760) 1-250-0719
Palm Springs design group



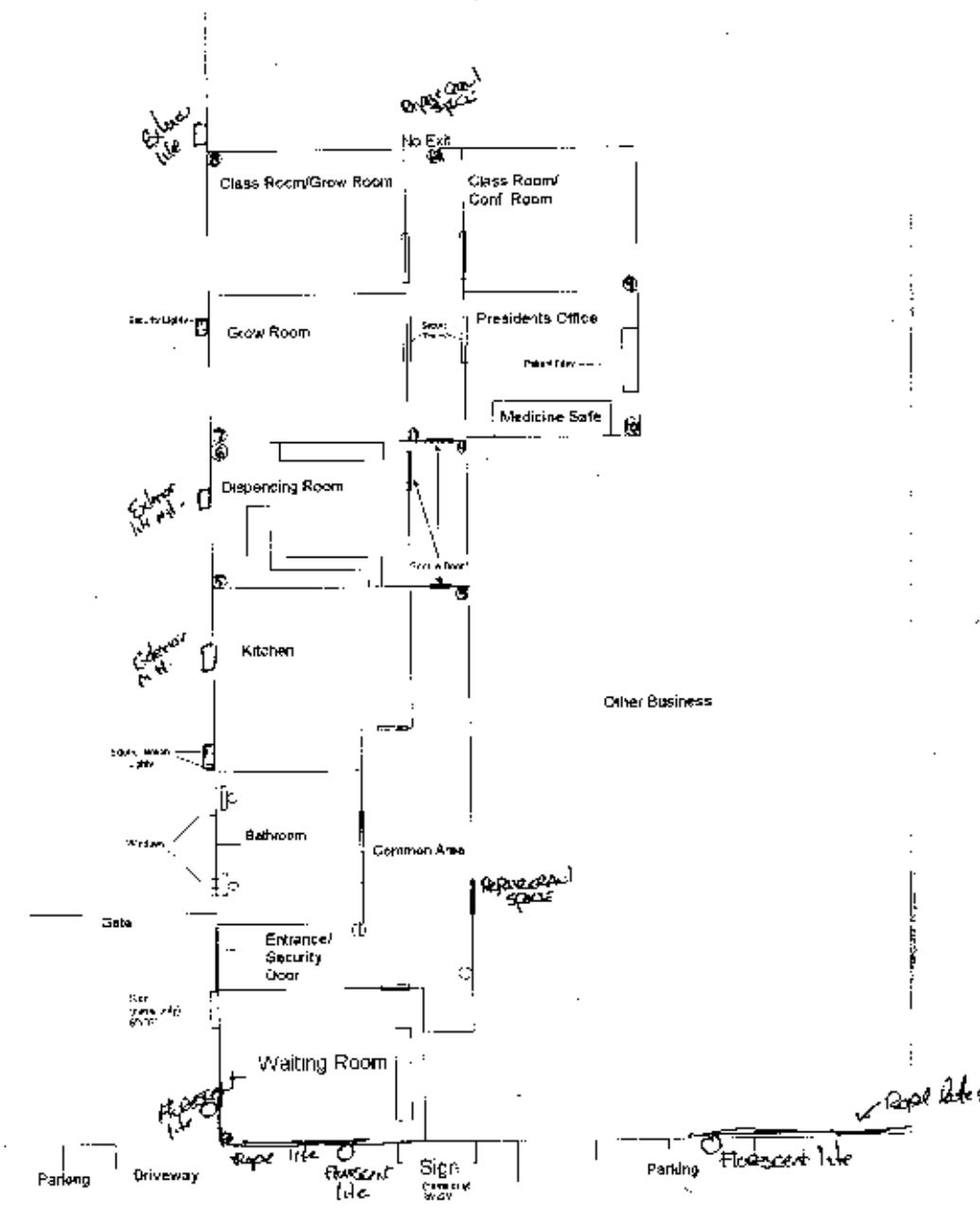
- EXISTING INTERLUPTER**
1. EXISTING OFFICE BUILDING
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 19. EXISTING OFFICE BUILDING
 20. EXISTING OFFICE BUILDING

ABBETT ARCHITECTS
 5005 WILLIAMS RD.
 PALM SPRINGS, CA
 92264
 SCALE: 1/8" = 1'-0"
 NORTH

20 Additional Parking Stalls

20 Additional Parking Stalls

20 Additional Parking Stalls



Williams Rd 14 Parking Stalls

← Ramon Rd

Legend

- Circle with 'X' = Window
- Circle with 'D' = Door

Organic Solutions of the Desert
 500 S. Williams Rd
 Palm Springs, CA 92264
 760-256-0630

1210 Sq Ft
 14 Parking Stalls

Alarm System Monitored by Private One Alarm Co.

MC 09-002

REVISED

DATE

PROJECT NO.

Organic Solutions of the Desert
760 256 0630

06/16/09

*To City of Palm Springs
Dept of Planning
Re: Case 09-002 MC
Application for permit for medical cannabis
collective for Organic Solutions of the Desert
560 South Williams Rd
Palm Springs, Ca 92264
760-296-0634*

Dear Ken Lyons,

*In regards to your letter dated May 6th
pertaining to number of off street parking spots and
exterior lights. Thank you for allowing me the chance to
correct my application.*

*There are 14 parking stalls off street located in front
of location of which I am allotted 7 for 1200 sq ft of office
space, but upon speaking with landlord, additional spaces
can be allotted to me if the city feels it it's necessary.*

*The exterior lights consists of 5 metal halide lights
along northside of building, these are mounted on the
building, this same lot also has 2 pole lites which I believe
are metal halide or HPS. Along the front of the building
facing west there are 2 floresencent lights and rope light
across the length of front of building.*

*I share this building with my landlord,
Courtland Holdings, a commercial business who occupy
slightly more half of the building. There are an
additional 20 parking stalls in lot to north of building if
needed. There are no other businesses located at address.* MC 09-002

Ken Lyons



Staff Report to City Manager

Date: August 7th, 2009

Case No.: 09-003 MC

Application Type: Medical Cannabis Cooperative Application

Location: 4050 Airport Center Drive Suite C

Applicant: CAPS Collective Apothecary, Inc.

Zone: M-1 (Manufacturing)

General Plan: NCC (Neighborhood Community Commercial)

APN: 677-490-008

From: Craig A. Ewing, AICP, Director of Planning Services

Project Planner: Ken Lyon , Associate Planner

PROJECT DESCRIPTION

An application has been submitted by Yana Mizrahi of CAPS Collective Apothecary, Inc. requesting approval to operate a medical cannabis cooperative at 4050 Airport Center Drive Suite C, Zone M-1 Section 18/T4/R5. Pursuant to Zoning Code Section 93.22.00(H), a report shall be prepared on the acceptability of the applicant and the suitability of the proposed location. This report describes the proposal and evaluates it against the standards and provisions of the applicable zoning provisions.

CONCLUSIONS

Following review of the application, staff has determined that the application does not conform to the following requirements of Section 93.22.00:

1. 93.22.00(C) Proposed location is in a multi-tenant center with commercial/retail as primary uses.
2. 93.22.00(H) Full background check of criminal records not yet available.

Section 93.22.00(H)(6) notes that the City Manager may determine that an application is not qualified unless "each and every requirement of this Section" (is) satisfied. Because of the non-conforming conditions noted herein, Staff is recommending that this is not a qualified application.

BACKGROUND AND SETTING

ZONING ORDINANCE:

Medical Cannabis Cooperatives are a permitted use in the C-M, M-1 and M-2 zones subject to procedural and operational requirements of PSZO Section 93.22.00. Table 2.0 outlines the requirements for establishment of Medical Cannabis Cooperatives and compares this application for conformity against those requirements. The proposed project is located in the M-1 zone and thus is located in a zone where such uses have been determined to be permissible.

The proposed site at 4050 Airport Center Drive is in a multi-tenant center commonly referred to as the "Gold's Gym Center". Other tenants in the building include the following:

- Medical offices for a Chiropractor
- Medical offices for Complete Care Physical Therapy –an assisted living specialist
- Gold's Gym – Retail Fitness Center
- Ultra Blends – Retail beverage "juice bar" store.
- Two vacant tenant spaces.

Table 2.0: Comparison of Requirements for Medical Cannabis Cooperatives against the proposed project

	Requirements for Medical Cannabis Cooperatives	Proposed Application
Application fee/deposit	\$7,500 Deposit	\$7,500 deposit submitted (conforms)
93.22.00(C) Distance to sensitive uses:	Prohibited within 500 feet.	Conforms
93.22.00(C) Distance to other Medical Cannabis Cooperatives	Prohibited within 1,000 feet	Conforms.
93.22.00(C) Restrictions	Prohibited on parcels with	The primary use the subject parcel is

relative to primary uses on property.	commercial-retail as primary use.	commercial retail (Does not conform)
93.22.00(E) Off-Street Parking Requirements:	1 space for every 250 gsf. (3,130 gsf = 13 required off-street parking spaces)	120 spaces for entire center – 109 spaces required for all uses in multi-tenant center - conforms.
93.22.00 (G.1) Estimated number of primary caregivers or qualified patients	No minimum or maximum requirement	Approximately 3,000
93.22.00 (G.1) Delivery service (if provided describe extent of the delivery service)	Delivery Service not required	No delivery service planned
93.22.00 (G.2) Address	As noted	4050 Airport Center Drive; Stes B/C
93.22.00 (G.3) Site & Floor Plans of Building including area of this business	No minimum area required.	Approximately 3,130 square feet
93.22.00 (G.4) Security Plan	Security plan is required:	As noted in attached application:
93.22.00 (G.4.a.) Security System Requirements	Security cameras w/min 120 hrs of recording. Operated 24hr/day, 7days/week covering all areas as determined by the City Manager	120 hours of concurrent digital recordings operating 24/7. (Conforms)
93.22.00 (G.4.b) Security System	Security Alarm operated and	Fountain Security Services is the

Requirements	monitored by a recognized security company	installer and maintenance contractor for the alarm system. (Will conform once system is fully installed)
93.22.00 (G.4.c) Control of Entrances	Entrance locked at all times and controlled by staff	Provided (see application)
93.22.00 (G.4.d) Outdoor Lighting Requirements	Windows and entrances / conform to the City's outdoor lighting ordinance.	Existing lighting at site. (Conforms)
93.22.00 (G.4.e) Windows & Marijuana Storage requirements	Windows secured, marijuana securely stored. Maintain a clear view into the premises	Windows secured. (May require additional security devices to fully conform)
93.22.00 (G.5) Contact information required	Name address of manager and employees and statement on criminal background.	Yona Mizrachi and five employees as noted
93.22.00 (G.6) Property Owner requirements	Name & address of Owner and lessor of property; notarized acknowledgement from bldg. owner that a MCC will be operated on his/her property	Brad Neste, 73-121 Fred Waring Drive # 200 Palm Desert, CA 92260 Acknowledgement submitted
93.22.00 (G.7) Release of Information Requirements	Authorization for City Mgr to verify information.	Provided.
93.22.00 (G.8) Proof of Business Establishment	Non-profit cooperative, in accord w/the Compassionate Use Act	Attached to application Conforms
Building Area comprising this	No minimum required.	Approximately 3,130 square feet

business		
93.22.00 (K.2.) Hours of Operations restricted	Between 9 am and 7 pm Monday through Saturday only	Conforms
93.22.00 (K.9, & 10) Signage	No smoking/consuming marijuana on premises sign and name of business sign only	Separate sign application required.

DISCUSSION OF ACCEPTABILITY OF APPLICANT AND SUITABILITY OF PROPOSED LOCATION.

As noted in the table above, this application conforms to the requirements of the Medical Cannabis ordinance except as follows:

- Proposed location is in a multi tenant center with primary commercial/retail uses
- Unable to complete background criminal activity checks

Further explanation is outlined below.

Collectives prohibited in multi tenant centers with commercial retail as primary uses
 Section 93.22.00(C) restricts medical cannabis cooperatives from being located in multi tenant centers where the primary uses are commercial retail. The primary tenants and uses at the subject address are commercial retail uses. Although there are also two medical office uses and two vacant tenant spaces, Staff believes the primary uses in the center are considered commercial retail.¹ The applicant has submitted a letter (attached) requesting relief from the restriction on locations within commercial retail centers.

¹ Upon physical inspection of the subject site, the following uses were identified at the 4070 multi-tenant center: The parking analysis is also provided below. The center appears to have 120 spaces in the parking lot.

- | | | |
|--|--------------------|-------------------|
| • Suite A: Juice Bar retail commercial store, 1,220 sf | 1:300 = | 4 spaces |
| • Suite B/C: CAPS: 3130 square feet, | 1:250sf = | 13 spaces |
| • Suites D/E/F: Physical Therapy (medical office) | 2500sf. 1:150 = | 17 spaces |
| • Suite G: Chiropractor (Dr Davis) medical office, | 850 sf. 1:150 = | 6 spaces |
| • Suites H & I appear vacant. Assume | 1:300 2,120 sf = | 7 spaces |
| • Golds Gym 22,000 gsf | 1:400 plus staff = | 60 spaces |
| <u>Total required</u> | | <u>109 Spaces</u> |

Federal criminal background data not available. Section 93.22.00 (G) requires the City Police Department to run criminal background checks on all owners and employees of the collective. The applicant has submitted a release, and has stated he has two charges (DUI and Recklessness). Staff does not believe these are misdemeanors of moral turpitude. As of the writing of this staff report, national database systems have not been able to confirm all individuals associated with this application. Staff anticipates release of this information shortly.

Other considerations. The proposed facility does not conform in its existing condition to the security requirements of the ordinance. It is Staff's opinion that some capital improvements and equipment will be required to establish the required level of security at the existing facility for the proposed use.

93.22.00 (H) BACKGROUND CRIMINAL CHECK

The Palm Springs Police Department has evaluated the information provided by the applicant and identified the following statistics and data as summarized from their June 18, 2009 memo (attached):

Live Scan electronic fingerprinting was conducted on the following persons and the following are the results of the investigation:

<u>Status:</u>	<u>Name:</u>	<u>Findings:</u>
Owner:	Yona Mizrachi	pending
Employee	James Aaron Martin	pending
Employee	Marley Benshalom	pending
Employee	Patrick Ryan Small	pending
Employee	Tracy Fleming	pending

The Live Scan obtained information from the State of California database, but no Federal data was obtained.

ENVIRONMENTAL ASSESSMENT

Pursuant to the California Environmental Quality Act (CEQA) Guidelines, the permitting or entitlement of use by a public agency is deemed a project. This application is therefore determined to be a project under CEQA. The City has evaluated the project and determined that it is Categorical Exempt in accordance with CEQA Section 15303 "New Construction or Conversion of Small Structures".

Ken Lyon
Associate Planner

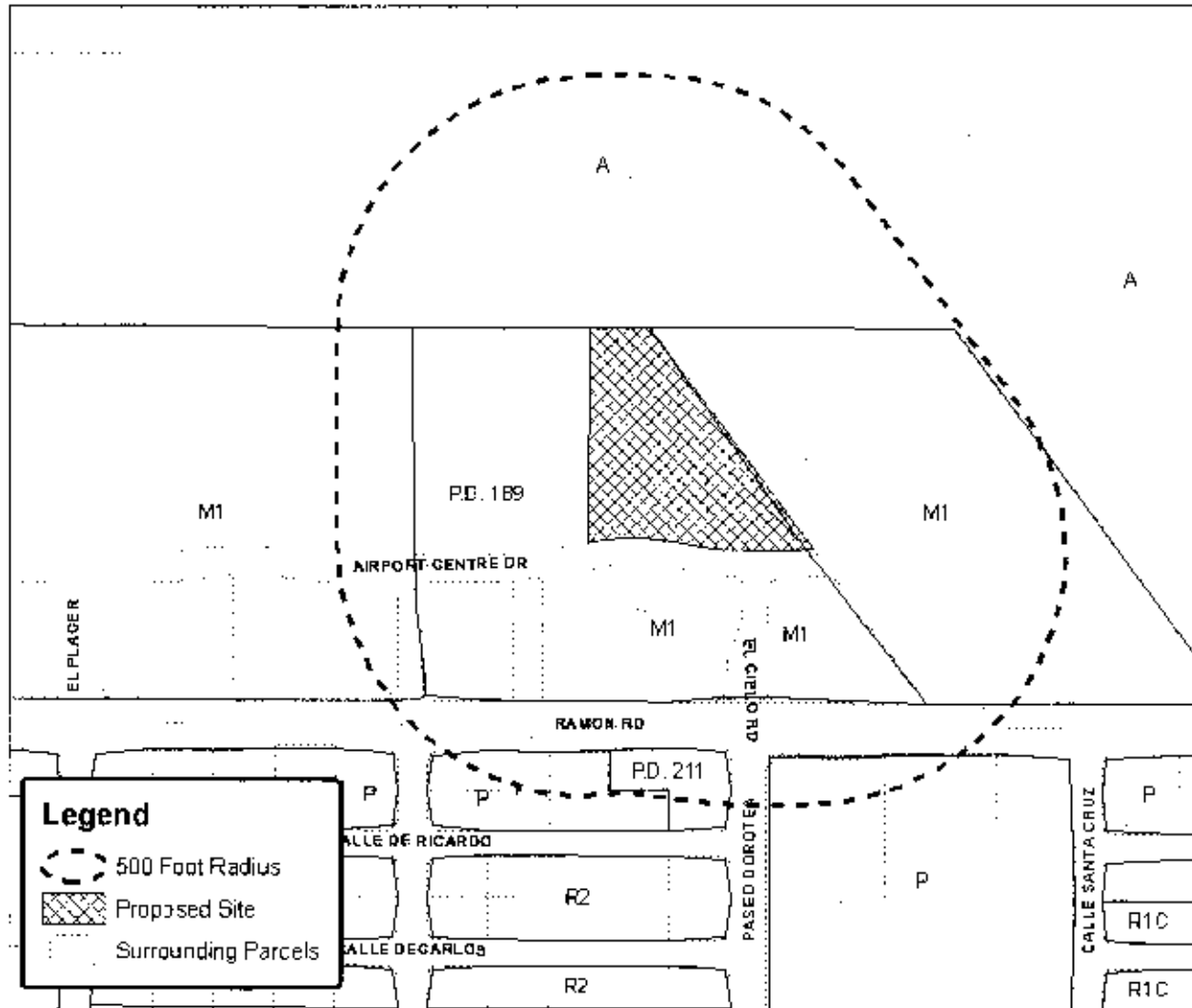
Craig A. Ewing, AICP
Director of Planning Services

ATTACHMENTS

1. Vicinity Map
2. Application including site, plans, photos and letters.



Department of Planning Services Vicinity Map



CITY OF PALM SPRINGS

CASE NO: MC 09-003

APPLICANT: CAPS Collective Apothecary

DESCRIPTION: Application for a medical cannabis cooperative/collective at 4050 Airport Center Way.

Lee 818-665-6559
Moore
605



CITY OF PALM SPRINGS
Department of Planning Services

Office Use Only

Date Submitted:	JUNE 16, 2007
Case No:	MC 09-003
Planner:	ST

**APPLICATION FOR MEDICAL CANNABIS
COOPERATIVE OR COLLECTIVE (MC)**

Please read carefully to ensure application is accurate and complete.
Inaccurate or incomplete applications may be rejected.

TO THE APPLICANT:

Your cooperation in completing this application and supplying the information requested will expedite City review of your application pursuant to local procedures. Applications submitted will not be considered complete until all submittal requirements are met.

Please submit this completed application and subsequent material to the Department of Planning Services at 3200 East Tahquitz Canyon Way, Palm Springs, CA 92262 - Phone: 760-323-8245 - Fax: 760-322-8360

Cooperative / Collective Site Address: 4050 Airport Center Dr, Suite C, Palm Springs CA 9226

Applicant's Name: Yona Mizrahi

Applicant's Signature: Yona Mizrahi

Mailing Address: 765 Cottonwood # 3

Palm Springs (Street Number and Name or P.O. Box) CA 92262
City State Zip Code

Applicant's Telephone: RES: _____ BUS: 760-864-8700 CELL: 310-279-0501

FAX: 760-864-0011 Applicant's E-Mail: CAPS215@gmail.com

(If Applicant is leasing the Cooperative / Collective Site please list the Property Owner's contact information.)

Property Owner's Name: Brad Neste

Property Owner's Mailing Address: 73-121 Fred Waring Dr., Suite 200

Palm Desert (Street Number and Name or P.O. Box) CA 92260
City State Zip Code

Property Owner's Telephone: RES: _____ BUS: 425-292-0110 CELL: 760-250-8077 FAX: 425-831-1192

Property Owner's E-Mail: Bneste@goldsgym.net

COOPERATIVE / COLLECTIVE SITE INFORMATION:

Gross Square Footage of proposed business space: 1280 SF Assessor's Parcel Number: 677-490-002

Zone: M-L Section/Township/Range: 1E1 47 S General Plan: NCC Hours of Operation: 10am to 7pm

If Cooperative / Collective is in a Multi-Tenant Building List other Businesses:

Chiropractor
Business Name
 Complete Care Physical Therapy
Business Name
 Golds Gym
Business Name
 Ultra Blends
Business Name

Business Name

Business Name

Chiropractor
Type of Business
 Assisted Living Specialists (St. D)
Type of Business
 Fitness Center
Type of Business
 Healthy Blends (St. A)
Type of Business

Type of Business

Type of Business

St. G
 (St. A)
 (St. D)

St. G's B & C 1280 1850 2130

MEDICAL CANNABIS COOPERATIVE / COLLECTIVE APPLICATION CHECK LIST

Gold's S.F.

The following items must be completed and accompany the Medical Cannabis Cooperative / Collective Application (MC). Please check off each item to ensure completeness.

	Applicant Only	City Use Only
Application & Fee:		
❖ Original completed Application & \$7,500 Deposit	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Detailed Site Plan:		
❖ 11" X 17" or 24" X 36" Site Plan and floor plan : Indicate north arrow, site address; floor plan; doors, entrances, windows, use of each area, including storage and cultivation areas; exterior lighting & security cameras; restrooms; signage & parking for the business.	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Off Street Parking requires 1 parking space for every 250 gross square feet of business space (If proposed business location is within a multi-tenant building, the site plan must show adequate parking for all businesses located on that site).	<input type="checkbox"/>	<input checked="" type="checkbox"/>
❖ An electronic file in PDF format may also be submitted on a CD (Compact Disc)	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Photographs of Existing Site:		
❖ Photographs of site showing front, back and sides of building, lighting, parking, etc.	<input type="checkbox"/>	<input checked="" type="checkbox"/>

Addendum

1. Notarized acknowledgement form from Lessor
2. Background Check Authorization Form:
3. Approval to the City Manager Verification Form
4. Written Statement of accuracy of information
5. Letter from fountain Security services
6. Letter from Protection One, Highlighting security measures
7. Letter from Key Mobile Security Specialists
8. Site plan and floor plan is attached/separated from all documents due to size
9. Photographs of site
10. Evidence of non-profit

09-003

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2009-09-03

2009-09-03

674

- 1) C.A.P.S. estimates that it will be able to serve an estimate of 3000 qualified patients. C.A.P.S. will not operate or provide any delivery service. We will start with 5 care givers and we plan to hire up to ten depending on the number of qualified patients we receive.
- 2) 4050 Airport Center, Drive Suite C, Palm Springs, California, 92264
- 3) Security Plan:
 - A.) Security cameras have been installed and are maintained in excellent condition. Security cameras are utilized in an on-going manner and record at least 120 concurrent hours of digitally recorded documentation. The cameras are in use 24 hours per day, 7 days per week. The areas covered by the security cameras include and are not limited to, the storage areas, cultivation areas, and all doors and windows. In addition to these requirements we have hired Fountain Security Services, Inc. to provide security guard service for C.A.P.S. The Security Guard Service works Monday-Friday 10am to 7pm and Sunday 10am to 5pm. Attached is a letter from Key Mobile Security Specialists which highlights security measures. Contact information for Key Mobile Security Company:
Key Mobile Inc.
Locksmith and Security Specialists
73-700 Dinah Shore Dr., #105
Palm Desert, CA 92211
 - B.) C.A.P.S. is alarmed with an alarm system that is monitored by, Protection One, a recognized security company.
 - C.) The entrance to the dispensing area and all storage areas are locked at all times and under the control of C.A.P.S. cooperative staff.
 - D.) C.A.P.S. business entrance and all window areas are illuminated during evening hours and C.A.P.S. complies with the City's lighting standards regarding fixture type, wattage, illumination levels, shielding, etc. and have secured all necessary approvals and permits as needed.
 - E.) All windows on the building that houses the cooperative or collective are appropriately secured and all marijuana is securely stored and a reliable commercial alarm system has been installed and maintained.
- 4) Background checks are required as a prerequisite to employment and no employees have been convicted of any crimes. James Aaron Martin, 1419 E. San Jacinto Way, Palm Springs, Ca 92262, Marley Benshalom, 68165 Vista Chino, Cathedral City Ca 92234, Patrick Ryan Small, 850 E Vista Chino Apt 14, Palm Springs, Ca 92262, Tracy Fleming, 69115 Ramon Rd F-1 #369, Cathedral City Ca 92234, Yona Mizrahi, 765 Cottonwood Rd. Palm Springs, Ca 92262
- 5) Brad Neste is the property owner, 73-121 Waring Drive Suite 200, Palm Desert Ca, 92260. Attached is also a notarized acknowledgement from Brad Neste, property owner, that a Medical Cannabis Cooperative will be operated on his property.
- 6) The Site location is not within 500 feet of a school, public playground, park, residentially zoned Property, child or day care facility, youth center or religious institution. It is also not within 1,000 feet of any other Medical Cannabis Cooperative or Collective. The collective/ cooperative location is M1 zone and use of the property is not retail.
- 7) Included is a signed statement authorizing the City Manager to seek verification of the information contained within the application.
- 8) Included is a document/evidence stating that C.A.P.S. is a bona fide non-profit cooperative. Evidence that C.A.P.S. follows Compassionate Use Act include, background checks on all employees, no employees have a criminal record, all patients are prescreened in order to assure they are qualified under the Compassionate Use Act. Patients must have a valid up to date prescription. The doctor is called in order to verify prescriptions. Patients must also have a California Drivers license or California Identification number to receive services.
- 9) A statement in writing is included which states that all information is true and correct.
- 10) Payment is included in this application.

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09-003

4070 Airport Center LLC

73-121 Fred Waring Drive, Suite 200,

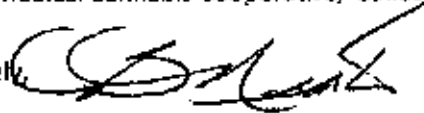
Palm Desert, Ca 92260

June 2, 2009

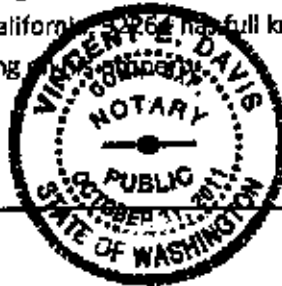
To Whom it May Concern:

This is a letter to acknowledge that the owner of the building from which CAPS is located on the stated address: 4050 Airport Center Drive, Palm Springs, California 92264 has full knowledge that a Medical Cannabis Cooperative/ Collective is operating on the property.

Sincerely,



Signature of building owner



Signature of Cooperative/ Collective Provider

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76

June 2, 2009

Background Check Authorization Form:

To Whom it May Concern:

This document authorizes the City of Palm Springs to run background checks on applicant and Associates. This document also allows the City of Palm Springs to run background checks on Future employees.

Yona Mizrahi

Signature of Cooperative/Collective Provider

09-003

June 2, 2009

Approval to the City Manager Verification Form

To Whom it May Concern:

This letter grants written approval to the City Manager to seek verification of the information contained within the application as true and accurate.

Yona Mizrahi

Signature of Authorized CAPS representative/ Cooperative/ Collective Provider

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June 2, 2009

Written Statement of accuracy of information

To Whom it May Concern:

This is a statement in writing by the applicant/ CAPS representative acknowledging that all information contained in this application is true and correct under penalty of perjury.

Yona Mierachi

Signature of Authorized CAPS representative/ Cooperative/Collective Provider

Fountain Security Services, Inc.

2930 W. Imperial Hwy. Suite

Inglewood, CA 90303

Phone 951 283-3486

Fax 909 755-5611



2/24/09

C.A.P.S

Palm Springs, CA

Re: Security Guard Service:

Dear Sir/Madam,

We at Fountain Security provide Security Guard service for C.A.P.S Monday, Tuesday, Wednesday, Thursday, Friday and Sunday the hours are from 10am to 7pm Except for Fridays these hours are from 10am to 5pm. Hours in total are 52 per week.

Sincerely

William Woodard
General Manger

09-003



Your World Is Worth Protecting®
www.ProtectionOne.com

February 25, 2009

CAPS
4050 AIRPORT CENTER DR SUITE C
PALM SPRINGS, CA 92264

Re: Account # 6937452
CAPS
4050 AIRPORT CENTER DR SUITE C
PALM SPRINGS, CA 92264

To Whom It May Concern:

This is to certify that the above named customer has an alarm system that is currently monitored by or for Protection One, Inc.

1. The type of coverage the alarm system provides is as follows: Signals are communicated to our Central Monitoring Station.
 Burglary Panic Fire Medical
2. Purchased or Leased System
 System leased (date lease expires 12/18/2013) System purchased _____
3. Type of Service Provided to Customer
 Monitoring of all signals by our Central Monitoring Station Cellular Backup
 Maintenance contract (this is available to all customers for an additional fee)
4. Areas of Protection
 Exterior Doors Glassbreak Detector Window Contacts Phone Line Tamper
 Interior Doors Motion Detector Pressure Mat Photo Electric Beams

 Emergency Battery Backup
 System will not arm unless all protected areas are secured (unless programmed otherwise)
5. Method of Alarm Signal Transmission to Central Monitoring Station
 Digital Dialer Radio Transmission Signal 2 Way Voice

Protection One, Inc. is a U.L. approved monitoring center. Our Underwriter's Laboratory identification number is 370746-002.

If you have any questions, please have the insured give us a call at 1-800-GET-HELP (1-800-438-4357)

[Handwritten Signature]
Customer Support
Protection One, Inc.

[Handwritten Stamp]
2009 FEB 25 10:33



SECURITY SPECIALISTS

February 24, 2009

To Whom It May Concern:

We are writing this letter upon request from our client, CAPS, in order to describe the security measures that we have installed for CAPS at their new office location in Palm Springs, CA. The information in this letter is to be kept completely confidential

We have installed numerous security measures for CAPS including a sophisticated camera surveillance system and DVR, Mul-T-Lock high security hardware on all exterior doors, a burglar proof safe, and security laminates for the windows.

The camera surveillance system consists of 10 (ten) burglar proof, infrared, night vision cameras and the DVR will record all office activity for 30 days. We have allocated a specific interior room to be used as a security room/area. This room is extra secure (with Mul-T-Lock hardware and window laminates) as it contains the DVR, monitor, and the large, burglar proof safe (which is bolted to the ground).

We have also installed high security Mul-T-Lock hardware on all exterior doors. This hardware is burglar resistant, pick resistant, drill resistant and bump key resistant and holds the highest possible rating for security hardware in the market place. It is the hardware used by top Israeli and U.S. government offices. We have also ensured that all doors are out swinging – which helps to further guard against potential break-ins by kicking in the doors. There are security window laminates on exterior windows as well – these security laminates are so strong that they can withstand multiple gun shots and still not be compromised.

In summation, CAPS has put in place a quality security system to help create a secure working environment.

* 00-003

Best regards,

Marco Jermy
Director

Key Mobile Inc.
Locksmith and Security Specialists
73-700 Dinah Shore Dr., #105 • Palm Desert, CA 92211
760.837.2020 (phone) 760.262.3101 (fax)
www.KeyMobileInc.com
Licensed • Bonded • Insured

301748b

**State of California
Secretary of State**



I, **DEBRA BOWEN**, Secretary of State of the State of California, hereby certify:

That the attached transcript of 3 page(s) has been compared with the record on file in this office, of which it purports to be a copy, and that it is full, true and correct.

IN WITNESS WHEREOF, I execute this certificate and affix the Great Seal of the State of California this day of

JUN 28 2007



Debra Bowen

DEBRA BOWEN
Secretary of State

ENDORSED - FILED
In the office of the Secretary of State
of the State of California

JUN 28 2007

**ARTICLES OF INCORPORATION OF
CAPS COLLECTIVE APOTHECARY, INC., A California Non-Profit Corporation**

I.
The name of this corporation shall be:
CAPS COLLECTIVE APOTHECARY, INC., A California Non-Profit Corporation.

- II.**
- A.** This corporation is a nonprofit PUBLIC BENEFIT CORPORATION and is not organized for the private gain of any person. It is organized under the Nonprofit Public Benefit Corporation Law for public and charitable purposes.
 - B.** The specific and primary purposes for which this non-profit corporation is formed are:
 1. To facilitate natural remedies for chronically ill Californians with HIV, AIDS, chronic pain, chronic spasticity, glaucoma, arthritis, cancer, migraine, wasting syndrome, and/or such other conditions for which licensed medical physicians may recommend herbal and/or other remedies.
 2. To collect, compile and conduct new research and a continuous record and history of herbal and alternative remedies and to make said records available for research, study and interpretive use.

III.
The name and address in the State of California of this corporation's initial agent for service of process is: YONA MIZRACHI, 1733 N. PALM CANYON DR., PALM SPRINGS, CA 92262.

- IV.**
This corporation shall have such powers as are necessary or convenient to enable it to carry other specific and primary purposes for which it is formed, including the power:
- A.** To acquire property of any name or nature by gift, request, purchase, lease or otherwise; to use, manage or operate all property owned by or under the control of this corporation; to dispose of property or of an interest in property owned by this corporation by gift, sale, lease or otherwise.
 - B.** To borrow money and to issue evidences of indebtedness, mortgage, deed of trust or by other means.
 - C.** To conduct its affairs in California, and in any other state of the United States, in the District of Columbia, in the territories and possessions of the United States and in foreign countries.

Notwithstanding any other provision of these Articles, the corporation shall not, except to an insubstantial degree, carry on any other activities not permitted

09-003

to be carried on (a) by a corporation exempt from Federal income tax under Section 501 (c) (3) of the Internal Revenue Code of 1954 (or the corresponding provision of any future United States Internal Revenue law) or (b) by a corporation, contributions to which are deductible under Section 170 (b) (2) of the Internal Revenue Code of 1954 (or the corresponding provision of any future United States Internal Revenue law).

V. This corporation is organized pursuant to the General Non-Profit Corporation Law (Part 1 of Division 2 of Title 1 of the Corporations Code of California).

VI. The principal office of this non-profit corporation shall be in the City of Palm Springs, and County of Riverside, at 1733 N. PALM CANYON DR., PALM SPRINGS, CA 92262.

VII. The names and addresses of the persons who are to act in the capacity of directors until the selection of their successors are as follows:
YONA MIZRACHI, 1733 N. PALM CANYON DR., PALM SPRINGS, CA 92262.

VIII. The authorized number and qualifications of the members of the corporation, the different classes of memberships, if any, the property, voting and other rights and privileges of members and their liability for dues and assessments and the method of collection thereof, shall be set forth in the by-laws.

IX. This corporation is not organized nor shall it be operated, for pecuniary gain or profit. No part of the net earnings of their nonprofit corporation shall inure to the benefit of any member or individual. No substantial part of the activities of this nonprofit corporation shall consist of the carrying on of propaganda or otherwise attempting to influence legislation, and the corporation shall not participate in or intervene in (including the publishing or distribution of statements) any political campaign on behalf of any candidate for public office.

X. In the event of the dissolution of this non-profit corporation, after its just debts and obligations have been paid or adequately provided for, its remaining assets shall be distributed exclusively to one or more funds, foundations or corporations (as determined by the last Board of Directors) exempt from Federal income tax under Section 501 (c) (3) of the Internal Revenue Code of 1954 as now in effect or as subsequently amended.

X3.
Notwithstanding any of the above statements of purposes and powers, this corporation shall not, except to an insubstantial degree, engage in any activities or exercise any powers that are not in furtherance of the specific purposes of this corporation.

IN WITNESS WHEREOF, the undersigned, being the persons herein above named as the first director, have executed these Articles of Incorporation, this June 27, 2007.

X [Signature]

YONA MIZRACHI
1733 N. PALM CANYON DR., PALM SPRINGS, CA 92262.

IN WITNESS WHEREOF, the undersigned, being the persons herein above named as director, have executed these Articles of Incorporation, which execution is their act and deed, this June 27, 2007.

X [Signature]

YONA MIZRACHI
1733 N. PALM CANYON DR., PALM SPRINGS, CA 92262.



MEDICAL CANNABIS COOPERATIVE / COLLECTIVE APPLICATION CHECK LIST

Submittal Requirements: The following information shall be submitted on white single-sided 8 1/2" x 11" paper using either MS WORD or text-readable PDF format:

	Applicant Only	City Use Only
Group Size:		
❖ Estimated number of caregivers: <u>5</u>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
❖ Estimated number of qualified patients: <u>3000</u>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
❖ Will delivery service be provided? (yes / <u>no</u>) (Circle one)	<input type="checkbox"/>	<input checked="" type="checkbox"/>
If yes, describe the extent and method of the delivery service to be provided for each qualified patient.		

Site Requirements:

Security Plan:

❖ Number of security cameras or zones with a listing of the areas covered. Confirmation that security system shall be provided with 120 hrs of digitally recorded documentation and cameras shall be in use 24 hours per day, 7 days per week.	<input type="checkbox"/>	<input checked="" type="checkbox"/>
❖ Alarm system & security camera monitoring company's contact information.	<input type="checkbox"/>	<input checked="" type="checkbox"/>
❖ Entrances, windows, and cannabis storage lighting and security methods. (Indicate lighting & security for the above mentioned on Site Plan as well as a written description.)	<input type="checkbox"/>	<input checked="" type="checkbox"/>

Cooperative / Collective staff contact & criminal background Information:

❖ Name, address, telephone number of all managers, staff, applicant and owner. Include a statement as to whether such person(s) has or have been convicted of a crime, nature of the offense and the sentence received for such conviction.	<input type="checkbox"/>	<input checked="" type="checkbox"/>
❖ Notarized acknowledgement from owner of the building that a Medical Cannabis Cooperative / Collective will be operating on his / her property.	<input type="checkbox"/>	<input checked="" type="checkbox"/>
❖ Evidence that Cooperative / Collective is organized as a bona fide non-profit comprised, exclusively and entirely, of qualified patients and the primary caregivers of those patients in strict accordance with the Compassionate Use Act.	<input type="checkbox"/>	<input checked="" type="checkbox"/>
❖ Background Check Authorization Form. (Signed document giving The City of Palm Springs authorization to run background check on applicant and associates.	<input type="checkbox"/>	<input checked="" type="checkbox"/>

4

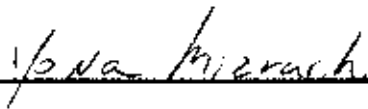
1 form

To Whom It May Concern:

I am writing this letter in order to obtain relief from new location requirements for Medical Marijuana cooperatives of Palm Springs. CAPS is currently located in a M-1 zone, which was chosen in order to meet city requirements of the time. This location was chosen specifically because it best serves the needs of our clients. Patients of CAPS all suffer from health related issues and businesses around Caps all service health related needs. It may seem that we are located in a commercial/retail center according to the guidelines definition however the surrounding businesses all work again, in health related services. Businesses in the Center include, Gold's Gym, Physical Therapy, A Chiropractor, and a site dealing with Health/protein Shakes. We feel that this site is the most logical location as surrounding businesses are synergic to each other. Each business shares common ground and many patients utilize the services of neighboring businesses.

The businesses around CAPS all target adult health related issues. Caps is working to establish a true collective which provides lecture series to our patients from Medical Doctors and Professors. In addition to these services CAPS will work to set up a therapeutic office in our center where patients can receive psychotherapy in order to come to terms with medical illness. CAPS is invested in maintaining good relationships with The City of Palm Springs and we constantly look internally to find ways to improve in order to best serve the needs of our patients.

Sincerely,



Signature of Authorized CAPS representative/ Cooperative/ Collective Provider

To whom it may concern:

09.003

Cultivation:

CAPS is a highly qualified collective and operates under the highest ethical standards in order to best serve our patients. CAPS has been developed as a true collective in its structural organization. CAPS is able to serve the community literally from the ground up. CAPS has its own cultivation area which eliminates the need to outsource for product. This creates healthier merchandise. Each plant is tested before processed into the end product in order to meet and ensure health standards. Cultivation requires knowledge and experience. CAPS staff members learned cultivation methods from experts in the field. CAPS adheres to all rules and guidelines surrounding cultivation. CAPS has knowledge and experience that other collectives lack.

Operating under the most strict guidelines:

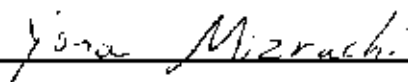
CAPS views the guidelines offered by the city as a safety net. CAPS operates under all guidelines issued by the city and sets forth its own stringent guidelines in order to eliminate any possible problems which could occur. Examples of CAPS strictness in offering care include limiting the amount of product a patient can receive per day. According to California State guidelines it is recommended to limit each patient to three ounces of medical marijuana per day. CAPS limits patients to one ounce per three days in order to avoid any possible illegal trafficking. In addition all patients are being checked thoroughly in order to ensure prescriptions are valid and current. CAPS has a "no exception" policy concerning prescription requirements. CAPS checks the prescription through the computer and then follows up with a phone call to the doctor in order to ensure the validity of all prescriptions.

Services Offered to our Patients:

CAPS offers detailed information to each patient in order for them to understand the proper use of medical cannabis. In addition the guidance is followed up with a brochure explaining proper use of medical marijuana. CAPS cooperative will be setting up a lecture series free of charge in order to ensure proper use of medical marijuana and allow patients to explore with each other their personal experiences with illness. CAPS cooperative set aside an office to be utilized for therapeutic (mental health) purposes in the future. CAPS plans to have a psychotherapist on staff in the office in order to help patients come to terms with medical illness. CAPS also has a donor relationship with another non-profit religious organization which helps people in need of food. CAPS will also have fund set aside for patients who are unable to pay for medicine. CAPS will offer a discount or offer services free of charge to very limited income patients who qualify for care.

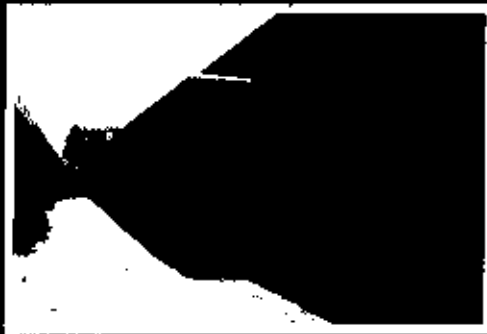
CAPS has a truly collective structural organization and we will work closely with City officials in order to maintain a good working relationship and provide the best care to our patients. All City officials are welcome at our center at any time in order to observe the ethical standards of service which CAPS prides itself in providing to the community.

Sincerely



Signature of Authorized CAPS representative/ Cooperative/ Collective Provider

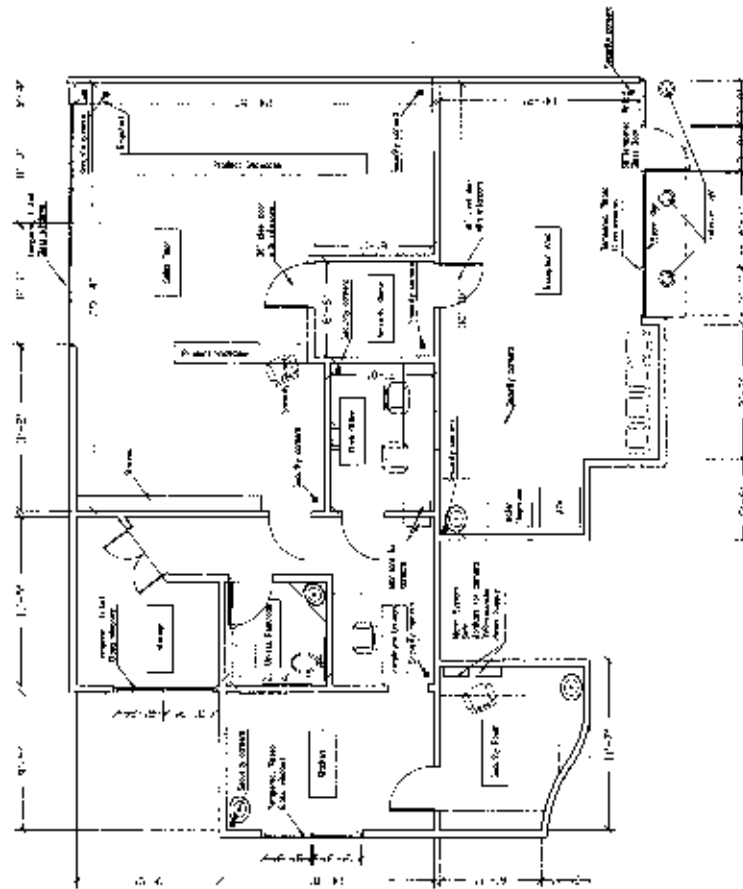
09.003



C.A.P.S

4050 Airport Center Dr #C Palm Spring, CA 92260

Zoning: M 1



Dafna Lahav Designs
 Tel: 618-929542 Cell: 310-8835515
 Fax: 1-800-883684, DafnaLahav@yahoo.com

Floor Plan

C.A.P.S
4050 Airport Center Dr #C
Palm Spring
CA 92260

REVISIONS	
NO.	DATE

Design License No. 00000
Scale: As Shown
A-1

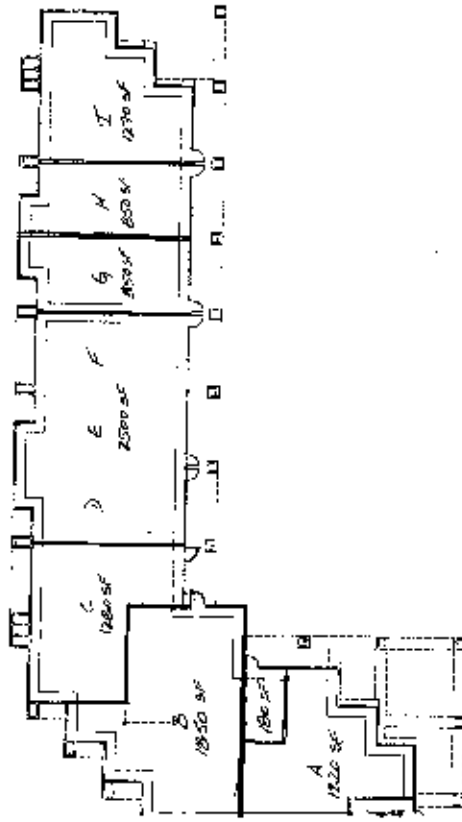
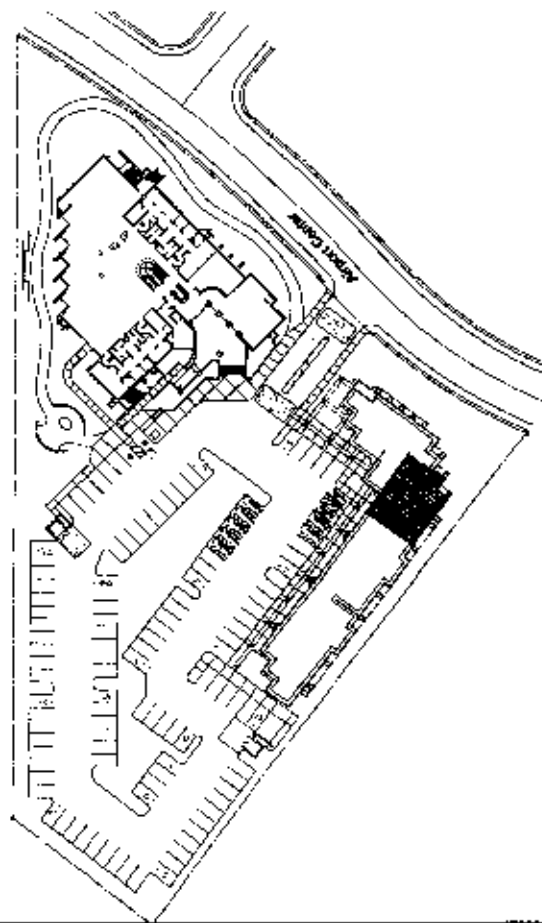
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 1/11/12
 PLANNING DEPARTMENT

Scale: 1/4" = 1'-0"

C.A.P.S

4050 Airport Center Dr #C Palm Spring, CA 92260

Zoning: M-



1	1000	1000	1000
2	2000	2000	2000
3	3000	3000	3000
4	4000	4000	4000
5	5000	5000	5000
6	6000	6000	6000
7	7000	7000	7000
8	8000	8000	8000
9	9000	9000	9000
10	10000	10000	10000

0 10 20 30

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11/28/00
11/28/00

Building Foot Print

Site Plan

Dafna Lahav Designs
Tel: 818-9219542 Cell: 310-8835515
Fax: 1-800-8813894 Dafnalahav@yahoo.com

Site Plan
Building Foot Print

C.A.P.S.
4050 Airport Center Dr #C
Palm Spring
CA 92260

REVISION	BY

DATE: 11/28/00
DRAWN BY: [Signature]
CHECKED BY: [Signature]
SCALE: AS SHOWN
A-0



Staff Report to City Manager

Date: August 7th, 2009
Case No.: 09-004 MC
Application Type: Medical Cannabis Cooperative Application
Location: 3585 Del Sol Road
Applicant: P. S. Compassionate Care
Zone: M-1 (Manufacturing)
General Plan: Mixed Use/Multi-Use
APN: 669-443-007
From: Craig A. Ewing, AICP, Director of Planning Services
Project Planner: Ken Lyon , Associate Planner

PROJECT DESCRIPTION

An application has been submitted Janice Haroon of P.S. Compassionate Care, requesting approval to operate a medical cannabis cooperative at 3585 Del Sol Road, Zone M-1 Section 34/T3/R4. Pursuant to Zoning Code Section 93.22.00(H), a report shall be prepared on the acceptability of the applicant and the suitability of the proposed location. This report describes the proposal and evaluates it against the standards and provisions of the applicable zoning provisions.

CONCLUSIONS

Following review of the application, staff has determined that the application does not conform to the following requirements of Section 93.22.00:

1. 93.22.00(C) Proposed location is within 500 feet of a residential zone.
2. 93.22.00(E) Proposed location does not have sufficient off-street parking as required by ordinance.

3. 93.22.00(H) Full background check of criminal records not yet available.

Section 93.22.00(H)(6) notes that the City Manager may determine that an application is not qualified unless "each and every requirement of this Section" (is) satisfied. Because of the non-conforming conditions noted herein, Staff is recommending that this is not a qualified application.

BACKGROUND AND SETTING

ZONING ORDINANCE:

Medical Cannabis Cooperatives are a permitted use in the C-M, M-1 and M-2 zones subject to procedural and operational requirements of PSZO Section 93.22.00. Table 2.0 outlines the requirements for establishment of Medical Cannabis Cooperatives and compares this application for conformity against those requirements. The proposed project is located in the M-1 zone and thus is located in a zone where such uses have been determined to be permissible.

The proposed site is at 3585 Del Sol. The parcel is part of a 4-parcel "business park" with 4 identical 5,000 square foot buildings and a common parking lot. The other buildings are currently not leased.

Table 2.0: Comparison of Requirements for Medical Cannabis Cooperatives against the proposed project

	Requirements for Medical Cannabis Cooperatives	Proposed Application
Application fee/deposit	\$7,500 Deposit	\$7,500 deposit submitted (conforms)
93.22.00(C) Distance to sensitive uses:	Prohibited within 500 feet.	Within 500 feet of an R-2 zoned parcel (Vista San Jacinto project at 301 Rosa Parks Road) Does not conform.
93.22.00(C) Distance to other Medical Cannabis Cooperatives	Prohibited within 1,000 feet	Conforms.
93.22.00(C) Restrictions relative to primary uses on property.	Prohibited on parcels with commercial-retail as primary use.	The primary use the subject parcel is industrial/warehouse (conforms)

93.22.00(E) Off-Street Parking Requirements:	1 space for every 250 gsf. (5,000 gsf = 20 required off-street parking spaces)	40 spaces for entire center –50 spaces required – (does not conform)
93.22.00 (G.1) Estimated number of primary caregivers or qualified patients	No minimum or maximum requirement	Approximately 500
93.22.00 (G.1) Delivery service (if provided describe extent of the delivery service)	Delivery Service not required	Delivery service is proposed.
93.22.00 (G.2) Address	As noted	3585 Del Sol
93.22.00 (G.3) Site & Floor Plans of Building including area of this business	No minimum area required.	Approximately 5,000 square feet
93.22.00 (G.4) Security Plan	Security plan is required:	As noted in attached application:
93.22.00 (G.4.a.) Security System Requirements	Security cameras w/min 120 hrs of recording. Operated 24hr/day, 7days/week covering all areas as determined by the City Manager	120 hours of concurrent digital recordings operating 24/7. (Will conform when fully installed as proposed)
93.22.00 (G.4.b) Security System Requirements	Security Alarm operated and monitored by a recognized security company	Olinn Security Services is the installer and maintenance contractor for the proposed alarm system. (Conforms)
93.22.00 (G.4.c) Control of Entrances	Entrance locked at all times and controlled by staff	Provided (see application)

93.22.00 (G.4.d) Outdoor Lighting Requirements	Windows and entrances / conform to the City's outdoor lighting ordinance.	Existing lighting at site. (Conforms)
93.22.00 (G.4.e) Windows & Marijuana Storage requirements	Windows secured, marijuana securely stored. Maintain a clear view into the premises	Windows secured. (Conforms)
93.22.00 (G.5) Contact information required	Name address of manager and employees and statement on criminal background.	Janice Haroon and one employee as noted
93.22.00 (G.6) Property Owner requirements	Name & address of Owner and lessor of property; notarized acknowledgement from bldg. owner that a MCC will be operated on his/her property	Frank Burgess Box 365 Banning, CA 92220 Acknowledgement submitted
93.22.00 (G.7) Release of Information Requirements	Authorization for City Mgr to verify information.	Provided.
93.22.00 (G.8) Proof of Business Establishment	Non-profit cooperative, in accord w/the Compassionate Use Act	Attached to application Conforms
Building Area comprising this business	No minimum required.	Approximately 5,000 square feet
93.22.00 (K.2.) Hours of Operations restricted	Between 9 am and 7 pm Monday through Saturday only	Conforms
93.22.00 (K.9, &		Separate sign application required.

10) Signage	No smoking/consuming marijuana on premises sign and name of business sign only	
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DISCUSSION OF ACCEPTABILITY OF APPLICANT AND SUITABILITY OF PROPOSED LOCATION.

As noted in the table above, this application conforms to the requirements of the Medical Cannabis ordinance except as follows:

- Not sufficient off-street parking
- Project is within 500 feet of a residential zone.
- Unable to complete background criminal activity checks

Further explanation is outlined below.

Off-street parking. Section 93.22.00(E) requires 1 parking space for every 250 square feet of collective. The building at 3585 Del Sol is an approximately 5,000 square feet, thereby requiring 20 spaces. Ten spaces are provided on site. The building is part of a 4-building "mini-business park". The 4 - 5,000 square foot buildings are each configured on separate parcels with ten parking spaces per building. The parking areas share driveway access onto Del Sol and essentially function as one combined parking lot with 40 total spaces. All parcels are owned by the same individual. The lessor has agreed in a lease addendum to allocate a total of 20 parking spaces in the subject lot. The applicant is requesting the parking conditions be evaluated under Section 93.06.00((B)(7) "Joint use of off-street parking facilities" and has submitted a letter to that effect (attached). Since the other three buildings are not currently leased, staff is unable to confirm that there will be adequate parking for all future occupants with this proposed joint use arrangement. Thus, while it appears that the present site conditions and parking lot will accommodate the proposed use as a collective, staff has concerns that once the four buildings are fully occupied, the parking lot may not be adequate to conform to the code requirements for off-street parking spaces.

Distance to sensitive uses. The proposed location is within 500 feet of a residential zone (R-2) which is on the north side of Radio Road (the Vista San Jacinto Project).

Federal criminal background data not available. Section 93.22.00 (G) requires the City Police Department to run criminal background checks on all owners and employees of the collective. The applicant has submitted a release, and has stated he has two charges (DUI and Recklessness). Staff does not believe these are misdemeanors of moral turpitude. As of the writing of this staff report, national database systems have not been able to confirm all individuals associated with this application. Staff anticipates release of this information shortly.

Other considerations. The proposed facility does not conform in its existing condition to the security requirements of the ordinance. It is Staff's opinion that some capital improvements and equipment will be required to establish the required level of security at the existing facility for the proposed use.

93.22.00 (H) BACKGROUND CRIMINAL CHECK

The Palm Springs Police Department has evaluated the information provided by the applicant and identified the following statistics and data as summarized from their June 18, 2009 memo (attached):

Live Scan electronic fingerprinting was conducted on the following persons and the following are the results of the investigation:


Status:	Name:	Findings:
Owner:	Janice Haroon	pending
Employee	Danny Sintov	pending

The Live Scan obtained information from the State of California database, but no Federal data was obtained.

ENVIRONMENTAL ASSESSMENT

Pursuant to the California Environmental Quality Act (CEQA) Guidelines, the permitting or entitlement of use by a public agency is deemed a project. This application is therefore determined to be a project under CEQA. The City has evaluated the project and determined that it is Categorical Exempt in accordance with CEQA Section 15303 "New Construction or Conversion of Small Structures".


Ken Lyon
Associate Planner

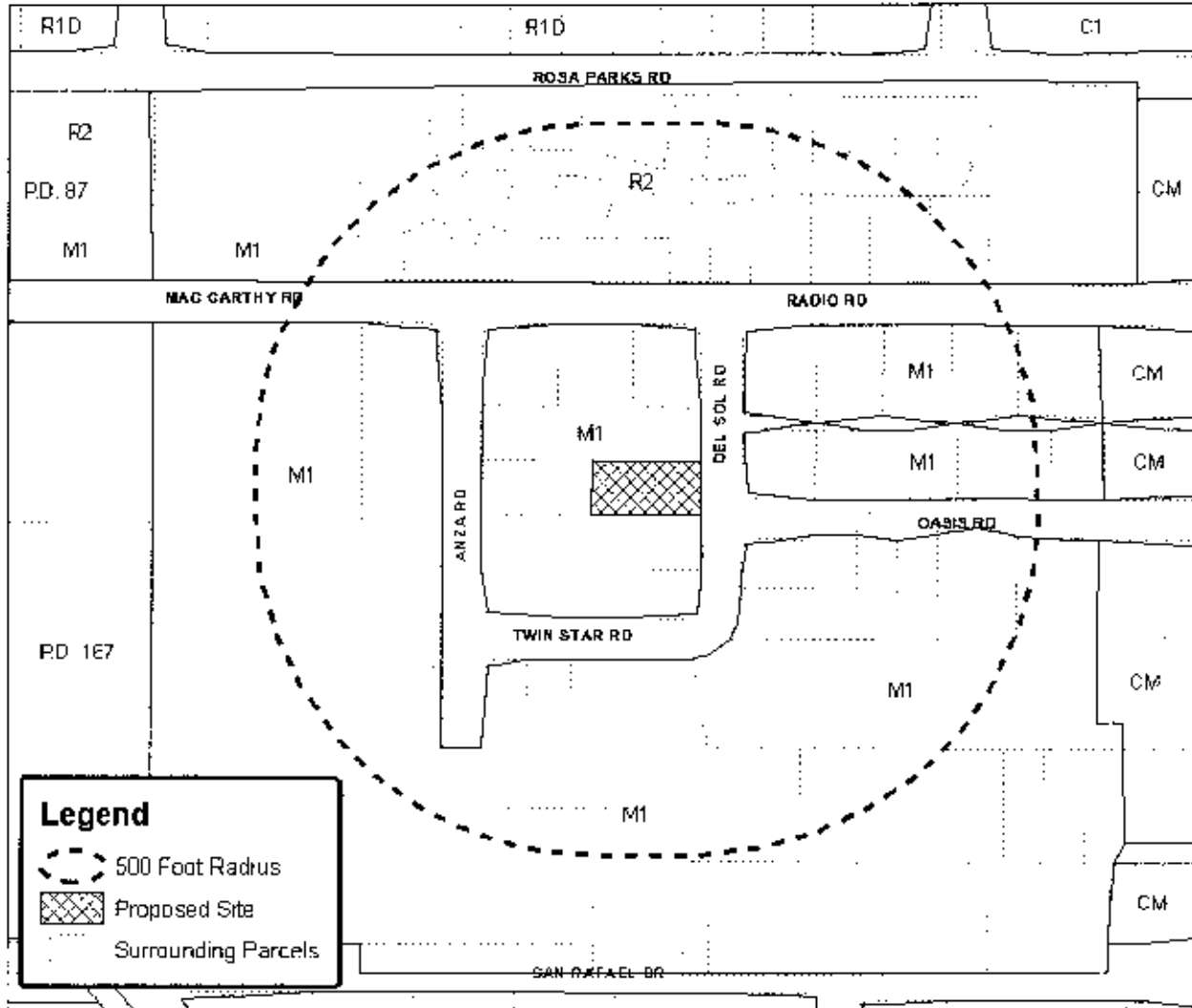

Craig A. Ewing, AICP
Director of Planning Services

ATTACHMENTS

1. Vicinity Map
2. Application including site, plans, photos and letters.



Department of Planning Services Vicinity Map



Legend

- 500 Foot Radius
- Proposed Site
- Surrounding Parcels

CITY OF PALM SPRINGS

CASE NO: MC 09-004

APPLICANT: Palm Springs
Compassionate Care

DESCRIPTION: Application for a medical cannabis cooperative/collective at 3585 Del Sol Road.



CITY OF PALM SPRINGS
Department of Planning Services

Office Use Only

Table with 2 columns: Field Name, Value. Fields: Date Submitted (6/18/09), Case No (09-004), Planner (C...)

APPLICATION FOR MEDICAL CANNABIS COOPERATIVE OR COLLECTIVE (MC)

Please read carefully to ensure application is accurate and complete. Inaccurate or incomplete applications may be rejected.

TO THE APPLICANT:

09-004

Your cooperation in completing this application and supplying the information requested will expedite City review of your application pursuant to local procedures. Applications submitted will not be considered complete until all submittal requirements are met.

Please submit this completed application and subsequent material to the Department of Planning Services at 3200 East Tahquitz Canyon Way, Palm Springs, CA 92262 - Phone: 760-323-8245 - Fax: 760-322-8360

Cooperative / Collective Site Address: 3585 Del Sol Rd, PS 92262

Applicant's Name: Janice Haroon

Applicant's Signature: Janice Haroon

Mailing Address: 10726 Woodworth Ave

Los Angeles CA (Street Number and Name or P.O. Box) 90024 (City) State Calif # (Zip Code) Janice #

Applicant's Telephone: RES 310 470 6776 BUS 310 505 3075 CELL 310 650 7879

FAX 310 441 8333 Applicant's E-Mail: toemailjanice@yahoo.com

(If Applicant is leasing the Cooperative / Collective Site please list the Property Owner's contact information.)

Property Owner's Name: Frank Burgess

Property Owner's Mailing Address: PO Box 365

Banning CA (Street Number and Name or P.O. Box) 92220 (City) State (Zip Code)

Property Owner's Telephone: RES: 760 327 4465 BUS: 760 327 9757

Property Owner's E-Mail:

COOPERATIVE / COLLECTIVE SITE INFORMATION:

Gross Square Footage of proposed business space: 5,000 sq ft Assessor's Parcel Number: 130 689-443-007

Zone: M1 Section/Township/Range: 34/9/4 General Plan: Hours of Operation: 9 AM to 7 PM

**MEDICAL CANNABIS COOPERATIVE / COLLECTIVE
APPLICATION CHECKLIST**

Submittal Requirements: The following information shall be submitted on white single-sided 8½" x 11" paper using either MS WORD or text-readable PDF format:

	Applicant Only	City Use Only
Group Size:		
❖ Estimated number of caregivers: <u>500</u>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
❖ Estimated number of qualified patients: <u>500</u>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
❖ Will delivery service be provided? <u>(yes)</u> / no (Circle one)	<input type="checkbox"/>	<input checked="" type="checkbox"/>
If yes, describe the extent and method of the delivery service to be provided for each qualified patient.		

Site Requirements:

Security Plan:

❖ Number of security cameras or zones with a listing of the areas covered. Confirmation that security system shall be provided with 120 hrs of digitally recorded documentation and cameras shall be in use 24 hours per day, 7 days per week.	<input type="checkbox"/>	<input checked="" type="checkbox"/>
❖ Alarm system & security camera monitoring company's contact information.	<input type="checkbox"/>	<input checked="" type="checkbox"/>
❖ Entrances, windows, and cannabis storage lighting and security methods. (Indicate lighting & security for the above mentioned on Site Plan as well as a written description.)	<input type="checkbox"/>	<input checked="" type="checkbox"/>

Cooperative / Collective staff contact & criminal background Information:

❖ Name, address, telephone number of all managers, staff, applicant and owner. Include a statement as to whether such person(s) has or have been convicted of a crime, nature of the offense and the sentence received for such conviction.	<input type="checkbox"/>	<input checked="" type="checkbox"/>
❖ Notarized acknowledgement from owner of the building that a Medical Cannabis Cooperative / Collective will be operating on his / her property.	<input type="checkbox"/>	<input checked="" type="checkbox"/>
❖ Evidence that Cooperative / Collective is organized as a bona fide non-profit comprised, exclusively and entirely, of qualified patients and the primary caregivers of those patients in strict accordance with the Compassionate Use Act.	<input type="checkbox"/>	<input checked="" type="checkbox"/>
❖ Background Check Authorization Form. (Signed document giving The City of Palm Springs authorization to run background check on applicant and associates.	<input type="checkbox"/>	<input checked="" type="checkbox"/>

P.S. Compassionate Care

1. P.S. Compassionate Care will have an estimated size of 500 primary care givers and/or qualified patients. Delivery serviced will be offered to prescreened members.
2. P.S. Compassionate Care 3585 Del Sol Rd. N. Palm Springs, 92262
3. Olin Security of Palm Springs has drafted with the intent to install and maintain the security mandated by the ordinance of Palm Springs No. 1758.
4. Janice Hardoon, owner PSCC
10726 Wellworth Ave
Los Angeles, CA 90024

Janice Hardoon owns KoreaTown Collective, an original 187 collective licensed by the city of Los Angeles. Since 2006, KTC has offered medical marijuana patients quality medicine and service in a safe and comfortable environment. Providing compassionate care to patients in need, KTC integrates our members into our philosophy of creating a positive community. KTC operates within the local and state guidelines of SB 420 and Proposition 215.

Danny Sintov, manager PSCC
20646 Ponta De Vista
Yorba Linda, CA 92886

Danny Sintov, a recent UCLA graduate, manages KoreaTown Collective.

Neither Janice Hardoon nor Danny Sintov has been convicted of any crimes.

5. Frank Burgess, lessor of property 3585 Del Sol Rd. Palm Springs, CA 92262
Mail to: Frank Burgess PO Box 365 Banning, CA 92220
6. Janice Hardoon authorizes the city of Palm Springs to seek verification of the information contain on this document. *Janice Hardoon*
7. PSCC operates as a collective in accordance with the Compassionate Use Act.
8. Janice Hardoon certifies under penalty of perjury that information contained in application is true and correct.
9. \$7,500 application processing fee is attached.

BURGESS PLAZA

In Specter
 Windows Specs - Jans /
 CEILING Installation &
 MECHANICAL EQUIPMENT
 DESCRIPTION IN ATTACHED
 TITLE 24 PERMITS
 12/28/03

3560 ANZA ROAD
 3540 ANZA ROAD
 3585 DEL SOL ROAD
 3591 DEL SOL ROAD
 PALM SPRINGS, CALIFORNIA 92262

SHEET INDEX	
NUMBER	DESCRIPTION
1-1	COVER SHEET
1-2	FOUNDATION PLAN
1-3	FLOOR PLAN
1-4	CEILING PLAN
1-5	MECHANICAL EQUIPMENT
1-6	WINDOW SPECIFICATIONS
1-7	MECHANICAL EQUIPMENT
1-8	MECHANICAL EQUIPMENT
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LEGAL DESCRIPTION

LOT 101 OF THE PALM SPRINGS
 TRACT, PALM SPRINGS, CALIFORNIA
 AS SHOWN ON THE PLAT OF
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 PALM SPRINGS, CALIFORNIA,
 FILED FOR RECORD IN BOOK 10,
 PAGE 10, OF THE PUBLIC
 RECORDS OF PALM SPRINGS,
 CALIFORNIA, AND THE
 PART THEREOF.

GENERAL NOTES

1. ALL WORK SHALL BE IN ACCORDANCE WITH THE LATEST EDITIONS OF THE CALIFORNIA BUILDING CODES AND ALL APPLICABLE ORDINANCES.
2. THE CONTRACTOR SHALL BE RESPONSIBLE FOR OBTAINING ALL NECESSARY PERMITS FROM THE LOCAL AGENCIES.
3. ALL MATERIALS AND WORKMANSHIP SHALL BE SUBJECT TO INSPECTION AND APPROVAL BY THE LOCAL AGENCIES.
4. THE CONTRACTOR SHALL MAINTAIN ACCESS TO ALL ADJACENT PROPERTIES AT ALL TIMES.
5. ALL UTILITIES SHALL BE PROTECTED AND MARKED PRIOR TO ANY EXCAVATION WORK.
6. THE CONTRACTOR SHALL BE RESPONSIBLE FOR THE PROTECTION OF ALL EXISTING UTILITIES AND STRUCTURES.
7. ALL WORK SHALL BE COMPLETED WITHIN THE SPECIFIED TIME FRAME.
8. THE CONTRACTOR SHALL MAINTAIN A NEAT AND SAFE WORK SITE AT ALL TIMES.
9. ALL MATERIALS SHALL BE STORED PROPERLY AND PROTECTED FROM THE ELEMENTS.
10. THE CONTRACTOR SHALL BE RESPONSIBLE FOR THE PROTECTION OF ALL ADJACENT PROPERTIES AND UTILITIES.

DESIGN LOADS

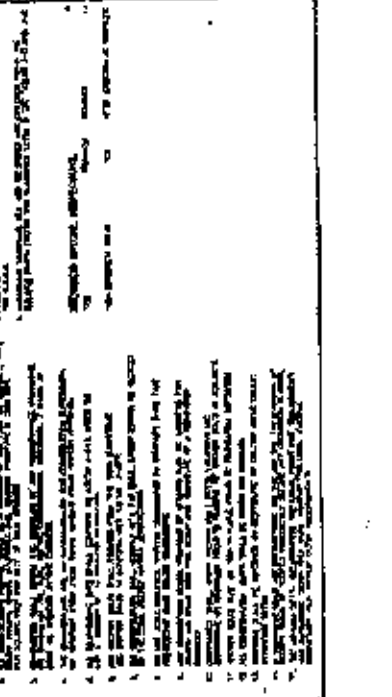
DEAD LOAD: 10 PSF
 LIVE LOAD: 40 PSF
 WIND LOAD: AS PER UBC 1997
 SEISMIC LOAD: AS PER UBC 1997

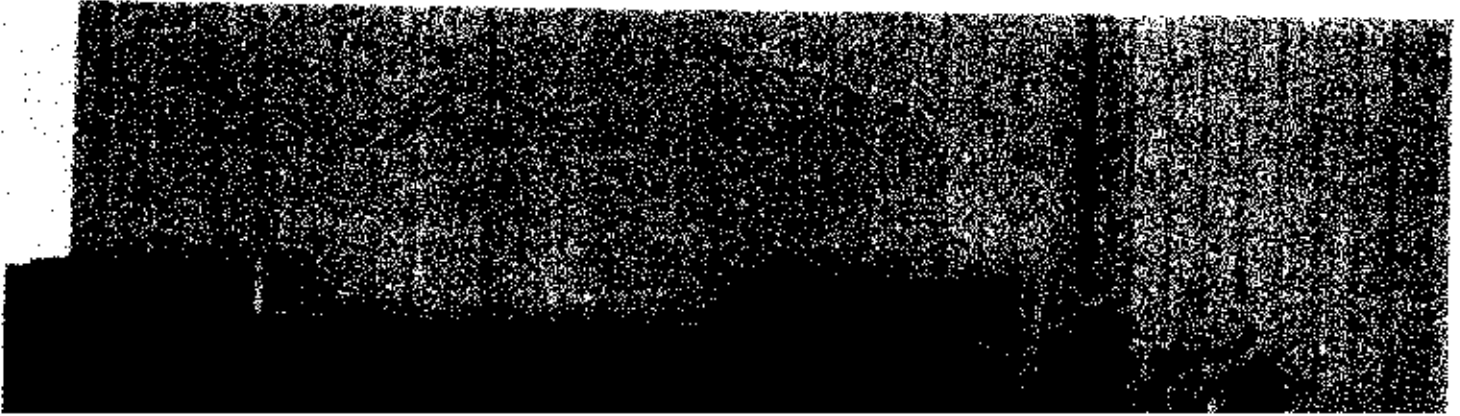
DESIGN CODES

ALL DESIGN SHALL BE IN ACCORDANCE WITH THE LATEST EDITIONS OF THE CALIFORNIA BUILDING CODES AND ALL APPLICABLE ORDINANCES.

OWNER/CONSULTANTS

OWNER: BURGESS PLAZA
 CONSULTANT: [Name]
 ADDRESS: [Address]





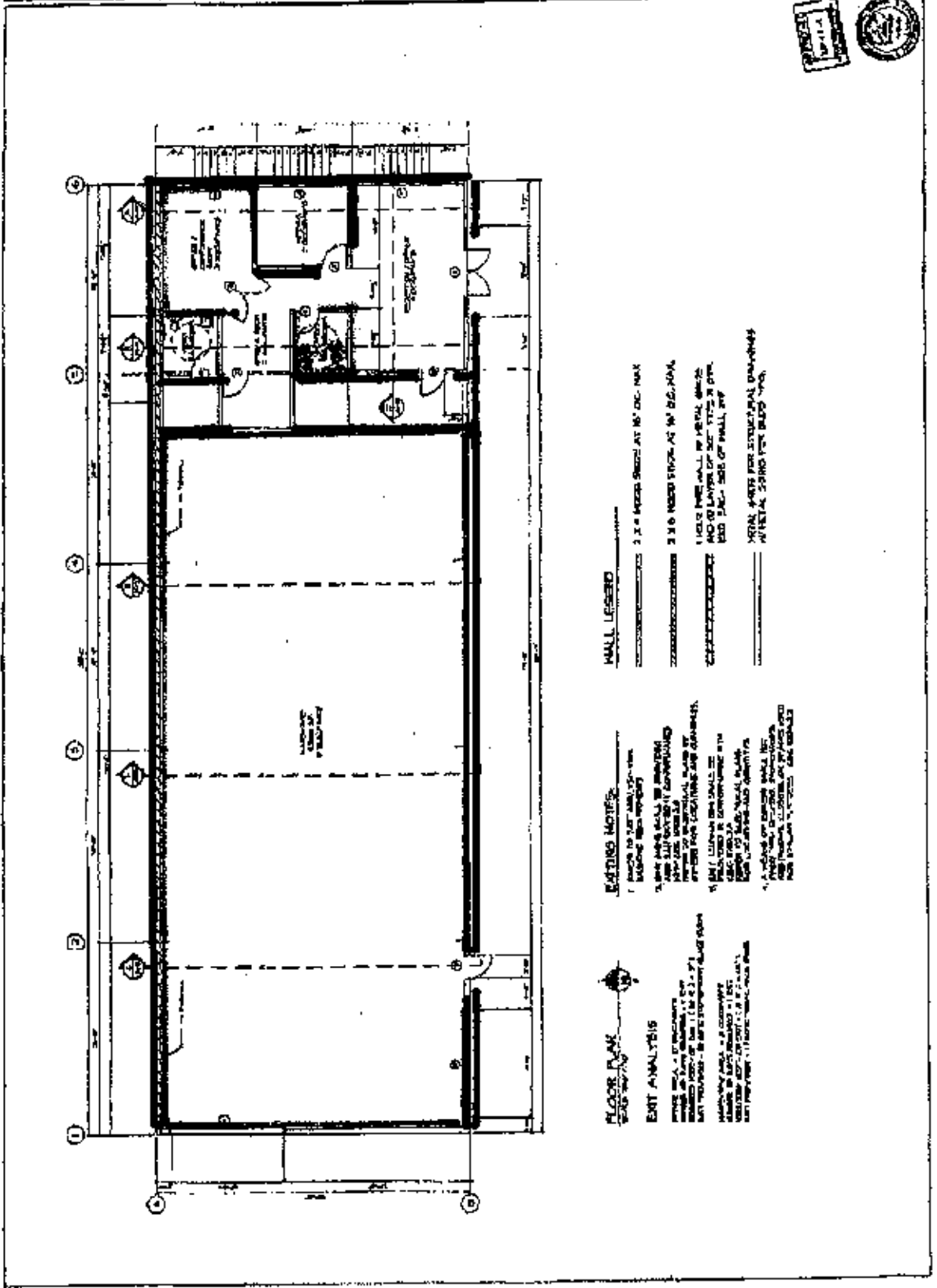
H.F. HAMMER CONSULTING CORP.
212 Engineering Services Inc.
 1850 N. 1st St., Suite 100
 Minneapolis, MN 55412
 (612) 339-8888

FLOOR PLAN
 1.00

PROJECT: [Blind]
DATE: [Blind]

REVISIONS:

NO. DESCRIPTION
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WALL LEGEND

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LEAVING NOTES:

1. CHECK FOR ALL CONC. CUR. BR. BEFORE SIGN OFF.
2. ALL WALLS SHALL BE FINISHED AND ALL OPENINGS COVERED PER PLAN. FINISHES TO BE DETERMINED BY THE ARCHITECT.
3. ALL LAYOUTS SHALL BE PER PLAN. ALL DIMENSIONS SHALL BE TO FACE UNLESS NOTED OTHERWISE.
4. ALL STRUCTURAL PARTS SHALL BE PER STRUCTURAL DRAWINGS AND PER AIAA/ASCE 10.10.1.1.2.2.1.

FLOOR PLAN
ENT ANALYSIS

THESE PLANS ARE BASED ON THE ASSUMPTIONS AND CONDITIONS LISTED BELOW. THE ARCHITECT SHALL BE RESPONSIBLE FOR THE ACCURACY OF THE INFORMATION PROVIDED.

1. ALL DIMENSIONS SHALL BE TO FACE UNLESS NOTED OTHERWISE.

2. ALL WALLS SHALL BE FINISHED AND ALL OPENINGS COVERED PER PLAN.

3. ALL LAYOUTS SHALL BE PER PLAN. ALL DIMENSIONS SHALL BE TO FACE UNLESS NOTED OTHERWISE.

4. ALL STRUCTURAL PARTS SHALL BE PER STRUCTURAL DRAWINGS AND PER AIAA/ASCE 10.10.1.1.2.2.1.





The Superior Court
METROPOLITAN COURTHOUSE
1945 SOUTH HILL STREET
LOS ANGELES, CALIFORNIA 90007-1468

GARY L. BINDMAN
COURT COMMISSIONER

TELEPHONE
(213) 744-4051

June 2, 2009

City Of Palm Springs
3200 East Tahquitz Canyon Way
Palm Springs, CA 92262


To Whom It May Concern:

Regarding the City of Palm Springs Ordinance No. 1758 I, Frank Burgess, do hereby acknowledge that I am the owner and lessor of the real property located at 3585 Del Sol Road, Palm Springs, CA.

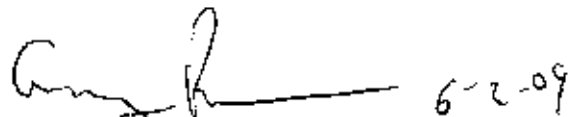
Additionally, I certify that I have leased the property to Korea Town Collective, LLC. I am aware that a Medical Cannabis Cooperative will be operated on my property.

Thank you,

Frank Burgess



Frank Burgess Date
PO Box 368
Banning, CA 92220



Gary Bindman Date
6-2-09

CALIFORNIA ALL-PURPOSE CERTIFICATE OF ACKNOWLEDGMENT

State of California

County of RIVERSIDE

On JUNE 2, 2009 before me, ERNEST J. SUSSMAN, NOTARY PUBLIC
(Here insert name and title of the officer)

personally appeared FRANK J. BURGESS

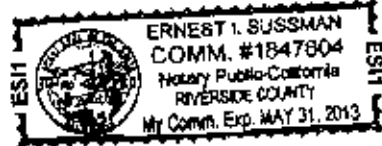
who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s),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

 (Notary Seal)



ADDITIONAL OPTIONAL INFORMATION

INSTRUCTIONS FOR COMPLETING THIS FORM

Any acknowledgment completed in California must contain verbiage exactly as appears above in the notary section or a separate acknowledgment form must be properly completed and attached to that document. The only exception is if a document is to be recorded outside of California. In such instances, any alternative acknowledgment verbiage as may be printed on such a document so long as the verbiage does not require the notary to do something that is illegal for a notary in California (i.e. certifying the authorized capacity of the signer). Please check the document carefully for proper notarial wording and attach this form if required.

- State and County information must be the State and County where the document signer(s) personally appeared before the notary public for acknowledgment.
- Date of notarization must be the date that the signer(s) personally appeared which must also be the same date the acknowledgment is completed.
- The notary public must print his or her name as it appears within his or her commission followed by a comma and then your title (notary public).
- Print the name(s) of document signer(s) who personally appear at the time of notarization.
- Indicate the correct singular or plural forms by crossing off incorrect forms (i.e. he/she/they, is/are) or circling the correct forms. Failure to correctly indicate this information may lead to rejection of document recording.
- The notary seal impression must be clear and photographically reproducible. Impression must not cover text or lines. If seal impression smudges, re-seal if a sufficient area permits, otherwise complete a different acknowledgment form.
- Signature of the notary public must match the signature on file with the office of the county clerk.
 - ✦ Additional information is not required but could help to ensure this acknowledgment is not misused or attached to a different document.
 - ✦ Indicate title or type of attached document, number of pages and date.
 - ✦ Indicate the capacity claimed by the signer. If the claimed capacity is a corporate officer, indicate the title (i.e. CEO, CFO, Secretary).
- Securely attach this document to the signed document

DESCRIPTION OF THE ATTACHED DOCUMENT	
<u>PERSONAL AFFIDAVIT FOR</u> <small>(Title or description of attached document)</small>	
<u>THE CITY OF PALM SPRINGS</u> <small>(Title or description of attached document continued)</small>	
Number of Pages <u>1</u>	Document Date _____
<small>(Additional information)</small>	

CAPACITY CLAIMED BY THE SIGNER	
<input checked="" type="checkbox"/> Individual (s)	
<input type="checkbox"/> Corporate Officer	
<small>(Title)</small>	
<input type="checkbox"/> Partner(s)	
<input type="checkbox"/> Attorney-in-Fact	
<input type="checkbox"/> Trustee(s)	
<input type="checkbox"/> Other _____	

May 23, 2009

Frank Burgess
c/o Noel F. Ramos
Lee & Associates
41-990 Cook Street, Suite 302
Palm Desert, CA 92211

LETTER OF INTENT TO LEASE

The following Letter of Intent to Lease summarizes the basic terms and conditions under which the proposed Lessee will enter into an agreement for the lease of the subject property.

Lessee

P.S.C.C., LLC (Palm Springs Compassionate Care), a California Limited Liability company.

Subject Property

3585 Del Sol Road, Palm Springs, California 92262; consisting of approximately 5,000 square feet of office/warehouse space.

Lease Rate

The lease base rent for the first year shall be \$4,000.00 per month NNN with NNN at an extra \$400.00 per month. The lease base rent shall be subject to four percent (4%) annual increases.

Tenant Improvements

Lessor accepts the subject property in "as is" condition.

Term and Commencement

The term of the lease shall be for five years (5), scheduled to commence October 1, 2009, and end on September 30, 2014. An option for one additional 5-year term shall be provided contingent on the Lessee being in compliance with the terms and conditions of the lease during the initial term.

Additional Terms of the Lease

Lessee shall forward a non-refundable deposit to the Lessor for \$1,000.00 upon acceptance of the offer letter. This deposit shall bind the Lessor from leasing the subject property to a third party, and reserving it for the Lessee's future use through October 1, 2009. If the Lessee fails to secure approval from the City of Palm Springs for the operation of a marijuana dispensary by October 1, 2009, then the Lessor and Lessee mutually agree that this immediately ends any further exclusivity for the Lessee with the subject property.

May 23, 2009

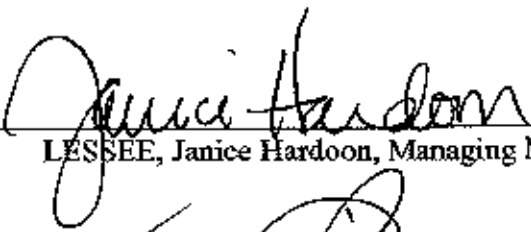
Page 2

Should the Lessee be approved to operate a marijuana dispensary prior to October 1, then Lessor and Lessee shall execute a lease agreement for the subject property in a timely manner. At the time of lease authorization, the Lessee shall provide a check payable to the landlord for \$9,400.00. This amount represents \$4,400.00 for the first month's rent paid in advance, and a \$5,000.00 security deposit.

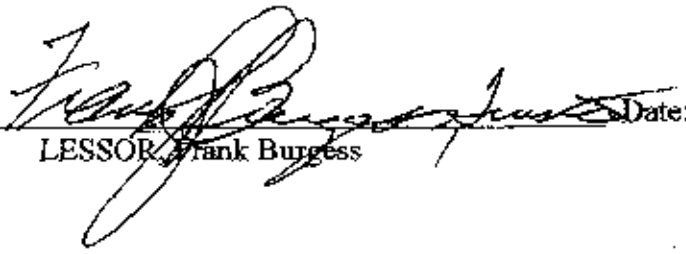
Lessee shall be allocated ten unreserved parking spaces as part of the agreement that are adjacent to the Lessee's premises.

Real Estate Brokerage Commission

Lessor shall pay Lee & Associates-Palm Desert, and Joseph O. DiPuzo Investments, a real estate brokerage commission in accordance with the Schedule of Commissions of Lee & Associates. This commission fee shall be shared equally between the two brokerage companies.

AGREED:  Date: 5-27-2009
LESSEE, Janice Haridon, Managing Member

AGREED:  Date: 5.27.2009
JOSEPH O. DIPUZO INVESTMENTS by Joseph O. DiPuzo

AGREED:  Date: 5/28/09
LESSOR, Frank Burgess

1054

KOREA TOWN COLLECTIVE LLC

3487 W 3RD ST
LOS ANGELES, CA 90020

DATE 5-27-2009 NO. 11211375220 ISSUED BY

PAY TO THE ORDER OF

Frank Burgess
One thousand

\$ 1,000.00 DOLLARS



Credit Union Bank
www.creditunionbank.com

Property 3885 Del Sol

Quant Anderson

⑆001054⑆ ⑆121137522⑆ 184604703⑆

James Verch
Insurance Broker

Order Prepared for: PSC
2085 N. Arroyo Road
N. Palm Springs, CA 92262

COMMERCIAL GENERAL LIABILITY WITH JAMES RIVER GROUP

Limits

General Aggregate \$ 1,000,000
Products and Completed Operations Aggregate Excluded
Personal & Advertising Injury \$ 1,000,000
Each Occurrence \$ 1,000,000
Damage to Premises Rented to You \$ 10,000
Medical Expense Excluded

Deductible

Auto claim deductible of \$ 1,000 applies

Minimum Earned Percent: 25% (all fees fully earned)

Premium:	\$ 1,500.00
Inspection Fee:	\$ 100.00
Processing Fee:	\$ 125.00
State Tax:	\$ 75.00
Stamp Fee:	\$ 125.00
Broker Fee:	\$ 725.00

Total: \$1557.25

This policy will include an additional Insured endorsement for the City of Palm Springs

475 Main Street, Suite 111, San Dimas, CA 91768

TEL: 909-392-1676 FAX: 909-392-3547

www.jamesverch.com

3214345

**State of California
Secretary of State**



I, **DEBRA BOWEN**, Secretary of State of the State of California, hereby certify:

That the attached transcript of 1 page(s) has been compared with the record on file in this office, of which it purports to be a copy, and that it is full, true and correct.



IN WITNESS WHEREOF, I execute this certificate and affix the Great Seal of the State of California this day of

JUN 12 2009

Debra Bowen

**DEBRA BOWEN
Secretary of State**

3214345

ENDORSED - FILED
in the office of the Secretary of State
of the State of California

JUN 11 2009

**Articles of Incorporation
of
P S Compassionate Care Inc.**

I

The name of this corporation is P S Compassionate Care Inc.

II

A. This corporation is a nonprofit Mutual Benefit Corporation organized under the Nonprofit Mutual Benefit Corporation Law. The purpose of this corporation is to engage in any lawful act or activity, other than credit union business, for which a corporation may be organized under such law.

B. The specific purpose of this corporation is to:

1. Facilitate natural remedies for chronically ill Californians with HIV, AIDS, chronic pain, chronic spasticity, glaucoma, arthritis, cancer, migraines, wasting syndrome and/or such other conditions for which licensed medical physicians may recommend herbal and/or other remedies.
2. To collect, compile and conduct new research and a continuous record and history of herbal and alternative remedies and to make said records available for re

III

The name and address in this State of this corporation's initial agent for service of process is:

Donald P. Miller, Esq.
816 North Laurel Avenue
Los Angeles, California 90046-6922




IV

Notwithstanding any of the above statements of purposes and powers, this corporation shall not, except to an insubstantial degree, engage in any activities or exercise any powers that are not in furtherance of the specific purposes of this corporation.

Dated: Los Angeles, California
June 11, 2009

[Handwritten Signature]
Donald P. Miller, Incorporator

114

 **IRS** DEPARTMENT OF THE TREASURY
INTERNAL REVENUE SERVICE
CINCINNATI OH 45999-0023

Date of this notice: 06-12-2009

Employer Identification Number:
27-0359421

Form: SS-4

Number of this notice: CP 575 E

P S COMPASSIONATE CARE INC
† JANICE HARDOON
16726 WELLWORTH AVENUE
LOS ANGELES, CA 90024

For assistance you may call us at:
1-800-829-4933

IF YOU WRITE, ATTACH THE
STUB AT THE END OF THIS NOTICE.

WE ASSIGNED YOU AN EMPLOYER IDENTIFICATION NUMBER

Thank you for applying for an Employer Identification Number (EIN). We assigned you EIN 27-0359421. This EIN will identify you, your business accounts, tax returns, and documents, even if you have no employees. Please keep this notice in your permanent records.

When filing tax documents, payments, and related correspondence, it is very important that you use your EIN and complete name and address exactly as shown above. Any variation may cause a delay in processing, result in incorrect information in your account, or even cause you to be assigned more than one EIN. If the information is not correct as shown above, please make the correction using the attached tear off stub and return it to us.

Assigning an EIN does not grant tax-exempt status to non-profit organizations. Publication 557, *Tax Exempt Status for Your Organization*, has details on the application process, as well as information on returns you may need to file. To apply for formal recognition of tax-exempt status, most organizations will need to complete either Form 1023, *Application for Recognition of Exemption Under Section 501(c)(3) of the Internal Revenue Code*, or Form 1024, *Application for Recognition of Exemption Under Section 501(a)*. Submit the completed form, all applicable attachments, and the required user fee to:

Internal Revenue Service
PO Box 192
Covington, KY 41012-0192

The Pension Protection Act of 2006 contains numerous changes to the tax law provisions affecting tax-exempt organizations, including an annual electronic notification requirement (Form 990-N) for organizations not required to file an annual information return (Form 990 or Form 990-EZ). Additionally, if you are required to file an annual information return, you may be required to file it electronically. Please refer to the Charities & Non-Profits page at www.irs.gov for the most current information on your filing requirements and on provisions of the Pension Protection Act of 2006 that may affect you.

To obtain tax forms and publications, including those referenced in this notice, visit our Web site at www.irs.gov. If you do not have access to the Internet, call 1-800-829-3676 (TTY/TDD 1-800-829-4059) or visit your local IRS office.

7/13/09

Mr. David Ready,

P.S. CC is requesting parking credit for 10 additional off-street adjacent spaces pursuant to Zoning Code Chapter 93, Section 93.06.00, B. (General Provisions), 7. (Joint Use of Off-Street Parking Facilities), d. (Lease Agreement). Please make reference to the attached Lease Addendum, signed by the landlord of 3585 Del Sol Road and 3591 Del Sol Road, which specifies the specific spaces and the hours of use.

P.S. CC is satisfied the 10 spaces allocated to 3585 Del Sol Road will be sufficient to handle the expected number of patients. However to satisfy the parking code requirements of Ordinance 1758, P.S. CC is requesting the additional 10 spaces.

P.S. CC will be open Monday thru Saturday from 9:00am to 7:00 pm. There will be no conflict in the principal hours or periods of peak demand of the structures or uses because the adjacent property is vacant (and has been continually vacant since construction was completed). The two addresses front each other and are within 300 feet (actually within 50 feet).

P.S. CC is planning on having on site during all business hours both security personnel and a parking attendant. All parking will be managed inside security gates. The address P.S. CC would be sharing parking space with has 4000 sq feet of warehouse and 1000 sq feet of office space, and loading docks on the side of the building. Even if rented at some future date, they will most likely not need all of their parking spaces.

Addendum to LOI dated May 28, 2009 for property located at 3585 Del Sol Road, Palm Springs, CA. 92262

Lessee shall be allocated 10 additional parking spaces adjacent to the subject property pursuant to zoning code 93.06.00 section 7 sub section (c).


Frank Burgess

Date:

7/13/09

09-004

69-004



The Superior Court

METROPOLITAN COURTHOUSE

1945 SOUTH HILL STREET

LOS ANGELES, CALIFORNIA 90007-1466

TELEPHONE
(213) 744-4051

GARY L. BINDMAN *Ret.*
COURT COMMISSIONER

Ken,

Included in this packet are the site plans (two views), a signed addendum by the landlord providing 3585 Del Sol Road the requested 20 parking spaces, a certificate of occupancy, and finally, the written proposal by Olinn Security describing security and surveillance for the property.

Regarding the parking, we are not sure what options would work best for the city in how to physically park the cars, but as you can see from the diagram (or you will see in person when you visit the property), there are many options for us to satisfy any requirements the city might ask for. The main advantage of the property is that there is the available off-street parking. P.S. CC is prepared to actually have a parking attendant on site, if that would help satisfy any concerns the city might have.

Also, please note the security proposal can also be made more specific if necessary, but it appears to me at least, to be very comprehensive.

I hope you will continue to notify us if in any way if P.S. CC still deserves an 'incomplete' letter. For us, your notifications are a road map to 'completion', so we thank you again.

Gary

09-034 inc.

July 10, 2009

Mr. Gary Bindman
Palm Springs Compassionate Care
3585 Del Sol
Palm Springs, CA

Dear Mr. Bindman,

As per the City's specifications:

The Security (Burglar) Alarm System will include the following, at minimum:

- One Control/Communicator (Partitioned; or two independent)
- Three Security Alarm Keypads
- Three Sounding Devices - one in the Office, one in the Warehouse and one Outside
- Each perimeter Door, including the Overhead Warehouse Doors will be equipped with Alarm Contacts.
- The Storage Area will be equipped with Alarm Contacts on the Storage Doors.
- The Doors that separate the Office from the Warehouse will be equipped with Alarm Contacts.
- Motion Detectors will be installed in the Office. These Motion Detectors will provide intrusion detection for the Windows and the Front Entry Door.
- Motion Detectors will also be installed in the Warehouse. They will be installed at various points within the Warehouse so that optimal Detection will be achieved. These Detectors will swathe the perimeter doors, the Interior Doors from the Office, and the Skylights.
- The Alarm System will be connected to a telephone line for Communication to the O'Linn Central Station. *This System can be equipped with a wireless telephone backup, if needed.*
- Magnetic Locks are proposed for the Front Door, the Interior Doors (*Office to Warehouse*) and the Perimeter Door leading from the Warehouse to the outside. Keypads will be used to shunt the Alarm Contact on the respective door and the Magnetic Lock temporarily released so that authorized individuals can pass.

The Camera Surveillance System will include, at minimum:

- One 16 Channel PC-Based Surveillance System (*Larger if necessary*), which will include 2000GB of Storage. This will ensure in excess of 120 concurrent hours of Digitally Recorded Documentation. The System will also be capable of remote viewing - Offsite Office, Police Department, Alarm Central Station, etc.
- The System will include Real-Time Display and Record.
- High Resolution, Day & Night Cameras featuring 580 tv lines of resolution will be used. These cameras will be positioned inside the facility and outside of the facility.
- All perimeter doors and windows will be viewed. Both sides of the interior doors between the Office and Warehouse will also be equipped with cameras.
- Monitors will also be mounted on either side of the doors separating the Warehouse and the Office so that people can be recognized/identified before opening the respective doors.
- Within the Warehouse, cameras will be installed to view the Cultivation Areas and the Storage Area.

Mr. Bindman, the Systems proposed are subject to modification and will be modified to meet your specific needs and the specifications of the City.

Should you have any questions, please call.

Thank you for your consideration.

Best regards,

Richard O'Linn

CERTIFICATE OF OCCUPANCY - CITY OF PALM SPRINGS



This is to certify that the building or tenant space, hereby described, has been inspected. The following occupancy group and type of construction is authorized:

ADDRESS OF PROPERTY: 3585 Del Sol Road

OCCUPANCY GROUP: S1/B TYPE OF CONSTRUCTION VN sprinkled

BUSINESS NAME: Burgess Family Trust

BUSINESS TYPE: warehouse

NUMBER OF UNITS 1 OCCUPANT LOAD:

LEGAL DESCRIPTION OR APN OF PROPERTY: 669-443-007

BLDG PERMIT NUMBER & DATE ISSUED: C12350 - 5/4/05

TENANT OR OWNER OF PROPERTY: Frank Burgess

MAILING ADDRESS: PO Box 54, Banning, CA 92220

[Signature]
Building Official

[Signature]
Authorized Signature - Raul Licon

Date: 5/23/2007

Title: Building Inspector

THIS CERTIFICATE MUST BE POSTED AND PERMANENTLY MAINTAINED IN A CONSPICUOUS PLACE

09-004

FRANK J. BURGESS
2021 W. Wilson Street
P.O. Box 54 • Banning, CA 92220

Addendum to LOI dated May 28, 2009 for property located at
3585 Del Sol Road, Palm Springs, CA 92262

Lessee shall be allocated the use of 20 parking spaces
adjacent to the subject property, as needed.



Frank Burgess

Date: 7/10/09

July 10, 2009

09-004

Mr. Gary Bindman
Palm Springs Compassionate Care
3585 Del Sol
Palm Springs, CA

Dear Mr. Bindman,

As per the City's specifications:

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of the interior doors between the Office and Warehouse will also be equipped with cameras.

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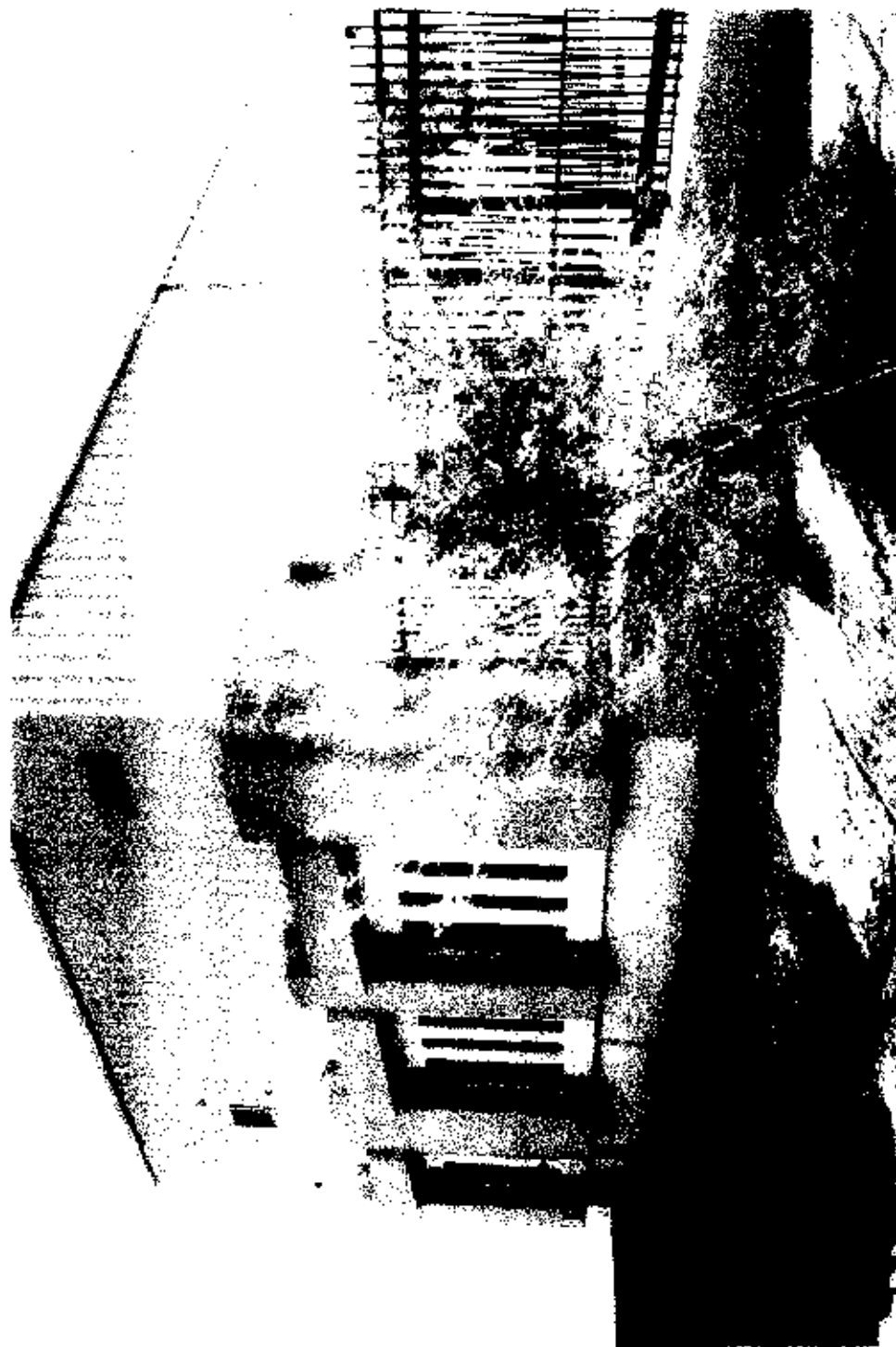
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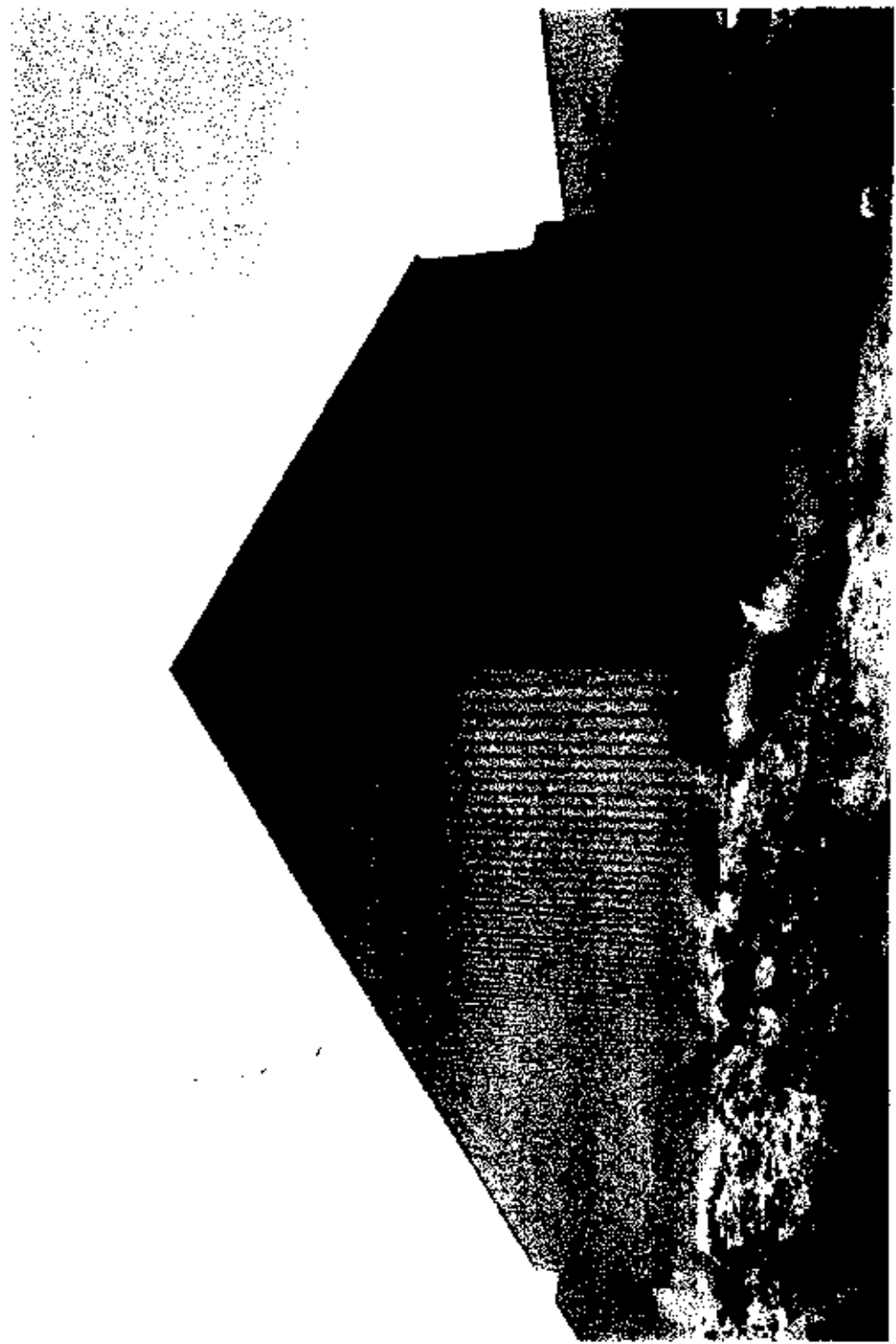
Should you have any questions, please call.

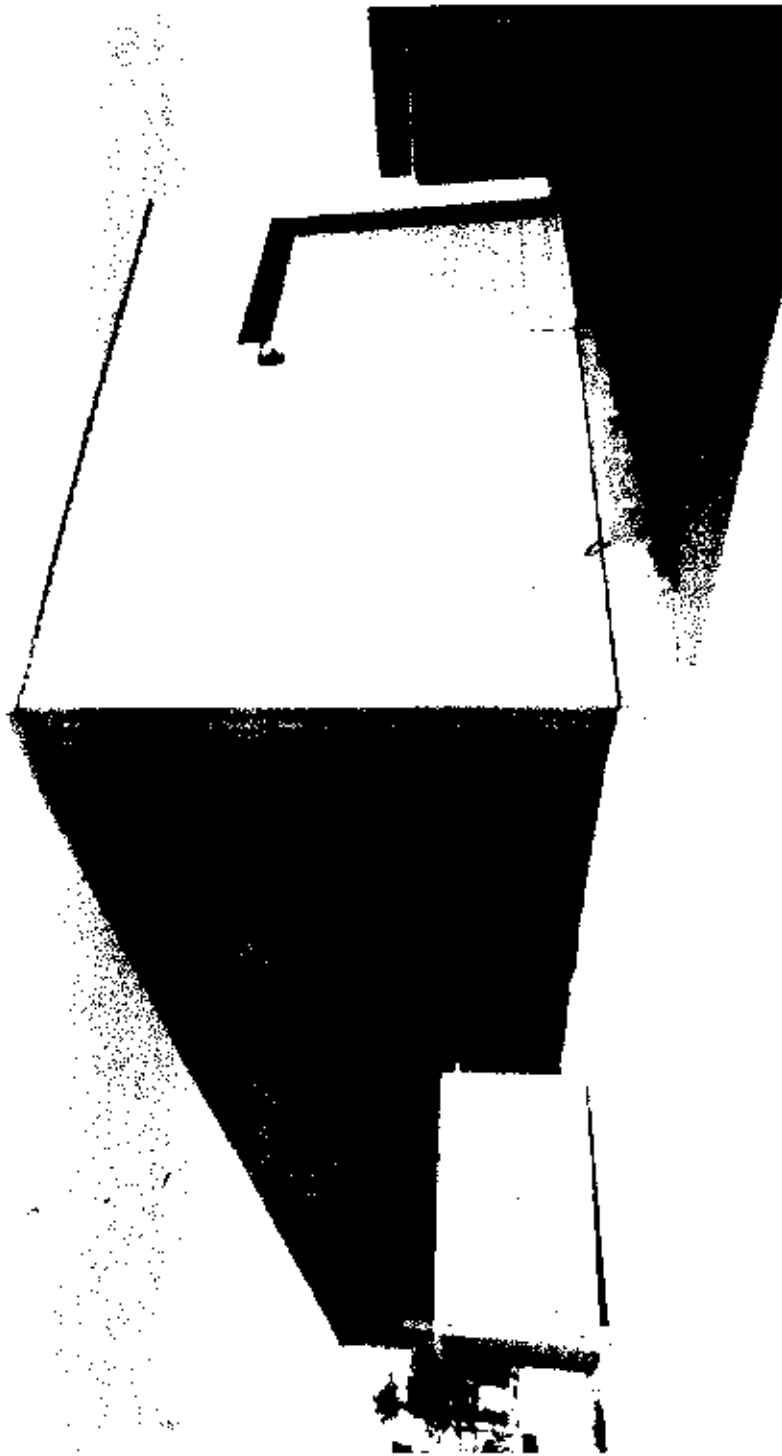
Thank you for your consideration.

Best regards,

Richard O'Linn

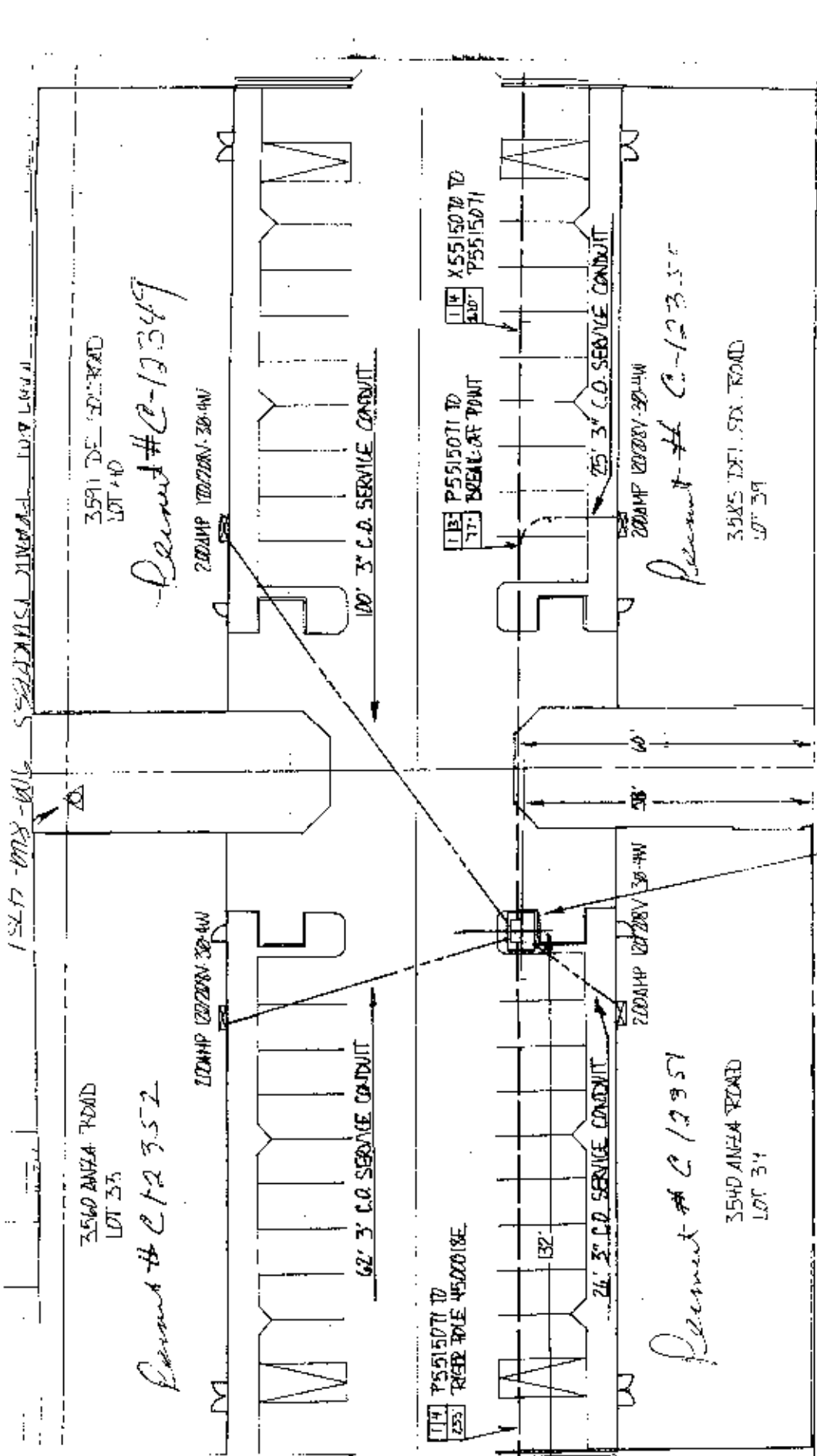








04-004



3560 ANHEA ROAD
LOT 33

Permit # C-12352

62' 3" C.O. SERVICE CONDUIT

200AMP 120/208V 3Ø-4W

3591 DELAWARE ROAD
LOT 35

Permit # C-12349

100' 3" C.O. SERVICE CONDUIT

200AMP 120/208V 3Ø-4W

3540 ANHEA ROAD
LOT 34

Permit # C-12351

24' 3" C.O. SERVICE CONDUIT

200AMP 120/208V 3Ø-4W

114 P5515071 TO
253 TRIP POLE 4500018E

132'

114 P5515071 TO
253 BREAK-OUT POINT

114 X5515070 TO
253 P5515071

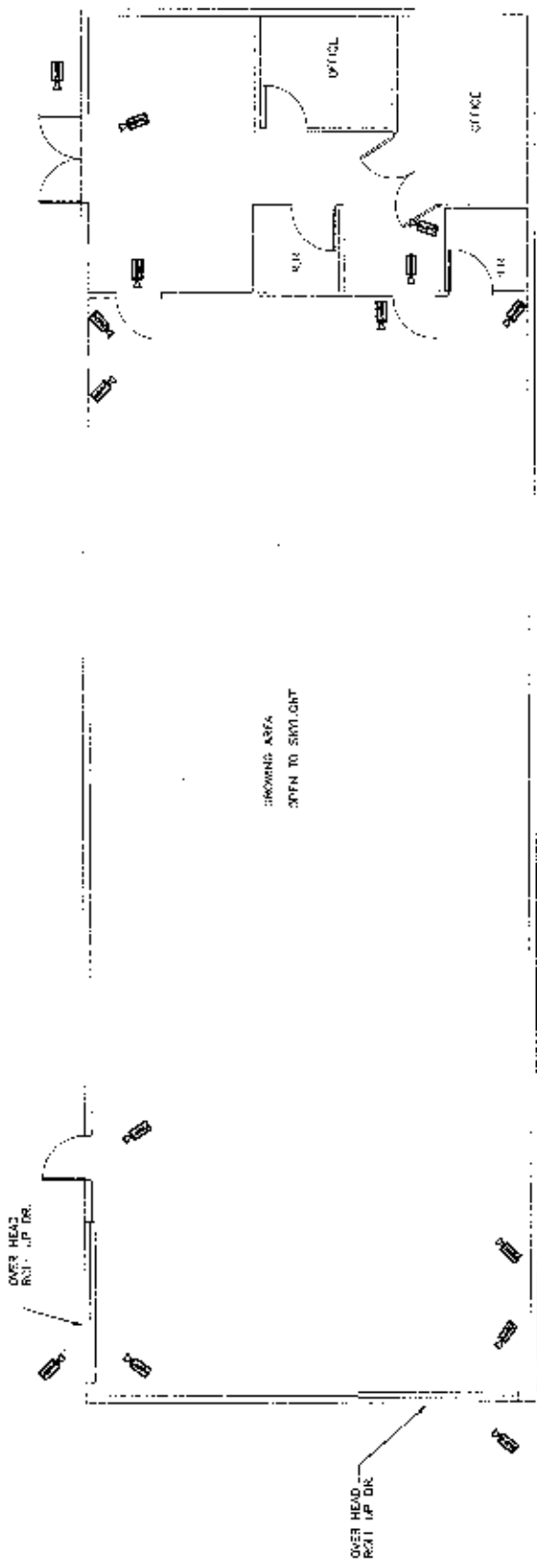
75' 3" C.O. SERVICE CONDUIT

200AMP 120/208V 3Ø-4W

3585 DELAWARE ROAD
LOT 39

Permit # C-12350

SECURITY CAMERA PLAN



FLOOR PLAN
6/20/01 11:45

RECEIVED
6/20/01 11:45

CR 104

104

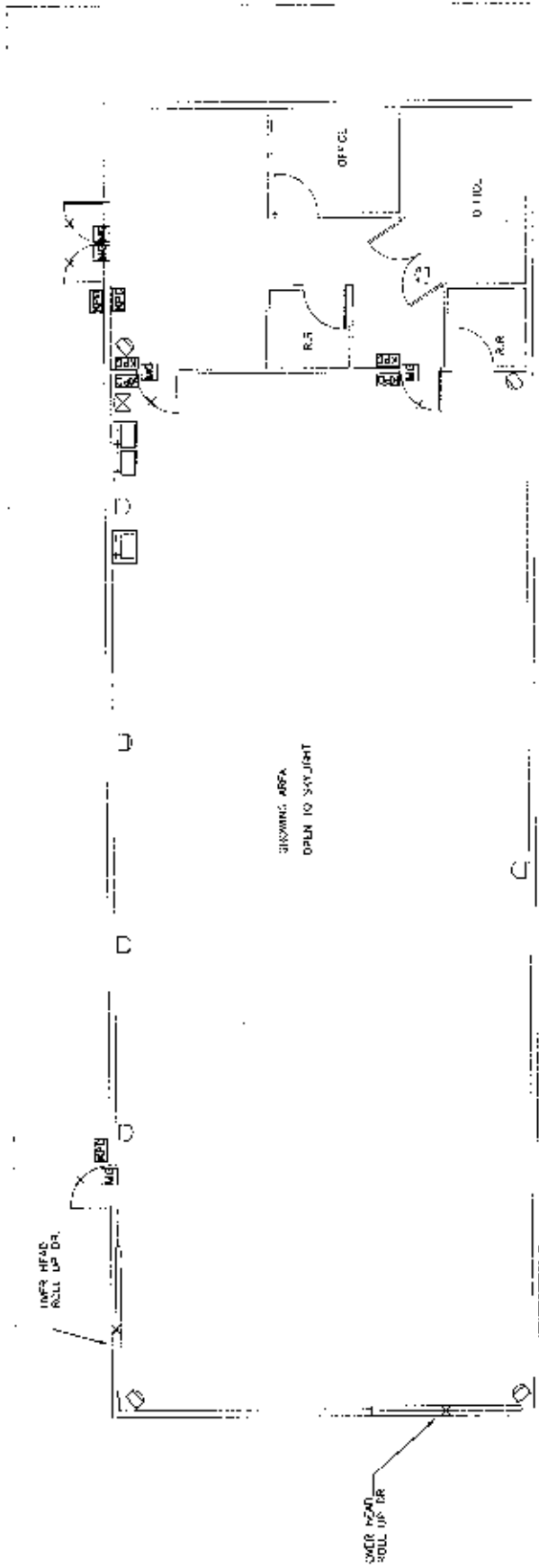
NO.	DESCRIPTION	DATE

O'Lin Executive Security Alarm
1025 S. Palm Canyon Rd.
Palm Springs, CA 92262
TEL: 760.320.5100 C/O LEM B02459

3585 DEL SOL ROAD
PALM SPRINGS, CA 92262

NO.	DATE	DESCRIPTION

SECURITY ACCESS PLAN



FLOOR PLAN
DATE: 10/1/88

LEGEND

	24V INBUCK POWER SUPPLY
	POWER SUPPLY FOR MOTION SENSING AREA
	DOOR CONTACT
	CIR
	WIRE W/ ALARM PANEL
	WIRE W/ ALARM
	WIRE W/ ALARM

RECEIVED
10/1/88
10:00 AM

O'Linm Executive Security Alarm
1025 S. Palm Canyon Rd.
Palm Springs, CA 92262
TEL: 760.230.9300 C10 LK# 602493

3585 DEL SOL ROAD
PALM SPRINGS, CA 92262

PA-1
08/11/08

005



Staff Report to City Manager

Date: August 7th, 2009

Case No.: 09-005 MC

Application Type: Medical Cannabis Cooperative Application

Location: 823 Williams Place

Applicant: James Villegas for Greenway Nature Care Foundation

Zone: M-1 (Manufacturing)

General Plan: Industrial

APN: 680-160-016

From: Craig A. Ewing, AICP, Director of Planning Services

Project Planner: Ken Lyon , Associate Planner

PROJECT DESCRIPTION

An application has been submitted by James Villegas of Greenway Nature Care Foundation requesting approval to operate a medical cannabis cooperative at 823 Williams Place, Zone M-1 Section 19/T4/R5. Pursuant to Zoning Code Section 93.22.00(H), a report shall be prepared on the acceptability of the applicant and the suitability of the proposed location. This report describes the proposal and evaluates it against the standards and provisions of the applicable zoning provisions.

CONCLUSIONS

Following review of the application, staff has determined that the application does not conform to the following requirements of Section 93.22.00:

1. 93.22.00(C) The proposed site is within 500 feet of a sensitive use (religious institution).
2. 93.22.00(H) Full background check of criminal records not yet available.

Section 93.22.00(H)(6) notes that the City Manager may determine that an application is not qualified unless "each and every requirement of this Section" (is) satisfied. Based on the non-conforming conditions noted above, Staff is recommending that this is not a qualified application.

BACKGROUND AND SETTING

ZONING ORDINANCE:

Medical Cannabis Cooperatives are a permitted use in the C-M, M-1 and M-2 zones subject to procedural and operational requirements of PSZO Section 93.22.00. Table 2.0 outlines the requirements for establishment of Medical Cannabis Cooperatives and compares this application for conformity against those requirements. The proposed project is located in the M-1 zone and thus is located in a zone where such uses have been determined to be permissible.

Table 2.0: Comparison of Requirements for Medical Cannabis Cooperatives against the proposed project

	Requirements for Medical Cannabis Cooperatives	Proposed Application
Application fee/deposit	\$7,500 Deposit	\$7,500 deposit submitted (conforms)
93.22.00(C) Distance to sensitive uses:	Prohibited within 500 feet.	A religious institution is within 500 feet of the proposed business location Does not conform.
93.22.00(C) Distance to other Medical Cannabis Cooperatives	Prohibited within 1,000 feet	Conforms.
Restrictions relative to primary uses on property.	Prohibited on parcels with commercial-retail as primary use.	Primary use of subject parcel is warehouse. (Conforms)
93.22.00(E) Off-Street Parking Requirements:	1 space for every 250 gsf. (800 gsf = 3 required off-street parking spaces)	21 existing spaces on site; (conforms)
93.22.00 (G.1) Estimated number	No minimum or maximum requirement	Approximately 50 persons.

of primary caregivers or qualified patients		
93.22.00 (G.1) Delivery service (if provided describe extent of the delivery service)	Delivery Service not required	Delivery Service will not be offered
93.22.00 (G.2) Address	As noted	823 Williams Road
93.22.00 (G.3) Site & Floor Plans of Building including area comprising this business	No minimum area required.	Approximately 800 square feet
93.22.00 (G.4) Security Plan	Security plan is required.	As noted in attached application:
93.22.00 (G.4.a.) Security System Requirements	Security cameras w/min 120 hrs of recording. Operated 24hr/day, 7days/week covering all areas as determined by the City Manager	120 hours of concurrent digital recordings operating 24/7. (Will conform once system is fully installed and operational)
93.22.00 (G.4.b) Security System Requirements	Security Alarm operated and monitored by a recognized security company	Ventrio Corporation: installer and maintenance contractor. (will conform when installed as proposed)
93.22.00 (G.4.c) Control of Entrances	Entrance locked at all times and controlled by staff	Provided (see application)
93.22.00 (G.4.d) Outdoor Lighting Requirements	Windows and entrances / conform to the City's outdoor lighting ordinance.	Existing lighting at site. (Conforms)

93.22.00 (G.4.e) Windows & Marijuana Storage requirements	Windows secured, marijuana securely stored. Maintain a clear view into the premises	Windows secured. (Conforms)
93.22.00 (G.5) Contact information required	Name address of manager and employees and statement on criminal background.	Provided
93.22.00 (G.6) Property Owner requirements	Name & address of Owner and lessor of property; notarized acknowledgement from bldg. owner that a MCC will be operated on his/her property	Provided.
93.22.00 (G.7) Release of Information Requirements	Authorization for City Mgr to verify information.	Provided.
93.22.00 (G.8) Proof of Business Establishment	Non-profit cooperative, in accord w/the Compassionate Use Act	Attached to application Conforms
Building Area comprising this business	No minimum required.	Approximately 800 square feet
93.22.00 (K.2.) Hours of Operations restricted	Between 9 am and 7 pm Monday through Saturday only	Conforms
93.22.00 (K.9, & 10) Signage	No smoking/consuming marijuana on premises sign and name of business sign only	Separate sign application required.

DISCUSSION OF ACCEPTABILITY OF APPLICANT AND SUITABILITY OF PROPOSED LOCATION.

As noted in the table above, this application does not conform to the following requirements of the Medical Cannabis ordinance:

- Distances to sensitive uses
- Unable to complete background criminal activity checks

Further explanation of each nonconforming condition is outlined below.

Distance to sensitive uses. Section 93.22.00(C) requires medical cannabis cooperatives to be not closer than 500 feet to sensitive uses (for example religious institutions, parks and day care centers). The proposed cooperative at 823 Williams Place is within 500 feet of a religious institution (New Life Tabernacle and New Harvest Christian Fellowship Church).

Federal criminal background data not available. Section 93.22.00 (G) requires the City Police Department to run criminal background checks on all owners and employees of the collective. The applicant has submitted a release, however as of the writing of this staff report, national database systems have not been able to confirm all individuals associated with this application. Staff anticipates release of this information shortly.

Other considerations. The proposed facility does not conform in its existing condition to the security requirements of the ordinance. It is Staff's opinion that some capital improvements and equipment will be required to establish the required level of security at the existing facility for the proposed use.

93.22.00 (H) BACKGROUND CRIMINAL CHECK

The Palm Springs Police Department has evaluated the information provided by the applicant and identified the following statistics and data as summarized from their June 18, 2009 memo (attached):

Live Scan electronic fingerprinting was conducted on the following persons and the following are the results of the investigation:

<u>Status:</u>	<u>Name:</u>	<u>Findings:</u>
Owner:	James Villegas	pending
Employee	Irene Huang	pending
Employee	Wei-lin Hsu	pending
Employee	Justin Liu	pending
Employee	Breanne Gonzales	pending
Employee	Tabitha Richards	pending


The Live Scan obtained information from the State of California database, but no Federal data was obtained

ENVIRONMENTAL ASSESSMENT

Pursuant to the California Environmental Quality Act (CEQA) Guidelines, the permitting or entitlement of use by a public agency is deemed a project. This application is therefore determined to be a project under CEQA. The City has evaluated the project and determined that it is Categorical Exempt in accordance with CEQA Section 15303 "New Construction or Conversion of Small Structures".



Ken Lyon
Associate Planner



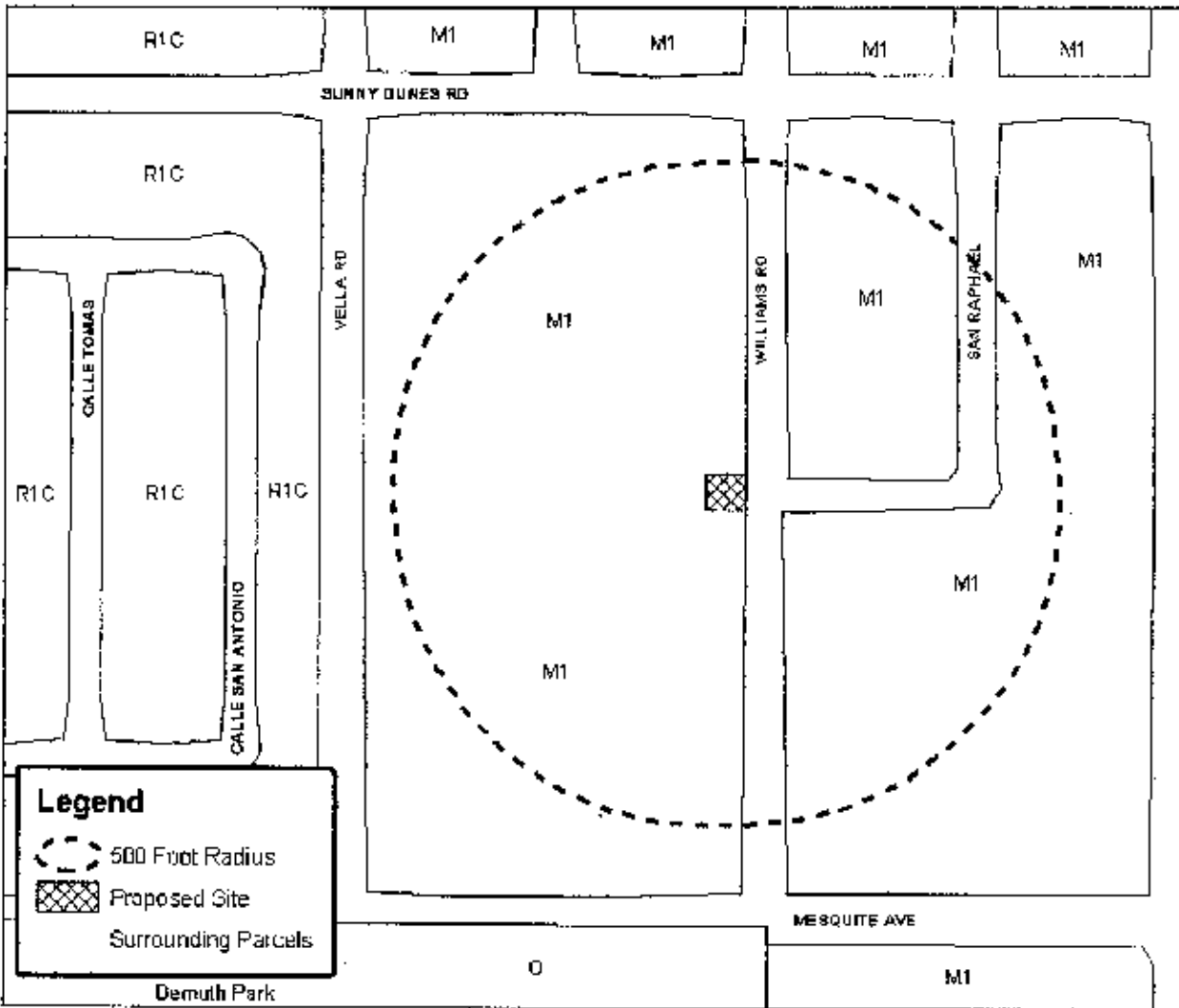
Craig A. Ewing, AICP
Director of Planning Services

ATTACHMENTS

1. Vicinity Map
2. Application including site, plans, photos and letters.



Department of Planning Services Vicinity Map



Legend

- 500 Foot Radius
- Proposed Site
- Surrounding Parcels

CITY OF PALM SPRINGS

CASE NO: MC 09-005

APPLICANT: Greenway Nature Care Foundation

DESCRIPTION: Application for a medical cannabis cooperative/collective at 823 South Williams Road.



CITY OF PALM SPRINGS
Department of Planning Services

Office Use Only

Date Submitted:	JUNE 30, 2009
Case No:	MC 09-005
Planner:	ST

**APPLICATION FOR MEDICAL CANNABIS
COOPERATIVE OR COLLECTIVE (MC)**

Please read carefully to ensure application is accurate and complete.
Inaccurate or incomplete applications may be rejected.

TO THE APPLICANT:

Your cooperation in completing this application and supplying the information requested will expedite City review of your application pursuant to local procedures. Applications submitted will not be considered complete until all submittal requirements are met.

Please submit this completed application and subsequent material to the Department of Planning Services at 3200 East Tahquitz Canyon Way, Palm Springs, CA 92262 - Phone: 760-323-8245 - Fax: 760-322-8360

Cooperative / Collective Site Address: 815 S Williams Road P.O. 21167

Applicant's Name: James Villegas

Applicant's Signature: [Signature]

Mailing Address: 815 S Williams Road P.O. 21167

Palm Springs (Street Number and Name or P.O. Box) Ca 92262
City State Zip Code

Applicant's Telephone: RES: 760-322-8360 BUS: 909-455-2222 CELL: 760-322-8360

FAX: _____ Applicant's E-Mail: Chemtutor08@verizon.net

(If Applicant is leasing the Cooperative / Collective Site please list the Property Owner's contact information.)

Property Owner's Name: John Komer

Property Owner's Mailing Address: 815 S Williams Road

Palm Springs (Street Number and Name or P.O. Box) Ca 92262
City State Zip Code

Property Owner's Telephone: RES: _____ BUS: 760-322-8360 CELL: _____ FAX: _____

Property Owner's E-Mail: _____

COOPERATIVE / COLLECTIVE SITE INFORMATION:

Gross Square Footage of proposed business space: 800 Assessor's Parcel Number: 80-165-013

Zone: M1 Section/Township/Range: 10/14/15 General Plan: MC Hours of Operation: 9 to 7

If Cooperative / Collective is in a Multi-Tenant Building List other Businesses:

Budget Self Storage	Storage
Business Name	Type of Business
Business Name	Type of Business
Business Name	Type of Business
Business Name	Type of Business
Business Name	Type of Business
Business Name	Type of Business



The following items must be completed and accompany the Medical Cannabis Cooperative / Collective Application (MC). Please check off each item to ensure completeness.

	<u>Applicant Only</u>	<u>City Use Only</u>
Application & Fee:		
❖ Original completed Application & \$7,500 Deposit	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Detailed Site Plan:		
❖ 11" X 17" or 24" X 36" Site Plan and floor plan : Indicate north arrow, site address; floor plan; doors, entrances, windows, use of each area, including storage and cultivation areas; exterior lighting & security cameras; restrooms; signage & parking for the business.	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Off Street Parking requires 1 parking space for every 250 gross square feet of business space (If proposed business location is within a multi-tenant building, the site plan must show adequate parking for all businesses located on that site).	<input type="checkbox"/>	<input checked="" type="checkbox"/>
❖ An electronic file in PDF format may also be submitted on a CD (Compact Disc)	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Photographs of Existing Site:		
❖ Photographs of site showing front, back and sides of building, lighting, parking, etc.	<input type="checkbox"/>	<input checked="" type="checkbox"/>

14 ?

14

Submittal Requirements: The following information shall be submitted on white single-sided 8½" x 11" paper using either MS WORD or text-readable PDF format:

	Applicant Only	City Use Only
Group Size:		
❖ Estimated number of caregivers: <u>10</u>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
❖ Estimated number of qualified patients: <u>50</u>		
❖ Will delivery service be provided? (yes / <u>no</u>) (Circle one)	<input type="checkbox"/>	<input checked="" type="checkbox"/>
If yes, describe the extent and method of the delivery service to be provided for each qualified patient.		

Site Requirements:

Security Plan:

❖ Number of security cameras or zones with a listing of the areas covered. Confirmation that security system shall be provided with 120 hrs of digitally recorded documentation and cameras shall be in use 24 hours per day, 7 days per week.	<input type="checkbox"/>	<input checked="" type="checkbox"/>
❖ Alarm system & security camera monitoring company's contact information.	<input type="checkbox"/>	<input checked="" type="checkbox"/>
❖ Entrances, windows, and cannabis storage lighting and security methods. (Indicate lighting & security for the above mentioned on Site Plan as well as, a written description.)	<input type="checkbox"/>	<input checked="" type="checkbox"/>

Cooperative / Collective staff contact & criminal background information:

❖ Name, address, telephone number of all managers, staff, applicant and owner. Include a statement as to whether such person(s) has or have been convicted of a crime, nature of the offense and the sentence received for such conviction.	<input type="checkbox"/>	<input checked="" type="checkbox"/>
❖ Notarized acknowledgement from owner of the building that a Medical Cannabis Cooperative / Collective will be operating on his / her property.	<input type="checkbox"/>	<input checked="" type="checkbox"/>
❖ Evidence that Cooperative / Collective is organized as a bona fide non-profit comprised, exclusively and entirely, of qualified patients and the primary caregivers of those patients in strict accordance with the Compassionate Use Act.	<input type="checkbox"/>	<input checked="" type="checkbox"/>
❖ Background Check Authorization Form. (Signed document giving The City of Palm Springs authorization to run background check on applicant and associates.	<input type="checkbox"/>	<input checked="" type="checkbox"/>

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Our main goal is to serve the great community of Palm Springs, by providing care to patients like us. We would be there to provide knowledge about the safety issues of medical cannabis as well as the correct usage of medical cannabis for medicinal purposes. We have been patients for roughly four years and know we attain the experiences it takes to understand and take care of our patients' needs. We feel this would be a great opportunity for us to serve the community.

To ensure everyone's safety we would set up fifteen security cameras in the shop with a 500GB hard drive with a capacity of 168 hours worth of video. We would also set up four cameras in the parking lot, two at the front door, two in the waiting room, five in the show room and two at the backdoor. The security camera system would have remote access to the internet and Brinks Commercial Security Alarm System would be monitoring 24-hour's.

To keep the establishment secure, all doors would have grilles and we would have security on duty during business hours to insure patients safety as well as our own. We would also have fluorescent lights in the collective like those in a pharmacy or supermarket. We seek to bring value to Palm Springs and thank you for your time.

James Villegas

James Villegas 6/30/09

RECEIVED
MC 09-005

142

Quotation

Ventrio Corporation
 4050 Valley Blvd., Suite 104
 Walnut, CA 91789
 USA

Quote Number:
 03052378

Quote Date:
 May 29, 2009

Page:
 1

Quoted to:
 Compassionate Caregivers Foundation

Customer ID	Good Thru	Payment Terms	Sales Rep
CSP01	6/28/09	C.O.D.	

Quantity	Item	Description	Unit Price	Extension
1.00V	TP16240 2U	16 CH Triplex Standalone DVR, Jpeg2000 Compression, Record upto 240FPS, IR Remote, Network Function, CU-RN, VGA Output.		
2.00V	CA1060S	Western Digital 500GB Hard Drive SATA Hard Drive, 7200RPM Installed.		
6.00V	2S57LVF3	1/3" Sony Color DSP CCD Indoor/Outdoor Vandal Resistant Dome Camera, 24 IR Led, 520 TVL, 3.3-12 mm varifocal lens, and 12V DC, 3-Axis, 20 M.		
10.00V	DC10041R	Sony Color CCD IR Dome, 420 TVL, 12 IR LED, 12V DC		

Subtotal
 Sales Tax
 Freight
143 Total

MC 09-005

State of California
Secretary of State



STATEMENT OF INFORMATION
(Domestic Nonprofit, Credit Union and Consumer
Cooperative Corporations)

Filing Fee: \$20.00. If amendment, see instructions.

IMPORTANT — READ INSTRUCTIONS BEFORE COMPLETING THIS FORM

This Space For Filing Use Only

1. **CORPORATE NAME** (Please do not alter if name is preprinted.)

GREENWAY NATURE CARE FOUNDATION

3148173

MC 69-005 **N**

DUE DATE:

COMPLETE PRINCIPAL OFFICE ADDRESS (Do not abbreviate the name of the city. Item 2 cannot be a P.O. Box.)

2 STREET ADDRESS OF PRINCIPAL OFFICE IN CALIFORNIA, IF ANY	CITY	STATE	ZIP CODE
467 S. CALLE EL SEGUNDO, #D24	PALM SPRINGS	CA	92262
3 MAILING ADDRESS OF THE CORPORATION, IF REQUIRED	CITY	STATE	ZIP CODE
467 S. CALLE EL SEGUNDO, #D24	PALM SPRINGS	CA	92262

NAMES AND COMPLETE ADDRESSES OF THE FOLLOWING OFFICERS (The corporation must have these three officers. A comparable title for the specific officer may be added; however, the preprinted titles on this form must not be altered.)

4 CHIEF EXECUTIVE OFFICER/	ADDRESS	CITY	STATE	ZIP CODE
JAMES VILLEGAS	467 S. CALLE EL SEGUNDO, #D24	PALM SPRINGS	CA	92262
5 SECRETARY/	ADDRESS	CITY	STATE	ZIP CODE
JAMES VILLEGAS	467 S. CALLE EL SEGUNDO, #D24	PALM SPRINGS	CA	92262
6 CHIEF FINANCIAL OFFICER/	ADDRESS	CITY	STATE	ZIP CODE
JAMES VILLEGAS	467 S. CALLE EL SEGUNDO, #D24	PALM SPRINGS	CA	92262

AGENT FOR SERVICE OF PROCESS (If the agent is an individual, the agent must reside in California and Item 8 must be completed with a California street address (a P.O. Box address is not acceptable). If the agent is another corporation, the agent must have on file with the California Secretary of State a certificate pursuant to Corporations Code section 1505 and Item 8 must be left blank.)

7. **NAME OF AGENT FOR SERVICE OF PROCESS**

JAMES VILLEGAS

8 STREET ADDRESS OF AGENT FOR SERVICE OF PROCESS IN CALIFORNIA, IF AN INDIVIDUAL	CITY	STATE	ZIP CODE
467 S. CALLE EL SEGUNDO, #D24	PALM SPRINGS	CA	92262

DAVIS-STIRLING COMMON INTEREST DEVELOPMENT ACT (California Civil Code section 1350, et seq.)

9. Check here if the corporation is an association formed to manage a common interest development under the Davis-Stirling Common Interest Development Act and proceed to items 10, 11 and 12.

NOTE: Corporations formed to manage a common interest development must also file a Statement by Common Interest Development Association (Form SI-CID) as required by California Civil Code section 1363.6. Please see instructions on the reverse side of this form.

10 ADDRESS OF BUSINESS OR CORPORATE OFFICE OF THE ASSOCIATION, IF ANY	CITY	STATE	ZIP CODE
11 FRONT STREET AND NEAREST CROSS STREET FOR THE PHYSICAL LOCATION OF THE COMMON INTEREST DEVELOPMENT			9-DIGIT ZIP CODE
(Complete if the business or corporate office is not on the site of the common interest development)			
12 NAME AND ADDRESS OF ASSOCIATION'S MANAGING AGENT, IF ANY	CITY	STATE	ZIP CODE

13 THE INFORMATION CONTAINED HEREIN IS TRUE AND CORRECT

04/20/09

JAMES VILLEGAS

CEO

DATE

TYPE/PRINT NAME OF PERSON COMPLETING FORM

TITLE

SIGNATURE



DEPARTMENT OF THE TREASURY
INTERNAL REVENUE SERVICE
CINCINNATI OH 45999-0023

Date of this notice: 06-29-2009

Employer Identification Number:
27-0452277

Form: SS-4

Number of this notice: CP 575 E

GREENWAY NATURE CARE FOUNDATION
467 S CALLE EL SEGUNDO UNIT 24
PALM SPRINGS, CA 92262

For assistance you may call us at:
1-800-829-4933

IF YOU WRITE, ATTACH THE
STUB AT THE END OF THIS NOTICE.

WE ASSIGNED YOU AN EMPLOYER IDENTIFICATION NUMBER

Thank you for applying for an Employer Identification Number (EIN). We assigned you EIN 27-0452277. This EIN will identify you, your business accounts, tax returns, and documents, even if you have no employees. Please keep this notice in your permanent records.

When filing tax documents, payments, and related correspondence, it is very important that you use your EIN and complete name and address exactly as shown above. Any variation may cause a delay in processing, result in incorrect information in your account, or even cause you to be assigned more than one EIN. If the information is not correct as shown above, please make the correction using the attached tear off stub and return it to us.

Assigning an EIN does not grant tax-exempt status to non-profit organizations. Publication 557, *Tax Exempt Status for Your Organization*, has details on the application process, as well as information on returns you may need to file. To apply for formal recognition of tax-exempt status, most organizations will need to complete either Form 1023, *Application for Recognition of Exemption Under Section 501(c)(3) of the Internal Revenue Code*, or Form 1024, *Application for Recognition of Exemption Under Section 501(a)*. Submit the completed form, all applicable attachments, and the required user fee to:

Internal Revenue Service
PO Box 192
Covington, KY 41012-0192

The Pension Protection Act of 2006 contains numerous changes to the tax law provisions affecting tax-exempt organizations, including an annual electronic notification requirement (Form 990-N) for organizations not required to file an annual information return (Form 990 or Form 990-EZ). Additionally, if you are required to file an annual information return, you may be required to file it electronically. Please refer to the Charities & Non-Profits page at www.irs.gov for the most current information on your filing requirements and on provisions of the Pension Protection Act of 2006 that may affect you.

To obtain tax forms and publications, including those referenced in this notice, visit our Web site at www.irs.gov. If you do not have access to the Internet, call 1-800-829-3676 (TTY/TTD 1-800-829-4059) or visit your local IRS office.

WMC 09-005

Date (For reference only) June 6, 2009
Budget Cash Storage ("Landlord") and
Jamas Fresh Village ("Tenant") agree as follows:

1. **PROPERTY:** Landlord rents to Tenant and Tenant rents from Landlord, the real property and improvements described as: 873 Williams Rd, Palm Springs, Ca. ("Premises"), which comprise approximately _____% of the total square footage of rentable space in the entire property. See exhibit _____ for a further description of the Premises.

2. **TERM:** The term shall be for _____ years and _____ months, beginning on (date) _____ ("Commencement Date"). (Check A or B):

A. Lease: and shall terminate on (date) _____ at _____ AM/PM.
 Any holding over after the term of this agreement expires, with Landlord's consent, shall create a month-to-month tenancy that either party may terminate as specified in paragraph 2B. Rent shall be at a rate equal to the rent for the immediately preceding month, payable in advance. All other terms and conditions of this agreement shall remain in full force and effect.

B. Month-to-month: and continues as a month-to-month tenancy. Either party may terminate the tenancy by giving written notice to the other at least 30 days prior to the intended termination date, subject to any applicable laws. Such notice may be given on any date.

C. RENEWAL OR EXTENSION TERMS: See attached addendum

3. **BASE RENT:**

A. Tenant agrees to pay Base Rent at the rate of (CHECK ONE ONLY):

- (1) \$ 1000-- per month, for the term of the agreement.
- (2) \$ _____ per month, for the first 12 months of the agreement. Commencing with the 13th month, and upon expiration of each 12 months thereafter, rent shall be adjusted according to any increase in the U.S. Consumer Price Index of the Bureau of Labor Statistics of the Department of Labor for All Urban Consumers ("CPI") for _____ (the city nearest the location of the Premises), based on the following formula: Base Rent will be multiplied by the most current CPI preceding the first calendar month during which the adjustment is to take effect, and divided by the most recent CPI preceding the Commencement Date. In no event shall any adjusted Base Rent be less than the Base Rent for the month immediately preceding the adjustment. If the CPI is no longer published, then the adjustment to Base Rent shall be based on an alternate index that most closely reflects the CPI.
- (3) \$ _____ per month for the period commencing _____ and ending _____ and \$ _____ per month for the period commencing _____ and ending _____ and \$ _____ per month for the period commencing _____ and ending _____
- (4) in accordance with the attached rent schedule.
- (5) Other: _____

B. Base Rent is payable in advance on the 1st (or 5th) day of each calendar month, and is delinquent on the next day.
 C. If the Commencement Date falls on any day other than the first day of the month, Base Rent for the first calendar month shall be prorated based on a 30-day period. If Tenant has paid one full month's Base Rent in advance of the Commencement Date, Base Rent for the second calendar month shall be prorated based on a 30-day period.

4. **RENT:**

A. Definition: ("Rent") shall mean all monetary obligations of Tenant to Landlord under the terms of this agreement, except security deposit.
 B. Payment: Rent shall be paid to (Name) Budget Cash Storage at (address) 873 Williams Rd, Palm Springs, Ca., or at any other location specified by Landlord in writing to Tenant.
 C. Timing: Base Rent shall be paid as specified in paragraph 3. All other Rent shall be paid within 30 days after Tenant is billed by Landlord.

5. **EARLY POSSESSION:** Tenant is entitled to possession of the Premises on _____

If Tenant is in possession prior to the Commencement Date, during this time (i) Tenant is not obligated to pay Base Rent, and (ii) Tenant is is not obligated to pay Rent other than Base Rent. Whether or not Tenant is obligated to pay Rent prior to Commencement Date, Tenant is obligated to comply with all other terms of this agreement.

6. **SECURITY DEPOSIT:**

A. Tenant agrees to pay Landlord \$ 1000-- as a security deposit. Tenant agrees not to hold Broker responsible for its return. (IF CHECKED:) If Base Rent increases during the term of this agreement, Tenant agrees to increase security deposit by the same proportion as the increase in Base Rent.
 B. All or any portion of the security deposit may be used, as reasonably necessary, to: (i) cure Tenant's default in payment of Rent, late charges, non-sufficient funds ("NSF") fees, or other sums due; (ii) repair damage, excluding ordinary wear and tear, caused by Tenant or by a guest or licensee of Tenant; (iii) broom clean the Premises, if necessary, upon termination of tenancy; and (iv) cover any other unfulfilled obligation of Tenant. **SECURITY DEPOSIT SHALL NOT BE USED BY TENANT IN LIEU OF PAYMENT OF LAST MONTH'S RENT.** If all or any portion of the security deposit is used during tenancy, Tenant agrees to reinstate the total security deposit within 5 days after written notice is delivered to Tenant. Within 30 days after Landlord receives possession of the Premises, Landlord shall: (i) furnish Tenant an itemized statement indicating the amount of any security deposit received and the basis for its disposition, and (ii) return any remaining portion of security deposit to Tenant. However, if the Landlord's only claim upon the security deposit is for unpaid Rent, then the remaining portion of the security deposit, after deduction of unpaid Rent, shall be returned within 14 days after the Landlord receives possession.
 C. No interest will be paid on security deposit, unless required by local ordinance.

The copyright laws of the United States (Title 17 U.S. Code) forbid the unauthorized reproduction of this form, or any portion thereof, by photocopy machine or any other means, including facsimile or computerized formats. Copyright © 1998-2001, CALIFORNIA ASSOCIATION OF REALTORS®, INC. ALL RIGHTS RESERVED

Landlord's Initials [Signature]
 Tenant's Initials [Signature]

Reviewed by _____ Date _____

MC 09-005



CONTACT INFORMATION

	First Name	Last Name	Tel	Address
Owner	James	Villegas	760-397-3731	467 S Calle El Segundo d24 Palm Springs Ca 92262
Manager	Irene	Huang	626-363-3093	467 S Calle El Segundo d24 Palm Springs Ca 92262
staff	Wei-lin	Hsu	213-858-7547	1737 Milano, Motebello, Ca90640
staff	Justin	Liu	213-858-8996	212 S. Atlantic Blvd. #204 Los Angeles, Ca 90022
staff	Breanne	Gonzales	951-235-9315	4968 Marlatt St. Mira Loma, Ca 91752
staff	Tabitha	Richards	760-835-8628	1950 El Oro Way Palm Springs, Ca 92262

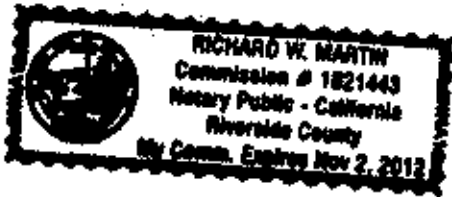
I, JOHN KOMER, being owner acknowledge that a medical cannabis cooperative/ collective will be operating on my property.

Owner

(Print) John KOMER Date _____
(Sign) John Komer Date _____

Tenant

(Print) James Villegas Date 6/6/09
(Sign) James Villegas Date 6/6/09



State of California, County of RIVERSIDE
Subscribed and sworn to (or affirmed) before me on this
1st day of July, 2009, by John Komer
proved to me on the basis of satisfactory evidence
to be the person(s) who appeared before me.
Richard W. Martin
(Signature of Notary)

State of California, County of RIVERSIDE
Subscribed and sworn to (or affirmed) before me on this
1st day of July, 2009, by James Villegas
proved to me on the basis of satisfactory evidence
to be the person(s) who appeared before me.
Richard W. Martin
(Signature of Notary)

State of California, County of RIVERSIDE
Subscribed and sworn to (or affirmed) before me on this
1st day of July, 2009, by _____
proved to me on the basis of satisfactory evidence
to be the person(s) who appeared before me.

(Signature of Notary)

MC 09-005

NON-PROFIT MINUTES CALIFORNIA

The forms Bylaws, Minutes, Shareholder(s) Agreements, Operating Agreements, Certificates and other forms and documents enclosed with this order are offered as a sample, only, of standard provisions contained in such forms, documents, and certificates. They do not purport to address the specific requirements of individual transactions or situations. Persons outside the legal profession who intend to utilize any such forms, documents, and certificates must seek competent legal counsel prior to their use or adaptation thereof for his or her particular requirements.

ATTORNEYS CORPORATION SERVICE, INC.

CORPORATE-LLC SUPPLIES & SERVICES

3021 W. MAGNOLIA BLVD.
BURBANK, CA 91505-3044
Tel.: (818) 729-9878 Fax: (818) 729-9888

web: www.attorneyscorp-service.com
E-MAIL: info@attorneyscorp-service.com

MC 09-005

WAIVER OF NOTICE AND CONSENT TO THE HOLDING OF THE
FIRST MEETING OF THE BOARD OF DIRECTORS OF

GREENWAY NATURE CARE FOUNDATION

A California Nonprofit Corporation

The following directors of GREEN NATURE CARE FOUNDATION, a California nonprofit corporation, waive notice of and consent to the holding of the first meeting of the board of directors of that corporation on JUNE 23, 2009 at 467 S. CALLE EL SEGUNDO, #D24, PALM SPRINGS California, and consent to the transaction of any and all business which properly may be brought before that meeting of the board of directors.

Dated:

JUNE 23, 2009 ,

JAMES VILLEGAS

Director

_____ ,

Director

_____ ,

Director

_____ ,

Director

_____ ,

Director

_____ ,

Director

_____ ,

Director

_____ ,

Director

_____ ,

Director

MINUTES OF THE FIRST MEETING OF
THE BOARD OF DIRECTORS OF

GREENWAY NATURE CARE FOUNDATION
A California Nonprofit Corporation

The Incorporators and first Board of Directors of the corporation named above, held their first meeting at the time, on the day, and at the place set forth as follows:

Time: 10:00 A.M.

Date: JUNE 23, 2009

Place: 467 S. CALLE EL SEGUNDO, #D24
PALM SPRINGS, CA 92262

The following Incorporators and Directors, constituting at least a quorum of the Board, were present at the meeting:

JAMES VILLEGAS

The following Incorporators and Directors were absent:

1. Waiver of Notice and Consent.

The temporary Chairman announced that the meeting was held pursuant to a written waiver of notice and consent to the holding of the meeting, signed by all Directors of the corporation named as Directors by the Incorporators or in the

Articles of Incorporation. That waiver and consent was presented to the meeting and on motion duly made, seconded, and unanimously carried, was made a part of the minutes of the meeting.

2. Articles Filed.

The temporary Chairman informed the Board that the original Articles of Incorporation of the corporation had been filed in the office of the California Secretary of State on _____, and that they named _____ as initial agent for service of process.

The temporary Chairman presented to the meeting a certified copy of the Articles of Incorporation, showing filing as stated. The temporary Secretary was directed to insert the copy in the book of minutes of the corporation and was also directed to keep a copy at the principal office for the transaction of business of the corporation. On motion duly made, seconded, and unanimously carried, it was resolved that _____ be confirmed as the corporation's agent for service of process.

3. Adoption of Bylaws.

The temporary Secretary presented to the meeting a form of Bylaws that was considered and discussed. On motion duly made, seconded, and unanimously carried, the following resolutions were adopted:

WHEREAS, the Directors of this corporation have not yet adopted any Bylaws for the corporation; and

WHEREAS, the best interests of this corporation will be served by the adoption of Bylaws;

THEREFORE, BE IT RESOLVED, that the Bylaws presented to this meeting and discussed are adopted as the Bylaws of this corporation.

RESOLVED, FURTHER, that the Secretary of this corporation is authorized and directed to execute a certificate of the adoption of those Bylaws and to insert those Bylaws as so certified in the book of minutes of this corporation, and to see that a copy of the Bylaws, similarly certified, is kept at the principal office for the transaction of business of this corporation.

4. Establishment of Number of Directors.

The temporary Chairman announced that it would be in order to fix the number of Directors as provided in the Bylaws. On motion duly made, seconded, and unanimously carried, the following resolution was adopted:

RESOLVED, that the authorized number of Directors of this corporation shall be not less than three (3) nor more than seven (7).

5. Election of Officers.

The meeting proceeded to the election of a President, Vice President, a Secretary, and a Chief Financial Officer. The following were duly nominated and elected to the offices indicated before their names, to serve for one year or until their respective successors are duly elected and qualified, whichever occurs later:

<u>Office</u>	<u>Name</u>
President:	JAMES VILLEGAS
Vice President:	
Chief Financial Officer:	JAMES VILLEGAS
Secretary:	JAMES VILLEGAS

The officers so elected accepted their respective offices, and thereafter the President presided at the meeting as Chairman, and the Secretary acted as Secretary of the meeting.

6. Corporate Seal.

The Secretary presented for approval a proposed seal of the corporation, consisting of a circle having on its circumference the name of the corporation, and the words and figures "INCORPORATED", the date of incorporation, and "CALIFORNIA" in the form and figures as follows:

On motion duly made, seconded and carried, the following resolution was adopted:

RESOLVED, that the corporate seal in the form, words, and figures presented to this meeting is hereby adopted as the seal of this corporation.

7. Accounting Year.

The Chairman suggested that the Board next consider adoption of an accounting year. On motion duly made, seconded, and unanimously carried, the following resolution was adopted:

RESOLVED, that this corporation adopt an accounting year as follows:

Date accounting year begins: JUNE 1~~ST~~
Date accounting year ends: MAY 31~~ST~~

8. Principal Office Location.

After discussion, and on motion duly made and seconded, the following resolution was unanimously adopted:

RESOLVED, that the County of LOS ANGELES, California, is designated and fixed as the county in which the principal office for the transaction of the business of this corporation shall be located, unless and until changed by resolution of this Board.

9. Establishment of Bank Account.

The Chairman suggested that the Directors consider providing for the deposit and disbursement of corporate funds, and authorizing certain officers to be responsible for deposit and disbursement. On motion duly made, seconded, and unanimously carried, the following resolutions were adopted:

RESOLVED, that the President and Secretary of this corporation, acting jointly on behalf of the corporation, are authorized to open such bank accounts as may be necessary or appropriate for the conduct of the business of this corporation, provided that any such bank accounts shall require the

signature of CHIEF EXECUTIVE OFFICER AND CHIEF FINANCIAL OFFICER on all checks drawn on such accounts, that all resolutions required by the depository banks with respect to such accounts are hereby adopted, and that the Secretary of this corporation is authorized to certify to any bank the adoption of the resolution in the form used by that bank.

The Chairman suggested that the Directors consider providing for the deposit and disbursement of corporate funds, and authorizing certain officers to be responsible for deposit and disbursement. On motion duly made, seconded, and unanimously carried, the following resolutions were adopted:

RESOLVED, that all specific forms of resolutions required by any such depository as presented to this meeting not inconsistent with these resolutions are adopted in the form provided by the depository, and the Secretary of this corporation is authorized to certify those resolutions as having been adopted at this meeting, and is directed to insert the form of those resolutions in the minute book immediately following the minutes of this meeting.

RESOLVED, FURTHER, that any such depository to which a copy of such resolutions, certified by the Secretary (or an assistant secretary) of this corporation, shall have been delivered shall be entitled to rely on those resolutions for all purposes until it shall have received written notice of the revocation or amendment of these resolutions by the Board of Directors of this corporation.

10. Incorporation Expenses.

To provide for payment of the expenses of incorporation and organization of the corporation, on motion duly made, seconded and unanimously carried, the following resolution was adopted:

RESOLVED, that each of the officers of this corporation is authorized and directed to pay, on behalf of the corporation, the expenses of incorporation and organization of this corporation.

11. Exemptions From Federal and State Taxes.

The Chairman explained that federal and state tax exemptions are available to certain nonprofit corporations. On motion duly made, seconded, and carried, the following resolution was adopted:

RESOLVED, that the President consult with legal counsel to ascertain the availability of exemptions from taxation under the federal and state tax laws and, if such exemptions are available, the President shall, with the assistance of counsel, execute and file all necessary applications for exemption from those taxes with the appropriate state and federal tax authorities, and to pay necessary filing fees.

12. Statement by Domestic Corporation.

On motion duly made, seconded, and unanimously carried, the following resolution was adopted:

RESOLVED, that the President is authorized and directed to execute and file with the office of the California Secretary of State, at the times required by law, the annual statement required by the California Corporations Code to be filed by domestic nonprofit corporations.

13. Registration With State Attorney General, Registrar of Charitable Trusts.

On motion duly made, seconded, and unanimously carried, the following resolution was adopted:

RESOLVED, that no later than six (6) months after the receipt of assets to be applied to the charitable or religious purposes for which this corporation was organized, the President is directed to register the corporation with the Registrar of Charitable Trusts, Office of the Attorney General of California; and

RESOLVED, FURTHER, that the President is directed to make periodic filings as required by the Attorney General describing the financial activity of the corporation and the distribution of the assets held for charitable purposes.

14. Compliance with Local Solicitation Ordinances.

On motion duly made, seconded, and unanimously carried, the following resolution was adopted:

RESOLVED, that the President is directed to ascertain the legal requirements imposed on organizations soliciting funds for charitable purposes in the City of PALM SPRINGS and the County of RIVERSIDE ; and

RESOLVED, FURTHER, that the President is authorized and directed to make all necessary filings and obtain all necessary permits authorizing and allowing this corporation to make public solicitations for contributions for charitable or religious purposes in the jurisdictions named above.

15. Employer Identification Number.

The Chairman stated that there was a need to secure a federal employer identification number for use on certain tax returns and statements. On motion duly made, seconded, and unanimously carried, the following resolution was adopted:

RESOLVED, that the officers of this corporation and each of them are authorized and directed to make such filings and applications as are necessary to secure for the corporation a federal employer identification number.

16. Nonprofit Mailing Permit.

The Chairman stated that it would be to the benefit of the corporation to obtain a nonprofit mailing permit. On motion duly made, seconded, and carried, the following resolution was adopted:

RESOLVED, that the officers of this corporation and each of them are authorized and directed to make such filings and applications as are necessary to secure for the corporation a nonprofit mailing permit.

17 Health and Accident Benefits, Disability-
Income and Group Life Insurance.

The Chairman stated that pursuant to Sections 105 and 106 of the Internal Revenue Code, certain payments for health, accident and disability-income insurance premiums are deductible when paid by the corporation for eligible corporate employees and, further, pursuant to Treasury Regulation Section 1.105 under the Internal Revenue Code, certain medical and dental expenses incurred by such employees could be reimbursable and deductible by the corporation. Further, premiums paid on group term life insurance policies on the lives of the employees were also deductible by the corporation. Following a discussion of these matters and upon motion duly made, seconded and carried, the following resolutions were adopted:

WHEREAS, it is deemed to be in the best interests of this corporation to provide for the purchase of certain health and accident and disability-income insurance plans, as well as for the adoption of a medical and dental reimbursement plan, which plans would cover all eligible employees of the corporation, as hereinafter defined;

RESOLVED, that after thorough investigation by the authorized officers of the corporation, and upon approval of the Chairman of the Board, the following insurance plans may be purchased by the corporation for all of those employees of the corporation who meet the eligibility requirements as hereinafter set forth:

- (a) Basic health and accident insurance program;
- (b) Disability-income insurance in amounts not to exceed \$ per person per month;

RESOLVED, FURTHER, that participation in the aforementioned health and accident and disability income insurance plans shall be open to any and all Eligible Employees of the corporation.

18. Eligible Employees - The term "Eligible Employee" shall mean:

An employee who has completed three (3) years of employment with the Corporation prior to the commencement of the plan year, has attained the age of twenty-five (25) years prior to the commencement of the Plan year, has a customary work week with the Corporation of thirty-five (35) hours or

more, has customary annual employment with the Corporation of nine months or more and is not included in a unit of employees covered by an agreement between employee representatives and one or more employers that the Secretary of the Treasury finds to be a collective bargaining agreement, in which accident and health benefits were the subject of good faith bargaining between the employee representatives and the employers;

Eligibility shall be determined as of the last day of the Plan year.

The term "Eligible Employee" shall not include an employee who is a nonresident alien and who receives no earned income (within the meaning of Section 911 (d) (2)) from the employer which constitutes income from sources within the United States (within the meaning of Section 861 (a) (3)).

RESOLVED, FURTHER, that after research and investigation, the corporation may, in the discretion of the Chairman of the Board, purchase a group term life insurance policy for the employees of the corporation, except those employees falling into the categories described in the preceding resolution, in an amount up to and including \$ of insurance coverage per person. Said policies shall be the property of the person insured, who may direct the proceeds to any beneficiary or beneficiaries he or she so desires.

19. Automobile Expense.

The Chairman next discussed the desirability and importance to the corporation of affording officers access to reliable, safe and reasonably comfortable vehicular transportation. In order to facilitate the same, and upon motion duly made, seconded and carried, the following resolution was adopted:

RESOLVED, that the corporation may, in the discretion of the Chairman of the Board, lease or purchase for the use of as many officers as shall be deemed advisable by the Directors, an automobile

MEMBERSHIP ROLL

NAME JAMES VILLEGAS

ADDRESS 467 S. CALLE EL SEGUNDO, #D24, PALM SPRINGS, CA 92262

TELEPHONE 213-858-8126

NAME

ADDRESS

TELEPHONE

NAME

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TELEPHONE

**NON-PROFIT
BY-LAWS
mutual benefit
CALIFORNIA**

The forms of corporate Bylaws, Minutes of meetings, Shareholder(s)' Agreements and other forms and documents enclosed with this order are offered as a sample only, and do not purport to address the specific requirements of individual business transactions. Persons outside the legal profession who intend to utilize any such forms must seek competent legal counsel in the use or adaptation thereof for his or her particular requirements.

ATTORNEYS CORPORATION SERVICE, INC.

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E Mail: info@attorneyscorpsserv.com

BYLAWS OF
GREENWAY NATURE CARE CORPORATION
a California Nonprofit Mutual Benefit Corporation

ARTICLE I

NAME

The name of this corporation is
GREENWAY NATURE CARE CORPORATION
ARTICLE II

OFFICES

SECTION 2.01. PRINCIPAL OFFICE

The principal office for the transaction of the activities and affairs of the corporation ("principal office") is located at RIVERSIDE County, California. The Board of Directors ("the Board") may change the principal office from one location to another. Any change of location of the principal office shall be noted by the Secretary on these Bylaws opposite this section, or this section may be amended to state the new location.

SECTION 2.02. OTHER OFFICES

The Board may at any time establish branch or subordinate offices at any place or places where the corporation is qualified to conduct its activities.

ARTICLE III

PURPOSES AND LIMITATIONS

SECTION 3.01. PURPOSES

This corporation is a nonprofit mutual benefit corporation organized under the California Nonprofit Mutual Benefit Corporation Law. The purpose of this corporation is to engage in any lawful act or activity for which a corporation may be organized under such law. Such purposes for which this corporation is formed are pleasure, recreation and other non-profitable purposes. This corporation is organized exclusively for such purposes within the meaning of Section 501(c)(7) of the Internal Revenue Code of 1986. Notwithstanding any other provision of these Bylaws, this corporation shall not, except to an insubstantial degree, carry on or engage in any activities or exercise any powers

that are not in furtherance of the purposes of this corporation, and the corporation shall not carry on any other activities not permitted to be carried on (i) by a corporation exempt from Federal income tax under Section 501(c)(7) of the Internal Revenue Code of 1986 (or the corresponding provision of any future United States Internal Revenue Law); (ii) by a corporation, contributions to which are deductible under Section 170(c)(2) of the Internal Revenue Code of 1986 (or the corresponding provision of any future United States Internal Revenue Law).

SECTION 3.02. LIMITATIONS

(a) Political activity. No substantial part of the activities of this corporation shall consist of carrying on propaganda, or otherwise attempting to influence legislation, and this corporation shall not participate in or intervene in (including the publishing or distributing of statements in connection with) any political campaign on behalf of any candidate for public office.

(b) Property. The property, assets, profits and net income are dedicated irrevocably to the purposes set forth in Section 3.01 above. No part of the profits or net earnings of this corporation shall ever inure to the benefit of any of its Directors, trustees, officers, members (if any), employees, or to the benefit of any private individual.

(c) Dissolution. Upon the winding up and dissolution of this corporation, after paying or adequately providing for the payment of the debts, obligations and liabilities of the corporation, the remaining assets of this corporation shall be distributed to a nonprofit fund, foundation or corporation which is organized and operated exclusively for recreational purposes and which has established its tax-exempt status under Section 501(c)(7) of the Internal Revenue Code of 1986 (or the corresponding provision of any future United States Internal Revenue Law.)

ARTICLE IV

MEMBERSHIP

This corporation shall have no members.

-2(a)-

mutual benefit

ARTICLE V

DIRECTORS

SECTION 5.01. POWERS

(a) General corporate powers. Subject to the provisions and limitations of the California Nonprofit Mutual Benefit Corporation Law and any other applicable laws, and any limitations of the Articles of Incorporation and of these Bylaws, the activities and affairs of the corporation shall be managed, and all corporate powers shall be exercised, by or under the direction of the Board.

(b) Specific Powers. Without prejudice to these general powers, but subject to the same limitations, the Directors shall have the power to:

(i) Appoint and remove, at the pleasure of the Board, all officers, agents and employees of the corporation; prescribe powers and duties for them that are consistent with law, with the Articles of Incorporation and with these Bylaws; and fix their compensation and require from them security for faithful performance of their duties.

(ii) Change the principal office or the principal business office in the State of California from one location to another; cause the corporation to be qualified to conduct its activities in any other state, territory, dependency or country and conduct its activities within or outside the State of California; and designate any place within or outside the State of California for the holding of any meeting, including annual meetings.

(iii) Adopt and use a corporate seal and alter the form thereof.

(iv) Borrow money and incur indebtedness on behalf of the corporation and cause to be executed and delivered for the purposes of the corporation, in the corporate name, promissory notes, bonds, debentures, deeds of trust, mortgages, pledges, hypothecations and other evidences of debt and securities.

SECTION 5.02. NUMBER AND SELECTION OF DIRECTORS
AND RESTRICTIONS ON DIRECTORS

(a) Authorized number. The authorized number of Directors shall be . Directors need not be residents of the State of California.

(b) Selection. The Board shall be selected as follows:

(i) Initial Directors. The initial Board members shall be elected by the Incorporator(s) named in the corporation's Articles of Incorporation.

(ii) Subsequent Directors. At the expiration or earlier termination of the terms of office of the initial Directors, their successors shall be chosen by a majority vote of the members of the Board then in office, whether or not less than a quorum, or by a sole remaining Director.

SECTION 5.03. TERM OF OFFICE OF DIRECTORS

The Directors newly appointed or selected in accordance with Section 5.02(b) shall hold office for a term of one (1) year.

SECTION 5.04. VACANCIES

(a) Events causing vacancy. A vacancy or vacancies on the Board shall exist on the occurrence of the following: (i) the death, removal, suspension or resignation of any Director; or (ii) the declaration by resolution of the Board of a vacancy in the office of a Director who has been declared of unsound mind by an order of court or convicted of a felony or has been found by final order or judgment of any court to have breached a duty under Sections 7238 and following of the California Nonprofit Mutual Benefit Corporation Law.

(b) Resignations. Except as provided in this subsection, any Director may resign effective upon giving written notice to the Chairman of the Board, if any, or the President or the Secretary of the Board, unless such notice specifies a later time for the resignation to become effective.

(c) Filling vacancies. Any vacancy on the Board shall be filled by vote of the remaining Directors, whether or not less than a quorum or by a sole remaining Director.

(d) No vacancy on reduction of number of Directors. No reduction of the authorized number of Directors shall have the effect of removing any Director before the Director's term of office expires.

SECTION 5.05. PLACE OF MEETINGS; MEETINGS BY TELEPHONE

Meetings of the Board shall be held at the principal office of the corporation or at such other place as has been designated by the Board. In the absence of any such designation, meetings shall be held at the principal office of the corporation. Any meeting may be held by conference telephone or similar communication equipment, so long as all Directors participating in the meeting can hear one another, and all such Directors shall be deemed to be present in person at such meeting.

SECTION 5.06. ANNUAL, REGULAR AND SPECIAL MEETINGS

(a) Annual Meeting. The Board shall hold an annual meeting in conjunction with the regularly scheduled Board meeting in the month of _____ of each year for the purpose of organization, election of officers and the transaction of other business; provided, however, that the Board may fix another time for the holding of its annual meeting. Notice of this meeting shall not be required.

(b) Other Regular Meetings. The Board shall hold at least _____ regular business meetings throughout the year; said meetings shall be held without call and on a date to be fixed by resolution of the Board; provided, however, any given monthly meeting may be dispensed with by majority vote of the Board. Such regular meetings may be held without notice.

(c) Special Meetings.

(i) Authority To Call. Special meetings of the Board for any purpose may be called at any time by the Chairman of the Board, if any, the President or any Vice President, or the Secretary or any two Directors.

(ii) Notice.

a. Manner of Giving Notice. Notice of the time and place of special meetings shall be given to each Director by one of the following methods:

1. by personal delivery of written notice;

2. by first-class mail, postage pre-
paid;

3. by telephone, either directly to
the Director or to a person at the Director's office who
would reasonably be expected to communicate that notice
promptly to the Director; or

4. by telegram, charges prepaid.

All such notices shall be given or sent to
the Director's address and/or telephone number as shown on
the records of the corporation.

b. Time Requirements. Notices sent by
first-class mail shall be deposited in the United States
mails at least four (4) days before the time set for the
meeting. Notices given by personal delivery, telephone, or
telegraph shall be delivered, telephoned, or given to the
telegraph company at least forty-eight (48) hours before the
time set for the meeting.

c. Notice Contents. The notice shall
state the time of the meeting, and the place if the place is
other than the principal office of the corporation. It need
not specify the purpose of the meeting.

SECTION 5.07. QUORUM

A majority of the authorized number of Directors shall constitute a quorum for the transaction of business, except to adjourn as provided in section 5.09. Subject to the more stringent provisions of the California Nonprofit Mutual Benefit Corporation Law, including, without limitation, those provisions relating to (i) approval of contracts or transactions in which a Director has a direct or indirect material financial interest, (ii) approval of certain transactions between corporations having common directorship, (iii) creation of an appointment of committees of the Board and (iv) indemnification of Directors, every act or decision done or made by a majority of the Directors present at a meeting duly held at which a quorum is present shall be regarded as the act of the Board. A meeting at which a quorum is initially present may continue to transact business, notwithstanding the withdrawal of Directors, if any action taken is approved by at least a majority of the required quorum for that meeting.

SECTION 5.08. WAIVER OF NOTICE

Notice of a meeting need not be given any Director who signs a waiver of notice or a written consent to holding the meeting or an approval of the minutes thereof, whether

before or after the meeting. The waiver of notice or consent need not specify the purpose of the meeting. All such waivers, consents and approvals shall be filed with the corporate records or made a part of the minutes of the meetings. Notice of a meeting need not be given any Director who attends the meeting without protesting before or at its commencement the lack of notice to such Director.

SECTION 5.09. ADJOURNMENT

A majority of the Directors present, whether or not a quorum is present, may adjourn any meeting to another time and place.

SECTION 5.10. NOTICE OF ADJOURNED MEETING

Notice of the time and place of holding an adjourned meeting need not be given, unless the original meeting is adjourned for more than twenty-four (24) hours, in which case notice of any adjournment to another time and place shall be given before the time of the adjourned meeting to the Directors who were not present at the time of the adjournment.

SECTION 5.11. ACTION WITHOUT MEETING

Any action required or permitted to be taken by the Board may be taken without a meeting, if all members of the Board consent in writing to that action. Such action by written consent shall have the same force and effect as any other validly approved action of the Board. Such written consent or consents shall be filed with the minutes of the proceedings of the Board. For the purposes of this Section 5.11 only, "all members of the Board" shall not include Directors who have a material financial interest in a transaction to which the corporation is a party.

ARTICLE VI

COMMITTEES

SECTION 6.01. COMMITTEES OF THE BOARD

The Board, by resolution adopted by a majority of the Directors then in office, may create one or more committees, each consisting of two or more Directors, to serve at the pleasure of the Board. Appointments to committees of the Board shall be by majority vote of the Directors then in office. The Board may appoint one or more Directors as alternate members of any such committee, who may replace an absent member at any meeting. Any such committee, to the extent provided in the resolution of the Board, shall have all of the authority of the Board, except that no committee, regardless of Board resolution, may:

(a) fill vacancies on the Board or in any committee which has the authority of the Board;

(b) establish or fix compensation of the Directors for serving on the Board or on any committee;

(c) amend or repeal Bylaws or adopt new Bylaws;

(d) amend or repeal any resolution of the Board which by its express terms is not so amendable or repealable;

(e) appoint any other committees of the Board or the members of these committees;

(f) approve any contract or transaction to which the corporation is a party and in which one or more of its Directors has a material financial interest, except as such approval is provided for in Section 5233(d)(3) of the California Corporations Code.

SECTION 6.02. MEETINGS AND ACTIONS OF THE COMMITTEES

Meetings and action of committees of the Board shall be governed by, held and taken in accordance with the provisions of Article V of these Bylaws, concerning meetings and other action of the Board, except that the time for regular meetings of such committees and the calling of special meetings thereof may be determined either by resolution of the Board or, if there is no Board resolution, by resolution of the committee of the Board. Minutes shall be kept of each meeting of any committee of the Board and shall be filed with the corporate records. The Board may adopt rules for the government of any committee not inconsistent with the provisions of these Bylaws or in the absence of rules adopted by the Board, the committee may adopt such rules.

ARTICLE VII

OFFICERS

SECTION 7.01. OFFICERS

The officers of the corporation shall include a President, a Secretary, and a Chief Financial Officer. The corporation may also have, at the Board's discretion, a Chairman of the Board, one or more Vice Presidents, one or more assistant Secretaries, one or more assistant Treasurers, and such other officers as may be appointed in accordance with Section 7.03 of these Bylaws. Any number of offices may be held by the same person, except that neither the Secretary nor the Chief Financial Officer may serve concurrently as either the President or the Chairman of the Board.

SECTION 7.02. ELECTION OF OFFICERS

The officers of the corporation, except those appointed in accordance with the provisions of Section 7.03 of this Article VII, shall be chosen by the Board of Directors, and each shall serve at the pleasure of the Board, subject to the rights, if any, of an officer under any contract of employment.

SECTION 7.03. OTHER OFFICERS

The Board may appoint and may authorize the Chairman of the Board or the President or another officer to appoint any other officers that the corporation may require, each of whom shall have the title, hold office for the period, have the authority and perform the duties specified in the Bylaws or determined from time to time by the Board.

SECTION 7.04. REMOVAL OF OFFICERS

Subject to the rights, if any, of an officer under any contract of employment, any officer may be removed, with or without cause, by the Board of Directors, or, except in case of an officer chosen by the Board of Directors, by an officer on whom such power of removal may be conferred by the Board of Directors.

SECTION 7.05. RESIGNATION OF OFFICERS

Any officer may resign upon written notice to the corporation without prejudice to the rights, if any, of the corporation under any contract to which the officer is a party.

SECTION 7.06. VACANCIES IN OFFICE

A vacancy occurring in any office because of death, resignation, removal or other cause, shall be filled in the manner prescribed in these Bylaws for regular appointments to that office.

SECTION 7.07. RESPONSIBILITIES OF OFFICERS

(a) Chairman of the Board. If a Chairman of the Board is elected, he or she shall preside at meetings of the Board and shall exercise and perform such other powers and duties as the Board may assign from time to time. If there is no President, the Chairman of the Board shall also be the Chief Executive Officer and shall have the powers and duties of the President of the corporation prescribed by these Bylaws.

(b) President/Chief Executive Officer. Subject to the control and supervision of the Board, the President shall be the Chief Executive Officer and general manager of the corporation and shall generally supervise, direct and control the activities and affairs and the officers of the corporation. The President, in the absence of the Chairman of the Board, or if there be none, shall preside at all meetings of the Board. The President shall have such other powers and duties as may be prescribed by the Board or these Bylaws.

(c) Vice Presidents. In the absence or disability of the President, the Vice Presidents, if any, in order of their rank, shall perform all of the duties of the President, and, when so acting, shall have all the powers of and be subject to all of the restrictions upon the President. The Vice Presidents shall have such other powers and perform such other duties as from time to time may be prescribed for them by the Board or the Bylaws.

(d) Secretary.

(i) Book of minutes. The Secretary shall keep or cause to be kept, at the principal office or such other place as the Board may direct, a book of minutes of all meetings and actions of the Board and of committees of the Board. The Secretary shall also keep, or cause to be kept, at the principal office in the State of California, a copy of the Articles of Incorporation and Bylaws, as amended to date. If the corporation is one having members, the Secretary shall also maintain a complete and accurate record of the membership of the corporation, as well as a record of the proceedings of all meetings of the membership.

(ii) Notices, seal and other duties. The Secretary shall give, or cause to be given, notice of all meetings of the Board and of committees of the Board required by these Bylaws to be given. The Secretary shall keep the seal of the corporation in safe custody and shall have such other powers and perform such other duties as may be prescribed by the Board or the Bylaws.

(e) Chief Financial Officer.

(i) Books of account. The Chief Financial Officer of the corporation shall keep or maintain, or cause to be kept or maintained, adequate and correct books and accounts of the properties and transactions of the corporation, and shall send or cause to be sent to the Directors such financial statements and reports as are required by law or these Bylaws to be given. The books of account shall be open to inspection by any Director at all reasonable times.

(ii) Deposit and disbursement of money and valuables. The Chief Financial Officer shall deposit all money and other valuables in the name and to the credit of the corporation with such depositories as may be designated by the Board, shall disburse the funds of the corporation as may be ordered by the Board, shall render to the President or Chairman of the Board, if any, when requested, an account of all transactions as Chief Financial Officer and of the financial condition of the corporation and shall have other powers and perform such other duties as may be prescribed by the Board or the Bylaws.

(iii) Bond. If required by the Board, the Chief Financial Officer shall give the corporation a bond in the amount and with the surety or sureties specified by the Board for faithful performance of the duties of the office and for restoration to the corporation of all its books, papers, vouchers, money and other property of every kind in the possession or under the control of the Chief Financial Officer upon death, resignation, retirement or removal from office.

ARTICLE VIII

INDEMNIFICATION AND INSURANCE

SECTION 8.01. INDEMNIFICATION

(a) Right of Indemnity. To the full extent permitted by law, this corporation shall indemnify its Directors, officers, employees and other persons described in Section 7237(a) of the California Corporation Code, including persons formerly occupying any such position, against all expenses, judgments, fines, settlements and other amounts actually and reasonably incurred in connection with any "proceeding", as that term is used in such Section and including an action by or in the right of the corporation, by reason of the fact that such person is or was a person described by such Section. "Expenses", as used in this Bylaw, shall have the same meaning as in Section 7237(a) of the California Corporation Code.

(b) Approval of Indemnity. Upon written request to the Board by any person seeking indemnification under Section 7237(b) or Section 7237(c) of the California Corporation Code, the Board shall promptly determine in accordance with Section 7237(e) of the Code whether the applicable standard of conduct set forth in Section 7237(b) or Section 7237(c) has been met and, if so, the Board shall authorize indemnification. If the Board cannot authorize indemnification because the number of Directors who are parties to the proceeding with respect to which indemnification is sought is such as to prevent the formation of a quorum of Directors who are not parties to such proceeding, the Board or the attorney

or other person rendering services in connection with the defense shall apply to the court in which such proceeding is or was pending to determine whether the applicable standard of conduct set forth in Section 7237(b) or Section 7237(c) has been met.

(c) Advancement of Expenses. To the full extent permitted by law and except as is otherwise determined by the Board in a specific instance, expenses incurred by a person seeking indemnification under these Bylaws in defending any proceeding covered by these Bylaws shall be advanced by the corporation prior to the final disposition of the proceeding upon receipt by the corporation of an undertaking by or on behalf of such person that the advance will be repaid unless it is ultimately determined that such person is entitled to be indemnified by the corporation therefor.

SECTION 8.02. INSURANCE

The corporation shall have the right to purchase and maintain insurance to the full extent permitted by law on behalf of its officers, Directors, employees and other agents of the corporation, against any liability asserted against or incurred by an officer, Director, employee or agent in such capacity or arising out of the officer's, Director's, employee's or agent's status as such.

ARTICLE IX

RECORDS AND REPORTS

SECTION 9.01. MAINTENANCE OF CORPORATE RECORDS

The corporation shall keep:

(a) Adequate and correct books and records of account;

(b) Minutes in written form of the proceedings of the Board and committees of the Board.

(c) If applicable, a record of its members, giving their names and addresses and the class of membership held.

SECTION 9.02. INSPECTION BY DIRECTORS

Every Director shall have the absolute right at any reasonable time to inspect all books, records and documents of every kind and the physical properties of the corporation and the records of each of its subsidiary corporations. This inspection by a Director may be made in person or by an agent or attorney, and the right of inspection includes the right to copy and make extracts of documents.

SECTION 9.03. ANNUAL REPORT

Except as provided under Section 8321 of the California Corporations Code, not later than one hundred twenty (120) days after the close of the fiscal year of the corporation, the Board shall cause an annual report to be sent to all members of the Board. Such report shall contain the following information in reasonable detail:

(i) The assets and liabilities, including the trust funds, of the corporation as of the end of the fiscal year.

(ii) The principal changes in assets and liabilities, including trust funds, during the fiscal year.

(iii) The revenue or receipts of the corporation, both unrestricted and restricted to particular purposes, for the fiscal year.

(iv) The expenses or disbursements of the corporation, for both general and restricted purposes, during the fiscal year.

(v) Any information required by Section 9.04.

SECTION 9.04. ANNUAL STATEMENT OF CERTAIN

TRANSACTIONS AND INDEMNIFICATIONS

The corporation shall prepare annually and furnish to each director a statement of any transaction or indemnification of the following kind within one hundred twenty (120) days after the close of the fiscal year of the corporation:

(a) Any transaction to which the corporation, its parent or its subsidiary was a party, and in which any Director or officer of the corporation, its parent or subsidiary (but mere common director-ship shall not be considered such an interest) had a direct or indirect material financial interest; if such transaction involved over fifty thousand dollars (\$50,000), or was one of a number of transactions with the same person involving, in the aggregate, over fifty thousand dollars (\$50,000).

(b) Any indemnifications or advances aggregating more than ten thousand dollars (\$10,000) paid during the fiscal year to any officer or Director of the corporation pursuant to Section 8.01 hereof.

The statement shall include a brief description of the transaction, the names of the Director(s) or officer(s) involved, their relationship to the corporation, the nature

of such person's interest in the transaction and, where practicable, the amount of such interest; provided, that in the case of a partnership in which such person is a partner, only the interest of the partnership need be stated.

ARTICLE X

CONSTRUCTION AND DEFINITIONS

Unless the context otherwise requires, the general provisions, rules of construction and definitions in the California Nonprofit Mutual Benefit Corporation Law shall govern the construction of these Bylaws. Without limiting the generality of the above, the masculine gender includes the feminine and neuter, the singular includes the plural and the plural includes the singular and the term "person" includes both a legal entity and a natural person.

-14(a)-

mutual benefit

ARTICLE XI

AMENDMENTS

SECTION 11.01. ACTION BY THE BOARD

The Bylaws may be amended or repealed and new Bylaws may be adopted by a majority vote of the Board.

SECTION 11.02. LIMITATIONS ON AMENDMENT OF BYLAWS

Where any provision of these Bylaws requires the vote of a larger proportion of the Directors than otherwise is required by law, such provision may not be altered, amended or repealed except by the vote of such greater number. No amendment may extend the term of a Director beyond that for which such Director was elected.

SECTION 11.03. MAINTENANCE OF RECORDS

The Secretary of the corporation shall see that a true and correct copy of all amendments of the Bylaws, duly certified by the Secretary, is attached to the official Bylaws of the corporation and is maintained with the official records of the corporation at the principal office of the corporation.



State of California
Secretary of State

I, DEBRA BOWEN, Secretary of State of the State of California, hereby certify:

That the attached transcript of _____ page(s) has been compared with the record on file in this office, of which it purports to be a copy, and that it is full, true and correct.



IN WITNESS WHEREOF, I execute this certificate and affix the Great Seal of the State of California this day of

JUN 23 2009

Debra Bowen

DEBRA BOWEN
Secretary of State

JUN 23 2009

ARTICLES OF INCORPORATION
OF
GREENWAY NATURE CARE FOUNDATION

I

The name of this corporation is **GREENWAY NATURE CARE FOUNDATION**

II

- A. This corporation is a nonprofit **MUTUAL BENEFIT CORPORATION** organized under the Nonprofit Mutual Benefit Corporation Law. The purpose of this corporation is to engage in any lawful act or activity, other than credit union business, for which a corporation may be organized under such law.
- B. The specific purpose of this corporation is for its members to facilitate and coordinate the distribution of lawfully cultivated Marijuana to qualified patients who need the use of alternative medicine under Proposition 215 and Senate Bill 420.

III

The name and address in the State of California of this corporation's initial agent for service of process is:

JAMES VILLEGAS
467 S. CALLE EL SEGUNDO, #D24
PALM SPRINGS, CA 92262

Notwithstanding any of the above statements of purposes and powers, this corporation shall not, except to an insubstantial degree, engage in any activities, or exercise any powers that are not in furtherance of the specific purpose of this corporation.

IN WITNESS WHEREOF, the undersigned incorporator has executed these Articles of Incorporation on the date below.

Date: June 8, 2009

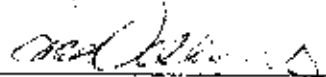

JAMES VILLEGAS - Incorporator



CERTIFICATE OF SECRETARY

I, the undersigned, certify that I am the presently elected and acting Secretary of GREENWAY NATURE CARE FOUNDATION, a California Nonprofit Mutual Benefit Corporation, and the above Bylaws, are the Bylaws of this corporation as adopted at a meeting of the Board of Directors held on JUNE 23, 2009

Executed on JUNE 23, 2009 at 10:00 A.M.
California.



JAMES VILLEGAS, Secretary

T.I.- RETAIL STORE

823 S. WILLIAM ROAD, PALM SPRINGS, CA 92264

ANOKIA, INC.
 CONTRACTUAL & RESIDENTIAL DESIGN
 713 W. DUARTE RD., #5203
 ANOKIA, CA 91702
 TEL/FAX: (818) 765-8362

T.I. RETAIL STORE
 823 S. WILLIAM ROAD,
 PALM SPRINGS, CA 92264

NO. 24-004
 RECEIVED

DATE: 11/11/04
 PROJECT: T.I. RETAIL STORE
 DRAWING NO. 24-004

A-0

SHEET INDEX
 SHEET NO. 6
 SHEET INDEX
 ANOKIA, INC. PROJECT: T.I. RETAIL STORE

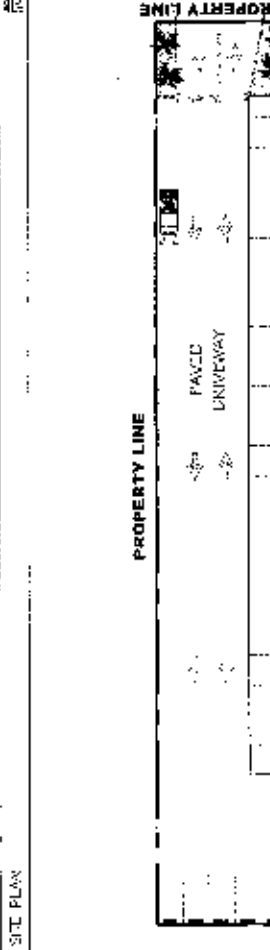
PROJECT SUMMARY
 PROJECT: T.I. RETAIL STORE
 ADDRESS: 823 S. WILLIAM ROAD, PALM SPRINGS, CA 92264
 OWNER: T.I. RETAIL STORE
 DESIGNER: ANOKIA, INC.
 DATE: 11/11/04

CONTRACTOR NOTES
 1. THE CONTRACTOR SHALL BE RESPONSIBLE FOR OBTAINING ALL NECESSARY PERMITS AND APPROVALS FROM THE LOCAL AGENCIES.
 2. THE CONTRACTOR SHALL MAINTAIN ACCESS TO ALL ADJACENT PROPERTIES AT ALL TIMES.
 3. THE CONTRACTOR SHALL PROTECT ALL EXISTING UTILITIES AND STRUCTURES.
 4. THE CONTRACTOR SHALL MAINTAIN THE EXISTING DRIVEWAY AND SIDEWALKS.
 5. THE CONTRACTOR SHALL MAINTAIN THE EXISTING PUBLIC STORAGE AREA.
 6. THE CONTRACTOR SHALL MAINTAIN THE EXISTING DRIVEWAY AND SIDEWALKS.
 7. THE CONTRACTOR SHALL MAINTAIN THE EXISTING DRIVEWAY AND SIDEWALKS.

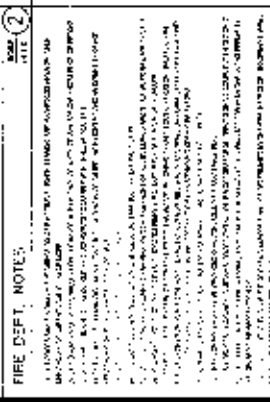
FIRE DEPT. NOTES
 1. THE CONTRACTOR SHALL MAINTAIN ACCESS TO ALL ADJACENT PROPERTIES AT ALL TIMES.
 2. THE CONTRACTOR SHALL PROTECT ALL EXISTING UTILITIES AND STRUCTURES.
 3. THE CONTRACTOR SHALL MAINTAIN THE EXISTING DRIVEWAY AND SIDEWALKS.
 4. THE CONTRACTOR SHALL MAINTAIN THE EXISTING PUBLIC STORAGE AREA.
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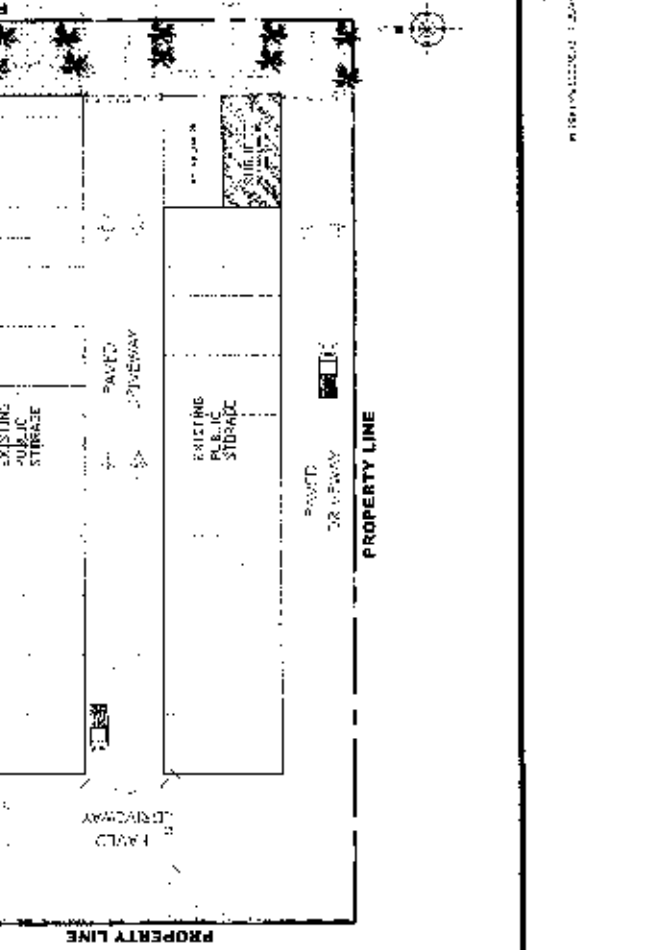
FLOOR PLAN
 SHEET NO. 5
 FLOOR PLAN
 ANOKIA, INC. PROJECT: T.I. RETAIL STORE



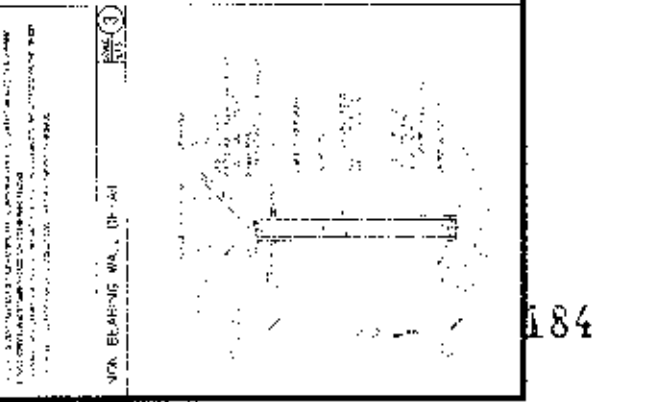
SIT PLAN
 SHEET NO. 6
 SIT PLAN
 ANOKIA, INC. PROJECT: T.I. RETAIL STORE



WILLIAM RD.
 PROPERTY LINE
 PROPERTY LINE
 PROPERTY LINE
 PROPERTY LINE



WALL LAYOUT
 SHEET NO. 7
 WALL LAYOUT
 ANOKIA, INC. PROJECT: T.I. RETAIL STORE





Staff Report to City Manager

Date: August 7, 2009

Case No.: 09-006 MC

Application Type: Medical Cannabis Cooperative Application

Location: 19437 Newhall Street

Applicant: Gary Cherlin – Desert Organic Solutions

Zone: M-2 (Manufacturing Zone)

General Plan: IND (Industrial)

APN: 666-422-006

From: Craig A. Ewing, AICP, Director of Planning Services

Project Planner: Edward O. Robertson, Principal Planner

PROJECT DESCRIPTION

An application has been submitted by Gary A. Cherlin, of Desert Organic Solutions, requesting a permit to operate a medical cannabis cooperative at 19437 Newhall Street. This location is zoned M-2 (Manufacturing Zone). Pursuant to Section 93.22.00(H) of the Zoning Code, *"a report shall be prepared on the acceptability of the applicant and the suitability of the proposed location."* This report describes the proposal and evaluates it against the standards and provisions of the applicable zoning provisions.

CONCLUSIONS

Following review of the application, staff has determined that the application does not conform to the following requirements of Section 93.22.00:

1. 93.22.00(C) The proposed site is within 1,000 feet of two other applicants for Medical Cannabis Cooperatives

2. 93.22.00(E) The project site does not provide adequate off-street parking spaces.
3. 93.22.00(H) Full background check of criminal records not yet available.

Section 93.22.00(H)(6) notes that the City Manager may determine that an application is not qualified unless "each and every requirement of this Section" (is) satisfied. Based on the non-conforming conditions noted above, Staff is recommending that this is not a qualified application.

BACKGROUND AND SETTING

Table 2.0: Comparison of Requirements for Medical Cannabis Cooperatives against the proposed project

	Requirements for Medical Cannabis Cooperatives	Proposed Application
Application fee/deposit	\$7,500 Deposit	\$7,500 deposit submitted (conforms)
93.22.00(C) Distance to sensitive uses:	Prohibited within 500 feet.	Conforms.
93.22.00(C) Distance to other Medical Cannabis Cooperatives	Prohibited within 1,000 feet	This location is within 1,000 feet of two other applicants for Medical Cannabis Cooperatives; 19486 & 19391 Newhall. Does not conform
Restrictions relative to primary uses on property.	Prohibited on parcels with commercial-retail as primary use.	Primary use of subject parcel is office & mini warehousing businesses. Conforms The building is currently vacant.
93.22.00(E) Off-Street Parking Requirements:	1 space for every 250 gsf. (3,000 gsf = 12 required off-street parking spaces)	Total spaces required for the two on-site uses are 16 spaces; 13 spaces provided. See further analysis below. Does not conform
93.22.00 (G.1) Estimated number of primary caregivers or qualified patients	No minimum or maximum requirement	Approximately 100 persons.
93.22.00 (G.1) Delivery service (if provided describe extent of the	Delivery Service not required	Delivery Service will be offered at this location during regular business hours.

delivery service)		
93.22.00 (G.2) Address	As noted	19437 Newhall Street
93.22.00 (G.3) Site & Floor Plans of Building including area comprising this business	No minimum area required.	Approximately 3,000 square feet from an existing 5,144 square feet office / warehouse building
93.22.00 (G.4) Security Plan	Security plan is required:	As noted in attached application:
93.22.00 (G.4.a.) Security System Requirements	Security cameras w/min 120 hrs of recording. Operated 24hr/day, 7days/week covering all areas as determined by the City Manager	120 hours of concurrent digital recordings operating 24/7. Cameras will record all points of entry and exit, all windows, storage areas and cultivation areas if applicable. (Conforms)
93.22.00 (G.4.b) Security System Requirements	Security Alarm operated and monitored by a recognized security company	Centrally Monitored Alarm system will be installed and maintained by Desert Alarm Inc.. (will conform when installed as proposed)
93.22.00 (G.4.c) Control of Entrances	Entrance locked at all times and controlled by staff	Provided (see attached information)
93.22.00 (G.4.d) Outdoor Lighting Requirements	Windows and entrances / conform to the City's outdoor lighting ordinance.	There is adequate existing lighting at the site; applicant proposes to install additional lighting at the premises consistent with the City's standards. (Conforms)
93.22.00 (G.4.e) Windows & Marijuana Storage requirements	Windows secured, marijuana securely stored. Maintain a clear view into the premises	Applicant proposes to hire a professional to secure all doors and windows with security bars. Also, windows will be electronically secured and monitored by an alarm system – (Will conform when completed)
93.22.00 (G.5) Contact information required	Name address of manager and employees and statement on criminal background.	Gary A. Cherlin; Owner 10403 Sunningdale Drive Rancho Mirage, CA 92270. Employees: 1. David Browner 2. Alexander Browner 3. Roger Fisher

93.22.00 (G.6) Property Owner requirements	Name & address of Owner and lessor of property; notarized acknowledgement from bldg. owner that a MCC will be operated on his/her property	Ralph Hanson 1700 Harbor Way Seal Beach, CA. 90740 Acknowledgement submitted (Conforms)
93.22.00 (G.7) Release of Information Requirements	Authorization for City Mgr to verify information.	Provided.
93.22.00 (G.8) Proof of Business Establishment	Non-profit cooperative, in accord w/the Compassionate Use Act	(Articles of incorporation). IRS Employer ID No: 27-0343100 Non-profit. Conforms
Building Area comprising this business	No minimum required.	Approximately 3,000 square feet
93.22.00 (K.2.) Hours of Operations restricted	Between 9 am and 7 pm Monday through Saturday only	Conforms
93.22.00 (K.9, & 10) Signage	No smoking/consuming marijuana on premises sign and name of business sign only	Separate sign application required.

DISCUSSION OF ACCEPTABILITY OF APPLICANT AND SUITABILITY OF PROPOSED LOCATION.

As noted in the table above, this application does not conform to the following requirements of the Medical Cannabis ordinance:

- Distance to two other Medical Cannabis Cooperative applicants
- Required parking spaces is not adequate

Distance to sensitive uses. Section 93.22.00(C) requires medical cannabis cooperatives not to be within 1,000 feet of other medical cannabis cooperative locations. The proposed cooperative at 19437 Newhall Street is within 220 feet of another applicant at 19486 Newhall Street, the third applicant at 19391 Newhall is right next door at 19437 Newhall Street. Although neither of the other two spaces is currently in operation.

1. Vicinity Map
2. Application including site, plans, photos and letters.

Off-street parking. Section 93.22.00(E) requires 1 parking space for every 250 square feet of collective. The building at 19437 Newhall Street is an approximately 5,144 square foot multi-tenant building with office and warehouse uses. The location is provided with 13 off-street parking spaces. The applicant is leasing 3,000 square feet of the total 5,144 square feet. With this, the new parking requirement for the site is computed as follows: 3,000/250 equals 12 spaces for the medical cannabis use; the remaining space of 2,144 requires 1 space for every 500 square feet (Industrial uses) which equals 4 additional spaces; bringing the total required parking to 16 spaces. The overall available parking at the site is 13 spaces; thus the proposed site is short three spaces.

Federal criminal background data not available. Section 93.22.00 (G) requires the City Police Department to run criminal background checks on all owners and employees of the collective. The applicant has submitted a release; however as of the writing of this staff report, national database systems have not been able to confirm the individuals associated with this application. Staff anticipates release of this information shortly.

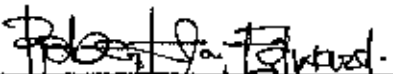
93.22.00 (H) BACKGROUND CRIMINAL CHECK

The Palm Springs Police Department will evaluate the information provided by the applicant all identified statistics and data will be presented to the City Manager. Also, Live Scan electronic fingerprinting will be conducted on the following persons, the results of the investigation will be made available prior to the decision of the City Manager.

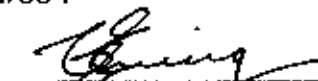
<u>Status:</u>	<u>Name:</u>	<u>Findings:</u>
Owner:	Gary Cherlin	Investigations Report Pending
Employees:	David Browner	Investigations Report Pending
	Alexander Browner	Investigations Report Pending
	Roger Fisher	Investigations Report Pending
	Brandon Anderson	Investigations Report Pending
	Frederick A. Kiser	Investigations Report Pending

ENVIRONMENTAL ASSESSMENT

Pursuant to the California Environmental Quality Act (CEQA) Guidelines, the permitting or entitlement of use by a public agency is deemed a project. This application is therefore determined to be a project under CEQA. The City has evaluated the project and determined that it is Categorical Exempt in accordance with CEQA Section 15303 "New Construction or Conversion of Small Structures".



Edward O. Robertson
Principal Planner

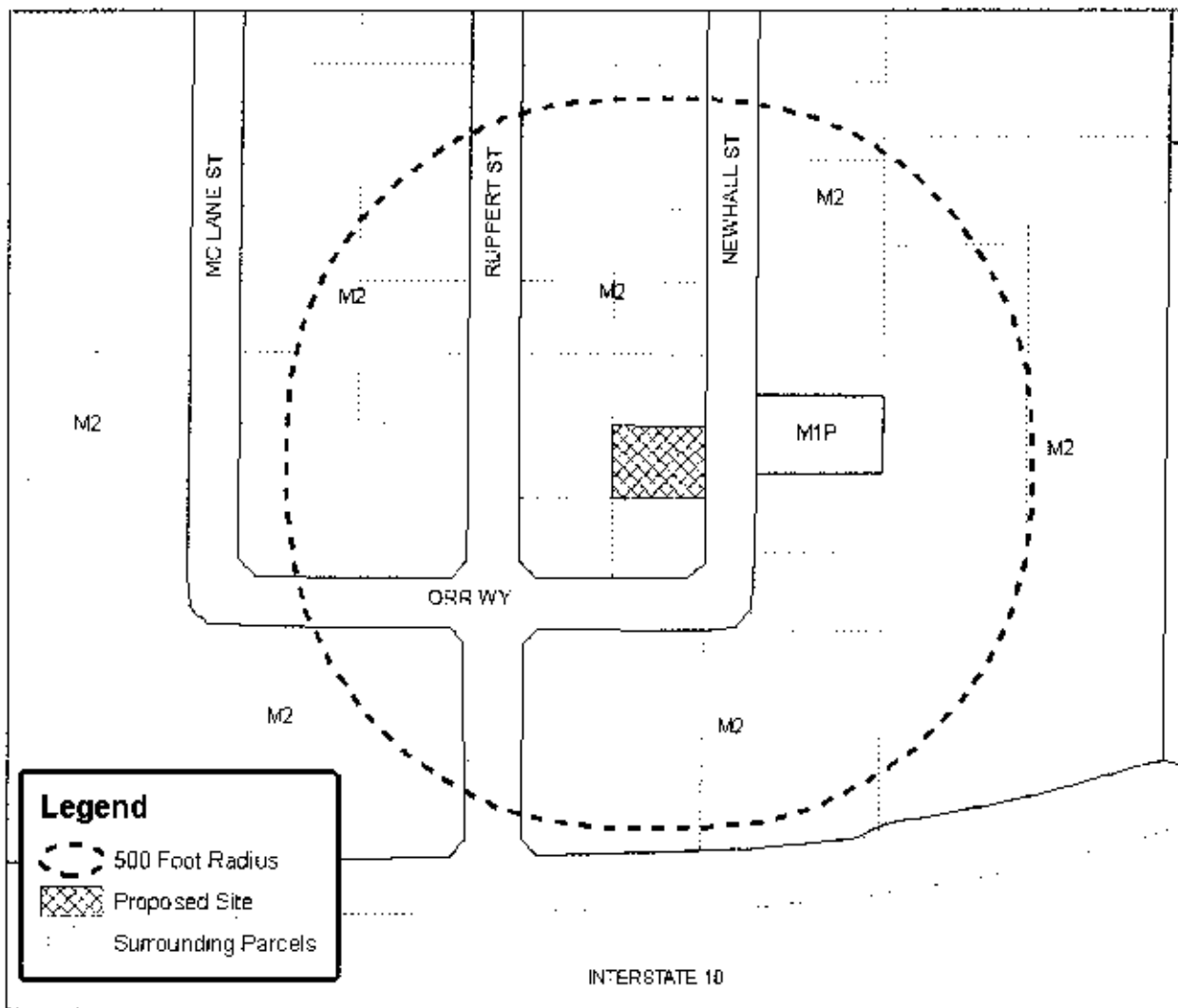
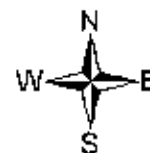


Craig A. Ewing, AICP
Director of Planning Services

ATTACHMENTS



Department of Planning Services Vicinity Map



Legend

- 500 Foot Radius
- Proposed Site
- Surrounding Parcels

CITY OF PALM SPRINGS

CASE NO: MC 09-006

APPLICANT: Desert Organics Solutions

DESCRIPTION: Application for a medical cannabis cooperative/collective at 19437 Newhall Street.



CITY OF PALM SPRINGS
Department of Planning Services

Office Use Only

Date Submitted:	
Case No:	09-006
Planner:	J

**APPLICATION FOR MEDICAL CANNABIS
COOPERATIVE OR COLLECTIVE (MC)**

Please read carefully to ensure application is accurate and complete.
Inaccurate or incomplete applications may be rejected.

TO THE APPLICANT:

Your cooperation in completing this application and supplying the information requested will expedite City review of your application pursuant to local procedures. Applications submitted will not be considered complete until all submittal requirements are met.

Please submit this completed application and subsequent material to the Department of Planning Services at 3200 East Tahquitz Canyon Way, Palm Springs, CA 92262 - Phone: 760-323-8245 - Fax: 760-322-8360

Cooperative / Collective Site Address: 19-437 Newhall st

Applicant's Name: Aary Cherlin 516-698-3020

Applicant's Signature: [Signature]

Mailing Address: 10463 Sunningdale Dr.
Rancho Mirage (Street Number and Name or P.O. Box) CA 92270
City State Zip Code

Applicant's Telephone: RES: 760-202-9343 BUS: 760-202-9343 CELL: 516-698-3020

A.K.A: N/A Applicant's E-Mail: ACherlin@aol.com

(If Applicant is leasing the Cooperative / Collective Site please list the Property Owner's contact information.)

Property Owner's Name: Ralph Hanson

Property Owner's Mailing Address: 1706 Harbor Way
Seal Beach (Street Number and Name or P.O. Box) CA 90740
City State Zip Code

Property Owner's Telephone: RES: 562-897-0886 BUS: 562-431-3954 CELL: 562-431-3954 FAX:

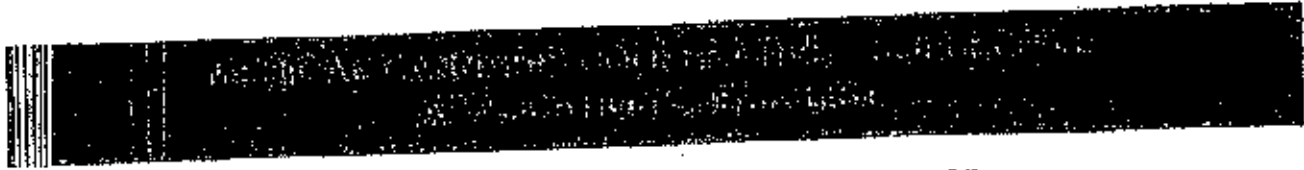
Property Owner's E-Mail: RHanson88@gmail.com

COOPERATIVE / COLLECTIVE SITE INFORMATION:

Gross Square Footage of proposed business space: 3,000 sq ft Assessor's Parcel Number: 6660-422-006-6

Zone: M2 Section/Township/Range: 15/3/4 General Plan: RBC Hours of Operation: 9am to 7pm

09-006



Submission Requirements: The following information shall be submitted on white single-sided 8 1/2" x 11" paper using either MS WORD or text-readable PDF format:

	Applicant Only	City Use Only
Group Size:		
◆ Estimated number of caregivers: <u>10-20</u>	<input type="checkbox"/>	<input type="checkbox"/>
◆ Estimated number of qualified patients: <u>100</u>		
◆ Will delivery service be provided? <u>(yes)</u> / no (Circle one)	<input type="checkbox"/>	<input type="checkbox"/>

If yes, describe the extent and method of the delivery service to be provided for each qualified patient.

Site Requirements: DOSC will provide delivery of medication to registered members if the qualified patient is unable to visit the collective due to poor health or lack of mobility, and his or her primary caregiver, where applicable, is unable to receive medicine on his or her behalf. A staff person will deliver medicine to the member's home address, assisted living facility, or hospice during normal business hours. This will be an ancillary service offered only on a limited basis as determined by members' needs.

Security Plan:

◆ Number of security cameras or zones with a listing of the areas covered. Confirmation that security system shall be provided with 120 hrs of digitally recorded documentation and cameras shall be in use 24 hours per day, 7 days per week. <u>Please see attachment.</u>	<input type="checkbox"/>	<input type="checkbox"/>
◆ Alarm system & security camera monitoring company's contact information. <u>DESERT ALARM INC 760-864-6455</u>	<input type="checkbox"/>	<input type="checkbox"/>
◆ Entrances, windows, and cannabis storage lighting and security methods. (Indicate lighting & security for the above mentioned on Site Plan as well as, a written description.) <u>Please see attachment.</u>	<input type="checkbox"/>	<input type="checkbox"/>

Cooperative / Collective staff contact & criminal background information:

◆ Name, address, telephone number of all managers, staff, applicant and owner. Include a statement as to whether such person(s) has or have been convicted of a crime, nature of the offense and the sentence received for such conviction.	<input type="checkbox"/>	<input type="checkbox"/>
◆ Notarized acknowledgement from owner of the building that a Medical Cannabis Cooperative / Collective will be operating on his / her property.	<input type="checkbox"/>	<input type="checkbox"/>
◆ Evidence that Cooperative / Collective is organized as a bona fide non-profit comprised, exclusively and entirely, of qualified patients and the primary caregivers of those patients in strict accordance with the Compassionate Use Act.	<input type="checkbox"/>	<input type="checkbox"/>
◆ Background Check Authorization Form. (Signed document giving The City of Palm Springs authorization to run background check on applicant and associates.)	<input type="checkbox"/>	<input type="checkbox"/>

→ ALREADY SUBMITTED

If Cooperative / Collective is in a Multi-Tenant Building List other Businesses:

<u>No other businesses in the building</u>	
Business Name	Type of Business
Business Name	Type of Business
Business Name	Type of Business
Business Name	Type of Business
Business Name	Type of Business
Business Name	Type of Business



The following items must be completed and accompany the Medical Cannabis Cooperative / Collective Application (MC). Please check off each item to ensure completeness.

ALREADY SUBMITTED

	Applicant Only	City Use Only
Application & Fee:		
◆ Original completed Application & \$7,500 Deposit	<input type="checkbox"/>	<input type="checkbox"/>
Detailed Site Plan:		
◆ 11" X 17" or 24" X 36" Site Plan and floor plan: Indicate north arrow, site address; floor plan; doors, entrances, windows, use of each area, including storage and cultivation areas; exterior lighting & security cameras; restrooms; signage & parking for the business.	<input type="checkbox"/>	<input type="checkbox"/>
Off Street Parking requires 1 parking space for every 250 gross square feet of business space (If proposed business location is within a multi-tenant building, the site plan must show adequate parking for all businesses located on that site).	<input type="checkbox"/>	<input type="checkbox"/>
◆ An electronic file in PDF format may also be submitted on a CD (Compact Disc) <i>Please see attachment.</i>	<input type="checkbox"/>	<input type="checkbox"/>
Photographs of Existing Site:		
◆ Photographs of site showing front, back and sides of building, lighting, parking, etc.	<input type="checkbox"/>	<input type="checkbox"/>

DESERT ORGANIC SOLUTIONS COLLECTIVE LIST OF EMPLOYEES

ALEXANDRE BROWNER
3330 S. SEPULVEDA BLVD 22C
LOS ANGELES CA, 90034

ROGER FISHER
9390 CALLE BARRANCA
DESERT HOT SPRINGS CA, 92240

GARY CHERLIN
10403 SUNNINGDALE DR
RANCHO MIRAGE, CA 92270

DAVID BROWNER
3330 S. SEPULVEDA BLVD 22C
LOS ANGELES CA, 90034

Gary Cherlin
10403 Sunningdale Drive
Rancho Mirage, CA 92270

July 1, 2009

Craig A. Ewing, AICP
Director of Planning Services
City of Palm Springs
3200 East Tahquitz Canyon Way
Palm Springs, CA 92262

Dear Mr. Ewing:

Please find enclosed a medical cannabis permit application for Desert Organic Solutions Collective (DOSC), a nonprofit patients association to be located at 19-437 Newhall Street in Palm Springs. I am submitting this application pursuant to Ordinance 1758.

This application includes the following:

- Project Summary in accordance with Municipal Code Section 93.22.00(G)(1-10)
- Applicant's Authorization and Certification
- Notarized Acknowledgement from property owner that a Medical Cannabis Collective will be operated on his property
- Statement from principal as to never having been convicted of a crime
- Site and Floor Plan- Disc Included
- Report: What the California Attorney General's Guidelines Mean for Medical Cannabis Dispensing Collectives in California
- Report: Medical Cannabis Dispensing Collectives and Local Regulation
- DOSC Articles Of Incorporation
- DOSC Appointment of Directors
- DOSC Bylaws
- DOSC Collective Membership Application And Agreement
- DOSC Rules And Guidelines

Please contact me at (760) 202-9343 if there is any additional information you need.

Thank you,



Gary Cherlin

09-006

09 006

Gary Cherlin
10403 Sunningdale Drive
Rancho Mirage, CA 92270

*Desert
Oligocene
Solutions*

July 21, 2009

Kenneth Lyon
City of Palm Springs Planning Department
3200 East Tahquitz Canyon Way
Palm Springs, CA 92262

Dear Mr. Lyon:

I would like to change two of the employees that I listed on my original application due to scheduling conflicts with the Palm Springs Records Department. David Browner and Alexandre Browner will not be back in Palm Springs until August 9th. According to the Records Department the deadline is August 7th. Please remove David Browner and Alexandre Browner from my list of employees and add Brandon Anderson and Frederick A. Kiser.

Brandon Anderson
788 North Riverside Drive # 15
Palm Springs, CA 92264

Frederick A. Kiser
842 East Mesquite
Palm Springs CA, 92264

Please contact me at (516) 698-302 if there is any additional information you need.

Thank you,

Gary Cherlin

ARTICLES OF INCORPORATION**ENDORSED - FILED**
in the office of the Secretary of State
of the State of California

JUN 18 2009

I.

The name of the corporation is Desert Organic Solutions Collective.

II.

This corporation is a nonprofit mutual benefit corporation organized under the Nonprofit Mutual Benefit Corporation Law. The purpose of this corporation is to engage in any lawful act or activity other than credit union business for which a corporation may be organized under such law.

III.

The name and address of this corporation's initial agent for service of process is Gary Cherlin, 10403 Sunningdale Drive, Rancho Mirage, CA 92270.

Date: June 18, 2009



Jacek W. Lentz, Incorporator

09-006





State of California
Secretary of State

I, DEBRA BOWEN, Secretary of State of the State of California, hereby certify:

That the attached transcript of 1 page(s) has been compared with the record on file in this office, of which it purports to be a copy, and that it is full, true and correct.



IN WITNESS WHEREOF, I execute this certificate and affix the Great Seal of the State of California this day of

JUN 23 2009

Debra Bowen

DEBRA BOWEN
 Secretary of State

ATTACHMENT FOR REQUIREMENTS 6 AND 8

Gary Cherlin
10403 Sunningdale Drive
Rancho Mirage, CA 92270

June 25, 2009

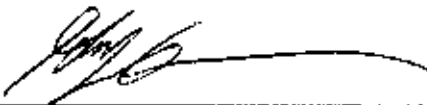
City of Palm Springs
Department of Planning Services
3200 East Tahquitz Canyon Way
Palm Springs, CA 92262

APPLICANTS AUTHORIZATION AND CERTIFICATION – Medical Cannabis
Collective Permit Application for Desert Organic Solutions Collective, 19-437 Newhall
Street, Palm Springs, CA 92262

To Whom It May Concern:

I do hereby authorize the City Manager of the City of Palm Springs to seek verification of the information contained in my application for a permit for a medical cannabis collective located at 19-437 Newhall Street in Palm Springs, California.

Furthermore, I do hereby certify under penalty of perjury that all of the information contained in the application is true and correct to the best of my knowledge.



Gary Cherlin

I, Ralph Hanson, being the Owner and Lessor of the real property located at 19-437 Newhall Street, Palm Springs, CA 92262, agree to lease up to 3,000 sq. ft. of the aforementioned property to be used as a Medical Cannabis Cooperative or Collective, and I acknowledge that the property will be used for such purpose.

[Signature]
Ralph Hanson

June 8, 2009
Date

State of California
County of Los Angeles

On JUNE 8TH 2009 before me, DAVID TEHRANI (NOTARY PUBLIC)
(Date) (Insert name and title of the officer.)

personally appeared Ralph Hanson, who proved to me on the basis of satisfactory evidence to be the person whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his authorized capacity, and that by his signature on the instrument the person, or the entity upon behalf of which the person 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]



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661-477-0210

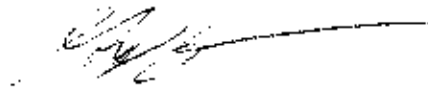
ATTACHMENT FOR REQUIREMENT NUMBER 4

Gary Cherlin
10403 Sunningdale Drive
Rancho Mirage, CA 92270

June 23, 2009

City of Palm Springs
Department of Planning Services
3200 East Tahquitz Canyon Way
Palm Springs, CA 92262

My name is Gary Cherlin and I reside at 10403 Sunningdale Drive in Rancho Mirage, CA 92270. I will be responsible for, as well as, managing the Desert Organic Solutions Collective Located at 19-437 Newhall Street in Palm Springs, California. I do hereby certify under penalty of perjury that I have never been convicted of any crime.



Gary Cherlin

8 2 1 0 0 8

- 1. An estimate of the size of the group of primary caregivers and/or qualified patients who will be served by the nonprofit cooperative; this description should include whether delivery service will be provided and the extent of such service.**

Desert Organic Solutions Collective (DOSCC) is a California Nonprofit Mutual Benefit Corporation organized under the laws of the state of California to promote and facilitate the nonprofit, collaborative association of legal medical cannabis patients and primary caregivers engaged in the medical cultivation and use of cannabis solely by patients, aided by their primary caregivers where applicable, as authorized under Health and Safety Code Sections 11362.5 and 11362.7, *et seq.* DOSCC's principal function is to receive cannabis grown by legally qualified patient-members or their caregivers and make it available to other legally qualified patient-members or their caregivers. DOSCC does not make cannabis available to the general public, or to anyone else who is not a registered member of the collective and entitled to possess it pursuant to California law.

DOSCC will initially provide quality-controlled medication to approximately one hundred (100) qualified patients and their primary caregivers, where applicable. However, no primary caregiver shall be admitted as a member unless the qualified patient who designated him or her as primary caregiver is also a duly registered and verified member of DOSCC.

DOSCC will provide delivery of medication to registered members if the qualified patient is unable to visit the collective due to poor health or lack of mobility, and his or her primary caregiver, where applicable, is unable to receive medicine on his or her behalf. A staff person will deliver medicine to the member's home address, assisted living facility, or hospice during normal business hours. This will be an ancillary service offered only on a limited basis as determined by members' needs.

- 2. The address of the location from which the cooperative for which the application is made will be operated.**

Desert Organic Solutions Collective
19-437 Newhall Street
Palm Springs, CA 92262

- 3. Security Plan**

Security is a top priority at DOSCC. To protect members and the community at large, DOSCC maintains a security culture defined by physical and operational standards that prevent crime or nuisance activity. Anecdotal reports have suggested that medical cannabis collectives are magnets for criminal activity or other behavior that is a problem for the community, but the experience of those cities with regulations says otherwise. Crime statistics and the accounts of local officials surveyed by the nation's largest

medical cannabis advocacy organization, Americans for Safe Access, indicate that crime is actually reduced by the presence of a collective; and complaints from citizens and surrounding businesses are either negligible or are significantly reduced with the implementation of local regulations.¹ In Oakland, where collectives have been licensed since 2004, City Administrator Barbara Killey notes that "The areas around the dispensaries may be some of the safest areas of Oakland now because of the level of security, surveillance, etc...since the ordinance passed."

- a. Security Cameras. DOSC will install, maintain in good condition, and use a digital security surveillance and recording system on an ongoing basis for twenty-four (24) hours per day, seven days per week. The applicant will maintain at least one hundred twenty (120) hours of concurrent video footage in a digital format. Cameras shall record all points of entry and exit, all windows, storage areas, and cultivation areas, if applicable.
- b. Centrally Monitored Alarm. DOSC will contract with a recognized commercial security firm to install and monitor a centrally monitored alarm system, including a panic button for emergency use. This system shall be in use and monitored twenty-four (24) hours each day.
- c. Dispensing Area and Storage Locked. DOSC will ensure that the entrance to the facility and the door to the area from which medicine is dispensed are locked and under the control of the applicant or trained staff at all times during business hours. Furthermore, harvested medication will be stored in a closed one-ton safe outside of business hours or when otherwise not in use (displayed for members, curing, packaging, etc.).
- d. Adequate Lighting. DOSC will install adequate lighting to ensure that the entrance(s) and windows are illuminated after dark, and this lighting shall comply with the city's lighting standards regarding fixture, type, wattage, illumination levels, and shielding. The applicant will secure all necessary approvals and permits for lighting installed.
- e. Windows Secured. DOSC will hire a professional to secure all doors and windows with security bars, which shall be fitted with internal emergency release mechanisms for escape in case of a fire. Additionally, the windows will be electronically secured and monitored by the alarm system to detect unauthorized entry. Harvested medication will be stored in a closed one-ton safe outside of business hours or when otherwise not in use (displayed for members, curing, packaging, etc.).
- f. Security Personnel. DOSC will employ at least one uniformed and unarmed security guard, with a Guard Card issued by the California Department of Consumer Affairs. The security guard will be on duty at all times during business hours.
- g. Loss Prevention. DOSC will use contemporary retail loss prevention methods to prevent theft or shoplifting, including careful financial and inventory tracking,

¹ *Medical Cannabis Dispensing Collectives and Local Regulations*, Americans for Safe Access (2005). A copy of this report is included with the application to be included in the record of these proceedings.

video surveillance of staff and clients, supervising member contact with medicine, and other precautions as needed.

- h. **Member Screening.** Careful member screening prevents crime and nuisance activity by clearly establishing the identity and legal status of each individual before he or she becomes a member. Before providing medicine, DOSC staff will carefully screen each new patient-member to ensure that he or she is a qualified patient according to California law. The membership screening process will include: (1) inspection of an original copy of the qualified patient's letter of recommendation for medical cannabis use from a licensed physician or his or her medical cannabis ID card issued pursuant to California Health and Safety Code 11362.7; (2) inspection of a California Driver's License or Department of Motor Vehicles ID card establishing residency in California; (3) verification of the letter of recommendation or medical cannabis ID card with the physician, physician's staff, or County health Department staff, as applicable; and (4) verification of the physician's license with the California Medical Board.
- i. **Nuisance Abatement.** DOSC will monitor and record any nuisance activity associated with members and make every effort to correct problematic behavior. If a member persists in violating DOSC rules, he or she will be excluded from membership.

4. Names and Addresses of Principals/Employees

Gary Cherlin has not been convicted of a misdemeanor or felony. Employees of DOSC will also be registered members without convictions. Please see attached statement.

Gary Cherlin
10403 Sunningdale Drive
Rancho Mirage, CA 92270

5. Name and Address of Property Owner

Ralph Hanson
1700 Harbor Way
Seal Beach, CA 90740

Statement attached - Notarized acknowledgement from owner of property that a Medical Cannabis Collective will be operated on his property

6. A signed statement authorizing the City Manager to seek verification of the information contained in this application.

Statement attached - Applicant's Authorization and Certification

7. Evidence of Legal Status

DOSC is organized and operated as a Nonprofit Public Benefit Corporation in strict compliance with California law (CA Corporations number 3147766). The organization is established to promote and facilitate the nonprofit, collaborative association of legal medical cannabis patients and primary caregivers engaged in the medical cultivation and use of cannabis solely by patients, aided by their primary caregivers where applicable, as authorized under Health and Safety Code Sections 11362.5 and 11362.7, *et seq.* DOSC's principal function is to receive cannabis grown by legally qualified patient-members or their caregivers and make it available to other legally qualified patient-members or their caregivers. DOSC does not make cannabis available to the general public, or to anyone else who is not a registered member of the collective and entitled to possess it pursuant to California law.

DOSC does not obtain cannabis from any source other than the labor of qualified patient-members, or their primary caregivers acting on the patient's behalf, who are legally authorized by law to grow cannabis for medical purposes. DOSC provides a means whereby lawful medical cannabis patients may associate for the purpose of collaboratively and collectively growing cannabis for their personal medical use, and rendering it into medicinally usable forms. Part of this function includes allocation of the costs and benefits of this effort, including the allocation of reasonable compensation for services rendered amongst those associated with the collective, and allocation of surplus production of cannabis lawfully grown by patients and caregivers, as authorized under California Health and Safety Code Section 11362.7 *et seq.*

In August of 2008, the California Attorney General published "Guidelines for the Security and Non-Diversion of Marijuana Grown for Medical Use." DOSC is in full compliance with the Attorney General's interpretation of California law, as discussed below. The headings in italics refer to the headings in Section IV of the guidelines:

- *Business Forms* – The Attorney General recognizes that patients' associations may be statutory cooperatives or collectives. Because collectives are not defined under state law, the Attorney General says a collective may organize as "some form of business to carry out its activities." DOSC is organized as a California Nonprofit Public Benefit Corporation for this purpose.
- *Nonprofit Operation* – DOSC is a California Nonprofit Public Benefit Corporation. As such, there are no Shareholders or beneficial owners. DOSC does not pay any dividends or return on investment to any person. All revenue of the organization will be reinvested in medicine for members, used to cover overhead expenses, or spent on patient advocacy and education.
- *Business License, Sales Tax, and Seller's Permit* – DOSC is seeking approvals and licensing from the City of Palm Springs in this application. DOSC has applied for a California Seller's Permit, and will collect and pay sales tax as required by state law.

- *Membership Application and Verification* – DOSC staff verifies that each member is a Qualified Patient or Primary Caregiver as defined under California Health and Safety Code 11362.5 (Proposition 215), and that the doctor recommending medical cannabis use for the Qualified Patient is currently licensed to practice medicine in California. New members must complete an application and short intake interview. As a condition of membership, members must agree not to redistribute medicine to non-members or use cannabis for non-medical purposes. Staff will track the expiration date of members' letters of recommendation and excludes members who violate the rules.
- *Collectives Should Acquire, Possess, and Distribute Only Lawfully Cultivated Marijuana* – DOSC does not obtain cannabis from any source other than the labor of qualified patient-members, or their primary caregivers acting on the patient's behalf, who are legally authorized by law to grow cannabis for medical purposes. DOSC never acquires medicine from the illicit market.
- *Distribution and Sales to Non-Members are Prohibited* – DOSC does not provide medicine to any person who is not a registered and unexpired member. Security personnel and staff carefully verify members' status before providing medicine.
- *Permissible Reimbursements and Allocations* – DOSC members are reimbursed for medicine they bring to the facility, while other members pay reimbursements for medicine they receive.
- *Possession and Cultivation Guidelines* – DOSC keeps only a minimal amount of cannabis on hand at any one time. Our internal possession criteria are dramatically lower than those anticipated by the Attorney General's guidelines.
- *Security* – DOSC maintains more than adequate security to protect staff, members, and neighbors. A uniformed and unarmed security guard who has credentials issued by the California Department of Consumer Affairs is on duty during business hours. He or she will routinely patrol the neighborhood to prevent nuisance activity or crime. Additionally, DOSC uses careful internal loss prevention methods and tracks daily reimbursements and expenses. We use a one-ton safe to secure medicine when it is not displayed for members. We also have a video surveillance system and a centrally monitored alarm system, including panic buttons.
- *Storefront Dispensaries* – The Attorney General says that a "properly organized and operated collective or cooperative that dispenses medical marijuana through a storefront may be lawful under California law," provided the association substantially complies with the guidelines. DOSC complies with the letter and the spirit of the law, and as such, maintains the storefront lawfully.
- *Indicia of Unlawful Operation* – DOSC does not engage in any of the activities identified as problematic in the guidelines. The organization does not keep excessive amounts of medicine, plants, or cash on hand. DOSC carefully follows state and local law, pays all required taxes and fees, only acquires or provides medicine within its membership, and never engages in interstate activity. Additionally, the organization does not tolerate the possession of illicit drugs or weapons by members or staff.

DOSC organized and will operate its collective based, in part, on information included in a report by Americans for Safe Access (ASA) entitled “What the Attorney General’s Guidelines Mean for Medical Cannabis Dispensing Collectives and Cooperatives in California.” ASA worked closely with the staff at the Attorney General’s office to craft his guidelines, and this report is one of the most widely used compliance tools in the field of medical cannabis.²

8. Applicant’s Certification

Statement attached - Applicant’s Authorization and Certification

² *What the Attorney General’s Guidelines Mean for Medical Cannabis Dispensing Collectives and Cooperatives in California* (2008), Americans for Safe Access (ASA). A copy of this report is included with the CUP application to be included in the record of these proceedings.

Attachment to Application for Medical Cannabis Cooperative or Collective
Desert Organic Solutions Collective
19-437 Newhall Street, Palm Springs

Site Requirements

Security Plan:

Number of security cameras or zones with a listing of the areas covered.
Confirmation that the security system shall be provided with 120 hours of digitally recorded documentation and the cameras shall be in use 24 hours per day, 7 days per week.

Desert Organic Solutions Collective (DOSC) will install six (6) digital security cameras, which will be in use twenty-four hours per day, seven days per week. The security system will maintain the previous 120 hours of digitally recorded documentation at all times. The six cameras will be installed to record:

- Outside view of the front entrance
- Outside view of the rear door
- Inside view of the front door sufficient to capture a clear face picture of anyone entering the facility
- Registration desk where members check in upon arrival
- Medication display area
- Cash register

Entrances, windows, and cannabis storage lighting and security methods.

Please see the attached project narrative for a complete security plan.

DOSC will ensure that the entrance to the facility and the door to the area from which medicine is dispensed are locked and under the control of the applicant or trained staff at all times during business hours. Furthermore, harvested medication will be stored in a closed one-ton safe outside of business hours or when otherwise not in use (displayed for members, curing, packaging, etc.).

DOSC will hire a professional to secure all doors and windows with security bars, which shall be fitted with internal emergency release mechanisms for escape in case of a fire. Additionally, the windows will be electronically secured and monitored by the alarm system to detect unauthorized entry. Harvested medication will be stored in a closed one-ton safe outside of business hours or when otherwise not in use (displayed for members, curing, packaging, etc.).

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2.8

Overnight security will include motion sensors and contact strips on doors and windows, which will sound an audible alarm if activated. The security company monitoring the alarm system will also alert the police department and a representative of DOSC in the event of a break in. Sufficient lighting will be left on overnight to accommodate video recording.

There is an external light mounted on the exterior wall of the building adjacent to the front entrance. This light will remain on all night, daily.

Detailed Site Plan

Off-Street Parking

DOSC is located at 19-437 Newhall Street inside an existing industrial park development with sixty-eight (68) shared parking for six tenants. Fourteen (14) of these parking spaces are immediately adjacent to 19-437 Newhall Street. The industrial park in which the facility is located already meets all applicable parking requirements, including those in Municipal Code Section 93.22.00(E).

On July 6, 2009, an agent representing the applicant confirmed that the facility met the applicable parking requirements by speaking with Planner Glen Walker.

**APPOINTMENT OF INITIAL DIRECTORS AND ADOPTION OF BYLAWS OF
DESERT ORGANIC SOLUTIONS COLLECTIVE**

A California Nonprofit Mutual Benefit Corporation

The undersigned, as Sole Incorporator of Desert Organic Solutions Collective, a California nonprofit mutual benefit corporation (the "Collective"), adopts the following resolutions on behalf of the Collective:

WHEREAS, no bylaws have been adopted for the regulation of the affairs of the Collective;

WHEREAS, it is deemed to be in the best interests of the Collective and its prospective members that the bylaws be adopted as the bylaws of the Collective; and

WHEREAS, under Corporations Code § 5134, 7134 and 9134, as applicable, the Sole Incorporator is authorized to elect the initial directors of the Collective:

IT IS RESOLVED THAT the bylaws attached to these resolutions are adopted as the Collective's bylaws; and

IT IS FURTHER RESOLVED THAT the secretary of the Collective is authorized and directed to execute a certificate of the adoption of these bylaws, to insert the bylaws as so certified in the minute book of the Collective, and to see that a copy of the bylaws, similarly certified, is kept at the principal office to transact the business of the Collective.

WHEREAS, the bylaws of the Collective provide that the authorized number of directors of the Collective shall be between 1 and 5; and

WHEREAS, under Corporations Code § 5134, 7134 and 9134, as applicable, the Sole Incorporator is authorized to elect the initial directors of the Corporation; the Sole Incorporator hereby elects and sets the number of initial directors at one:

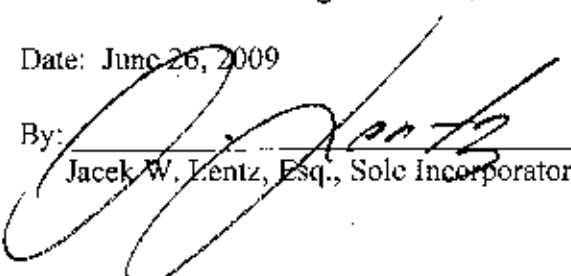
IT IS RESOLVED THAT the person(s) listed below are hereby elected as the initial director(s) of the Corporation, to serve until they resign or are removed or until their successors are duly elected and qualified.

Name: Gary Cherlin

Address: 10403 Sunningdale Drive, Rancho Mirage, CA 92270

Date: June 26, 2009

By:


Jacek W. Lentz, Esq., Sole Incorporator

003-006

**BYLAWS
OF
DESERT ORGANIC SOLUTIONS COLLECTIVE**
A California Nonprofit Mutual Benefit Corporation

**ARTICLE I
LOCATION AND GENERAL PROVISIONS**

Section 1.1. Principal Office

The principal office for the transaction of the activities and affairs of Desert Organic Solutions Collective (the "Collective") is located at 19-347 Newhall Street, Palm Springs, in Riverside County, California. The board of directors may change the location of the principal office. Any such change of location must be noted by the secretary on these bylaws opposite this Section; alternatively, this Section may be amended to state the new location.

Section 1.2. Other Locations

The board may at any time establish branch or subordinate offices at any place or places where the Collective is qualified to conduct its activities.

Section 1.3. Construction and Definitions

Unless the context requires otherwise, the general provisions, rules of construction, and definitions in the California Nonprofit Corporation Law shall govern the construction of these bylaws. Without limiting the generality of the preceding sentence, the masculine gender includes the feminine and neuter, the singular includes the plural, the plural includes the singular, and the term "person" includes both a legal entity and a natural person.

**ARTICLE II
MISSION AND PURPOSE**

The purpose of the Collective is to engage in any lawful act or activity. In the context of this general purpose, the Collective's specific purpose and mission is to provide a variety of holistic health services to its beneficiary members, including, but not limited to, enabling its member qualified patients and member primary caregivers to cooperate in order to cultivate and provide medical marijuana for and among themselves in accordance with (a) California Health and Safety Code section 11362.5 ("Proposition 215" or "Compassionate Use Act of 1996"), (b) Article 2.5, commencing with Section 11362.7, to Chapter 6 of Division 10 of the California Health and Safety Code ("SB

420”) and the 2008 California Attorney General Jerry Brown’s Guidelines (“AG Guidelines”).

While dedicated to its purpose and mission of compassionate care, the Collective and its beneficiary members shall adhere to democratic and collective principles to the extent practicable and authorized by law. The principles of the Collective shall be based on the cooperation by and sharing among members while recognizing that the nature and character of contributions from individuals who join and comprise the Collective may differ; for example, some members might engage in cultivation of marijuana strictly for their own or other members’ legitimate medical purposes while contributions from other members might consist of providing the Collective with monetary reimbursements of services, costs and expenses.

ARTICLE III MEMBERS

Section 3.1. No Voting Members

The Collective shall have no voting members within the meaning of the California Nonprofit Corporation Law. The Collective’s board of directors may, in its discretion, admit individuals to one or more classes of nonvoting members; the class or classes shall have such rights and obligations as the board finds appropriate. A reference as a “member” shall not constitute anyone as a member within the meaning of Corporations Code section 5056 unless these bylaws have been amended to authorize voting members and to qualify specific persons or entities for a voting membership.

Section 3.2. Membership Application and Fee

Membership as a nonvoting member will be open to all persons who (a) join the Collective by signing the Collective Membership Application and Agreement in the form prescribed by the board, (b) demonstrate willingness to abide by and uphold Collective’s spirit and rules and (c) provide a physician’s recommendation that the applying individual qualifies as a “qualified patient” or “primary caregiver” as defined and legally authorized by the laws of (i) the Compassionate Use Act of 1996 and (ii) SB 420 and (c) pay a one time fee. Application for membership shall be subject to approval by the board of directors.

Section 3.3. Termination

Termination of membership shall all be subject to the discretion of the Directors.

ARTICLE IV DIRECTORS

Section 4.1. General Powers

Subject to the provisions and limitations of the California Nonprofit Corporation Law and any other applicable laws the Collective's activities and affairs shall be managed, and all corporate powers shall be exercised, by or under the direction of the board.

Section 4.2. Board of Directors

The board of directors of the Collective shall consist of at least 1 but no more than 5 directors unless changed by amendment to these bylaws. The exact number of directors shall be fixed, within those limits, by a resolution adopted by the board of directors. The directors of the Collective shall be residents of the state of California. All directors shall be designated by the chairman of the board. Each director shall hold office for one or more four-year terms unless a successor is designated for such director, or such director resigns.

Section 4.3. Resignation of Directors

Except as provided below, any director may resign by giving written notice to the chairman of the board. The resignation shall be effective when the notice is given unless it specifies a later time for the resignation to become effective. If a director's resignation is effective at a later time, the board may elect a successor to take office as of the date when the resignation becomes effective.

Section 4.4. Removal of Directors

Any director may be removed, with or without cause, by the vote of the majority of the members of the entire board of directors at a special meeting called for that purpose, or at a regular meeting, provided that notice of that meeting and of the removal questions are given as provided in these bylaws. However, a director who was designated as a director may be removed without cause by the person or persons who designated that director, and may not be removed without the written consent of that person or persons.

Section 4.5. Board Meetings

Notice of the time and place of special meetings shall be given to each director by (a) personal delivery of written notice; (b) first-class mail, postage prepaid; (c) telephone, including a voice messaging system or other system or technology designed to record and communicate messages, or by electronic transmission, either directly to the director or to a person at the director's office who would reasonably be expected to communicate that notice promptly to the director; (d) facsimile; (e) electronic mail; or (f) other electronic

means. All such notices shall be given or sent to the director's address or telephone number as shown on the Collective's records.

Notices sent by first-class mail shall be deposited in the United States mails at least 4 days before the time set for the meeting. Notices given by personal delivery, telephone, or electronic transmission shall be delivered, telephoned, or sent, respectively, at least 48 hours before the time set for the meeting.

The notice shall state the time of the meeting and the place, if the place is other than the Collective's principal office. The notice need not specify the purpose of the meeting.

Section 4.6. Notice of Special Meetings

Meetings of the board shall be held at least once a year at any place within or outside California that has been designated by resolution of the board or in the notice of the meeting or, if not so designated, at the principal office of the Collective. Special meetings of the board may be held at the board's discretion. Special meetings of the board for any purpose may be called at any time by the chairman of the board, if any, the president or any vice president, the secretary, or any two directors.

Section 4.7. Quorum

A majority of the number of directors then in office shall constitute a quorum for the transaction of any business except adjournment. Every action taken or decision made by a majority of the directors present at a duly held meeting at which a quorum is present shall be an act of the board, subject to the more stringent provisions of the California Nonprofit Corporation Law, including, without limitation, the provisions on (a) approval of contracts or transactions between this Collective and one or more directors or between this Collective and any entity in which a director has a material financial interest, (b) creation of and appointments to committees of the board, and (c) indemnification of directors. A meeting at which a quorum is initially present may continue to transact business, despite the withdrawal of some directors, if any action taken or decision made is approved by at least a majority of the required quorum for that meeting.

Section 4.8. Waiver of Notice

Notice of a meeting need not be given to any director who, either before or after the meeting, signs a waiver of notice, a written consent to the holding of the meeting, or an approval of the minutes of the meeting. The waiver of notice or consent need not specify the purpose of the meeting. All such waivers, consents, and approvals shall be filed with the corporate records or made a part of the minutes of the meetings. Notice of a meeting need not be given to any director who attends the meeting and who, before or at the beginning of the meeting, does not protest the lack of notice to him or her.

Section 4.9. Adjournment

A majority of the directors present, whether or not a quorum is present, may adjourn any meeting to another time and place.

Section 4.10. Notice of Adjourned Meeting

Notice of the time and place of holding an adjourned meeting need not be given unless the original meeting is adjourned for more than 24 hours. If the original meeting is adjourned for more than 24 hours, notice of any adjournment to another time and place shall be given, before the time of the adjourned meeting, to the directors who were not present at the time of the adjournment.

Section 4.11. Action by Consent

Any action that the board is required or permitted to take may be taken without a meeting if all board members consent in writing to the action. Such action by written consent shall have the same force and effect as any other validly approved board action.

Section 4.12. Director Compensation And Reimbursement

Directors and members of committees of the board may receive such compensation, if any, for their services as directors or officers, and such reimbursement of expenses, as the board may establish by resolution to be just and reasonable as to the Collective at the time that the resolution is adopted.

**ARTICLE V
COMMITTEES**

Section 5.1. Creation And Powers of Committees

The board, by resolution adopted by a majority of the directors then in office, may create one or more committees, each consisting of two or more directors and no one who is not a director, to serve at the pleasure of the board. Appointments to committees of the board shall be by majority vote of the directors then in office. The board may appoint one or more directors as alternate members of any such committee, who may replace any absent member at any meeting. Any such committee shall have all the authority of the board, to the extent provided in the board resolution, except that no committee may do the following:

- (a) Fill vacancies on the board or any committee of the board;
- (b) Fix compensation of the directors for serving on the board or on any committee;

- (c) Amend or repeal bylaws or adopt new bylaws;
- (d) Amend or repeal any resolution of the board that by its express terms is not so amendable or repealable;
- (e) Create any other committees of the board or appoint the members of committees of the board;
- (f) With respect to any assets held in charitable trust, if any, approve any contract or transaction between this Collective and one or more of its directors or between this Collective and an entity in which one or more of its directors have a material financial interest, subject to the approval provisions of Corporations Code section 5233(d)(3).

Section 5.2. Executive Committee

The board may appoint two or more directors of the Collective to serve as the executive committee of the board. The executive committee, unless limited by a resolution of the board, shall have and may exercise all the authority of the board in the management of the business and affairs of the Collective between meetings of the board. All actions of the executive committee shall be reported to and ratified by the full board at the next duly scheduled board meeting.

Section 5.3. Investment Committee

The Collective shall have an investment committee comprised of two or more directors. The committee shall act with the care, skill, prudence, and diligence under the circumstances then prevailing that a prudent person acting in a like capacity and familiar with these matters would use in the conduct of an enterprise of like character and with like aims to accomplish the purposes of the Collective. Individual investments shall be considered as part of an overall investment strategy. The committee shall consider present and future financial requirements, expected total return, general economic conditions, the appropriate level of risk, appropriate levels of income, growth and long-term net appreciation, and the probable safety of the funds. The committee may retain professional money managers, and shall develop an investment policy that shall be reconsidered at least annually, in light of the changing needs of the Collective, economic conditions, and any other factors that may affect the Collective's tolerance of risk and need for income. The committee may recommend the retention of property contributed by a donor (whether or not it produces income), and a donor's request should be a factor in making the determination of whether to sell a particular asset contributed by a donor. The duty to appoint an investment committee applies only if there are four or more directors then in office.

Section 5.4. Meetings and Action of Committees

Meetings and actions of committees of the board shall be governed by, held, and taken under the provisions of these bylaws concerning meetings and other board actions, except that the time for general meetings of such committees and the calling of special meetings of such committees may be set either by board resolution or, if none, by resolution of the committee. Minutes of each meeting shall be kept and shall be filed with the corporate records. The board may adopt rules for the governance of any committee as long as the rules are consistent with these bylaws. If the board has not adopted rules, the committee may do so.

ARTICLE VI OFFICERS

Section 6.1. Offices Held

The officers of the Collective shall be a president, a secretary, and a chief financial officer. The Collective shall also have a chairman of the board and, at the board's discretion, may also have one or more vice presidents, one or more assistant secretaries, one or more assistant treasurers, and such other officers as may be appointed under these bylaws and applicable law.

Section 6.2. Duplication of Office Holders

Any number of offices may be held by the same person.

Section 6.3. Election of Officers

The officers of the Collective, except any appointed under these bylaws, shall be chosen by the board and shall serve at the pleasure of the board, subject to the rights of any officer under any employment contract.

Section 6.4. Appointment of Other Officers

The board may appoint and authorize the chairman of the board, the president, or another officer to appoint any other officers that the Collective may require. Each appointed officer shall have the title and authority, hold office for the period, and perform the duties specified in the bylaws or established by the board.

Section 6.5. Removal of Officers

Without prejudice to the rights of any officer under an employment contract, the board may remove any officer with or without cause. An officer who was not chosen by the board may be removed by any other officer on whom the board confers the power of removal.

Section 6.6. Resignation of Officers

Any officer may resign at any time by giving written notice to the board. The resignation shall take effect on the date the notice is received or at any later time specified in the notice. Unless otherwise specified in the notice, the resignation need not be accepted to be effective. Any resignation shall be without prejudice to any rights of the Collective under any contract to which the officer is a party.

Section 6.7. Vacancies In Office

A vacancy in any office because of death, resignation, removal, disqualification, or any other cause shall be filled in the manner prescribed in these bylaws for normal appointments to that office.

Section 6.8. Chairman of the Board

Chairman of the board shall preside at board meetings and shall exercise and perform such other powers and duties as the board may assign from time to time. If there is no president, the chairman of the board shall also be the chief executive officer and shall have the powers and duties of the president of the Collective set forth in these bylaws.

Section 6.9. President

Subject to such supervisory powers as the board may give to the chairman of the board, if any, and subject to the control of the board, the president shall be the general manager of the Collective and shall supervise, direct, and control the Collective's activities, affairs, and officers. The president, in the absence of the chairman of the board, shall preside at all board meetings. The president shall have such other powers and duties as the board or the bylaws may require.

Section 6.10. Secretary

The secretary shall keep or cause to be kept, at the Collective's principal office or such other place as the board may direct, a book of minutes of all meetings, proceedings, and actions of the board, of committees of the board, and of members' meetings. The minutes of meetings shall include the time and place that the meeting was held; whether the meeting was annual, general, or special, and, if special, how authorized; the notice given; and the names of persons present at board and committee meetings.

The secretary shall keep or cause to be kept, at the principal California office, a copy of the articles of incorporation and bylaws, as amended to date.

The secretary shall give, or cause to be given, notice of all meetings of the board and of committees of the board that these bylaws require to be given. The secretary shall keep

the Collective's corporate seal, if any, in safe custody and shall have such other powers and perform such other duties as the board or the bylaws may require.

Section 6.11. Chief Financial Officer

The chief financial officer shall keep and maintain, or cause to be kept and maintained, adequate and correct books and accounts of the Collective's properties and transactions. The chief financial officer shall send or cause to be given to directors such financial statements and reports as are required to be given by law, by these bylaws, or by the board. The books of account shall be open to inspection by any director at all reasonable times.

The chief financial officer shall (a) deposit, or cause to be deposited, all money and other valuables in the name and to the credit of the Collective with such depositories as the board may designate; (b) disburse the Collective's funds as the board may order; (c) render to the president, chairman of the board and the board, when requested, an account of all transactions as chief financial officer and of the financial condition of the Collective; and (d) have such other powers and perform such other duties as the board or the bylaws may require.

If required by the board, the chief financial officer shall give the Collective a bond in the amount and with the surety or sureties specified by the board for faithful performance of the duties of the office and for restoration to the Collective of all of its books, papers, vouchers, money, and other property of every kind in the possession or under the control of the chief financial officer on his or her death, resignation, retirement, or removal from office.

ARTICLE VII

TRANSACTIONS INVOLVING DIRECTORS AND OFFICERS

Section 7.1. Contracts With Directors

No director of the Collective nor any other corporation, firm, association, or other entity in which one or more of the Collective's directors are directors or have a material financial interest, shall be interested, directly or indirectly, in any contract or other transaction with the Collective unless the material facts regarding such director's financial interest in such contract or transaction or regarding such common directorship, officership, or financial interest are fully disclosed in good faith and are noted in the minutes or are known to all board members before consideration by the board of such contract or transaction, and such contract or transaction is authorized in good faith by a majority of the board by a vote sufficient for that purpose without counting the vote of the interested director. Notwithstanding the above, if the board consists of a sole director then in office, the sole director's obligations and duties shall be limited only to those required by the California Nonprofit Corporation Law.

Section 7.2. Loans To Officers And Directors

The Collective shall not lend any money or property to, or guarantee the obligation of, any director or officer of the Collective or of its parent, affiliate, or subsidiary unless (a) the board decides that the loan or guaranty may reasonably be expected to benefit the Collective, and (b) before consummating the transaction or any part of it, the loan or guaranty is approved by the vote of a majority of the directors then in office, without counting the vote of the director who is to receive the loan or guaranty. Notwithstanding the above, if the board consists of a sole director then in office, the sole director's obligations and duties shall be limited only to those required by the California Nonprofit Corporation Law.

**ARTICLE VIII
INDEMNIFICATION**

To the fullest extent permitted by law, this Collective may indemnify its directors, officers, employees, and other persons described in the Corporations Code sections 5238(a), 7237(a), or 9246(a), as applicable, including persons formerly occupying any such positions, against all expenses, judgments, fines, settlements, and other amounts actually and reasonably incurred by them in connection with any "proceeding," as that term is used in that section, and including an action by or in the right of the Collective, by reason of the fact that the person is or was a person described in that section. "Expenses," as used in this bylaw, shall have the same meaning as in that section of the Corporations Code.

On written request to the board by any person seeking indemnification under Corporations Code section 5238(b), 7237(b), or 9246(b), as applicable, or section 5238(c), 7237(c), or 9246(c), as applicable, the board shall promptly decide under Corporations Code section 5238(e), 7237(e), or 9246(e), as applicable, whether the applicable standard of conduct set forth in Corporations Code section 5238(b), 7237(b), or 9246(b), as applicable, or section 5238(c), 7237(c), or 9246(c), as applicable, has been met and, if so, the board shall authorize indemnification.

To the fullest extent permitted by law and except as otherwise determined by the board in a specific instance, expenses incurred by a person seeking indemnification under these bylaws in defending any proceeding covered by these bylaws shall be advanced by the Collective before final disposition of the proceeding, on receipt by the Collective of an undertaking by or on behalf of that person that the advance will be repaid unless it is ultimately found that the person is entitled to be indemnified by the Collective for those expenses.

(b) Any information otherwise required by these bylaws or applicable law.

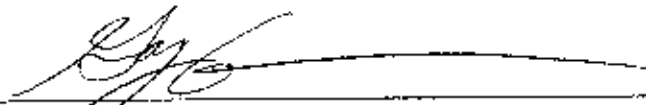
**ARTICLE XIII
NET EARNINGS**

Consistent with the Collective's status as a nonprofit mutual benefit corporation and mission to benefit its members and the wider community, the net surplus earnings from the Collective's activities, after establishing reserves, shall be distributed bi-annually to worthy charities as determined by the Board. The net surplus earnings means the amount equal to (a) the annual earnings from the conduct of the Collective's business for the fiscal year, less (b) such reserves as the Board may consider necessary or appropriate for business purposes or contingencies.

**ARTICLE XIV
AMENDMENT**

These Bylaws may be amended or repealed by an affirmative vote of the board. However, no such amendment or repeal may alter in an adverse manner or reduce or diminish the rights to indemnification of any current or former director previously established by the valid vote of the board.

IN WITNESS WHEREOF, the undersigned, being the Director of DESERT ORGANIC SOLUTIONS COLLECTIVE, have executed these Bylaws on June 30, 2009.



GARY CHERLIN, Temporary Chairman, Temporary Secretary

DESERT ORGANIC SOLUTIONS COLLECTIVE

A California Nonprofit Mutual Benefit Corporation

MEMBERSHIP RULES AND GUIDELINES

1. All members must be 18 years of age or older and possess a valid state issued ID.
2. All members must have a valid physician's recommendation on file with the Collective at all times and agree that recommendations must be fully verified by an authorized agent of the Collective before any medicine may be provided.
3. All members agree to be respectful of the Collective's neighbors and adhere to the Collective's good neighbor guidelines and practices, including, but not limited to, not loitering, littering, using cell phones in an indiscreet manner or playing any loud music in and around the building and parking areas.
4. All members agree to arrive at the Collective's premises alone, without any friends, family or children waiting in the car, unless a member is disabled and needs to be driven to the premises by another person.
5. All members agree to keep packages with medicine sealed until arriving at their final destination and agree not to bring any backpacks or other bags to the dispensary area. Members acknowledge having been advised that it is a good safety practice to lock any medication in the trunk upon leaving the premises.
6. All members agree not to use or consume any medication in or around the premises or their cars. Members acknowledge being advised that using marijuana might negatively affect their ability to drive a motor vehicle.
7. Members may not exchange money, share money or split payments for obtaining medication or any other purpose at any time while on the premises.
8. All members agree treat the Collective's staff, management and other members with dignity and respect and understand the Collective's staff and management reserve the right to refuse service to anyone at any time. Members understand that no acts of violence or threats of violence will be tolerated.
9. All members agree that no smoking, alcohol, illicit drugs or weapons are allowed on the premises at any time.
10. In the event of an emergency, all members must follow the instructions of the Collective's management and staff.

11. All members understand and agree that maintaining safety, membership rules and adherence to the law are their collective responsibility.

I hereby affirm that I have read, understand and agree to the terms of the foregoing rules.

Date: _____

Patient/Member Name (Print): _____

Patient/Member Signature: _____

COLLECTIVE MEMBERSHIP APPLICATION AND AGREEMENT

DESERT ORGANIC SOLUTIONS COLLECTIVE

A California Nonprofit Mutual Benefit Corporation

I _____, resident of the County of _____, hereby state that as a qualified patient or a primary caregiver who has received a valid physician's recommendation for the use of medical marijuana in accordance with the California Health and Safety Code § 11362.5 ("Proposition 215" or "Compassionate Use Act of 1996") and Article 2.5, commencing with Section 11362.7, to Chapter 6 of Division 10 of the California Health and Safety Code ("SB 420"), wish to voluntarily join and become a member of DESERT ORGANIC SOLUTIONS COLLECTIVE (the "Collective") and agree to follow the terms and conditions as set forth in this agreement.

1. I hereby declare under the penalty of perjury under the laws of the State of California that a medical doctor recommended or approved my use of medical marijuana for an illness for which cannabis provides relief in accordance with the Compassionate Use Act of 1996 and SB 420.

Patient/Member Initials: _____

2. As a member, I hereby appoint and designate the Collective and their representatives, as any true and lawful agents for the limited purpose of assisting me in obtaining my legally prescribed medical marijuana. I understand that this means that the Collective will be required to possess, purchase, cultivate, transport and/or distribute medical marijuana exclusively for member qualified patients or primary caregivers. Therefore, I grant the Collective's management and other fellow members the limited authority to engage in the afore-mentioned tasks. I further agree and authorize the Collective and its members to use information relating to my status as a qualified patient as use of such information is reasonably necessary for providing my medical marijuana for my medical benefit as a qualified patient.

Patient/Member Initials: _____

3. I authorize the Collective to create and/or assign agency rights in its own name for the purpose of growing marijuana for my personal medical reasons as well as for the medical benefit of other members of the Collective.

Patient/Member Initials: _____

4. As a member, I understand that the Collective has other members who have joined and agreed to uphold the Collective's rules and spirit by, among other things, signing a similar membership agreement. I hereby authorize the Collective to possess the medical marijuana as described under this agreement jointly with other members of the

03-008

Collective under similar agreements. I agree that the medical marijuana possessed by the Collective is at any time the collective property of every patient who has joined the Collective, subject to the Collective's rules and guidelines established by and for the Collective for the purpose of handling medical marijuana for the benefit of member patients.

Patient/Member Initials: _____

5. I agree to pay to the Collective all personal out-of-pocket expenses and reasonable compensation for services related to providing medical marijuana to me and other member patients.

Patient/Member Initials: _____

6. I hereby verify that I am a resident of California and my personal medical marijuana will not be taken out of the State of California. I further verify and agree that medical marijuana shall not be shared, sold, bartered, traded, exchanged or delivered by any means to any other person for medical or other reasons. I understand that diversion of medical marijuana for non-medical purposes and/or to other individuals shall be grounds for the immediate termination of my membership. I also agree to request amounts of medicine strictly for my medical personal use at reasonably necessary intervals.

Patient/Member Initials: _____

7. I agree to possess my original, or true and correct copy, of my physician's recommendation, when I am on the property used by or belonging to the Collective. I understand that my failing to do so may result in the termination of membership and that verbal recommendations from physicians will not be accepted. I hereby agree to all future changes of the Collective's policies as the laws relating to access to medical marijuana might change. I further agree to provide the Collective with all changes relating to my contact information as well as my status as a qualified patient.

Patient/Member Initials: _____

8. I understand and agree that adherence to the rules of the Collective is the collective responsibility of all patient members, including myself. I agree that any violation of the terms of this Agreement or any other Collective member rules are grounds for the immediate termination of my membership.

Patient/Member Initials: _____

9. I understand and agree that while medical cannabis has been authorized by both the people of the State of California and its legislature, and consistently upheld by all California courts, the Federal Government persists in enforcing portions of the Controlled Substances Act, which makes the possession and use of medical cannabis a federal crime.

I hereby certified that I have been advised by an authorized agent of the Collective that possession and use of marijuana for medical purposes might be grounds for prosecution under federal law.

Patient/Member Initials: _____

10. I have read over this entire Collective Membership Application and Agreement and certify that an authorized agent of the Collective has personally gone over and explained fully to me each paragraph of this agreement and that I have been provided a copy of this agreement..

Patient/Member Initials: _____

I hereby affirm that I have read, understand and agree to the terms of the Desert Organic Solutions Collective Membership Agreement. Further, I declare under the penalty of perjury that the above is true and correct to the best of my knowledge.

Executed on this ___ day of _____ 2009, in the County of Riverside, State of California.

Patient/Member Name (Print): _____

Patient/Member Signature: _____

Authorized Collective Agent: _____

Ralph Hanson
1700 Harbor Way
Seal Beach, CA 90740

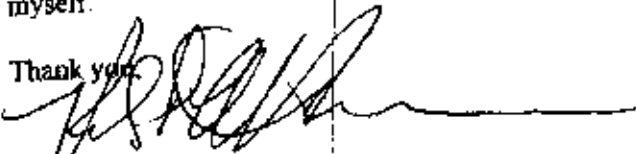
July 23, 2009

Edward Robertson
Principal Planner
City of Palm Springs
3200 East Tahquitz Canyon Way
Palm Springs, CA 92262

Dear Mr. Robertson,

I am writing this letter to confirm the conversation that you had with Gary Cherlin of Desert Organic Solutions, regarding the parking availability at my building located at 19-437 Newhall Street Palm Springs, CA 92262. The building is 5,180 Square Feet. I am renting 3,000 Square Feet to Gary Cherlin of Desert Organic Solutions. I use the other 2,180 Square Feet for storage purposes and will not rent it out. In regards to the parking availability. The Building has 14 parking spaces; I am allowing Desert Organic Solutions to use 13 of the 14 parking spaces available. I will be keeping one parking space for myself.

Thank you,


Ralph Hanson

Ref: 7.23.09
09-006 MC
227

- 1. An estimate of the size of the group of primary caregivers and/or qualified patients who will be served by the nonprofit cooperative; this description should include whether delivery service will be provided and the extent of such service.**

Desert Organic Solutions Collective (DOSCC) is a California Nonprofit Mutual Benefit Corporation organized under the laws of the state of California to promote and facilitate the nonprofit, collaborative association of legal medical cannabis patients and primary caregivers engaged in the medical cultivation and use of cannabis solely by patients, aided by their primary caregivers where applicable, as authorized under Health and Safety Code Sections 11362.5 and 11362.7, *et seq.* DOSCC's principal function is to receive cannabis grown by legally qualified patient-members or their caregivers and make it available to other legally qualified patient-members or their caregivers. DOSCC does not make cannabis available to the general public, or to anyone else who is not a registered member of the collective and entitled to possess it pursuant to California law.

DOSCC will initially provide quality-controlled medication to approximately one hundred (100) qualified patients and their primary caregivers, where applicable. However, no primary caregiver shall be admitted as a member unless the qualified patient who designated him or her as primary caregiver is also a duly registered and verified member of DOSCC.

DOSCC will provide delivery of medication to registered members if the qualified patient is unable to visit the collective due to poor health or lack of mobility, and his or her primary caregiver, where applicable, is unable to receive medicine on his or her behalf. A staff person will deliver medicine to the member's home address, assisted living facility, or hospice during normal business hours. This will be an ancillary service offered only on a limited basis as determined by members' needs.

- 2. The address of the location from which the cooperative for which the application is made will be operated.**

Desert Organic Solutions Collective
19-437 Newhall Street
Palm Springs, CA 92262

3. Security Plan

Security is a top priority at DOSCC. To protect members and the community at large, DOSCC maintains a security culture defined by physical and operational standards that prevent crime or nuisance activity. Anecdotal reports have suggested that medical cannabis collectives are magnets for criminal activity or other behavior that is a problem for the community, but the experience of those cities with regulations says otherwise. Crime statistics and the accounts of local officials surveyed by the nation's largest

medical cannabis advocacy organization, Americans for Safe Access, indicate that crime is actually reduced by the presence of a collective; and complaints from citizens and surrounding businesses are either negligible or are significantly reduced with the implementation of local regulations.¹ In Oakland, where collectives have been licensed since 2004, City Administrator Barbara Killey notes that "The areas around the dispensaries may be some of the safest areas of Oakland now because of the level of security, surveillance, etc...since the ordinance passed."

- a. Security Cameras. DOSC will install, maintain in good condition, and use a digital security surveillance and recording system on an ongoing basis for twenty-four (24) hours per day, seven days per week. The applicant will maintain at least one hundred twenty (120) hours of concurrent video footage in a digital format. Cameras shall record all points of entry and exit, all windows, storage areas, and cultivation areas, if applicable.
- b. Centrally Monitored Alarm. DOSC will contract with a recognized commercial security firm to install and monitor a centrally monitored alarm system, including a panic button for emergency use. This system shall be in use and monitored twenty-four (24) hours each day.
- c. Dispensing Area and Storage Locked. DOSC will ensure that the entrance to the facility and the door to the area from which medicine is dispensed are locked and under the control of the applicant or trained staff at all times during business hours. Furthermore, harvested medication will be stored in a closed one-ton safe outside of business hours or when otherwise not in use (displayed for members, curing, packaging, etc.).
- d. Adequate Lighting. DOSC will install adequate lighting to ensure that the entrance(s) and windows are illuminated after dark, and this lighting shall comply with the city's lighting standards regarding fixture, type, wattage, illumination levels, and shielding. The applicant will secure all necessary approvals and permits for lighting installed.
- e. Windows Secured. DOSC will hire a professional to secure all doors and windows with security bars, which shall be fitted with internal emergency release mechanisms for escape in case of a fire. Additionally, the windows will be electronically secured and monitored by the alarm system to detect unauthorized entry. Harvested medication will be stored in a closed one-ton safe outside of business hours or when otherwise not in use (displayed for members, curing, packaging, etc.).
- f. Security Personnel. DOSC will employ at least one uniformed and unarmed security guard, with a Guard Card issued by the California Department of Consumer Affairs. The security guard will be on duty at all times during business hours.
- g. Loss Prevention. DOSC will use contemporary retail loss prevention methods to prevent theft or shoplifting, including careful financial and inventory tracking.

¹ *Medical Cannabis Dispensing Collectives and Local Regulations*, Americans for Safe Access (2005). A copy of this report is included with the application to be included in the record of these proceedings.

video surveillance of staff and clients, supervising member contact with medicine, and other precautions as needed.

- h. **Member Screening.** Careful member screening prevents crime and nuisance activity by clearly establishing the identity and legal status of each individual before he or she becomes a member. Before providing medicine, DOSC staff will carefully screen each new patient-member to ensure that he or she is a qualified patient according to California law. The membership screening process will include: (1) inspection of an original copy of the qualified patient's letter of recommendation for medical cannabis use from a licensed physician or his or her medical cannabis ID card issued pursuant to California Health and Safety Code H 1362.7; (2) inspection of a California Driver's License or Department of Motor Vehicles ID card establishing residency in California; (3) verification of the letter of recommendation or medical cannabis ID card with the physician, physician's staff, or County health Department staff, as applicable; and (4) verification of the physician's license with the California Medical Board.
- i. **Nuisance Abatement.** DOSC will monitor and record any nuisance activity associated with members and make every effort to correct problematic behavior. If a member persists in violating DOSC rules, he or she will be excluded from membership.

4. Names and Addresses of Principals/Employees

Gary Cherlin has not been convicted of a misdemeanor or felony. Employees of DOSC will also be registered members without convictions. Please see attached statement.

Gary Cherlin
10403 Sunningdale Drive
Rancho Mirage, CA 92270

5. Name and Address of Property Owner

Ralph Hanson
1700 Harbor Way
Seal Beach, CA 90740

Statement attached – Notarized acknowledgement from owner of property that a Medical Cannabis Collective will be operated on his property

6. **A signed statement authorizing the City Manager to seek verification of the information contained in this application.**

Statement attached – Applicant's Authorization and Certification

7. Evidence of Legal Status

DOSC is organized and operated as a Nonprofit Public Benefit Corporation in strict compliance with California law (CA Corporations number 3147766). The organization is established to promote and facilitate the nonprofit, collaborative association of legal medical cannabis patients and primary caregivers engaged in the medical cultivation and use of cannabis solely by patients, aided by their primary caregivers where applicable, as authorized under Health and Safety Code Sections 11362.5 and 11362.7, *et seq.* DOSC's principal function is to receive cannabis grown by legally qualified patient-members or their caregivers and make it available to other legally qualified patient-members or their caregivers. DOSC does not make cannabis available to the general public, or to anyone else who is not a registered member of the collective and entitled to possess it pursuant to California law.

DOSC does not obtain cannabis from any source other than the labor of qualified patient-members, or their primary caregivers acting on the patient's behalf, who are legally authorized by law to grow cannabis for medical purposes. DOSC provides a means whereby lawful medical cannabis patients may associate for the purpose of collaboratively and collectively growing cannabis for their personal medical use, and rendering it into medicinally usable forms. Part of this function includes allocation of the costs and benefits of this effort, including the allocation of reasonable compensation for services rendered amongst those associated with the collective, and allocation of surplus production of cannabis lawfully grown by patients and caregivers, as authorized under California Health and Safety Code Section 11362.7 *et seq.*

In August of 2008, the California Attorney General published "Guidelines for the Security and Non-Diversion of Marijuana Grown for Medical Use." DOSC is in full compliance with the Attorney General's interpretation of California law, as discussed below. The headings in italics refer to the headings in Section IV of the guidelines:

- *Business Forms* - The Attorney General recognizes that patients' associations may be statutory cooperatives or collectives. Because collectives are not defined under state law, the Attorney General says a collective may organize as "some form of business to carry out its activities." DOSC is organized as a California Nonprofit Public Benefit Corporation for this purpose.
- *Nonprofit Operation* - DOSC is a California Nonprofit Public Benefit Corporation. As such, there are no Shareholders or beneficial owners. DOSC does not pay any dividends or return on investment to any person. All revenue of the organization will be reinvested in medicine for members, used to cover overhead expenses, or spent on patient advocacy and education.
- *Business License, Sales Tax, and Seller's Permit* - DOSC is seeking approvals and licensing from the City of Palm Springs in this application. DOSC has applied for a California Seller's Permit, and will collect and pay sales tax as required by state law.

- *Membership Application and Verification* - DOSC staff verifies that each member is a Qualified Patient or Primary Caregiver as defined under California Health and Safety Code 11362.5 (Proposition 215), and that the doctor recommending medical cannabis use for the Qualified Patient is currently licensed to practice medicine in California. New members must complete an application and short intake interview. As a condition of membership, members must agree not to redistribute medicine to non-members or use cannabis for non-medical purposes. Staff will track the expiration date of members' letters of recommendation and excludes members who violate the rules.
- *Collectives Should Acquire, Possess, and Distribute Only Lawfully Cultivated Marijuana* – DOSC does not obtain cannabis from any source other than the labor of qualified patient-members, or their primary caregivers acting on the patient's behalf, who are legally authorized by law to grow cannabis for medical purposes. DOSC never acquires medicine from the illicit market.
- *Distribution and Sales to Non-Members are Prohibited* - DOSC does not provide medicine to any person who is not a registered and unexpired member. Security personnel and staff carefully verify members' status before providing medicine.
- *Permissible Reimbursements and Allocations* - DOSC members are reimbursed for medicine they bring to the facility, while other members pay reimbursements for medicine they receive.
- *Possession and Cultivation Guidelines* – DOSC keeps only a minimal amount of cannabis on hand at any one time. Our internal possession criteria are dramatically lower than those anticipated by the Attorney General's guidelines.
- *Security* DOSC maintains more than adequate security to protect staff, members, and neighbors. A uniformed and unarmed security guard who has credentials issued by the California Department of Consumer Affairs is on duty during business hours. He or she will routinely patrol the neighborhood to prevent nuisance activity or crime. Additionally, DOSC uses careful internal loss prevention methods and tracks daily reimbursements and expenses. We use a one-ton safe to secure medicine when it is not displayed for members. We also have a video surveillance system and a centrally monitored alarm system, including panic buttons.
- *Storefront Dispensaries* - The Attorney General says that a "properly organized and operated collective or cooperative that dispenses medical marijuana through a storefront may be lawful under California law," provided the association substantially complies with the guidelines. DOSC complies with the letter and the spirit of the law, and as such, maintains the storefront lawfully.
- *Indicia of Unlawful Operation* - DOSC does not engage in any of the activities identified as problematic in the guidelines. The organization does not keep excessive amounts of medicine, plants, or cash on hand. DOSC carefully follows state and local law, pays all required taxes and fees, only acquires or provides medicine within its membership, and never engages in interstate activity. Additionally, the organization does not tolerate the possession of illicit drugs or weapons by members or staff.

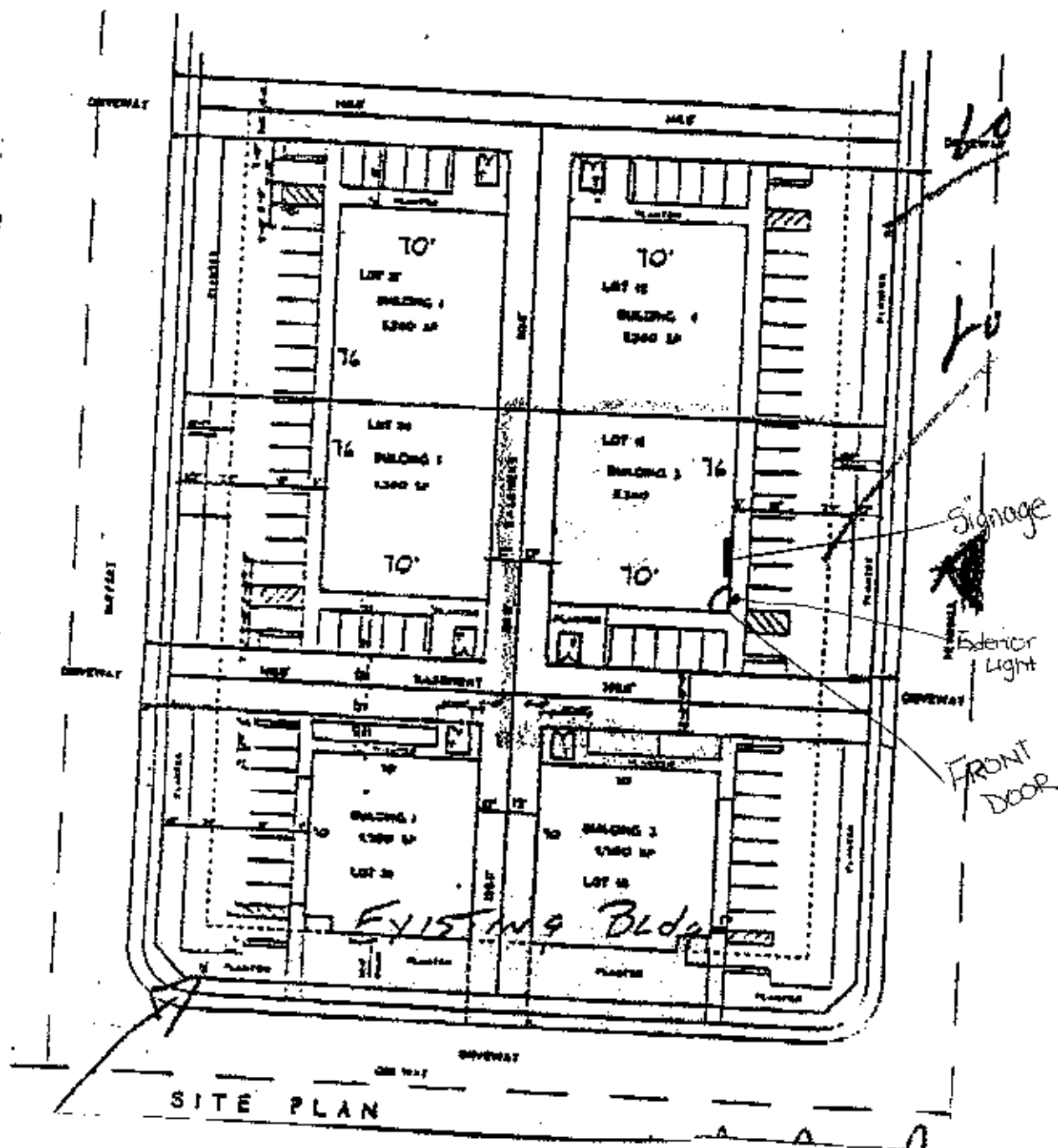
DOSC organized and will operate its collective based, in part, on information included in a report by Americans for Safe Access (ASA) entitled “What the Attorney General’s Guidelines Mean for Medical Cannabis Dispensing Collectives and Cooperatives in California.” ASA worked closely with the staff at the Attorney General’s office to craft his guidelines, and this report is one of the most widely used compliance tools in the field of medical cannabis.²

8. Applicant’s Certification

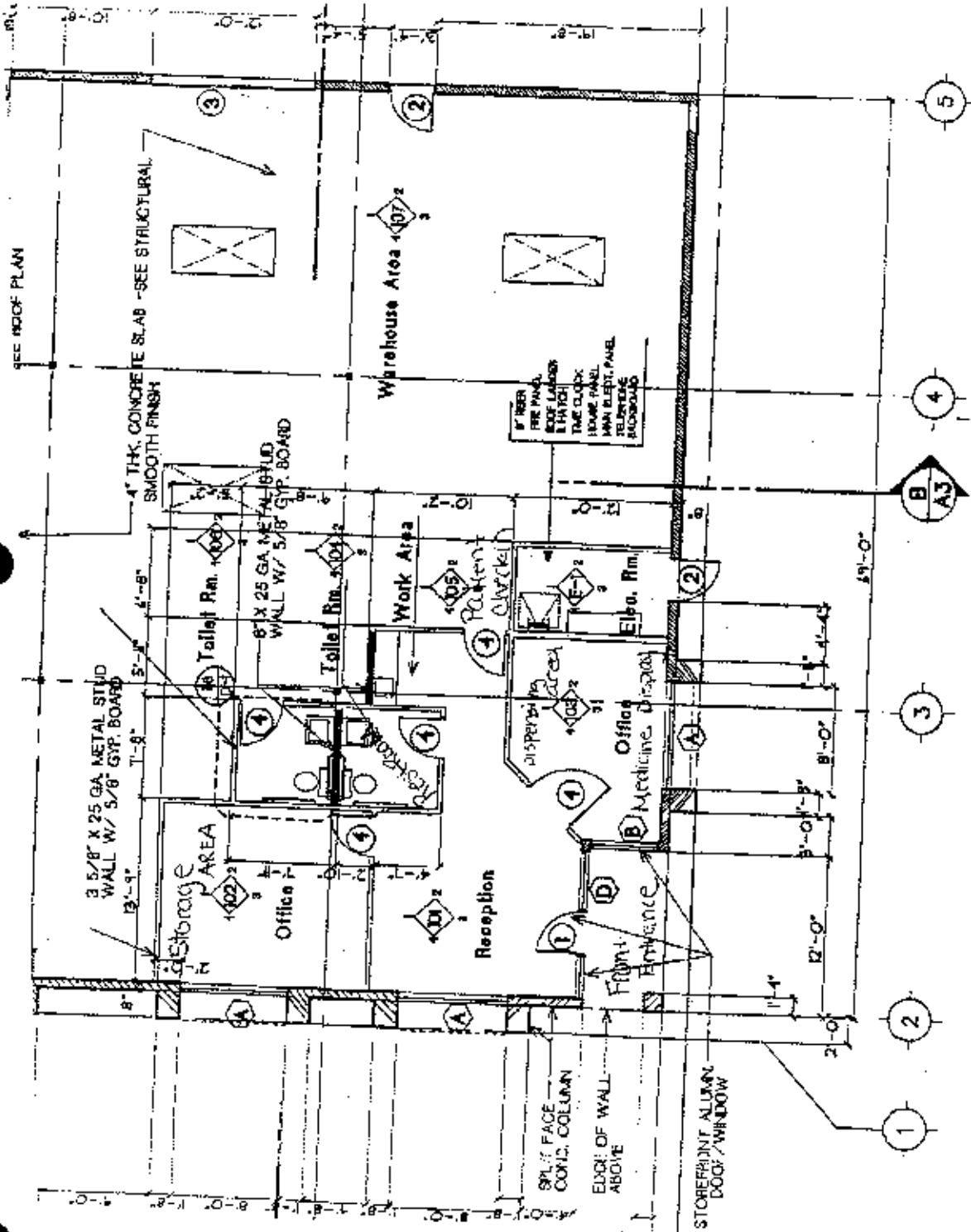
Statement attached – Applicant’s Authorization and Certification

² *What the Attorney General’s Guidelines Mean for Medical Cannabis Dispensing Collectives and Cooperatives in California* (2008), Americans for Safe Access (ASA). A copy of this report is included with the CUP application to be included in the record of these proceedings.

Site Plan



FLOOR PLAN



FLOOR PLAN

M.D.S.B.P.



Staff Report to City Manager

Date: August 7, 2009

Case No.: 09-007 MC

Application Type: Medical Cannabis Cooperative Application

Location: 3455 North Indian Canyon Drive

Applicant: Farmacy Collective Palm Springs, JoAnna La Force

Zone: M-1/C-M (Commercial Manufacturing)

General Plan: Mixed Use

APN: 669-452-054

From: Craig A. Ewing, AICP, Director of Planning Services

Project Planner: Ken Lyon, Associate Planner

PROJECT DESCRIPTION

An application has been submitted by JoAnna LaForce of Farmacy Collective Palm Springs requesting a permit to operate a medical cannabis cooperative at 3455 North Indian Canyon Drive, Zone M-1/CM Section 34/T3/R4. Pursuant to Zoning Code Section 93.22.00(H), a report shall be prepared on the acceptability of the applicant and the suitability of the proposed location. This report describes the proposal and evaluates it against the standards and provisions of the applicable zoning provisions.

CONCLUSIONS

Following review of the application, staff has determined that the application does not conform to the following requirements of Section 93.22.00:

1. 93.22.00(C) The proposed site is within 500 feet of a residential zone.
2. 93.22.00(H) Full background check of criminal records not yet available.

Section 93.22.00(H)(6) notes that the City Manager may determine that an application is not qualified unless "each and every requirement of this Section" (is) satisfied. Based on the non-conforming conditions noted above, Staff is recommending that this is not a qualified application. The applicant has submitted a letter requesting relief from the requirement for distance to sensitive uses. (attached).

BACKGROUND AND SETTING

Table 2.0: Comparison of Requirements for Medical Cannabis Cooperatives against the proposed project

	Requirements for Medical Cannabis Cooperatives	Proposed Application
Application fee/deposit	\$7,500 Deposit	\$7,500 deposit submitted (conforms)
93.22.00(C) Distance to sensitive uses:	Prohibited within 500 feet.	A residential zone is within 500 feet of the proposed business location Does not conform.
93.22.00(C) Distance to other Medical Cannabis Cooperatives	Prohibited within 1,000 feet	Conforms.
Restrictions relative to primary uses on property.	Prohibited on parcels with commercial-retail as primary use.	Primary use of subject parcel is self storage, truck rental and warehousing (Conforms)
93.22.00(E) Off-Street Parking Requirements:	1 space for every 250 gsf. (13,225 gsf = 53 required off-street parking spaces)	Existing spaces on site total 85; site is a multi-tenant site; total required is approximately 81 spaces; Conforms
93.22.00 (G.1) Estimated number of primary caregivers or qualified patients	No minimum or maximum requirement	Approximately 100 persons daily (3,000 monthly)
93.22.00 (G.1) Delivery service (if provided describe extent of the	Delivery Service not required	Delivery Service will not be offered

delivery service)		
93.22.00 (G.2) Address	As noted	3455 North Indian Canyon Drive
93.22.00 (G.3) Site & Floor Plans of Building including area comprising this business	No minimum area required.	Approximately 13,225 square feet business
93.22.00 (G.4) Security Plan	Security plan is required:	As noted in attached application:
93.22.00 (G.4.a.) Security System Requirements	Security cameras w/min 120 hrs of recording. Operated 24hr/day, 7days/week covering all areas as determined by the City Manager	120 hours of concurrent digital recordings operating 24/7. (Conforms)
93.22.00 (G.4.b) Security System Requirements	Security Alarm operated and monitored by a recognized security company	Maximum Security Inc. a recognized installer and maintenance contractor. (will require installation and physical modification to building to conform as proposed)
93.22.00 (G.4.c) Control of Entrances	Entrance locked at all times and controlled by staff	Provided (see application)
93.22.00 (G.4.d) Outdoor Lighting Requirements	Windows and entrances / conform to the City's outdoor lighting ordinance.	Existing lighting at site. (Requires modification to conform)
93.22.00 (G.4.e) Windows & Marijuana Storage requirements	Windows secured, marijuana securely stored. Maintain a clear view into the premises	Windows secured. (Requires modification to conform)
93.22.00 (G.5)		

Contact information required	Name address of manager and employees and statement on criminal background.	JoAnna LaForce; Owner 820 State St. 4 th Floor Santa Barbara, CA 93101
93.22.00 (G.6) Property Owner requirements	Name & address of Owner and lessor of property; notarized acknowledgement from bldg. owner that a MCC will be operated on his/her property	BRATSS, Todd Sperber, C/O Robert Lee 41-990 Cook St #302 Palm Desert, CA 92111 Acknowledgement submitted (conforms)
93.22.00 (G.7) Release of Information Requirements	Authorization for City Mgr to verify information.	Provided.
93.22.00 (G.8) Proof of Business Establishment	Non-profit cooperative, in accord w/the Compassionate Use Act	Attached to application Conforms
Building Area comprising this business	No minimum required.	Approximately 13,225 square feet
93.22.00 (K.2.) Hours of Operations restricted	Between 9 am and 7 pm Monday through Saturday only	Conforms
93.22.00 (K.9, & 10) Signage	No smoking/consuming marijuana on premises sign and name of business sign only	Separate sign application required.

DISCUSSION OF ACCEPTABILITY OF APPLICANT AND SUITABILITY OF PROPOSED LOCATION.

As noted in the table above, this application does not conform to the following requirements of the Medical Cannabis ordinance:

- Distances to sensitive uses

- Unable to complete background criminal activity checks

Further explanation of each nonconforming condition is outlined below.

Distance to sensitive uses. Section 93.22.00(C) requires medical cannabis cooperatives to be not closer than 500 feet to sensitive uses (for example religious institutions, parks and day care centers). The proposed cooperative at 3455 North Indian Canyon Drive is within 500 feet of a residentially zoned property (The Palermo Development). The applicant has submitted a letter requesting relief from this requirement stating the existing environmental conditions adequately separate the two uses. (Letter attached).

Other considerations. The existing facility does not conform in its existing condition to the security requirements of the ordinance. It is Staff's opinion that significant capital improvements and equipment will be required to establish the required level of security at the existing facility for the proposed use.

Federal criminal background data not available. Section 93.22.00 (G) requires the City Police Department to run criminal background checks on all owners and employees of the collective. The applicant has submitted a release, however as of the writing of this staff report, national database systems have not been able to confirm all individuals associated with this application. Staff anticipates release of this information shortly. \

93.22.00 (H) BACKGROUND CRIMINAL CHECK

The Palm Springs Police Department has evaluated the information provided by the applicant and identified the following statistics and data:

Live Scan electronic fingerprinting was conducted on the following persons and the following are the results of the investigation:

<u>Status:</u>	<u>Name:</u>	<u>Findings:</u>
Owner:	JoAnna LaForce	Pending
Employee	Matt Willbanks	pending
Employee	Mark Morando	pending
Employee	Todd Buynak	pending

The Live Scan system obtained information from the State of California database, but no Federal data was obtained


ENVIRONMENTAL ASSESSMENT

Pursuant to the California Environmental Quality Act (CEQA) Guidelines, the permitting or entitlement of use by a public agency is deemed a project. This application is therefore determined to be a project under CEQA. The City has evaluated the project

and determined that it is Categorically Exempt in accordance with CEQA Section 15303 "New Construction or Conversion of Small Structures".



Ken Lyon
Associate Planner



Craig A. Ewing, AICP
Director of Planning Services

ATTACHMENTS

1. Vicinity Map
2. Application including site, plans, photos and letters.



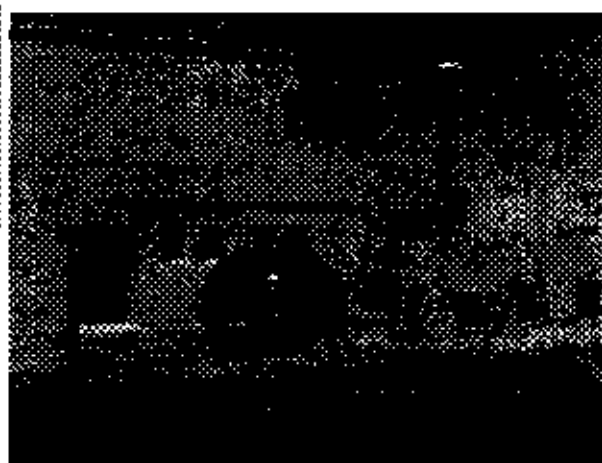
Front of 505 Industrial Place



East Elevation and parking lot



South side of building



South side of building



CITY OF PALM SPRINGS
Department of Planning Services

Office Use Only

Date Submitted:	7/16/09
Case No:	09-008-007
Planner:	GM

**APPLICATION FOR MEDICAL CANNABIS
COOPERATIVE OR COLLECTIVE (MC)**

Please read carefully to ensure application is accurate and complete. Inaccurate or incomplete applications may be rejected.

TO THE APPLICANT:

Your cooperation in completing this application and supplying the information requested will expedite City review of your application pursuant to local procedures. Applications submitted will not be considered complete until all submittal requirements are met.

Please submit this completed application and subsequent material to the Department of Planning Services at 3200 East Tahquitz Canyon Way, Palm Springs, CA 92262 - Phone: 760-323-8245 - Fax: 760-322-8360

Cooperative / Collective Site Address: 3455 North Indian Drive, Bldg. #1

Applicant's Name: Farmacy Collective Palm Springs, a Mutual Non-Profit Corp. By

Applicant's Signature: JoAnna LaForce *JoAnna La Force*

Mailing Address: 820 State Street, 4th Floor

Santa Barbara (Street Number and Name or P.O. Box) California 93101

City State Zip Code

Applicant's Telephone: RES: 805.331.1136, BUS: 805.331.1136, CELL: 805.331.1136

FAX: 805.966.7227, Applicant's E-Mail: jlaforce2000@yahoo.com

BOB YOUNG

(If Applicant is leasing the Cooperative / Collective Site please list the Property Owner's contact information.)

Property Owner's Name: BRATSS, A Calif. Partnership, Todd Sperber, Mgt. Partner

Property Owner's Mailing Address: C/O Robert Lee, 41-990 Cook St., Suite 302

Palm Springs (Street Number and Name or P.O. Box) California 92211-6101

City State Zip Code

Property Owner's Telephone: RES: N/A BUS: 760.251 CELL: 6300 FAX: 760.834.6950

Property Owner's E-Mail: ryoung@leeassociates.com

COOPERATIVE / COLLECTIVE SITE INFORMATION:

Gross Square Footage of proposed business space: 13,225, Assessor's Parcel Number: 669452054

Zone: CM/M-1, Section/Township/Range: 34 / 3 / 4, General Plan: MU, Hours of Operation: 9AM to 7PM

If Cooperative / Collective is in a Multi-Tenant Building List other Businesses:

Business Name	Type of Business
Business Name	Type of Business
Business Name	Type of Business
Business Name	Type of Business
Business Name	Type of Business
Business Name	Type of Business



The following items must be completed and accompany the Medical Cannabis Cooperative / Collective Application (MC). Please check off each item to ensure completeness.

	<u>Applicant Only</u>	<u>City Use Only</u>
Application & Fee:		
❖ Original completed Application & \$7,500 Deposit (TAB 1)	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Detailed Site Plan:		
❖ 11" X 17" or 24" X 36" Site Plan and floor plan : indicate north arrow, (TAB 2) site address; floor plan; doors, entrances, windows, use of each area, including storage and cultivation areas; exterior lighting & security cameras; restrooms; signage & parking for the business.	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Off Street Parking requires 1 parking space for every 250 gross square feet of business space (If proposed business location is within a multi-tenant building, the site plan must show adequate parking for all businesses located on that site). 63 Parking Spaces per Lease Agreement	<input checked="" type="checkbox"/>	<input type="checkbox"/>
❖ An electronic file in PDF format may also be submitted on a CD (Compact Disc)	<input type="checkbox"/>	<input type="checkbox"/>
Photographs of Existing Site:		
❖ Photographs of site showing front, back and sides of building, (TAB 3) lighting, parking, etc. & Map For Photos	<input checked="" type="checkbox"/>	<input type="checkbox"/>



Submission Requirements: The following information shall be submitted on white single-sided 8 1/2" x 11" paper using either MS WORD or text-readable PDF format:

	Applicant Only	City Use Only
Group Size:		
❖ Estimated number of caregivers: <u>25</u> Daily	<input checked="" type="checkbox"/>	<input type="checkbox"/>
❖ Estimated number of qualified patients: <u>100</u> Daily	<input type="checkbox"/>	<input type="checkbox"/>
❖ Will delivery service be provided? (yes / <u>no</u>) (Circle one)	<input checked="" type="checkbox"/>	<input type="checkbox"/>
If yes, describe the extent and method of the delivery service to be provided for each qualified patient.		

Site Requirements:

Security Plan:

❖ Number of security cameras or zones with a listing of the areas covered. Confirmation that security system shall be provided with 120 hrs of digitally recorded documentation and cameras shall be in use 24 hours per day, 7 days per week.	<input checked="" type="checkbox"/>	<input type="checkbox"/>
❖ Alarm system & security camera monitoring company's contact information.	<input checked="" type="checkbox"/>	<input type="checkbox"/>
❖ Entrances, windows, and cannabis storage lighting and security methods. (Indicate lighting & security for the above mentioned on Site Plan as well as, a written description.)	<input checked="" type="checkbox"/>	<input type="checkbox"/>

Cooperative / Collective staff contact & criminal background information:

❖ Name, address, telephone number of all managers, staff, applicant and owner. Include a statement as to whether such person(s) has or have been convicted of a crime, nature of the offense and the sentence received for such conviction.	<input checked="" type="checkbox"/>	<input type="checkbox"/>
❖ Notarized acknowledgement from owner of the building that a Medical Cannabis Cooperative / Collective will be operating on his / her property.	<input checked="" type="checkbox"/>	<input type="checkbox"/>
❖ Evidence that Cooperative / Collective is organized as a bona fide non-profit comprised, exclusively and entirely, of qualified patients and the primary caregivers of those patients in strict accordance with the Compassionate Use Act.	<input checked="" type="checkbox"/>	<input type="checkbox"/>
❖ Background Check Authorization Form: (Signed document giving The City of Palm Springs authorization to run background check on applicant and associates.	<input checked="" type="checkbox"/>	<input type="checkbox"/>

June 30, 2009

City of Palm Springs
Planning Services
3200 E. Tahquitz Canyon Way
Palm Springs, CA 92262
Attn: Ken Lyon, Planner

Re: **Farmacy Collective of Palm Springs; Medical Cannabis Collective**
Application for Regulatory Permit; Acknowledgement of Legal Owner

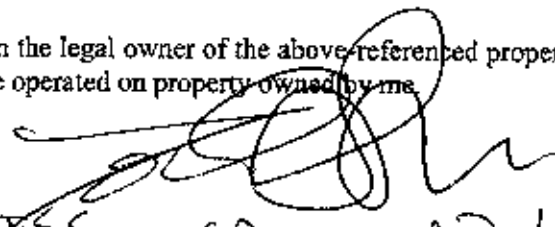
Dear Mr. Lyon:

I am the legal owner of 3455 N. Indian Canyon, PS, CA, and am the lessor named on the lease with Farmacy Collective of Palm Springs (*The Farmacy*) for the unit(s).

I have carefully reviewed the business model and plans of *The Farmacy* for the unit(s), including the proposed operation of an on-site medical cannabis collective. Provided they are selected to receive a regulatory permit from the City of Palm Springs, I have elected to lease space to *The Farmacy* not only for its dedication to the health and wellness of the community and collective members it serves, but because of its unyielding adherence to safety protocols.

By signing below, I am acknowledging that I am the legal owner of the above-referenced property, and I am aware that a medical cannabis collective will be operated on property owned by me.

Sincerely,



BRATSS, a CA General Partnership
Lessor and Legal Owner

Print Name: Todd Spember - Managing General Part

ACKNOWLEDGMENT

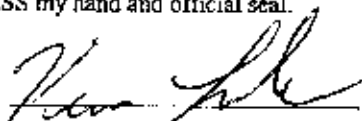
State of California)
 Sacramento) ss
County of ~~Riverside~~ in)

On July 2, 2009, before me, Kevin Luke, a Notary Public in and for the State of California, personally appeared Todd Spember, who proved to me on the basis of satisfactory evidence to be the person whose name is subscribed to the within instrument and acknowledged to me that he/she executed the same in his/her authorized capacity, and that by his/her signature on the instrument, the person, or the entity upon behalf of which the person 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:



July 28, 2009

City of Palm Springs
Department of Planning Services
3200 E. Tahquitz Canyon Way
P.O. Box 2743
Palm Springs, CA 92263-2743

Attn: Ken Lyon, Associate Planner

**Re: Application for Medical Cannabis Collective
Pharmacy Collective of Palm Springs
3455 N. Indian Canyon Drive, Bldg. A, Palm Springs, California
APN 669-452-054; Land Use Zone CM/M-1**

Dear Mr. Lyon:

As indicated in my previous letter of June 30, 2009, BRATSS, a California general partnership, of which I am the managing general partner, is the owner of the property at 3455 N. Indian Canyon in Palm Springs, and the contiguous parcel, where there exists a kitchen design center. On behalf of the applicant, Pharmacy Collective of Palm Springs, to whom we anticipate leasing Building A, I can assure the City of Palm Springs of the following:

- (1) Our partnership has control of the U-Haul business located on the premises; if the dispensary permit is approved for the Pharmacy Collective, the U-Haul business will be relocated.
- (2) Because of this, there are 56 available parking spots for Building A for the Pharmacy Collective's and our manager's office use of Building A. For our self-storage business -- Lumbermans Self-Storage, located in Building C -- we will continue to use the current corner office space for our self-storage manager's office and operation of the self-storage business. The U-Haul business will not continue in this office if the dispensary permit is approved.

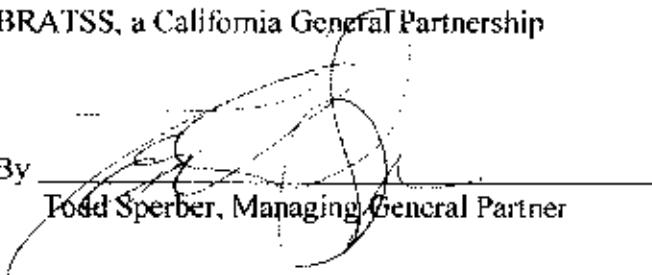
- (3) Particularly, I have approved the parking at established parking spaces shown on the site plan, as follows:
- Building A (Farmacy Collective and Lumbermans Self-Storage manager's office): 56 parking spaces, plus handicapped;
 - Building B (vacant): 15 parking spaces;
 - Building C (self-storage): 8 parking spaces;
 - Building D (kitchen): 6 parking spaces.

Our partnership is willing to be bound by the foregoing; I think that it is sufficient for all uses intended for the properties, including that of the Farmacy Collective. Thank you for your anticipated approval of their application.

Sincerely,

BRATSS, a California General Partnership

By


Todd Sperber, Managing General Partner

Enclosure: Site Plan

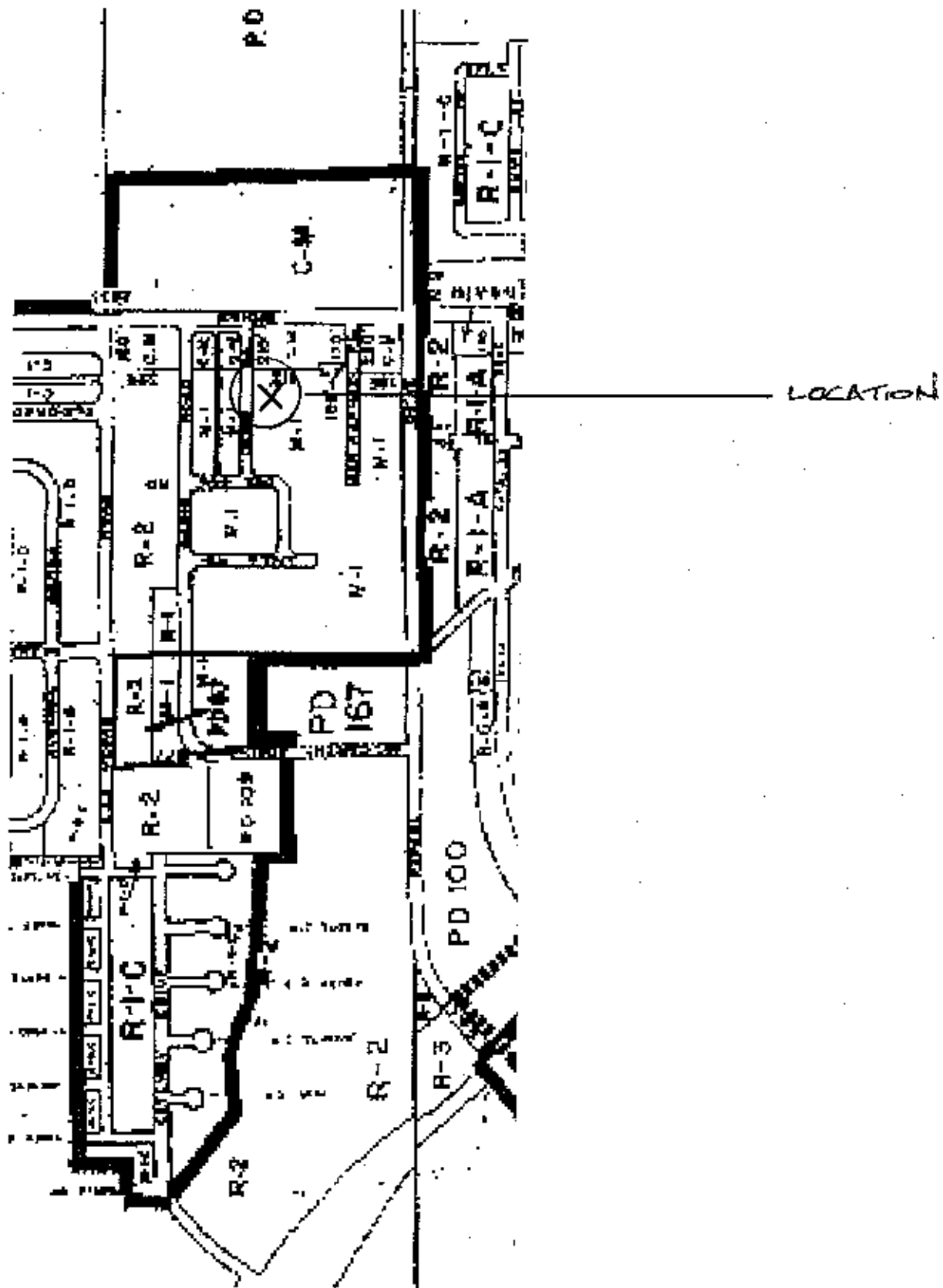


EXHIBIT F
Zoning Map (Enlarged)

09-007



Google maps Address

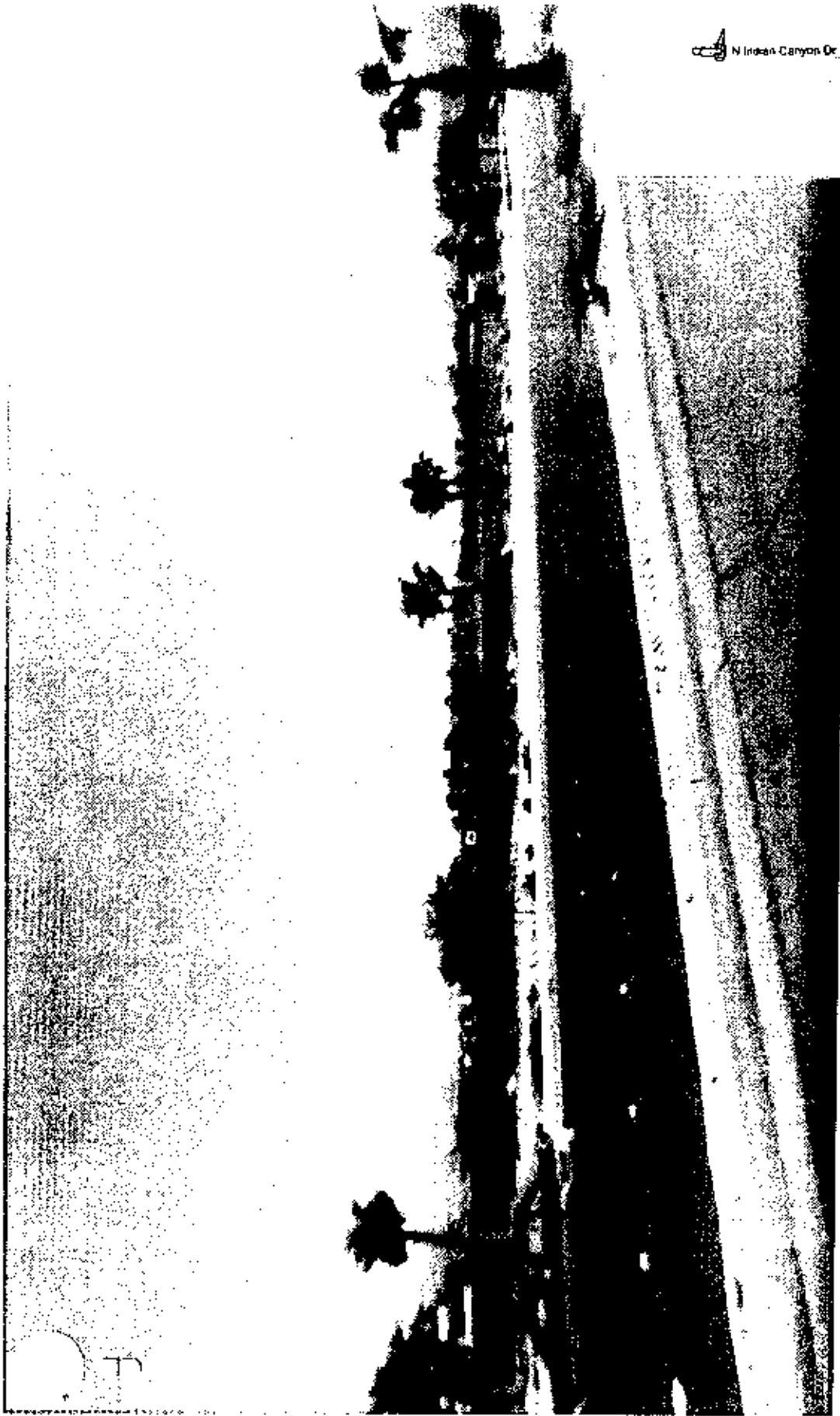


EXHIBIT D
BLOCK WALL — PALERMO PALM SPRINGS

09-007

Google maps Address



09-007

EXHIBIT C
INTERSECTION OF OASIS DRIVE AND N. INDIAN CANYON DRIVE

Google Maps Address

3455 N Indian Canyon Dr, Palm Springs, CA, United States



EXHIBIT B
PROPOSED DISPENSARY BUILDING

THE FARMACY

GLOBAL ORGANIC MEDICINE

July 29, 2009

06-067

Department of Planning Services
City of Palm Springs
3200 East Tahquitz Canyon Way
Palm Springs, CA 92262

Attention: Ken Lyon, Lead Planner

**Re: Location Assessment and Parking
Application for Medical Cannabis Collective — Supplemental Information
Farmacy Collective of Palm Springs,
A California Mutual Benefit Non-Profit Corporation
3455 N. Indian Canyon Dr., Bldg. A, Palm Springs, California 92262**

Dear Mr. Lyon:

Based on our discussions and those of your staff with our planner, Mark Morando, and realtor, Alan Wilke, there appear to be the following concerns regarding the Farmacy Collective's application to operate at 3455 N. Indian Canyon Drive, Building A. Hopefully this letter will treat our application as compliant with Ordinance No. 1758 for the issuance of a dispensary permit; if not, I would request waivers, as the location is ideal, isolated in its own commercial zone, and cut off from residential, retail, etc., with substantial barriers and traffic flows. See Exhibit B.

Parking — 53 Spaces Required, and Provided. There was confusion about 3455 N. Indian Canyon Drive's (Site) use and parking, particularly due to the temporary U-Haul operation at the Site. The Farmacy Collective has confirmed with the landlord, BRATSS, that the U-Haul operation is controlled by the landlord itself, and, should the dispensary permit be provided to the Farmacy Collective at this location, that the U-Haul operation will be relocated. With this letter, I have attached the additional statement of our landlord, confirming the foregoing, and a revised Site Plan (Exhibit A). The larger Site Plan is being resubmitted at the same time as this letter.

The revised Site Plan indicates parking of 56 parking spaces particularly for the Farmacy Collective, three more than is required. In addition, there is handicapped parking. The two parcels are controlled by the landlord, contain three other buildings, which, according to my planner, require 29 additional parking spaces, all of which is provided. In total, there are 85 parking spaces.

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1509 Abbott Kinney Blvd.
Venice, CA 90291
310.392.3890

The Farmacy® Westwood
1035 Gayley Avenue
Westwood, CA 90024
310.208.0820

The Farmacy® West Hollywood
7825 Santa Monica Blvd.
West Hollywood, CA 90024
323.848.7981

www.ourfarmacy.com

Revised Site Plan and CD. Our planner indicated that the Site Plan was developed from another site plan within the property's file. Evidently, some of the distances were different. A revised Site Plan has been submitted in proper format, a condensed version of which is Exhibit A hereto. A CD is also included as requested.

Residential Impingement. Palm Springs' Ordinance provides that a medical collective, such as ours, cannot be "within five hundred (500) feet of a school, public playground or park, or any residential zone property, childcare or daycare facility, youth center, or church, or within one thousand (1,000) feet of any other Medical Cannabis Cooperative or Collective, and shall not be located on any property that is occupied with a commercial retail use where such use is the primary use on such property."

We are more than 500 feet from any school, public playground or park, childcare or daycare facility, youth center or church, and more than 1,000 feet from any other proposed medical cannabis facility. The property is not primarily used for retail operations. The location was used by a secure document storage facility; thus, it is well suited for the dispensary that is proposed.

The concern seems to be the C-M zoned property across the street, which you indicated has a "residential overlay" for Palermo Palm Springs, a portion of which has been built to the north of Oasis Drive. The key words of the Ordinance are "residential zone property."

Impingements. Exhibit G is the 500-foot imprint from our location that you have provided. It appears that we impinge on the Palermo Palm Springs development and some residential property on the south side of West San Rafael. It is requested that a waiver/variance be allowed according to the considerations set forth below.

Compliance – Palermo Palm Springs Property. Initially, we would request that our dispensary application be judged by the designated zoning on the Zoning Map (Exhibit F). Assessing many locations throughout the City, our Pharmacy Team relied upon the Zoning Map in picking the final site. Ordinance No. 1758 is very particular in its language, stating "residential zone property," whereas the remainder of the Ordinance refers to actual development of the parcel (e.g., school, playground, etc.), meaning that the City Council had our situation in mind, as otherwise would have simply stated "or any residence," as some other ordinances with which we have worked state. The actual zoning and Zoning Map for the City states that the property to the east is C-M; and therefore, we would request a determination that our location is compliant with the Ordinance, as to the C-M zoned property across N. Indian Canyon Road, the partially developed Palermo Palm Springs.

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Waiver/Variance Requested – Palermo Palm Springs. If “residential zone property” is determined to include a C-M zoning with a residential overlay or residential use, we request a waiver or a variance from the strict interpretation of the Ordinance, as we relied upon the Zoning Map, and the following factors exist to isolate this commercial parcel from any residential use.

- **Major Thoroughfare.** North Indian Canyon Drive is a major thoroughfare, effectively dividing commercial uses from residential uses of properties; the thoroughfare is approximately 100 feet in width, two lanes of traffic going each way, with a divider, and vehicle turnouts at intersections; the speed limit is 45 MPH, effectively making the properties on each side of Indian Canyon distant from one another.
- **No Cross-Walks; Major City Artery.** Indian Canyon is a major artery for the City from the freeway to downtown, whereby vehicles quickly pass by the proposed Pharmacy destination location. Although the Palermo Palm Springs development is 250-400 feet away, there are no cross-walks at the Oasis intersection, meaning that any pedestrian traffic would cross at San Rafael, trekking over 500 feet to the south to cross, or a greater distance going to the north, probably to the freeway. See Exhibit C.
- **Barriers Are Substantial.** Besides the roadway division, the Palermo Palm Springs property has erected its own barriers in the way of a sidewalk, with landscaping and trees, with a substantial block wall. See Exhibit D. Residents are substantially separated from the commercial zone across the street, as their entry appears to only be through Oasis by vehicle.
- **Pharmacy Side of Indian Canyon – Commercial.** As shown on Exhibit E, the west side of North Indian Canyon is all commercial.
- **Retail Not Primary.** There are no retail operations on the Site. There is a retail enclave planned at San Rafael/N. Indian Springs, but the Ordinance only disqualifies a location if there is primary retail use on the site of the proposed dispensary.

Waiver/Variance Requested – San Rafael Residential Area. The 500-foot map (Exhibit G), indicates that there is some impingement into residential zoned property on the south side of West San Rafael, Parcels 2-10. The impingement is slight, roughly in the last 50 feet, and, again, has substantial barriers in the way of N. Indian Canyon Drive and West San Rafael Road. Thus, a waiver/variance is requested.

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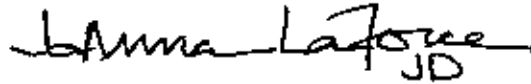
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323.848.7981

- **Barriers Are Substantial.** The area around the proposed location is not pedestrian-friendly. The Site is destination oriented, rather than expecting any foot traffic, especially with its 56 parking spaces.
- **Speed Limits.** This is not a residential area, speed limit are 45 miles per hour.

I hope that I have responded to all of the concerns voiced. Thank you for your assistance and consideration of our application. We look forward to your forwarding our application to the City Council for their consideration. If there are any further concerns by you or the City Council, or City, Council, we look forward to addressing them immediately.

Best regards,



JoAnna LaForce, R.Ph., CGP
President
Farmacy Collective of Palm Springs

Note: Within the application, the building has been designated as "Building 1" or "Building A" — they are the same building. It is just that the landlord likes the "Building A" designation.

Attachments:

- Exhibit A: Landlord Letter, and Site and Building Plans
- Exhibit B: Proposed Dispensary Building Photo
- Exhibit C: Intersection of Oasis Drive and N. Indian Canyon Drive
- Exhibit D: Block Wall - Palermo Palm Springs
- Exhibit E: Commercial Buildings — N. Indian Canyon Drive (East View)
- Exhibit F: Zoning Map
- Exhibit G: 500 Foot Imprint

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323.848.7981

THE FARMACY

GLOBAL ORGANIC MEDICINE

July 6, 2009

Department of Planning Services
City of Palm Springs
3200 East Tahquitz Canyon Way
Palm Springs, CA 92262

**Re: Application for Medical Cannabis Collective — Supplemental Information
Farmacy Collective of Palm Springs,
A California Mutual Benefit Non-Profit Corporation
3455 N. Indian Canyon Dr., Bldg. 1, Palm Springs, California 92262**

Greetings!

As requested by the Planning Staff, the following additional information is provided to supplement the application of Farmacy Collective of Palm Springs.


1. Security Personnel. The security for the Palm Springs Collective's location will be provided by:

Maximum Security
3700 Tachevah Drive, Suite 120
Palm Springs, CA 92262

There is a commitment to the number of guards, all to supplement the security system that is in place, including 12-foot high gates barring entry and exit into the facility except through the front, which is fully controlled.

2. Employees and Manager. The manager, JoAnna LaForce, as indicated in the application and as confirmed by her criminal history check, has no criminal history whatsoever (except for traffic offenses). In addition, employees and assistant managers will undergo criminal background checks identical to that of Ms. LaForce; no employee or assistant manager will be hired that has been involved in any criminal activity, misdemeanor or felony, except infractions. This standard is above that required Palm Springs' Ordinance, but has worked effectively in the other three locations of the The Farmacy collectives. Should any further information be desired, I am happy to provide it. We look forward to a good relationship with the City.

Best regards,


JoAnna LaForce, R.Ph., CGP
President
Farmacy Collective of Palm Springs

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Application for Medical Cannabis Collective

to

City of Palm Springs, California

Farmacy Collective of Palm Springs

JoAnna LaForce, R.Ph., CGP

3455 North Indian Canyon Drive, Bldg. 1, Palm Springs, CA 92262

July 3, 2009

THE FARMACY

GLOBAL ORGANIC MEDICINE

July 3, 2009

Department of Planning Services
City of Palm Springs
3200 East Tahquitz Canyon Way
Palm Springs, CA 92262

**Re: Application for Medical Cannabis Collective
Farmacy Collective of Palm Springs,
A California Mutual Benefit Non-Profit Corporation
3455 N. Indian Canyon Dr., Bldg. 1, Palm Springs, California 92262
APN 669-452-054; Land Use Zone CM/M-1**

Greetings!

We look forward to the approval of a medical cannabis collective permit from the City of Palm Springs to serve the medical needs of the community. I have been a clinical pharmacist, licensed by the State of California since 1975 and have been involved in several medical organizations since that time. My most recent rewarding time has been working with hospice, managing pain treatment for terminally ill patients — thus, my passion for people to have safe access to natural adjunctive therapies.

As a pharmacist, I am accustomed to the regulations and requirements of pharmacies. With that in mind, I spearheaded the Los Angeles area “Farmacy” collectives of The Farmacy, all dispensing plant-based medicines and herbs, including cannabis. Patients are screened and strictly verified — all as enforced by security personnel.

Strict protocols and requirements apply to dispensing all of our herbal medicines, especially cannabis. Complete registration of a patient occurs, along with the verification by his or her physician. Only verified persons enter the area where any cannabis is dispensed. Security is strict; there is no loitering, no shady activity, only the appropriate medical dispensing activity in a wholesome and nurturing environment for qualified patients.

The Farmacy collectives in the Los Angeles area — Westwood, West Hollywood and Venice — are embraced by those communities. City council members, compliance personnel and law enforcement regularly visit us and applaud our efforts and approach. We have been the subject of much media interest, locally in California and nationally. We are open and transparent in our operations; we only operate within the parameters of each community’s ordinance. We have never been cited for any violations whatsoever; in fact, we have passed an IRS audit on one of our facilities, the first such audit in the country I am told.

The Farmacy® Venice
1509 Abbott Kinney Blvd.
Venice, CA 90291
310.392.3890

The Farmacy® Westwood
1035 Gayley Avenue
Westwood, CA 90024
310.208.0820

The Farmacy® West Hollywood
7825 Santa Monica Blvd.
West Hollywood, CA 90024
323.848.7981

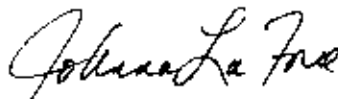
www.ourfarmacy.com

In summary, we know how to run dispensaries, fully compliant with the law and for the best interests of the medical needs of our patients. I have a special interest in providing medical assistance to the Palm Springs community in an upright and professional manner.

Thank you for your assistance and approval of our collective's application for the North Indian Canyon Drive location. I believe that I have appended all of the necessary information and application. Should any further information be necessary, I am more than happy to provide it.

I look forward to your favorable determination.

Best regards,



JoAnna LaForce, R.Ph., CGP
President
Farmacy Collective of Palm Springs

The Farmacy® Venice
1509 Abbott Kinney Blvd.
Venice, CA 90291
310.392.3890

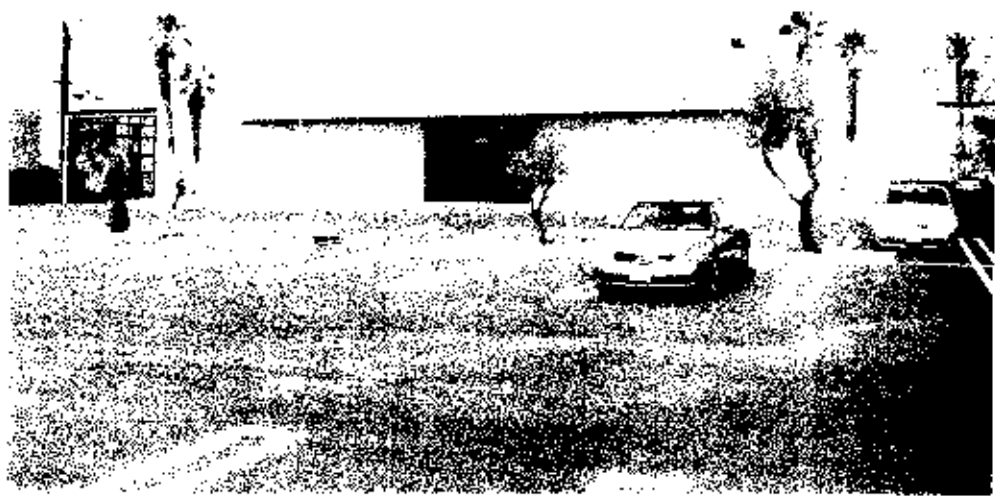
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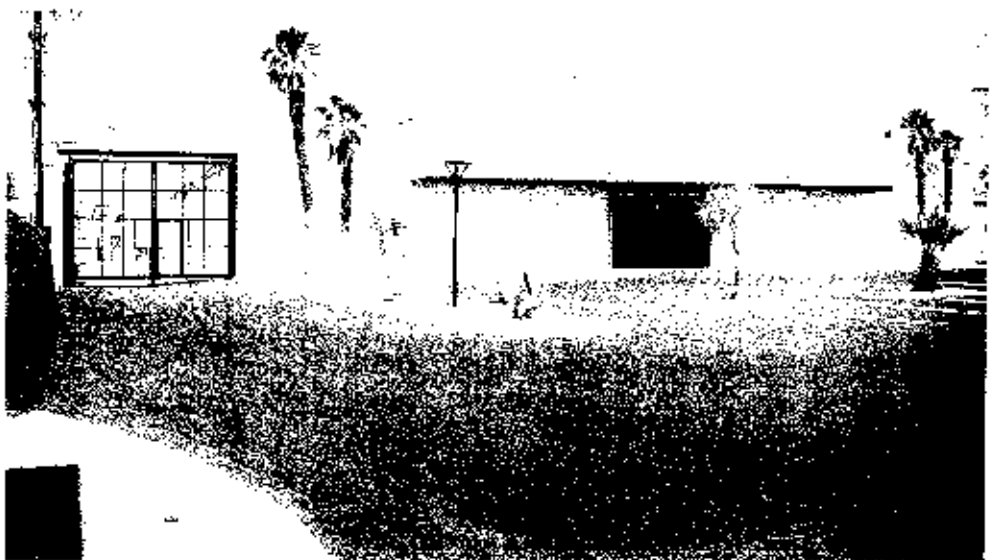




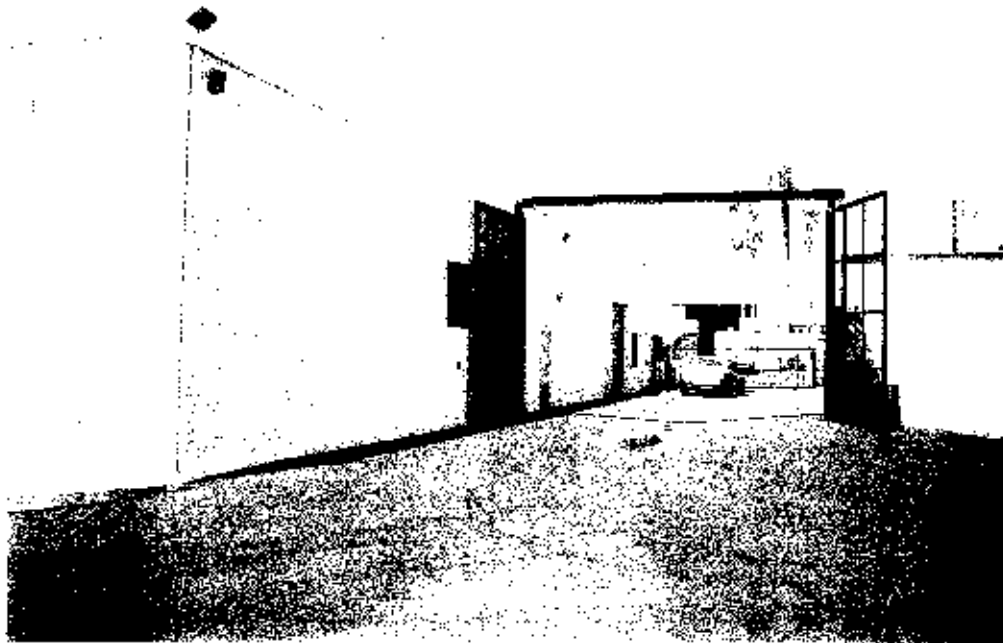
3455 North Indian Canyon Drive



Number 1



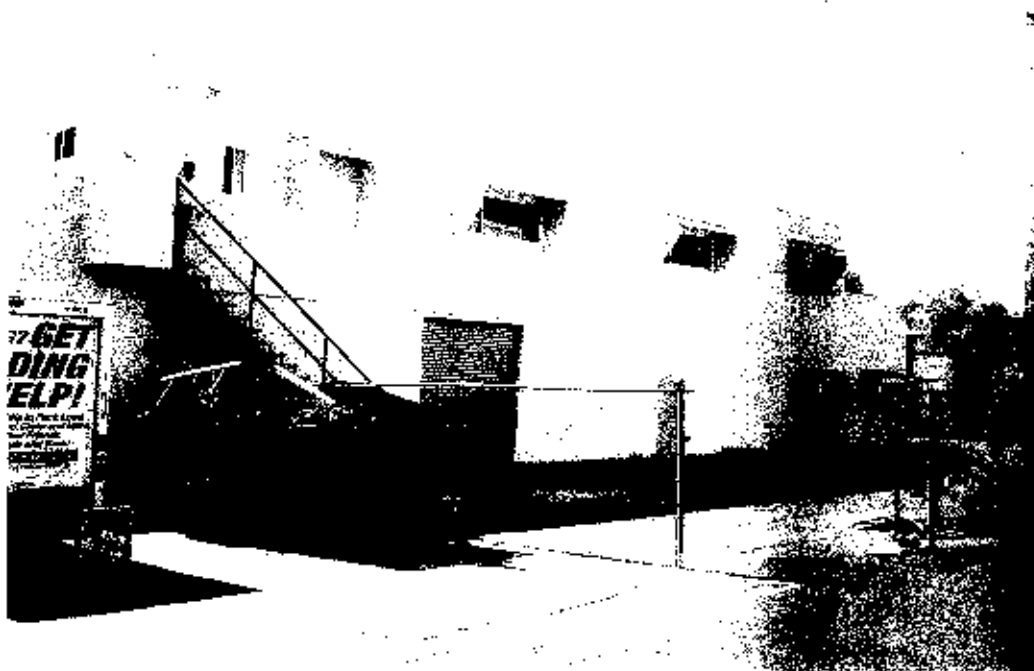
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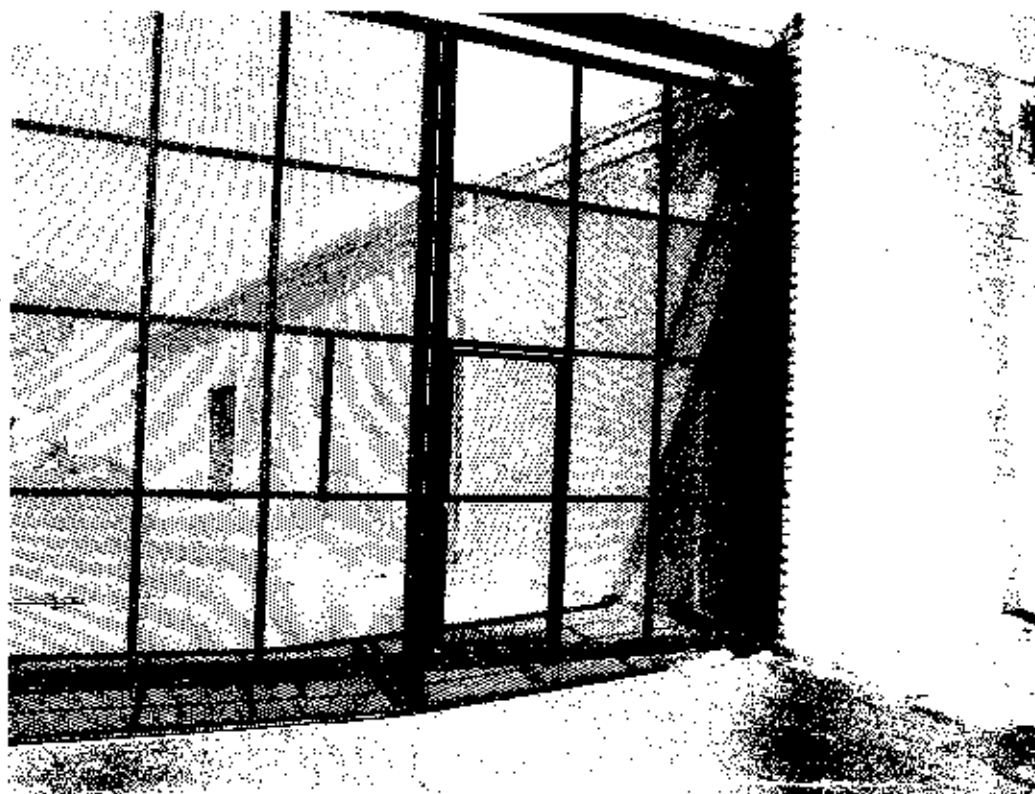
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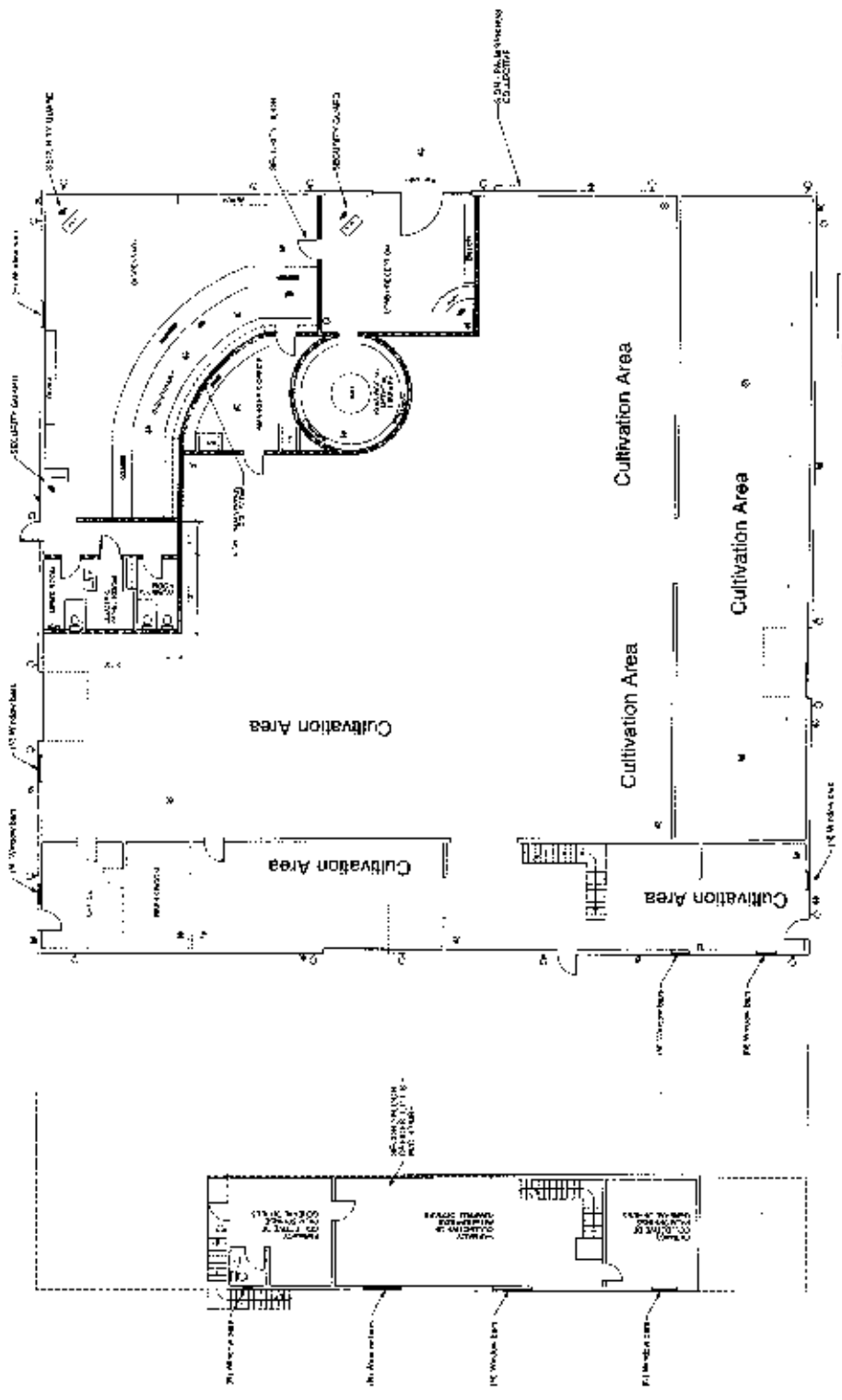
Number 4



Number 5



Number 6



PLANT FLOOR PLAN

PLANT FLOOR PLAN

INDIAN CANYON DRIVE

PROJECT DATA

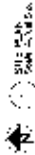
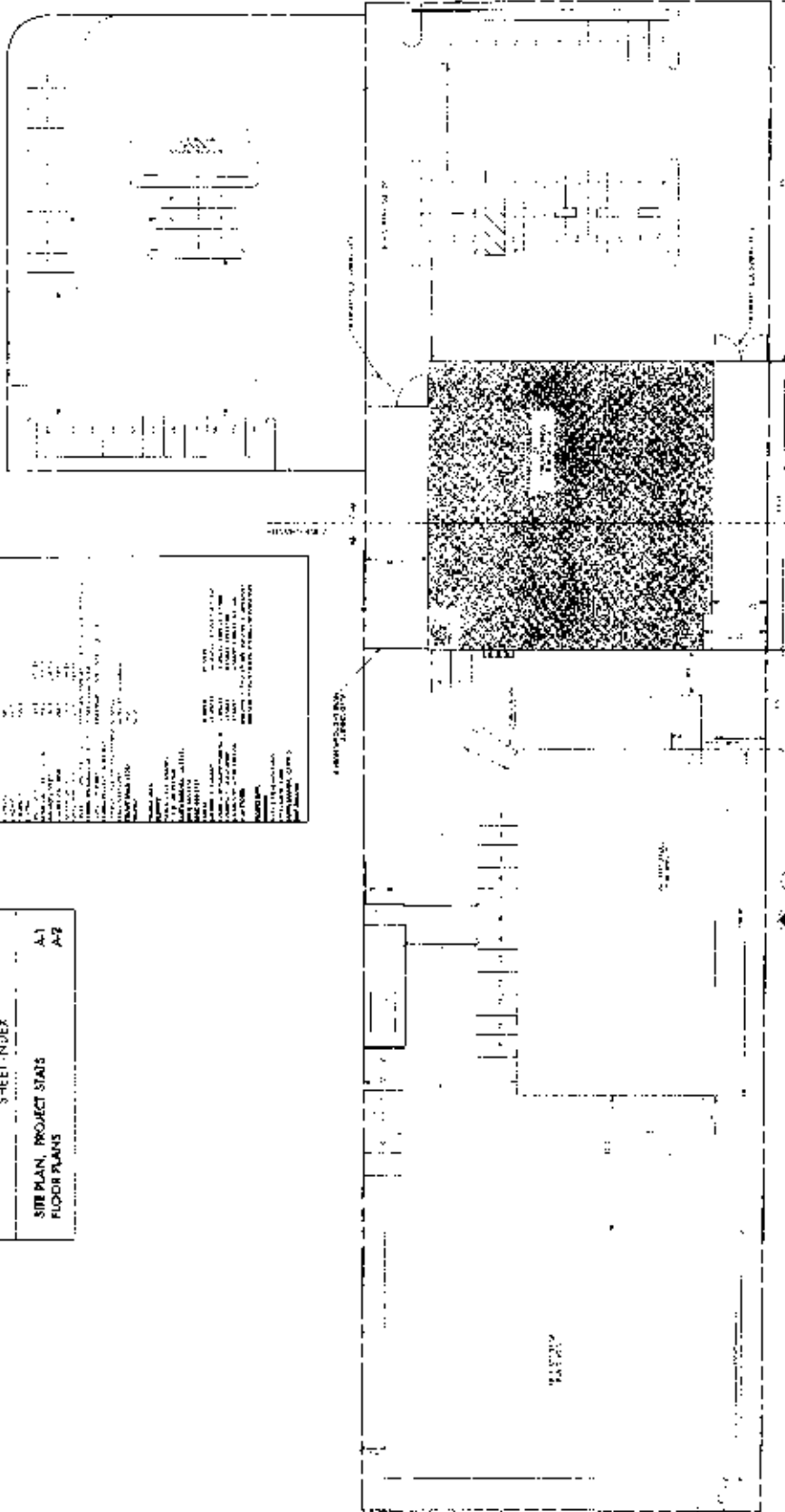
PROJECT NAME: APRINACY COLLECTIVE OF PALM SPRINGS
 PROJECT NO.: 15-0001
 PROJECT LOCATION: 15000 INDIAN CANYON DRIVE, PALM SPRINGS, CA 92262
 PROJECT OWNER: APRINACY COLLECTIVE OF PALM SPRINGS
 PROJECT ARCHITECT: [Faded text]
 PROJECT ENGINEER: [Faded text]
 PROJECT DATE: [Faded text]
 PROJECT STATUS: [Faded text]
 PROJECT DESCRIPTION: [Faded text]
 PROJECT NOTES: [Faded text]

VICINITY MAP



SHEET INDEX

SITE PLAN, PROJECT STAIRS A-1
 FLOOR PLANS A-2



OPERATIONS MANUAL

I. General Protocols

- A. No Minors will be allowed to access the "Dispensing Counter."
- B. Security Guard wearing Farmacy uniform to be present on site during operating hours.
- C. All potential Patient/Members must check in with Security Guard or Farmacy Receptionist at the Check-In/Screening station prior to accessing "Dispensing Area" Counter.
- D. All Doors will be locked from the exterior, except large double doors (Entry/Exit #1) and single door to the north (Entry/Exit #2).
- E. No Patients or Caregivers are to enter or access the area behind Dispensing Counter.
- F. "Words Have Power" --- Cannabis and its medical value is to be communicated in the utmost professional and medical way.
 - (1) Cannot be referred to as "weed," "ganja," "pot," "dope," etc.
- G. No employee is allowed in The Farmacy® alone.
- H. Maintain the "Very Open Feeling" that has made The Farmacy® a safe and secure healing herbal collective.

II. Morning --- Entering the Farmacy

- A. Security Guard to unlock Front door for Store Manager.
- B. Security Guard and Store Manager to disarm alarm and perform visual inspection of entire store, including parking garage by Security Guard.
 - (1) If burglarized, or suspicious activity has occurred: stop, secure the space and contact authorities.

III. Morning --- Opening Procedures

- A. Prior to Staff arriving, Manager (and assistant, if needed) perform inventory check of pre-packaged & bulk cannabis.
- B. Manager organizes cannabis for Staff pickup.
- C. Staff arrives and performs all duties per Opening Checklist (i.e., cleaning, etc.).
- D. Cannabis Staff members move cannabis from Secure Area to Dispensary Area.
- E. Cannabis Staff members prepare counter stations for patients/members.
 - (1) Cannabis Staff organizes counter samples and stores the medicine in area below countertop at Dispensing Area.

OPERATIONS MANUAL (CONTINUED)

(2) The Farmacy carries approximately 30-40 different types of cannabis. Sample jars will be filled with each variety for patients' viewing.

(a) Patients CANNOT touch cannabis, only view and smell.

F. Reception staff prepares menu for the day.

G. Pre-Opening Staff Meeting.

(1) All staff members to meet 15 minutes prior to opening to discuss upcoming daily events and are educated on new inventory.

H. Doors Open.

(1) Security Guard primarily located at the security point adjacent to check-in screening, but remains mobile.

(2) Security Guard ensures that no person other than a qualified patient or caregiver enters the dispensing area.

IV. Dispensary Area Procedures

A. Patient Check-in:

(1) Security Guard and/or Farmacy Staff member will Review California identification card or driver's license of patient/member for authenticity. If patient/member has Farmacy Patient Card, staff will scan card and check California ID.

(2) ONLY VALID CALIFORNIA ID'S WILL BE ACCEPTED.

(3) Verify patient Recommendation from an approved Health Practitioner.

(4) Verify with the Medical Board of California or the Osteopathic Medical Board of California that the attending physician has a license in good standing to practice medicine or osteopathy in the state.

(5) Contact the physician by facsimile, telephone, or mail to confirm that the medical records submitted by the patient are a true and correct copy of those contained in the physician's office records. Have the doctor facsimile a copy to the Farmacy.

(6) The recommendation must be printed on paper and created at the doctor's office at the time the patient was seen. Handwritten notes written on a scrap of paper or prescription pad are not acceptable.

(7) The recommendation cannot have changes, white-outs, or modifications, even if the doctor has initialed such change. Scan Recommendation.

(8) Create Patient Card with ID number.

OPERATIONS MANUAL (CONTINUED)

- (9) Patient to fill out and sign the Collective Agreement in two places:
- (a) Permission for doctor to release private health information, and
 - (b) Agree to respect and abide by the rules and guidelines of Prop. 215 and Bill 420 of the medical marijuana law.
- (10) Hand out and discuss The Farmacy's rules and requirements.
- (a) No cannabis consumption within the dispensary, or within the vicinity of The Farmacy (200 feet).
 - (b) Nothing in California Health and Safety Code Section 11362.5, et. seq., shall authorize a qualified patient to engage in smoking marijuana under any of the following circumstances:
 - In any place where smoking is prohibited;
 - In or within 1,000 feet of the grounds of a school, recreation center, or youth center, unless the medical use occurs within a residence of an authorized user;
 - On a school bus;
 - While in a motor vehicle that is being operated; or
 - While operating a boat.
 - (c) YOU MAY NOT RESELL OR DISTRIBUTE YOUR MEDICATION.
 - (d) Do not drive while medicated, and must obey the rules of the California Health and Safety Code 11362.79.
 - (e) No minors, unless accompanied by a parent or guardian, are allowed.
 - (f) No use of cannabis slang terms, "weed," "ganja," etc.

B. Primary Caregiver Verification and Rules:

- (1) A caregiver must have written documentation stating that he/she is the patient's caregiver. It can be obtained from either a doctor or a Notary Public. This can be an amendment to the patient's letter of recommendation or a separate sheet of paper. If the document is a separate sheet it must name the caregiver as well as the patient.
- (2) The caregiver and the patient must be together the first time they come in.
 - (a) If the patient is bedridden (cannot get out of bed), a doctor can provide a written letter stating so.
 - (b) In such a case, the caregiver can sign in, but the patient must still be verified.

OPERATIONS MANUAL (CONTINUED)

- (c) The caregiver must also provide all of the patient's information just as the patient would himself/herself.
 - (d) The caregiver is given a copy of the collective agreement to bring to the patient, to be returned signed.
 - (3) The patient and caregiver may be on the sales floor together only once. The patient should be able to take the caregiver in the first time, only to show them which medicines they like and to inquire about proper medication. After the first visit, the two cannot be on the sales floor at the same time. When a caregiver checks in you must also check in the patient, and vice versa.
 - (4) Inform the caregiver of the rule under section IV.A(10)(c) above —“YOU MAY NOT RESELL OR DISTRIBUTE YOUR MEDICATION” — and that it is a violation of state law to purchase medicine for anyone other than the patient they give care to.
- C. Patient will proceed to “Check-in” counter and display Farmacy ID card.
- (1) Cannabis Staff Member escorts patient to counter space, discusses medication, provides sample jars for viewing and fragrance.
 - (a) Patients CANNOT touch cannabis, only view and smell fragrance.
 - (b) Samples CANNOT pass across the edge of the counter top.
 - (c) Not more than three (3) samples can be out at one time for one patient.
 - (d) Cannabis Staff Member WILL NOT turn back on patient during viewing sample and fragrance.
 - (e) ALL SAMPLES MUST BE RETURNED AND SECURED UNDER COUNTER PRIOR TO FILLING PATIENT'S RECOMMENDATION.
 - (2) Cannabis Staff Member, after securing all samples, proceeds to Dispensary, behind Counter, to fill Recommendation.
 - (3) Cannabis Staff Member returns with Recommendation, using the scale at “Check-Out” counter to verify weight and Recommendation.
 - (4) Patient pays and leaves “Dispensing Area.”

V. Closing Procedures

- A. Fifteen (15) minutes prior to closing time, all doors are closed by Security Guard.
- B. Staff alerts patients and customers, “The Farmacy is closing.”

OPERATIONS MANUAL (CONTINUED)

- C. Cannabis Staff Members move cannabis pre-packaged and bulk products to Manager to confirm totals sold. Manager performs a weigh out, confirming weight.
 - (1) If product does not weigh out correctly, Manager consults with Cannabis Staff Members.
 - (2) No one leaves until the Manager determines where the error occurred.
 - (a) Cameras will be viewed to see if theft has occurred.
 - (b) If theft has occurred, authorities will be contacted.
- D. When all cannabis product has been accounted for, Manager will release staff.
- E. Manager will place cannabis product in safe located in Storage Area.
- F. Manager and Security Guard will close and secure all doors and arm alarm.
- G. Gelatos and other infused edibles will be left in cool case overnight.

V. Staff Training

- A. Pharmacy Staff are given extensive training in federal (Department of Health and Human Services) and state (Health Insurance Probability and Accountability Act) laws regarding the privacy and protection of patients' medical records and other health information. The Farmacy General Manager will be responsible for ensuring the procedures are followed.
- B. Security guards are gained from third-party security services, and in addition to standard training by their agency, will also receive training on operational and security procedures for each facility.

❖ ❖ ❖

Security supplied by:

Maximum Security

3700 Tachevah Dr Ste. 120

Palm Springs, CA. 92262

Ph. 760-770-0777

Fax 760-325-3785

APPLICANT: Pharmacy Collective of Palm Springs

APPLICATION DATE: July 3, 2009

Responses to "Permit for Medical Cannabis Collective"

A. SUBMITTAL REQUIREMENTS:

I. Group Size.

A. The estimated number of qualified patients is set at 100 daily, although The Pharmacy's experience is that its collectives will increase, probably doubling this number. Twenty-five percent of a qualified patient count is usually the number of qualified caregivers. Pharmacy Collectives screen and register caregivers to ensure that only proper, qualified patients are receiving cannabis.

B. There will be no delivery services, as we have found that such delivery services are problematic to control and have delivery risk problems.

C. Consistent with the City's request, we will have a closed circuit for growing of cannabis, directly on premises, all tended to by the Collective and only utilized by the Collective. This provides the City with a true closed circuit, without outside cultivation and transportation problems, minimizing any concerns by law enforcement.

D. The foregoing determinations on patients are based on the following observations:

(1) Elderly/Geriatric Population ---- 41.6% of all households were made up of individuals and 18.3% had someone living alone who was 65 years of age or older. 26.2% of Palm Springs' population is 65 years of age or older. The median age in Palm Springs is 47 years. This is consistent with the The Pharmacy patient/member demographics. The average age is 39 years. The number of patients over 65 years of age is growing, as federal regulations lighten and they feel comfortable and secure entering our Collective.

Also, the per capita income for the City was \$25,957. The relatively low income reflects the presence of a large retired population and a large population of owners of second homes whose income is not reported.

There are a number of assisted living and skilled nursing facilities in Palm Springs. The Pharmacy will:

- (a) provide discounts to senior citizens;
- (b) educate residents regarding natural plant based medicines and herbs (for example, how to take and use, dosing, routes of administration, side effects, and drug interactions);
- (c) provide inservices to nurses and nurses aides regarding proper use of natural and complementary medicines;
- (d) suggest alternate routes of administration for the elderly, including teas, edibles, tinctures, and topicals.

CITY OF PALM SPRINGS

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APPLICANT: Pharmacy Collective of Palm Springs

APPLICATION DATE: July 3, 2009

(2) The Pharmacy will work with VITAS Hospice Care in Palm Springs to provide information and counseling regarding management of pain, appetite stimulation, anxiety and side effects of chemotherapy; using medicinal herbs, including medical cannabis. Routes of administration and consistency are very important. Standardization and consistency are provided by assaying varieties of cannabis and routes of administration utilizing gas chromatography/mass spectrometry (GCMS) instrumentation by The Pharmacy's qualified staff person, who holds a Ph.D. in biochemistry.

(3) MDs, Osteopathic Doctors and Naturopathic Physicians will:

- (a) provide data/information to patients' physicians and physician groups when needed; and
- (b) help physicians select the proper type of medical cannabis for their patients, and route of administration for their patients, and let them know what combination of herbs worked well for their patients.

(4) Hispanic or Latino of any race is 23.72% of the population of Palm Springs. This is a population that is often neglected in the healthcare field. This culture has a history of deep involvement in natural plant-based medicines. The Pharmacy attempts to provide bilingual staff to help our Hispanic clientele and medical cannabis patients make the best decisions regarding their wellbeing.

(5) About 11.2% of families and 15.1% of the population were below the poverty line, including 28.2% of those under age 18 and 6.8% of those age 65 or over. We work with patients/members that are on state disability, MediCal, Medicare and other low-income programs -- helping them to get medical cannabis recommendations paid by MediCal. We give large discounts and help cover the cost of their recommendations and provide transportation to their doctors and hospitals, if needed. We offer a program where patients can process claims for reimbursement by their insurance carriers for their cannabis medication. (GE Medical Billing: www.GEMBpatients.com).

(6) HIV and AIDS population: There are five HIV/AIDS service organizations and homes providing care in the City of Palm Springs. The Pharmacy provides free and discount compassionate care programs for these patients. The Pharmacy provides education and resource information; as well as counseling regarding specific natural medicines that help with symptoms of diseases caused by HIV and AIDS.

(7) The Pharmacy is a resource center for the community. Speakers and programs in The Pharmacy workshop area are scheduled on a weekly basis. Written information regarding various community services offered in the City of Palm Springs are available in the education area within The Pharmacy.

APPLICANT: Pharmacy Collective of Palm Springs

APPLICATION DATE: July 3, 2009

SECURITY PLAN AND REQUIREMENTS:

(a) The dispensary will have a camera video surveillance system which monitors the inside and outside of the premises. See the floor plan for the location of cameras and the video surveillance security system. Cameras installed on the exterior of the building will monitor the entire premises. A person will be picked up on camera as they approach The Pharmacy from the front parking lot. Upon entering the establishment a camera just inside the door will capture the persons face and other cameras located throughout the dispensary will capture the person while in the building from different angles, at all times. Cameras are mounted around the entire perimeter on the exterior of the building to prevent loitering and view any suspicious behavior. The cameras will be in use twenty-four hours a day, seven days per week. The digital recording will be kept for two weeks. The Pharmacy's three Los Angeles locations have the same surveillance system, which documents the exterior and interior of the premises. The surveillance cameras can be viewed from inside the manager's office at real time or playback.

(b) The robbery and burglary commercial alarm system will be installed and operated by a licensed and recognized security company. The entire lease space interior and exterior will be alarmed and additional security measures employed. The particular company has not been chosen at this time, but the contact information will be provided to the City of Palm Springs before the Certificate of Occupancy is issued for the Pharmacy tenant improvement. Additional security measures suggested by the alarm company and the City of Palm Springs Police Department will be implemented to ensure a safe and secure facility is operating with state of the art equipment and protocols.

(c) The entrance to the Pharmacy will be locked at all times. Additionally, the dispensing area, cultivation areas and any storage areas of the Pharmacy will be locked at all times. Access will be monitored and maintained by trained Pharmacy Staff. The cannabis for sale will be stored in the safes in the manager's office indicated on the floor plans. Three trained security guards will be stationed at The Pharmacy. One will be in the lobby waiting area and escort patients and caregivers through the locked dispensary door. This security guard will also control access of patients and minors to the establishment. He will be responsible for opening the business with the manager and controlling the exterior environment while the manager deactivates the alarm system of the dispensary portion only. The other two will be inside the dispensary itself. One will watch the rear entrance and allow access to the bathrooms. The other will be watching the transactions. Either of these two security guards will escort patients and employees to their vehicles, if required. They will monitor the exterior of the premises to control loitering, crime, illegal or nuisance behavior of patrons.

(d) The front business entrance, parking lot and the corners of the building, exterior doors and roll-up doors currently have approved exterior lighting (see the photos provided). The exterior windows will need to be illuminated. Additionally, the exterior windows will have steel bars installed to match the steel bars on some of the existing windows. A building permit and any design review process required by the City of Palm Springs will be obtained before installation. All exterior lighting will meet the City of Palm Springs Lighting Ordinance, Municipal Code 93.21.00, and also be approved by the City of Palm Springs.

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APPLICANT: Farmacy Collective of Palm Springs

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(e) All windows located on the Collective building will have window security bars with lockable windows connected to the alarm system. In the event of an opened window the alarm will trigger. A building permit and any design review process required by the City of Palm Springs will be obtained before installation.

(f) There will be a security operations plan. The security operations plan for other locations follows, and is entitled "Operations Manual."

Collective Manager: The Collective Manager and President of Farmacy Collective of Palm Springs, a California non-profit mutual benefit corporation, is JoAnna LaForce, 820 State Street, 4th Floor, Santa Barbara, California 93101.

Name and Address of Lessor of Real Property Owner: See *Notarized Acknowledgement of Owner* at Tab 5 of this Application.

We hereby authorize the City of Palm Springs to verify all information contained within this statement and application.

Evidence of Non-Profit Status: See documents provided at Tab 6 of this Application.

Payment to City of Palm Springs: See check provided at Tab 1 of this Application.

B. APPLICATION PROCESS:

(1) All Information is true and correct. No omissions have been made on this application. Any further information requested will be provided.

(2) Farmacy Collective of Palm Springs is allowed by state law, local law, statute and ordinance, including this code. Farmacy Collective of Palm Springs has legal advisors to inform the owner and employees of existing and new legislation, laws, regulations and orders from the City, state and federal governments.

(3) JoAnna LaForce, president and manager of Farmacy Collective of Palm Springs is a Caregiver and Qualified Patient.

(4) JoAnna LaForce, has never been convicted of a felony, nor has she been on probation or parole for the sale, illegal use, sale, possession, transportation or distribution of a controlled substance. See attached criminal history background search provided by the Department of Justice, provided at Tab 7 of this Application. No Employees have been hired at this time. Background checks of all employees will be performed

(5) President JoAnna LaForce, has never engaged in unlawful, fraudulent, unfair, or deceptive business practices.

(6) President JoAnna LaForce has completed each and every requirement in this section.

**CITY OF PALM SPRINGS
APPLICATION FOR MEDICAL CANNABIS COOPERATIVE OR COLLECTIVE**

APPLICANT: Farmacy Collective of Palm Springs
APPLICATION DATE: July 3, 2009

ISSUANCE OF REGULATORY PERMIT:

No responses required by Farmacy Collective of Palm Springs.

REGULATORY REQUIREMENTS:

(1) Farmacy Collective of Palm Springs will provide the City Manager of Palm Springs an annual update of the operation as noted in Section G of Ordinance 1758:

- Estimated size of group;
- Address of location;
- Site plan and floor plan;
- Security plan;
- Name and address of manager(s) and responsible persons;
- Name and address of owner;
- Authorization to the City of Palm Springs to verify all information;
- Evidence that Farmacy Collective of Palm Springs is a bona fide non-profit;
- A statement in writing certifying all information contained in the application is true and correct;
- Farmacy Collective of Palm Springs will provide any additional information deemed necessary by the City Manager for Palm Springs.

(2) Farmacy Collective of Palm Springs understands the City of Palm Springs is not liable for the activities of any Medical Cannabis Collective or Cooperative.

(3) Farmacy Collective of Palm Springs, upon receiving possession of a regulatory permit, shall provide:

- An executed agreement indemnifying the City of Palm Springs.
- Carry insurance in the amounts and of the types that are acceptable to the City Manager of Palm Springs.
- Name the City of Palm Springs as additionally insured.
- Agree to defend on its sole expense any action against the City, its agents, officers and employees, because of the issues of such approval.
- Agree to reimburse the city for any court costs, attorney fees that the City of may be required to pay as a result of such action.

(4) Farmacy Collective of Palm Springs understands the City of Palm Springs; at its sole discretion, may or may not participate in defense of such actions. The Farmacy appreciates

CITY OF PALM SPRINGS
APPLICATION FOR MEDICAL CANNABIS COOPERATIVE OR COLLECTIVE

APPLICANT: Farmacy Collective of Palm Springs
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the City of Palm Springs willingness to stay open to forming an alliance in the event of such actions.

C. STANDARD CONDITIONS:

- (1) The Farmacy Palm Springs shall, upon receipt of a permit:
 - Comply fully with all of the applicable restrictions and mandates set forth in state law, including without limitation the Attorney General Guidelines.
 - Farmacy Collective of Palm Springs will be open between the hours of 9:00 a.m. and 7:00 p.m., Monday through Saturday.
 - Physicians' verifications shall be verified by Farmacy Collective of Palm Springs prior to joining the Collective and verified every 6 months (see Operational Plan).
 - Each member of Farmacy Collective of Palm Springs shall be a patient or a qualified primary caregiver. The Collective will maintain patient records in a secure area within the City of Palm Springs, available to the City Manager upon demand.
 - All cannabis will be kept in a secure space during all hours.
 - Farmacy Collective of Palm Springs will acquire approval from the County of Riverside Department of Health Services for all consumable medical cannabis products, if allowed by the City. We have drinks, lollipops and baked goods, if authorized.
- (2) Farmacy Collective of Palm Springs will only engage in the sales of cannabis for medicinal use. The Collective will only accept checks and credit cards. No cash will be accepted.
- (3) Farmacy Collective of Palm Springs will pay all applicable sales taxes pursuant to federal, state and local law.
- (4) No cannabis or alcohol will be consumed on the premises, including all buildings, parking lots and surrounding area leased by Farmacy Collective of Palm Springs. The entrance to the Collective will have legibly posted notices stating the "No Consumption On Site" rule.
- (5) Farmacy Collective of Palm Springs will provide signage per City of Palm Springs' requirements. No advertising of goods or services shall be permitted.
- (6) No Alcohol will be consumed or sold at Farmacy Collective of Palm Springs. Farmacy Collective of Palm Springs will not hold or maintain a liquor license from the State Department of Alcohol Beverage Control. No alcohol will be stored, kept, located, used or dispensed on the premises.

CITY OF PALM SPRINGS

APPLICATION FOR MEDICAL CANNABIS COOPERATIVE OR COLLECTIVE

APPLICANT: Pharmacy Collective of Palm Springs

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(7) All windows and entrances will be not be obstructed and will maintain a clear view into the premises during business hours.

(8) Pharmacy Collective of Palm Springs does not allow anyone under the age of 18 year old into the Collective, unless they are accompanied by a parent or guardian and a recommendation by a physician.

(9) No physician services will be provided on site.

(10) Pharmacy Collective of Palm Springs will comply with all applicable rules and regulations. Pharmacy Collective of Palm Springs will acquire a City of Palm Springs business license.

(11) Pharmacy Collective of Palm Springs will not distribute, sell or dispense cannabis to anyone other than qualified patients and their primary caregivers.

(12) Pharmacy Collective of Palm Springs will cultivate cannabis on the premises by Collective members. The Collective will inventory the cannabis the first business day of each month and will record the total quantity of each form of cannabis on the premises. The records will be maintained for two (2) years from the date created.

(13) Pharmacy Collective of Palm Springs will provide all necessary contact information for an "On-Site Community Relations Staff Person" to the City Manager of Palm Springs. This person will be readily available and will make a good faith effort to resolve any problems that may occur at the Pharmacy.

(14) Pharmacy Collective of Palm Springs will fully comply with and meet all operating criteria required by the Compassionate Use Act, state law, the Attorney General Guidelines and necessary measure imposed by the City of Palm Springs.

D. Enforcement:

(1) All security camera recordings will be made available to the City Manager of Palm Springs upon verbal request.

(2) Pharmacy Collective of Palm Springs invites the City Manager to inspect and review their facility on unannounced visits.

(3) Pharmacy Collective of Palm Springs will operate in accordance with necessary codes and laws required by the City of Palm Springs.

(4) Pharmacy Collective of Palm Springs will be operating within the rules and laws presented in this application and ordinance.

(5) Pharmacy Collective of Palm Springs will work within the rules and law established by the City of Palm Springs.

Edmund G. Brown Jr.
Attorney General

State of California
DEPARTMENT OF JUSTICE



BUREAU OF CRIMINAL IDENTIFICATION AND INFORMATION

P.O. Box 903
SACRAMENTO, CA 94203-4

April 24, 2009

JOANNE LAFORCE
POB 1237
CARPINTERIA, CA 93104-0000

RE: California Criminal History Information

Dear Applicant:

This is in response to your inquiry concerning the existence of a California criminal history record within the files of the Department of Justice's Bureau of Criminal Identification and Information. As of the date of this letter, a search of your fingerprints did not identify with any criminal history record maintained by this Bureau as provided by the California Penal Code Sections 11120-11127.

Pursuant to California Penal Code section 11121, the purpose of a record review request is to afford an individual with a copy of their record and to refute any erroneous or inaccurate information contained therein. The intent is not to be used for licensing, certification or employment purposes.

Additionally, California Penal Code sections 11125, 11142, and 11143 does not allow for a person or agency to make a request to another person to provide them with a copy of an individual's criminal history or notification that a record does not exist; does not allow an authorized person to furnish the record to an unauthorized person; nor does it allow an unauthorized person to buy, receive or possess the record or information. A violation of these section codes is a misdemeanor.

Sincerely,

A handwritten signature in black ink that reads "Robert Santos".

ROBERT SANTOS, Assistant Manager
Record Support Section
Bureau of Criminal Identification and Information

For EDMUND G. BROWN JR.
Attorney General



BUYNAK LAW FIRM

820 STATE STREET, 4TH FLOOR
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WWW.BUYNAKLAW.COM

July 2, 2009

City of Palm Springs
Planning Services
3200 E. Tahquitz Canyon Way
Palm Springs, CA 92262
Attn: Ken Lyon, Planner

Re: Farmacy Collective of Palm Springs; Bona Fide Nonprofit Corporation

Dear Mr. Lyon:

Buynak Law Firm acts as corporate counsel for the Farmacy Collective of Palm Springs, a California nonprofit mutual benefit corporation, (**The Farmacy**), and the current applicant for a Palm Springs Medical Cannabis Regulatory Permit (**Permit**) under Palm Springs Ordinance 1758.

At the direction of JoAnna LaForce, the Articles of Incorporation (**Articles**) for such entity were filed with the California Secretary of State by our office on June 25, 2009 (see attached).

It is common business practice for an entity to be formed by a person unrelated to operations who then "hands over" the entity to the initial director(s) for governance and oversight. I am the incorporator for The Farmacy: my name appears on the Articles. I appointed JoAnna LaForce as the initial director of The Farmacy on June 30, 2009 (see attached Consent Action of Incorporator).

Ms. LaForce, as the director of The Farmacy, has control over the direction and operation of entity including the authorization to apply for a Permit.

Also attached, you will find The Farmacy's Bylaws outlining The Farmacy's specific purposes, namely:

- (1) To facilitate the not-for-profit efforts of qualified patients and their caregivers by providing and operating a location for collective medical cannabis cultivation and distribution in strict compliance with the Compassionate Use Act;

- (2) To ensure security, non-diversion of medical cannabis to illicit markets, and compliance with all state and local laws;
- (3) To acquire, possess, and distribute only lawfully cultivated medical cannabis with the collective; and
- (4) To undertake all other activities and programs supportive of the Corporation's goals.

Should you require any additional documentation to support The Farmacy's status as a nonprofit organization, please do not hesitate to contact me directly.

Best Regards,



Joy Margolis, Attorney
Incorporator of Farmacy Collective of Palm
Springs

Attachments: Articles of Incorporation
Consent Action of Incorporator
Bylaws





State of California
Secretary of State

I, DEBRA BOWEN, Secretary of State of the State of California, hereby certify:

That the attached transcript of (1 page(s)) has been compared with the record on file in this office of which it purports to be a copy, and that it is full, true and correct.



IN WITNESS WHEREOF, I execute this certificate and affix the Great Seal of the State of California this day of

JUN 29 2009

Debra Bowen

DEBRA BOWEN
Secretary of State

ENDORSED - FILED
in the Office of the Secretary of State
of the State of California

ARTICLES OF INCORPORATION

OF

JUN 25 2009

FARMACY COLLECTIVE OF PALM SPRINGS

A California Nonprofit Mutual Benefit Corporation

I

The name of this corporation is **Farmacy Collective of Palm Springs**.

II

A. This Corporation is a nonprofit mutual benefit corporation organized under the Nonprofit Mutual Benefit Corporation Law. The purpose of this corporation is to engage in any lawful act or activity, other than credit union business, for which a corporation may be organized under such law.

III

The name and address in the State of California for the Corporation's initial agent for service of process is:

S. Timothy Buynak, Esq.
Buynak Law Firm
820 State Street, 4th Floor
Santa Barbara, CA 93101

IV

Notwithstanding any of the above statements of purposes and powers, this corporation shall not, except to an insubstantial degree, engage in any activities or exercise any powers that are not in furtherance of the specific purposes of this corporation.

IN WITNESS WHEREOF, the undersigned, being the persons named as the incorporators of this corporation, have executed these Articles of Incorporation on June 24, 2009 and hereby declares that this instrument is the act and deed of the undersigned.



Joy E. Margolis
Joy E. Margolis, Incorporator

**CONSENT ACTION OF INCORPORATOR
FOR
APPOINTMENT OF INITIAL DIRECTORS OF
FARMACY COLLECTIVE OF PALM SPRINGS
A California Nonprofit Mutual Benefit Corporation**

June 30, 2009

The undersigned, being the sole incorporator of Farmacy Collective of Palm Springs, a California Nonprofit Mutual Benefit Corporation, (**Corporation**) pursuant to the California Corporations Code Section 7134, hereby authorize the adoption of the following resolutions, and any and all actions contemplated thereby.

1. ADOPTION OF BYLAWS:

RESOLVED: That the Bylaws appearing in that certain document entitled Bylaws of Farmacy Collective of Palm Springs are approved and adopted as the Bylaws of this Corporation and the Secretary of this Corporation is authorized and directed to execute a Certificate of Adoption of said Bylaws and to enter said Bylaws as so certified in the Minute Book of this Corporation and so see that a copy of said Bylaws is kept at the principal executive or business office of the Corporation in California.


2. APPOINTMENT OF TRUSTEES:

RESOLVED: That the following person is elected and named as the initial Director of the Corporation, with full power to take whatever action is necessary or appropriate to perfect the formation of the Corporation:

JoAnna LaForce

This Consent is executed pursuant to Section 7211 of the Corporations Code of the State of California which authorizes the taking of action by unanimous written consent without a meeting of the incorporators of the Corporation.

It is directed that this Consent be filed with the minutes of the proceedings of the Directors of the Corporation.



Joy E. Margolis, Incorporator

**BYLAWS
OF
FARMACY COLLECTIVE OF PALMN SPRINGS**

S. Timothy Buynak
Joy E. Margolis
BUYNAK LAW FIRM
820 State Street, 4th Floor
Santa Barbara, CA 93101
T. (805) 966.7000
F. (805) 966.7227

BYLAWS OF farmacy collective of palmn spring

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**BYLAWS
OF
FARMACY COLLECTIVE OF PALM SPRINGS**

A California Non-profit Mutual Benefit Corporation

*(Organized under the Nonprofit Corporation Law as embodied in the California
Corporations Code, commencing at Section 7110.)*

**ARTICLE I
NAME**

The name of this Corporation is Farmacy Collective of Palm Springs.

**ARTICLE II
OFFICES**

Section 2.1 Principal Office. The Board of Directors shall fix the location of the principal office of the Corporation within the County of Riverside, State of California.

The Board of Directors may change the principal office from one location to another in the State of California, in its discretion. Any such change of location shall be noted by the Board of Directors in its minutes; but so long as said change is within the State of California, it shall not be considered an amendment of these Bylaws.

Section 2.2 Other Offices. The Board may, at any time, establish branch or subordinate offices at any place or places where the Corporation is qualified to do business.

**ARTICLE III
PURPOSES AND LIMITATIONS**

Section 3.1 General Purposes. This Corporation is a nonprofit mutual benefit corporation and is not organized under the Nonprofit Mutual Benefit Corporation Law. The purpose of this Corporation is to engage in any lawful act or activity, other than credit union business, for which a corporation may be organized under such law.

Section 3.2 Specific Purposes. Within the context of the General Purposes stated above, the specific purposes of this Corporation shall be:

(1) To facilitate the not-for-profit efforts of qualified patients and their caregivers by providing and operating a location for collective medical cannabis cultivation and distribution in strict compliance with the Compassionate Use Act.

(2) To ensure security, non-diversion of medical cannabis to illicit markets, and compliance with all state and local laws.

(3) To acquire, possess, and distribute only lawfully cultivated medical cannabis within the collective.

(4) To undertake all other activities and programs supportive of the Corporation's goals.

ARTICLE IV MEMBERS

Section 4.1 No voting members. This Corporation shall have no voting members within the meaning of the Nonprofit Corporation Law. From time to time the Corporation may issue Certificates of Membership and establish entitlements as well as benefits for members other than allowing such members an entitlement to vote.

Section 4.2 Effect of Lack of Voting Members. Any action which would otherwise require approval by vote of a majority of all members or approval by the members shall require only approval by the Board of Directors. All voting rights that would otherwise vest under the laws of the State of California in the members shall vest in the Directors of the Corporation.

ARTICLE V DIRECTORS

Section 5.1 Powers.

a. **General Corporate Powers.** Subject to the provisions and limitations of the California Nonprofit Mutual Benefit Corporation Law and any other applicable laws, and any limitations of the Articles of Incorporation and of these Bylaws, the activities and affairs of the Corporation shall be managed, and all corporate powers shall be exercised, by or under the direction of the Board of Directors.

b. **Specific Powers.** Without prejudice to these general powers, but subject to the same limitations, the Directors shall have the power to:

- (1) Act as keeper of the Corporation's vision and values; Formulate the strategic direction of the Corporation; have operational oversight over the Corporation's business and affairs; supervise the annual Corporation audit and related activities; and supervise annual Corporation governance succession and related activities;

- (2) Supervise the Corporation's committees; and assign tasks and projects to the Corporation's committees;
- (3) Manage key Corporation alliances/partnerships;
- (4) Plan and approve all corporate leadership positions; appoint and remove, at their sole discretion, all officers, agents and employees of the Corporation; prescribe powers and duties for them that are consistent with law, with the Articles of Incorporation and with these Bylaws; and fix their compensation and require from them security for faithful performance of their duties;
- (5) Change the principal office or the principal business office in the State of California from one location to another; cause the Corporation to be qualified to conduct its activities in any other state, territory, dependency or country and conduct its activities within or outside the State of California; and designate any place within or outside the State of California for the holding of any meeting, including annual meetings;
- (6) Adopt, make and use a corporate seal; prescribe the forms of membership certificates, if any; and alter the form of the seal and certificate;
- (7) Borrow money and incur indebtedness on behalf of the Corporation and cause to be executed and delivered for the purposes of the Corporation, in the corporate name, promissory notes, bonds, debentures, deeds of trust, mortgages, pledges, hypothecations and other evidences of debt and securities;
- (8) Invest, or cause to be invested, assets of the Corporation in accounts, properties and other capital assets;
- (9) To receive funds and to organize plans and programs in conjunction therewith;
- (10) Work with, and/or through other entities, whether or not they are tax exempt, to accomplish the purposes and goals of the Corporation, provided that the nonprofit status of this Corporation is not jeopardized thereby; and
- (11) Employ persons or entities for such services as may be required on behalf of the Corporation.

Section 5.2 Authorized Number and Qualifications of Directors.

a. **Authorized Number.** The Board of Directors shall consist of at least one (1) Directors and no more than seven (7) Directors until changed by amendment to these Bylaws. The exact number of Directors shall be fixed, within those limits, by a resolution adopted by the Board of Directors. Collectively, the Directors shall be known as the Board of Directors.

b. **Selection.** The Board of Directors shall be selected as follows:

(1) **Initial Directors.** The initial Director(s) shall be appointed by the incorporator named in the Corporation's Articles of Incorporation.

(2) **Subsequent Directors.** At the expiration or earlier termination of the terms of office of the initial Director(s), their successors shall be chosen by a majority vote of the Directors then in office, whether or not less than a quorum, or by a sole remaining Director.

(3) **Qualifications of Directors.** Board members must demonstrate a sustained interest in actively promoting the purposes of the Corporation.

Section 5.3 Election and Term of Office of Directors. Directors shall be elected at each annual meeting of the Board of Directors, but if such annual meeting is not held or if Directors are not elected therein, the Directors may be elected at any special meeting of the Board of Directors held for that purpose.

Voting for Directors shall be by voice or ballot, provided that any election of Directors must be by ballot if demanded by any Director before the voting begins. There shall be no accumulation of votes; each current Director shall have one vote in each balloting for each directorship to be filled. The candidate in each balloting receiving the highest number of votes shall be elected. Directors shall be eligible for reelection with no limitation on the number of terms they may serve.

Each Director, including a Director elected to fill a vacancy or elected at a special meeting, shall hold office until expiration of the term for which elected and until a successor has been elected.

Section 5.4 Vacancies. Vacancies on the Board of Directors shall be filled by a majority of the vote of the remaining Directors then in office, or if the number of Directors then in office is less than a quorum, by (1) the unanimous written consent of the Directors then in office, (2) the affirmative vote of a majority of the Directors then in office at a meeting held according to notice or waivers of notice complying with Corporations Code § 7211, or (3) a sole remaining Director..

A vacancy or vacancies on the Board of Directors shall be deemed to exist on the occurrence of any of the following:

- a. The death, resignation or removal of any Director;
- b. The declaration by resolution of the Board of Directors of a vacancy of an office of a Director who has been declared of unsound mind by an order of court or convicted of a felony or has been found by final order or judgment of any court to have breached a legally imposed duty arising under Corporations Code § 7238;
- d. An increase in the authorized number of Directors; or
- e. The failure of the Directors, at any meeting of the Directors, at which any Director is to be elected, to elect the number of Directors to be elected at such meeting.

No reduction of the authorized number of Directors shall have the effect of removing any Director prior to the expiration of that Director's term of office.

Section 5.5 Resignation. A Director may resign, which resignation shall be effective on giving written notice to the president or secretary of the Corporation or to the Board of Directors generally, unless the notice specifies a later time for the resignation to become effective. If the resignation of a Director is effective at a future time, the Board of Directors may elect a successor to take office when the resignation becomes effective.

Section 5.6 Removal. A Director may be removed from office without cause by vote of a majority of the Directors then in office. Any vacancy caused by the removal of a Director shall be filled as provided in Section 5.4.

Any Director who does not attend three successive Board meetings will automatically be removed from the Board without Board resolution unless (1) the Director requests a leave of absence for a limited period of time, the leave is approved by the Directors at a regular or special meeting (if such leave is granted, the number of Board members will be reduced by one in determining whether a quorum is or is not present); (2) the Director suffers from an illness or disability that prevents him or her from attending meetings and the Board, by resolution, waives the automatic removal procedure of this subsection; or (3) the Board, by resolution of the majority of the Board members then in office, must agree before a Director who has missed three meetings may be reinstated.

Section 5.7 Place of Meeting; Meetings by Telephone. Regular meetings of the Board of Directors may be held at any place within or outside the State of California that has been designated from time to time upon resolution of the Board of Directors. In the absence of such designation, regular meetings shall be held at the principal office of the Corporation. Special meetings of the Board of Directors shall be held at any place within or outside the State of California as has been designated in the notice of the

meeting or if not stated in the notice, or if there is no notice, at the principal office of the Corporation. Notwithstanding the above provisions of this Section 5.7, a regular or special meeting of the Board of Directors may be held at any place consented to in writing by all of the Directors, either before or after the meeting. If consents are given, they shall be filed with the minutes of the meeting. Any meeting, regular or special, may be held by telephone conference or similar communication equipment, so long as all Directors participating in the meeting can hear one another, and all such Directors shall be deemed to be present in person at such meetings.

Section 5.8 Annual Meeting. The annual meeting of the Directors shall be held on the third Friday in July each year, or such other date in July as the Board may designate, for the purposes of organization, election of Directors and officers, and the transaction of other business. Notice of this meeting shall not be required.

Section 5.9 Other Regular Meetings. Other regular meetings of the Board of Directors shall be held without call at such time as shall from time to time be fixed by the Board of Directors. Such regular meetings, once designated by the Board of Directors may be held without notice.

Section 5.10 Special Meetings.

a. **Authority to Call.** Special meetings of the Board of Directors for any purpose may be called by the President or by the written request of any three Directors.

b. **Notice.**

(1) **Manner of Giving.** Notice of the time and place of special meetings shall be given to each Director by one of the following methods:

(a) By personal delivery of written notice;

(b) By first-class mail, postage prepaid;

(c) By telephone communication, either directly to the Director or to a person at the Director's office who would reasonably be expected to communicate such notice promptly to the Director; or

(d) By telegraph, facsimile, electronic mail or other electronic means.

All such notices shall be given or sent to the Director's address or telephone number as shown on the records of the Corporation.

(2) **Time Requirements.** Notices sent by first class mail shall be deposited into the United States mail at least four (4) days before the time set for the

meeting. Notices given by personal delivery, telephone, telegraph or other electronic means shall be delivered, telephoned or otherwise given at least forty-eight (48) hours before the time set for the meeting.

(3) **Notice Contents.** The notice shall state the time and place for the meeting and the purpose of the meeting. No other business shall be conducted at the special meeting other than as stated in said notice.

Section 5.11 Quorum. A majority of the authorized number of Directors then in office shall constitute a quorum for the transaction of business for any meeting except adjournment. Every act or decision done or made by a majority of the Directors present at a meeting duly held at which a quorum is present, shall be regarded as the act of the Board of Directors, subject to the more stringent provisions of the California Nonprofit Mutual Benefit Corporation Law, especially those provisions relating to:

a. Approval of contracts or transactions between this Corporation and one or more Directors or between this Corporation and an entity in which a Director has a material financial interest, (2) creation of and appointments to committees of the Board, and (3) indemnification of Directors.

A meeting at which a quorum is initially present may continue to transact business, notwithstanding withdrawal of Directors, if any action taken is approved by at least a majority of the required quorum for that meeting.

Section 5.12 Waiver of Notice. The transaction of any meeting of the Board of Directors, however called and noticed or wherever held, shall be as though it had been taken at a meeting duly held after regular call and notice, if:

a. A quorum is present; and

b. Either before or after the meeting, each of the Directors not present signs a written waiver of notice, a consent to holding the meeting, or an approval of the minutes. The waiver of notice of consent need not specify the purpose of the meeting. All waivers, consents or approvals shall be filed with the corporate records or made a part of the minutes of the meeting. Notice of a meeting shall also be deemed to be given to any Director who attends the meeting without protesting before or at its commencement about the lack of adequate notice.

Section 5.13 Adjournment. A majority of the Directors present at the meeting, whether or not constituting a quorum, may adjourn any meeting to another time and place.

Section 5.14 Notice of Adjournment. Notice of the time and place of holding an adjourned meeting need not be given unless the meeting is adjourned for more than twenty-four (24) hours, in which case personal notice of the time and place shall be given

before the time of the adjourned meeting to Directors who were not present at the time of adjournment.

Section 5.15 Action Without Meeting. Any action required or permitted to be taken by the Board of Directors may be taken without a meeting, if all members of the Board, individually or collectively, consent in writing to that action. Said action by written consent shall have the same force and effect as a unanimous vote of the Board of Directors. Such written consents shall be filed with the minutes of the proceedings of the Board of Directors.

Section 5.16 Compensation of Directors. Directors and members of committees of the Board of Directors may receive such compensation, if any, for their services as Directors or officers, and such reimbursement of expenses, as the Board may establish by resolution to be just and reasonable as to the Corporation at the time that the resolution is adopted.

ARTICLE VI COMMITTEES

Section 6.1 Executive Committee. There shall be an Executive Committee composed of those Directors who are also the Corporation's officers. No persons who are not Directors may serve on the Executive Committee. The Executive Committee shall have the authority of the Board of Directors, except that the Committee, regardless of any resolution of the Board of Directors, may not:

- a. Take any final action on any matter that, under the California Nonprofit Mutual Benefit Corporation Law, also requires approval of all or a majority of the Directors;
- b. Fill vacancies on the Board of Directors or on any committee that has the authority of the Board of Directors;
- c. Establish or fix compensation of the Directors for serving on the Board of Directors or on any committee;
- d. Amend or repeal these Bylaws or adopt new bylaws;
- e. Amend or repeal any resolution of the Board of Directors that by its express terms is not so amendable or repealable;
- f. Create any other committees of the Board of Directors or appoint the members of committees of the Board of Directors;
- g. With respect to any assets held in charitable trust, approve any contract or transaction between this Corporation and one or more of its Directors or

between this Corporation and an entity in which one or more of its Directors have a material financial interest, subject to the approval provisions of Corporations Code § 5233(d)(3).

Section 6.2 Meetings and Actions of Executive Committee. Meetings and actions of the Executive Committee shall be governed by, held and taken in accordance with the provisions of these Bylaws concerning meetings and other actions of the Board of Directors, except that the time for regular meetings of the Executive Committee and the calling of special meetings of the Executive Committee may be determined either by a resolution of the Board of Directors or, if there is none, by resolution of the Executive Committee. Minutes of each meeting of the Executive Committee shall be kept and filed with the Corporation's records. The Board of Directors may adopt rules for the government of the Executive Committee, provided they are consistent with these Bylaws or, in the absence of rules adopted by the Board of Directors, the Executive Committee may adopt such rules.

Section 6.3 Other Boards and Committees. The Board of Directors shall have the power to establish such other boards, honorary or otherwise, and committees as it deems necessary and in the best interests of the Corporation. The Board of Directors may adopt rules for the government of any such committee not inconsistent with the provisions of these Bylaws.

ARTICLE VII OFFICERS

Section 7.1 Officers. The officers of the Corporation shall include a President, Secretary and a Chief Financial Officer. The Corporation may also have, at the Board of Director's discretion, a Chairman of the Board, one or more assistant Secretaries, one or more assistant Treasurers, and such other officers as may be appointed in accordance with the provisions of Section 7.3 of these Bylaws. Any number of offices may be held by the same person.

Section 7.2 Election of Officers. The officers of the Corporation, except those appointed in accordance with the provisions of Section 7.3, shall be chosen annually by the Board of Directors, and shall serve at the pleasure of the Board, subject to the rights of any officer under any employment contract.

Section 7.3 Other Officers. The Board of Directors may appoint or authorize the Chairman of the Board or the President or another officer to appoint any other officers that the Corporation may require, each of whom shall have the title, hold the office for the period, have the authority and perform the duties specified in the Bylaws or determined from time to time by the Board of Directors.

Section 7.4 Removal of Officers. Without prejudice to the rights of any officer under an employment contract, any officer may be removed, with or without

cause, by the Board of Directors, at any regular or special meeting of the Board of Directors, or, except in the case of an officer chosen by the Board of Directors, by an officer to whom such power of removal may be conferred by the Board of Directors.

Section 7.5 Resignation of Officers. Any officer may resign at any time upon written notice to the Corporation. Any resignation shall take effect at the date of the receipt of that notice or at any later time specified in that notice; and, unless otherwise specified in that notice, the acceptance of the resignation shall not be necessary to make it effective. Any resignation shall be without prejudice to any rights of the Corporation under any contract to which the officer is a party.

Section 7.6 Vacancies in Office. A vacancy occurring in any office because of death, resignation, removal, disqualification or any other cause shall be filled only in the manner prescribed in these Bylaws for regular appointments to that office.

Section 7.7 Responsibilities of Officers.

a. **President.** The President shall be responsible for the management of the day-to-day affairs of the Corporation. The President shall report directly to the Board of Directors and shall have the authority as may be determined from time to time by the Board, including the hiring and oversight of additional staff members. The President is the highest level employee of the Corporation and shall serve as its chief of staff.

b. **Secretary.** The Secretary shall attend to the following:

(1) **Book of Minutes.** The Secretary shall keep, or cause to be kept, at the principal office or such other place as the Board of Directors may direct, a book of minutes of all meetings and actions of the Board of Directors and of its committees. The Secretary shall also keep, or cause to be kept, at the principal office in the State of California, a copy of the Articles of Incorporation and Bylaws, as amended to date. If the Corporation has members, the Secretary shall also maintain a complete and accurate record of the membership of the Corporation, as well as a record of the proceedings of all meetings of the members.

(2) **Notices, Seal and Other Duties.** The Secretary shall give, or cause to be given, notice of all meetings of the Board of Directors and its committees as required by these Bylaws to be given. The Secretary shall keep the seal of the Corporation in safe custody and shall have such other powers and perform such other duties as may be prescribed by the Board of Directors or the Bylaws.

c. **Treasurer.** The Treasurer shall be the Chief Financial Officer of the Corporation and shall have charge and custody of all funds and securities of the Corporation, and all funds and securities in any way generated, collected, or obtained in connection with its activities. The Treasurer shall attend to the following:

(1) **Books of Account.** The Chief Financial Officer of the Corporation shall keep or maintain, or cause to be kept or maintained, adequate and correct books and accounts of the Corporation's properties and transactions of the Corporation, including accounts of assets, liabilities, receipts, disbursements, gains, losses, capital, retained earnings and other matters customarily included in financial statements. The Chief Financial Officer shall send, or cause to be sent, to the Directors such financial statements and reports as are required by law or these Bylaws to be given. The books of account shall be open to inspection by any Director at all reasonable times.

(2) **Deposit and Disbursement of Money and Valuables.** The Chief Financial Officer shall deposit all money and other valuables in the name and to the credit of the Corporation with such depositories as may be designated by the Board of Directors, shall disburse the funds of the Corporation as may be ordered by the Board of Directors, shall render to the President or Chairman of the Board, if any, when requested, an account of all transactions as Chief Financial Officer and of the financial condition of the Corporation and shall have other powers and perform such other duties as may be prescribed by the Board of Directors or the Bylaws.

(3) **Bond.** If required by the Board of Directors, the Chief Financial Officer shall give the Corporation a bond in the amount and with the surety or sureties specified by the Board of Directors for faithful performance of the duties of the office and for restoration to the Corporation of all its books, papers, vouchers, money and other property of every kind in the possession or under the control of the Chief Financial Officer upon death, resignation, retirement or removal from office.

ARTICLE VIII CONTRACTS WITH DIRECTORS

Section 8.1 Contracts with Directors. No Director of this Corporation, nor any other corporation, firm, association, or other entity in which one or more of this Corporation's Directors are directors or have a material financial interest, shall be interested, directly or indirectly, in any contract or other transaction with this Corporation unless (1) the material facts as to the transaction and such Director's interest are fully disclosed or known to the remaining Directors and such contract or transaction is approved by the Directors in good faith, with any interested Director not being entitled to vote thereon, or (2) the material facts regarding such Directors financial interest in such contract or transaction or regarding such common directorship, officership, or financial interest are fully disclosed in good faith and are noted in the minutes or are known to all Board members before consideration by the Board of such contract or transaction, and such contract or transaction is authorized in good faith by a majority of the Board then in office by a vote sufficient for that purpose without counting the vote of the interested Director.

**ARTICLE IX
INDEMNIFICATION OF DIRECTORS,
OFFICERS, EMPLOYEES AND OTHER AGENTS**

Section 9.1 Indemnification. To the fullest extent permitted by law, this Corporation shall indemnify its Directors and officers, and may indemnify employees and other persons described in Corporations Code §7237(a), including persons formerly occupying any such positions, against all expenses, judgments, fines, settlements, and other amounts actually and reasonably incurred by them in connection with any "proceeding," as that term is used in that section, and including an action by or in the right of the Corporation, by reason of the fact that the person is or was a person described in that section. "Expenses", as used in this bylaw, shall have the same meaning as in that section of the Corporations Code.

On written request to the Board by any person seeking indemnification under Corporations Code §7237(b) or §7237(c), the Board shall promptly decide under Corporations Code §7237(e) whether the applicable standard of conduct set forth in Corporations Code §7237(b) or §7237(c) has been met and, if so, the Board shall authorize indemnification. If the Board cannot authorize indemnification, because the number of Directors who are parties to the proceeding with respect to which indemnification is sought prevents the formation of a quorum of Directors who are not parties to that proceeding, the remaining members of the Board shall determine under Corporations Code §7237(c) whether the applicable standard of conduct has been met and, if so, the non-involved Board members present at the meeting in person or by proxy shall authorize indemnification.

To the fullest extent permitted by law and except as otherwise determined by the Board in a specific instance, expenses incurred by a person seeking indemnification under Article IX of these bylaws in defending any proceeding covered by this Article shall be advanced by the Corporation before final disposition of the proceeding, on receipt by the Corporation of an undertaking by or on behalf of that person that the advance will be repaid unless it is ultimately found that the person is entitled to be indemnified by the Corporation for those expenses.

**ARTICLE X
CORPORATE RECORDS, REPORTS AND SEAL**

Section 10.1 Maintenance and Inspection of Articles and Bylaws. The Corporation shall keep at its principal business office, the corporate seal and the original or a copy of the Articles and Bylaws as amended to date, which shall be open to inspection by officers and Directors at all reasonable times during office hours.

Section 10.2 Maintenance and Inspection of Other Corporate Records. The accounting books and records and minutes of proceedings of the Board of Directors and

its committees shall be open to inspection upon written demand on the Corporation at any reasonable time, for a purpose reasonably related to such person's interests as a Director.

Section 10.3 Annual Report. The Board of Directors shall cause an annual report to be sent to Directors within one hundred twenty (120) days after the end of the Corporation's fiscal year. The report shall contain the following information, in appropriate detail:

- a. The assets and liabilities, including the trust funds, of the Corporation as of the end of the fiscal year;
- b. The principal changes in assets and liabilities, including trust funds, during the fiscal year;
- c. The revenue or receipts of the Corporation, both unrestricted and restricted to particular purposes, for the fiscal year;
- d. The expenses or disbursements of the Corporation, for both general and restricted purposes, during the fiscal year; and,
- e. Any information required by Section 10.4 of these Bylaws.

The annual report shall be accompanied by any report on it of independent accountants or, if there is no such report, by the certificate of an authorized officer of the Corporation that such statements were prepared without audit from the Corporation's books and records.

This requirement of an annual report shall not apply if the Corporation receives less than Ten Thousand Dollars (\$10,000) in gross revenue receipts during the fiscal year, provided, however, that the information specified above for inclusion in an annual report must be furnished annually to all Directors who request it in writing.

Section 10.4 Annual Statement of Certain Transactions and Indemnifications. As part of the annual report, or as a separate document if no annual report is issued, the Corporation shall annually prepare and mail or deliver to each Director a statement of any transaction or indemnification of the following kind within one hundred twenty (120) days after the end of the Corporation's fiscal year:

- a. Unless approved under Corporations Code §7233(a), any transaction (i) to which the Corporation, its parent or its subsidiary was a party, (ii) which involved more than Fifty Thousand Dollars (\$50,000), or was one of a number of transactions with the same interested person involving, in the aggregate, more than Fifty Thousand Dollars (\$50,000), and (iii) in which either of the following "interested persons" had a direct or indirect material financial interest (a mere common directorship is not a material financial interest):

(1) Any Director or officer of the Corporation, its parent or subsidiary;

(2) Any holder or more than ten percent (10%) of the voting power of the Corporation, its parent or its subsidiary.

The statement shall include a brief description of the transaction, the names of interested persons involved, their relationship to the Corporation, the nature of their interest in the transaction and, if practicable, the amount of that interest, provided that if the transaction was with a partnership in which the interested person is a partner, only the interest of the partnership need be stated.

b. A brief description of any indemnifications or advances aggregating more than Ten Thousand Dollars (\$10,000) paid during the fiscal year to any officer or Director of the Corporation under these Bylaws.

ARTICLE XI CONSTRUCTION AND DEFINITIONS

Unless the context requires otherwise, the general provisions, rules of construction and definitions in the California Nonprofit Mutual Benefit Corporation Law shall govern the construction of these Bylaws. Without limiting the generality of the above, the masculine gender includes the feminine and neuter, the singular number includes the plural, the plural number includes the singular, and the term "person" includes both a corporation and a natural person.

ARTICLE XII AMENDMENTS

These Bylaws may be altered, amended or repealed, and new Bylaws may be adopted, by a two-thirds majority vote of the Directors present at any duly noticed regular meeting or special meeting or by unanimous written consent of all Directors then in office, except as otherwise provided herein.

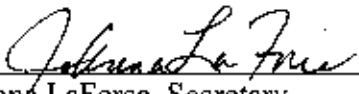
CERTIFICATE OF SECRETARY

I, the undersigned, hereby certify:

1. That I am the duly elected and acting Secretary of Pharmacy Collective of Palm Springs, a Nonprofit Mutual Benefit Corporation.

2. That the foregoing Bylaws, consisting of Twelve (12) articles and Fifteen (15) pages, including this certification page, constitute the Bylaws of this Corporation as duly adopted by the Consent Action of Incorporator of the Corporation dated June 30, 2009.

IN WITNESS WHEREOF, I have subscribed my name and affixed the seal of the Corporation this 30th day of June, 2009.



JoAnna LaForce, Secretary

*For Future Consideration:
The Farmacy's More Open Design Sanctioned by Other Cities' Ordinances*

The Farmacy is committed to utilizing organic herbal medicine, including medicinal cannabis and 300+ herbs, for the benefit of its collective members. Its approach to plant medicine has won acclaim and has been recently featured on CNN (Anderson Cooper's recent interview of The Farmacy's JoAnna LaForce on Anderson Cooper's 360° news program), NBC, CNBC, etc.

For the City of Palm Springs, The Farmacy Collective has presented an application for a dispensary permit providing for:

- Closed system, both for growing and for dispensing cannabis, and
- Utilization of only cannabis and cannabis-infused drinks and baked goods of the Collective (if the latter are allowed),

without the transfer or sale of any other non-cannabis products or services, such as The Farmacy's additional 300+ herbs, organic salves and medications, and other usual medicinal products. This is to be fully compliant with the directives of the City.

Following this tab is documentation of a more open approach that has been utilized by The Farmacy in Westwood, Venice and West Hollywood for the past five years and is now pending permit in the City of Santa Barbara. Through this approach, The Farmacy has modeled itself after usual pharmacies like Long's, CVS and Rite-Aid. This means that there is a secure area in which only qualified patients and dispensary personnel are allowed. But, similar to a usual pharmacy, there is a merchandise and reception area, with merchandise in the reception area including only non-cannabis creams, salves, beauty products, books, periodicals and like items. It is an open, community approach which has undermined the probability of criminality. For the past five years, The Farmacy has been successful in this model, downgrading cannabis to just one of the medicinal herbs utilized to treat human conditions.

The Farmacy will fully comply with all requests and requirements of the City of Palm Springs. These additional items are presented so that you know the capability of The Farmacy, if the City ever elects to move in that direction. Each of The Farmacy Collectives, as managed and organized by California Registered Pharmacist JoAnna LaForce, has always fully complied with all city desires and California state guidelines as shown by our general counsel's opinion in this package. We know how to run a collective, as we have been doing this for five years, all without any incidents or complaints.

JoAnna LaForce, R.Ph., CGP
President
Farmacy Collective of Palm Springs



February 22, 2008

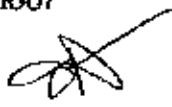
Dear Council Members,

Recently, Bill Leahy of "The Farmacy" came and spoke to the members of the Fountain Day School P.T.A. He explained to us that the City has grandfathered "the Farmacy" a permit to continue to provide services to its members. He further explained that the City is requiring "the Farmacy" to relocate due to its proximity to our school. Bill wanted to review the history of "the Farmacy" and its relationship with our school and the community.

After the review and lengthy discussion the P.T.O voted unanimously to recommend "the Farmacy" to the City as a good neighbor. Unlike other local dispensaries, "the Farmacy" has participated in improving safety in our district. They have constantly provided care and information to interested parties and have been communicative and supportive when any incident has occurred. For this reason the P.T.O would like to recommend that "the Farmacy" receive permission to remain at their present location with the provision that the City reviews and renews the permission every two years to insure that they remain good and vigilant neighbors. We thank "the Farmacy" for their fine work and the City for their consideration.

Respectfully,

Andrew Rakos
General Manager
Fountain Day School

Cori Allvey 
President P.T.O
Friends of Fountain Day School



April 15, 2009

Dear Council Members,

I wanted to take this moment to update you on our experience of our neighbor "the Farmacy." We would like to reiterate our previous statements that "The Farmacy" has been an asset and has participated in improving safety in our district. They have constantly provided care and information to interested parties and have been responsive and supportive when issues have arisen. For this reason the P.T.O (our parent organization) and the school administration would like to recommend that "the Farmacy" receive permission to remain at their present location with the provision that the City reviews and renews the permission to insure that they remain good and vigilant neighbors. We thank "the Farmacy" for their fine work and the City for their consideration.

Respectfully,

Andrew Rakos
General Manager
Fountain Day School

Cori Allvey
President P.T.O
Friends of Fountain Day School

**SAINT AMBROSE CHURCH
1281 N. FAIRFAX AVE.
WEST HOLLYWOOD, CA 90046**

October 08, 2008

**William Leahy
The Farmacy West Hollywood
7825 Santa Monica Blvd.
West Hollywood, CA 90046**

Welcome to West Hollywood:

May I take this opportunity to welcome The Farmacy, a herbal remedy store and its employees to our neighborhood. My prayerful best wishes and congratulations on the opening of your West Hollywood store.

This is a much-needed service, and I am pleased to see a good neighbor come into being to assist the vulnerable and underserved population of this area.

Dear neighbors, I hope you will give The Farmacy every consideration possible, the Farmacy is here to provide high-quality low-cost medical herbal services for modern times to all of us who has a need for this type of services.

Please visit the store and enjoy the friendliness of its staff of Licensed Herbalists and acupuncturists, so they can evaluate and formulate the right herbal combination for you and your wellbeing.

With every best wish,

Salvador B. Trujillo

**Salvador B. Trujillo
Parish Business Manager
St. Ambrose Church
323-656.4433**



CITY OF CLAREMONT

City Hall
207 Harvard Avenue
P.O. Box 880
Claremont, CA 91711-0880
FAX (909) 399-5492
www.ci.claremont.ca.us

City Council • (909) 399-5444
Corey Calaycay
Linda Elderkin
Sam Pedroza
Ellen Taylor
Peter Yao

December 21, 2007

Mr. Bill Leahy
The Pharmacy
7825 Santa Monica Blvd.
West Hollywood, CA 90046

Dear Mr. Leahy:

It was a pleasure visiting with you during our recent visit to your business. Thank you for your kind hospitality and for taking time from your busy schedule to meet with us.

Our visit was very interesting and worthwhile and the information we received will assist us as we deliberate the issue of medical marijuana facilities in the City of Claremont.

Once again, thank you for your kindness.

Sincerely,

Ellen Taylor
Mayor Pro Tempore

Center City Alliance Neighborhood Watch

7911 1/4 Norton Ave.
West Hollywood, CA 90046
310-628-8321

2/4/08

RE: The Farmacy
7825 Santa Monica Blvd
Los Angeles, CA 90046

To Whom It May Concern:

As neighborhood watch captain, I would like to show my support in keeping The Farmacy a viable business in West Hollywood in its current location. As a native of West Hollywood, I use my judgment in recognizing what in fact is a detrimental aspect to our community and what is not.

I have found The Farmacy to be a positive for the community. Not only do they provide visible security for the street but they also have a reputation of playing by the rules according to State Law. Since the closure of several questionable operations in the neighborhood, I have observed only people of good character utilizing the services of The Farmacy.

Furthermore, The Farmacy participated heavily in the National Night Out function that was hosted by the Center City Alliance in August of 2007. They provided over \$1,000 worth of services for our event including a live band, a DJ and food for the entire evening.

Please contact me at the number listed above with any questions.

Sincerely,


Jake Lee
Watch Captain



Traditional Herbalism for Modern Times

— Taking the Mystery out of Traditional Chinese Medicine

Chinese Herbalism (TCM) is the oldest continuously practiced medicine in the world. The combination of scientific and energetic classification of herbs is what makes this system unique. The Chinese created a complex way to describe the characteristics and functions of over two thousand herbs. Each herb has its own taste (sweet, sour, bitter, salty, neutral, acrid), its own thermal property (hot, warm, cold, cool, neutral), and each herb goes to a specific organ or organs.

The greatest difference between Chinese and Western herbalism is the way formulas are written. Unlike Western herbology, which uses a single herb to treat a specific condition, Chinese herbalism uses multiple herbs in a formula to address both the cause and manifestation of illness. This is called the *Root and Branch theory*.

Many physicians now recognize the value of Chinese herbs as a complimentary therapy to conventional treatments. Cancer patients can use Chinese herbs to better cope with the side effects of chemotherapy and radiation. The world health organization has recognized Chinese medicine as a viable and effective therapy to treat a broad spectrum of disease.

Thus, patients ultimately take a greater role in their own self-healing.

Visit The Herb King Farmacy (sister store to The Farmacy) at 2305 Main Street, Santa Monica. Jesse and his staff of Licensed Herbalists and Acupuncturists can evaluate and formulate the right herbal combination for you and your wellbeing. Consulting appointments can also be made with JoAnna LaForce, R.Ph. to evaluate your prescription and over-the-counter medicines.

312

The Farmacy West Hollywood 7825 Santa Monica Blvd. West Hollywood, CA 90046 Tel. 323-848-7981 Fax 323-848-7373 The Farmacy Westwood 1035 Gayley Avenue Westwood, CA 90024 Tel. 310-208-0820 The Herb King Farmacy 2305 Main Street Santa Monica, CA 90405 Tel. 310-399-4470 & Coming Soon... The Farmacy Venice 1509 Abbot Kinney Blvd Venice, CA 90291



April 14, 2008

The Farmacy
ATTN: MS. SUSAN LEHY
1509 Abbot Kinney Blvd.
Venice, CA 90291


Dear Susan,

Thank you so much for letting our students visit The Farmacy. Our fourth grade students learned a lot about herbal medicine.

Eric, our herbologist, helped all of the students make an immunity boosting packet to take home. He even took us on a walk and showed us medicinal plants right in our own neighborhood. We had a great time, and when we returned to school our students wrote essays about what herbal medicines they could use instead of a modern medicine. They are also excitedly sharing what they have learned with their families and their peers.

Thank you again for your generosity and hospitality. We appreciate your partnership in educating the next generation.

Sincerely,

Sheila 
Sheila Bouffard


Veero Derkarabetian

Criminal Background Check Authorization Form
City of Palm Springs

DATE: July 3, 2009

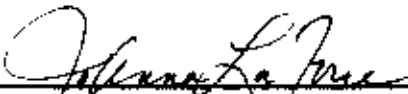
I, JoAnna LaForce, THE UNDERSIGNED, HEREBY AUTHORIZE City of Palm Springs TO CHECK MY BACKGROUND FOR CRIMES, CRIMINAL OFFENSES, AND CONVICTIONS.

NAME:

JoAnna LaForce

132 Garden Street, #137

Santa Barbara, CA 93101



(SIGNATURE)

THE FARMACY 
GLOBAL ORGANIC MEDICINE

City of Palm Springs
3200 E. Tahquitz Canyon Way
Palm Springs, CA 92263

July 1, 2009

RE: PERMIT FOR MEDICAL CANNABIS COOPERATIVE OR COLLECTIVE
AUTHORIZATION TO VERIFY INFORMATION

I, JoAnna LaForce, Manager, Owner and Registered California Pharmacist hereby authorize the City Manager of Palm Springs to verify all information contained within this statement and application.

Sincerely,


JoAnna LaForce

THE FARMACY 
GLOBAL ORGANIC MEDICINE

City of Palm Springs
3200 E. Tahquitz Canyon Way
Palm Springs, CA 92263

July 1, 2009

RE: PERMIT FOR MEDICAL CANNABIS COOPERATIVE OR COLLECTIVE
CERTIFICATION OF STATEMENTS

I, JoAnna LaForce, Manager, Owner and Registered California Pharmacist hereby
certify that all information and statements contained within this application are true and
correct.

Sincerely,



JoAnna LaForce

**Owner Agent Authorization Form
City of Palm Springs**

DATE: July 3, 2009

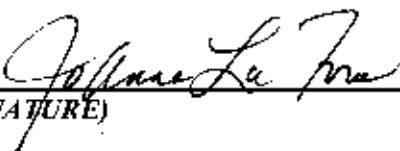
I, THE UNDERSIGNED, HEREBY AUTHORIZE Todd Buynak
TO ACT AS MY AGENT IN MY BEHALF ON ALL MATTERS BEFORE THE CITY OF
PALM SPRINGS PERTAINING TO DEVELOPMENT ON THE PROPERTY LISTED
BELOW.

PROJECT ADDRESS:

3455 North Indian Canyon Drive, Palm Springs, CA

PROPERTY OWNER:

NAME: JoAnna LaForce



(SIGNATURE)

ADDRESS: 820 State Street, 4th Floor, Santa Barbara, CA 93101

PHONE NO: (805) 331-1136

AGENT:

NAME: Todd Buynak

ADDRESS: 820 State Street, 4th Floor Santa Barbara, CA 93101

PHONE NO: (805) 564-7800

**Owner Agent Authorization Form
City of Palm Springs**

DATE: July 3, 2009

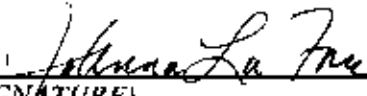
**I, THE UNDERSIGNED, HEREBY AUTHORIZE Mark Morando
TO ACT AS MY AGENT IN MY BEHALF ON ALL MATTERS BEFORE THE CITY OF
PALM SPRINGS PERTAINING TO DEVELOPMENT ON THE PROPERTY LISTED
BELOW.**

PROJECT ADDRESS:

3455 North Indian Canyon Drive, Palm Springs, CA

PROPERTY OWNER:

NAME: JoAnna LaForce


(SIGNATURE)

ADDRESS: 820 State Street, 4th Floor, Santa Barbara, CA 93101

PHONE NO: (805) 331-1136

AGENT:

NAME: Mark Morando

ADDRESS: 179 El Sueno Road, Santa Barbara, CA 93110

PHONE NO: (805) 680-2703

**Owner Agent Authorization Form
City of Palm Springs**

DATE: July 3, 2009

**I, THE UNDERSIGNED, HEREBY AUTHORIZE Matt Willbanks
TO ACT AS MY AGENT IN MY BEHALF ON ALL MATTERS BEFORE THE CITY OF
PALM SPRINGS PERTAINING TO DEVELOPMENT ON THE PROPERTY LISTED
BELOW.**

PROJECT ADDRESS:

3455 North Indian Canyon Drive, Palm Springs, CA

PROPERTY OWNER:

NAME: JoAnna LaForce



(SIGNATURE)

ADDRESS: 820 State Street, 4th Floor, Santa Barbara, CA 93101

PHONE NO: (805) 331-1136

AGENT:

NAME: Matt Willbanks

ADDRESS: 820 State Street, 4th Floor Santa Barbara, CA 93101

PHONE NO: (805) 896-3944



Staff Report to City Manager

Date: August 7, 2009

Case No.: 09-008 MC

Application Type: Medical Cannabis Cooperative Application

Location: 19391 Newhall Street

Applicant: Jmatthew Carl Rangel – Happy Relief Center Collective

Zone: M-2 (Manufacturing Zone)

General Plan: IND (Industrial)

APN: 666-423-006

From: Craig A. Ewing, AICP, Director of Planning Services

Project Planner: Edward O. Robertson, Principal Planner

PROJECT DESCRIPTION

An application has been submitted by Jmatthew Carl Rangel of Happy Relief Center Collective, requesting a permit to operate a medical cannabis cooperative at 19391 Newhall Street. This location is zoned M-2 (Manufacturing Zone). Pursuant to Section 93.22.00(H) of the Zoning Code, *"a report shall be prepared on the acceptability of the applicant and the suitability of the proposed location."* This report describes the proposal and evaluates it against the standards and provisions of the applicable zoning provisions.

CONCLUSIONS

Following review of the application, staff has determined that the application does not conform to the following requirements of Section 93.22.00 of the Zoning Code:

1. 93.22.00(C) The proposed site is within 1,000 feet of two other applicants for Medical Cannabis Cooperatives

2. 93.22.00(E) Proposed site does not provide adequate off-street parking.
3. 93.22.00(H) Full background check of criminal records not yet available.

Section 93.22.00(H)(6) notes that the City Manager may determine that an application is not qualified unless "each and every requirement of this Section" (is) satisfied. Based on the non-conforming conditions noted above, Staff is recommending that this is not a qualified application.

BACKGROUND AND SETTING

Table 2.0: Comparison of Requirements for Medical Cannabis Cooperatives against the proposed project

	Requirements for Medical Cannabis Cooperatives	Proposed Application
Application fee/deposit	\$7,500 Deposit	\$7,500 deposit submitted (conforms)
93.22.00(C) Distance to sensitive uses:	Prohibited within 500 feet.	Conforms.
93.22.00(C) Distance to other Medical Cannabis Cooperatives	Prohibited within 1,000 feet	This location is within 1,000 feet of two other applicants for Medical Cannabis Cooperatives; 19486 & 19391 Newhall. Does not conform
Restrictions relative to primary uses on property.	Prohibited on parcels with commercial-retail as primary use.	Primary use of subject parcel is office & mini warehousing businesses. Conforms The building is currently vacant.
93.22.00(E) Off-Street Parking Requirements:	1 space for every 250 gsf. (3,000 gsf = 12 required off-street parking spaces)	Total spaces required for the two on-site uses are 16 spaces; 13 spaces provided. See further analysis below. Does not conform
93.22.00 (G.1) Estimated number of primary caregivers or qualified patients	No minimum or maximum requirement	Approximately 100 to 300 persons.
93.22.00 (G.1) Delivery service (if provided describe extent of the delivery service)	Delivery Service not required	Delivery Service will be offered at this location.
93.22.00 (G.2) Address	As noted	19391 Newhall Street

93.22.00 (G.3) Site & Floor Plans of Building including area comprising this business	No minimum area required.	Approximately 3,000 square feet from an existing 5,144 square feet office / warehouse building
93.22.00 (G.4) Security Plan	Security plan is required:	As noted in attached application:
93.22.00 (G.4.a.) Security System Requirements	Security cameras w/min 120 hrs of recording. Operated 24hr/day, 7days/week covering all areas as determined by the City Manager	Digital Recorder capable of up to 480 hrs. Security cameras operated by ADT will record all points of entry and exit, all doors, windows, storage areas and cultivation areas. (Conforms)
93.22.00 (G.4.b) Security System Requirements	Security Alarm operated and monitored by a recognized security company	24-hour alarm system by ADT will be installed; security guards will open and close daily with staff. (will conform when installed as proposed)
93.22.00 (G.4.c) Control of Entrances	Entrance locked at all times and controlled by staff	Provided (see attached information)
93.22.00 (G.4.d) Outdoor Lighting Requirements	Windows and entrances / conform to the City's outdoor lighting ordinance.	There is adequate existing lighting at the site (Conforms)
93.22.00 (G.4.e) Windows & Marijuana Storage requirements	Windows secured, marijuana securely stored. Maintain a clear view into the premises	All windows and doors will be barred with cages on the outside to secure building (Will conform when completed)
93.22.00 (G.5) Contact information required	Name address of manager and employees and statement on criminal background.	Jmatthew C. Rangel; Owner 77942 Grey Wolf TRL La Quinta, CA 92253. Employees: 1. Ryan Hanley 2. Joseph Sun 3. Daniel Faulk 4. Joleena Powell
93.22.00 (G.6) Property Owner requirements	Name & address of Owner and lessor of property; notarized acknowledgement from bldg. owner that a MCC will be operated on his/her property	Ralph Hanson 1700 Harbor Way Seal Beach, CA. 90740 Acknowledgement submitted (Conforms)
93.22.00 (G.7)	Authorization for City Mgr to verify	Provided.

Release of information req.	information.	
93.22.00 (G.8) Proof of Business Establishment	Non-profit cooperative, in accord w/the Compassionate Use Act	(Articles of incorporation). IRS Employer ID No: 27-0343100 Non-profit. Conforms
Building Area comprising this business	No minimum required.	Approximately 3,000 square feet
93.22.00 (K.2.) Hours of Operations restricted	Between 9 am and 7 pm Monday through Saturday only	Conforms
93.22.00 (K.9, & 10) Signage	No smoking/consuming marijuana on premises sign and name of business sign only	Separate sign application required.

DISCUSSION OF ACCEPTABILITY OF APPLICANT AND SUITABILITY OF PROPOSED LOCATION.

As noted in the table above, this application does not conform to the following requirements of the Medical Cannabis ordinance:

- Distance to two other Medical Cannabis Cooperative applicants
- Required number of off-street parking spaces is not adequate

Distance to sensitive uses. Section 93.22.00(C) of the Zoning Code requires medical cannabis cooperatives not to be within 1,000 feet of other medical cannabis cooperative locations. The proposed cooperative at 19391 Newhall Street is within the same lot and approximately 220 feet of another applicant at 19486 Newhall Street, the third applicant at 19437 Newhall is on the adjacent parcel at 19391 Newhall Street. Neither of the other two spaces are currently in operation.

Off-street parking. Section 93.22.00(E) requires 1 parking space for every 250 square feet of collective. The building at 19437 Newhall Street is an approximately 5,144 square foot multi-tenant building with office and warehouse uses. The location is provided with 13 off-street parking spaces. The applicant is leasing 3,000 square feet of the total 5,144 square feet. With this, the new parking requirement for the site is computed as follows: 3,000/250 equals 12 spaces for the medical cannabis use; the remaining space of 2,144 requires 1 space for every 500 square feet (Industrial uses) which equals 4 additional spaces; bringing the total required parking to 16 spaces. The overall available parking at the site is 13 spaces, or 3 spaces short of the requirement of the zoning code.

Federal criminal background data not available. Section 93.22.00 (G) requires the City Police Department to run criminal background checks on all owners and employees of the collective. The applicant has submitted a release; however as of the writing of this staff report, national database systems have not been able to confirm the individuals associated with this application. Staff anticipates release of this information shortly.

93.22.00 (H) BACKGROUND CRIMINAL CHECK

The Palm Springs Police Department will evaluate the information provided by the applicant all identified statistics and data will be presented to the City Manager. Also, Live Scan electronic fingerprinting will be conducted on the following persons, the results of the investigation will be made available prior to the decision of the City Manager.

Status:	Name:	Findings:
Owner:	Jmatthew C. Rangel	Investigations Report Pending
Employees:	Ryan Hanley	Investigations Report Pending
	Daniel Faulk	Investigations Report Pending
	Joleena Powell	Investigations Report Pending
	Joseph Sun	Investigations Report Pending

ENVIRONMENTAL ASSESSMENT

Pursuant to the California Environmental Quality Act (CEQA) Guidelines, the permitting or entitlement of use by a public agency is deemed a project. This application is therefore determined to be a project under CEQA. The City has evaluated the project and determined that it is Categorical Exempt in accordance with CEQA Section 15303 "New Construction or Conversion of Small Structures".



Edward O. Robertson
Principal Planner



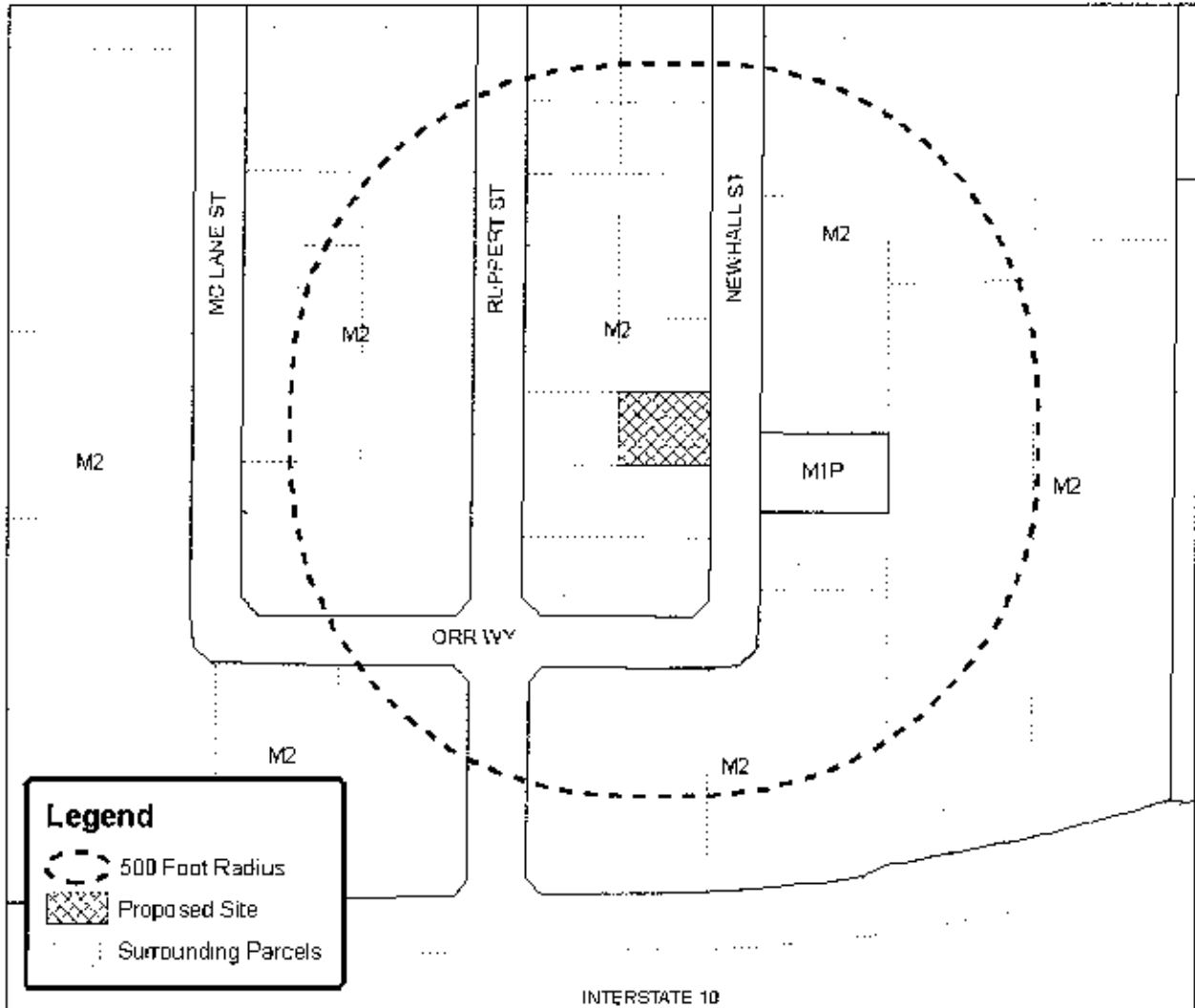
Craig A. Ewing, AICP
Director of Planning Services

ATTACHMENTS

1. Vicinity Map
2. Application including site, plans, photos and letters.



Department of Planning Services Vicinity Map



Legend

- 500 Foot Radius
- Proposed Site
- Surrounding Parcels

CITY OF PALM SPRINGS

CASE NO: MC 09-008

DESCRIPTION: Application for a medical cannabis cooperative/collective at 19391 Newhall Street.

APPLICANT: Happy Relief Center



CITY OF PALM SPRINGS
Department of Planning Services

09-008

Office Use Only

Table with 2 columns: Field Name, Value. Fields: Date Submitted: July 6, 2009; Case No: NC 09-008; Planner: ST

APPLICATION FOR MEDICAL CANNABIS COOPERATIVE OR COLLECTIVE (MC)

Please read carefully to ensure application is accurate and complete. Inaccurate or incomplete applications may be rejected.

TO THE APPLICANT:

Your cooperation in completing this application and supplying the information requested will expedite City review of your application pursuant to local procedures. Applications submitted will not be considered complete until all submittal requirements are met.

Please submit this completed application and subsequent material to the Department of Planning Services at 3200 East Tahquitz Canyon Way, Palm Springs, CA 92262 - Phone: 760-323-8245 - Fax: 760-322-8360

Cooperative / Collective Site Address: 19391 NEWHALL ST. PALM SPRINGS, CA 9224

Applicant's Name: MATTHEW CARL RANGEL

Applicant's Signature: Matthew Rangel

Mailing Address: 77942 GREY WOLF TRL. CA QUINTA CA 92253

Applicant's Telephone: RES: BUS: CELL: 760-323-8245
FAX: Applicant's E-Mail:

(If Applicant is leasing the Cooperative / Collective Site please list the Property Owner's contact information.)

Property Owner's Name: RALPH A. HANSON

Property Owner's Mailing Address: 1700 HARBOR WAY SEAL BEACH CA 90740

Property Owner's Telephone: RES: BUS: CELL: 562-817-0886 FAX: 562-596-710
Property Owner's E-Mail:

COOPERATIVE / COLLECTIVE SITE INFORMATION:

Gross Square Footage of proposed business space: 3000, Assessor's Parcel Number: 666 422 004

Zone: M2 Section/Township/Range: 15/3/4 General Plan: RBC Hours of Operation: 9 to 6

Yes

If Cooperative / Collective is in a Multi-Tenant Building List other Businesses:

Business Name	Type of Business
Business Name	Type of Business
Business Name	Type of Business
Business Name	Type of Business
Business Name	Type of Business
Business Name	Type of Business

1
7
1
7
7
7
7



The following items must be completed and accompany the Medical Cannabis Cooperative / Collective Application (MC). Please check off each item to ensure completeness.

	Applicant Only	City Use Only
Application & Fee:		
❖ Original completed Application & \$7,500 Deposit	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Detailed Site Plan:		
❖ 11" X 17" or 24" X 36" Site Plan and floor plan : Indicate north arrow, site address; floor plan; doors, entrances, windows, use of each area, including storage and cultivation areas; exterior lighting & security cameras; restrooms; signage & parking for the business.	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Off Street Parking requires 1 parking space for every 250 gross square feet of business space (If proposed business location is within a multi-tenant building, the site plan must show adequate parking for all businesses located on that site).	<input type="checkbox"/>	<input checked="" type="checkbox"/>
❖ An electronic file in PDF format may also be submitted on a CD (Compact Disc)	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Photographs of Existing Site:		
❖ Photographs of site showing front, back and sides of building, lighting, parking, etc.	<input type="checkbox"/>	<input checked="" type="checkbox"/>

MEDICAL CANNABIS COOPERATIVE & COLLECTIVE APPLICATION CHECKLIST

Submission Requirements: The following information shall be submitted on white single-sided 8 1/2" x 11" paper using either MS WORD or text-readable PDF format:

	<u>Applicant Only</u>	<u>City Use Only</u>
Group Size:		
❖ Estimated number of caregivers: _____	<input type="checkbox"/>	<input checked="" type="checkbox"/>
❖ Estimated number of qualified patients: _____	<input type="checkbox"/>	<input checked="" type="checkbox"/>
❖ Will delivery service be provided? (yes / no) (Circle one)	<input type="checkbox"/>	<input checked="" type="checkbox"/>
If yes, describe the extent and method of the delivery service to be provided for each qualified patient.		

SEE ATTACHED

Site Requirements:

Security Plan:

❖ Number of security cameras or zones with a listing of the areas covered. Confirmation that security system shall be provided with 120 hrs of digitally recorded documentation and cameras shall be in use 24 hours per day, 7 days per week.	<input type="checkbox"/>	<input checked="" type="checkbox"/>
❖ Alarm system & security camera monitoring company's contact information.	<input type="checkbox"/>	<input checked="" type="checkbox"/>
❖ Entrances, windows, and cannabis storage lighting and security methods. (Indicate lighting & security for the above mentioned on Site Plan as well as, a written description.)	<input type="checkbox"/>	<input checked="" type="checkbox"/>

Cooperative / Collective staff contact & criminal background information:

❖ Name, address, telephone number of all managers, staff, applicant and owner. Include a statement as to whether such person(s) has or have been convicted of a crime, nature of the offense and the sentence received for such conviction.	<input type="checkbox"/>	<input checked="" type="checkbox"/>
❖ Notarized acknowledgement from owner of the building that a Medical Cannabis Cooperative / Collective will be operating on his / her property.	<input type="checkbox"/>	<input checked="" type="checkbox"/>
❖ Evidence that Cooperative / Collective is organized as a bona fide non-profit comprised, exclusively and entirely, of qualified patients and the primary caregivers of those patients in strict accordance with the Compassionate Use Act.	<input type="checkbox"/>	<input checked="" type="checkbox"/>
❖ Background Check Authorization Form. (Signed document giving The City of Palm Springs authorization to run background check on applicant and associates.	<input type="checkbox"/>	<input checked="" type="checkbox"/>

SEE ATTACHED YELLOW SHEET

Happy Relief Center Collective

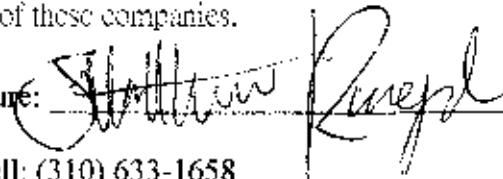
19391 Newhall St. Palm Springs, CA 92240

Security Plan:

I've come to an understanding of the importance of atmosphere and security at a collective from personal experiences at different collectives in the past years as a patient myself. Proper lighting, security system and decor will be used in this collective to provide patients the most comfortable and secured experience in such environment. This building selected was built in recent years, the original fluorescent lighting was installed according to standards set under California regulations; therefore we will not make any changes to that. The original fluorescent lighting installed is a soft white light that is bright and clean, which is believed to provide a very comfortable atmosphere for the patients. All the windows and doors in the building will be barred with cages on the outside to secure the building. 24 hours alarm system by ADT will be installed for security purpose as well as security guards with legal California license during business hours from 9:00 am to 7:00 pm. Security guards are to open and close with staffs at the same time until the building is locked up. Security guards are to ensure security of the building and protect our staffs as well as patients. They will also be verifying patients' legal California identifications and valid doctor's recommendations to prevent "fake patients" from entering the collective. 24 hours web real-time security cameras will be installed and tested by licensed professionals. Security cameras pairing with security alarm system by ADT will ensure the safety and security of the building 24 hours all around. I believe we can provide the most comfortable and the most secured collective to better serve those patients in Palm Spring.

P.S. I've attached the security plan of alarm system and security cameras as well as the contact information of these companies.

Applicant's Signature:



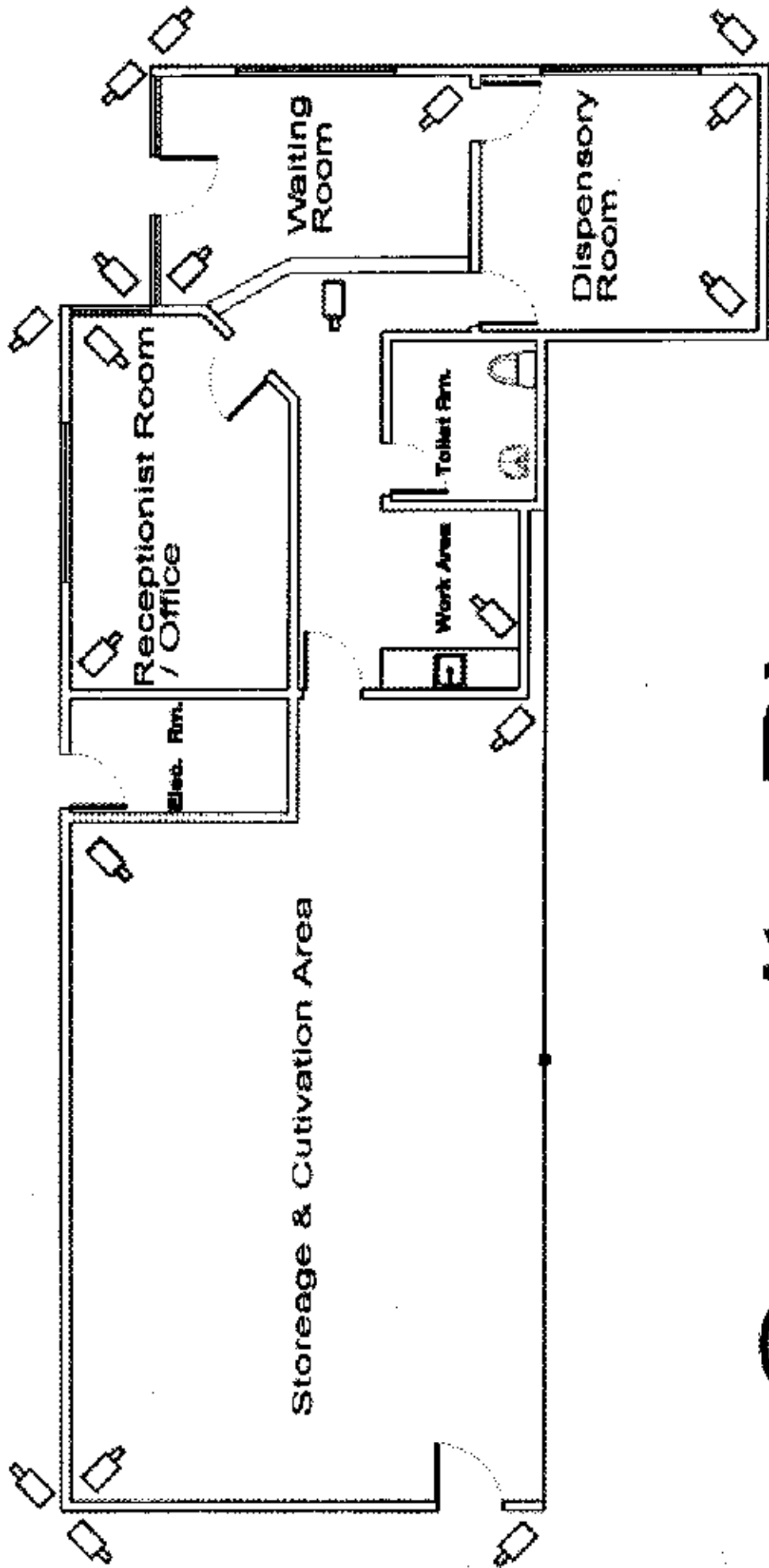
Date:

7.6.2009

Installer: Cliff Cell: (310) 633-1658

Quantity	Item Number	Description
2	VP-201	Standalone DVR with 16 CH, 1000GB SATA Hard Drive Installed Configured, 7200 RPM w/ Network, CD-RW, DVD-RW, VGA Output, IR Remote, Record Up To 480hrs.
11	VP-520I	1/3" CCD w/24 IR Led Sharp Color Cameras
8	VP2130	Sharp Color IR Dome Outdoor Cameras

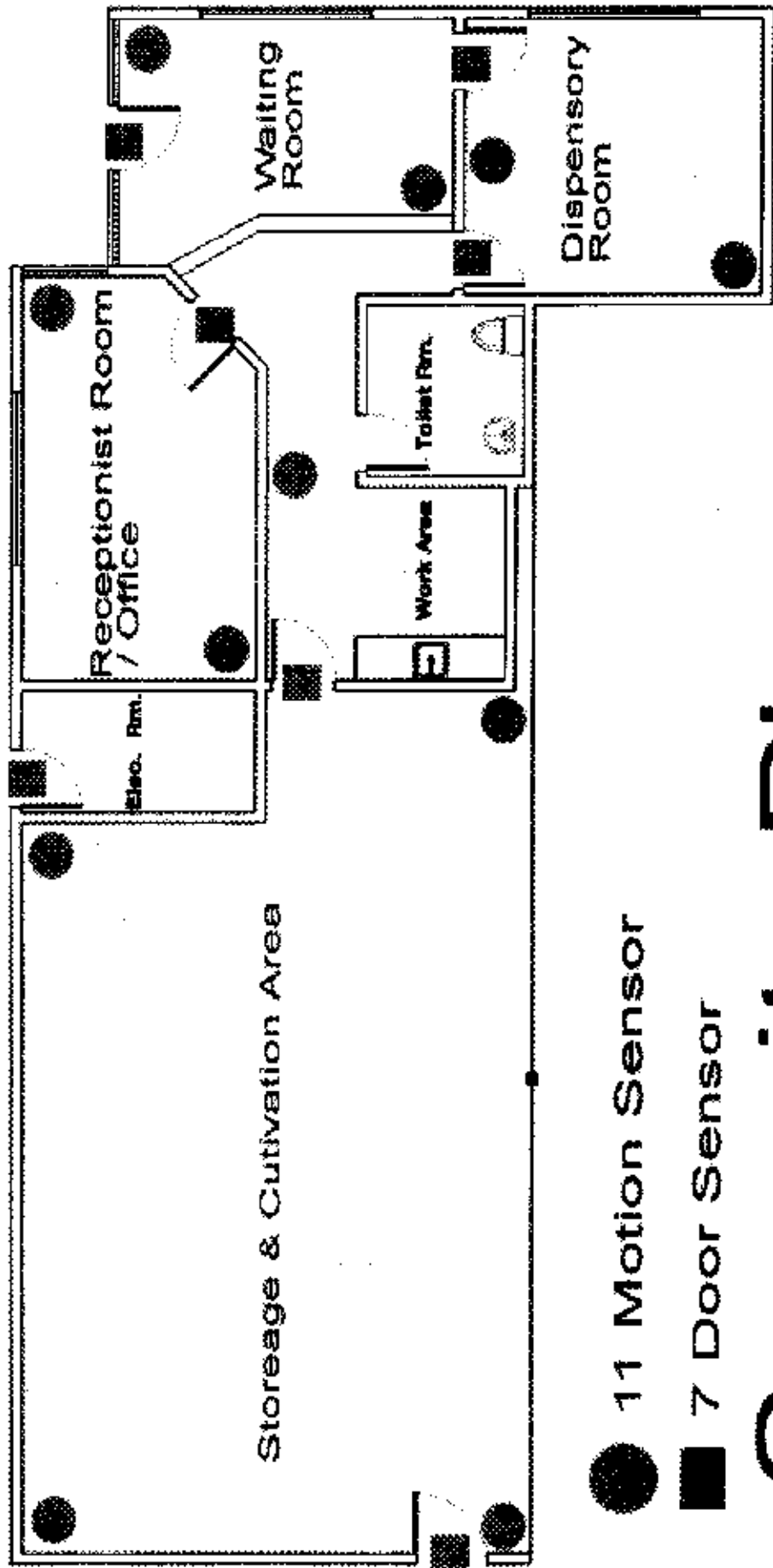
See
included
SR



Security Plan

- Security Camera

Happy Relief Center Collective
 19391 Newhall St. Palm Springs, CA 92240



- 11 Motion Sensor
- 7 Door Sensor

Security Plan

-Alarm System
 Alarm System Monitoring Company: ADT
 Contact Number: (888) 356-5194

Happy Relief Center Collective
 19391 Newhall St. Palm Springs, CA 92240

Intention to Lease Agreement

This document represents a letter of intent between Jmathew Carl Rangel, and Ralph A. Hanson. Mr. Rangel seeks to lease up to 3000 square feet of an industrial building located at 19-391 Newhall St., Palm Springs, CA which is owned by Mr. Hanson.

The terms of the lease are to be as follows:

- The lease will be for one full year with the option of extension.
- The monthly rent will be \$1,700.00, plus prorated payment of five utilities: electricity, trash, water, security system, and gardening.

This lease is contingent upon Mr. Rangel receiving approval to operate a Medical Cannabis Corporative from the City of Palm Springs. It is understood this approval may take up to three months (90 days) from the date of this letter.

To hold the building space, Mr. Rangel agrees to pay a \$3,000.00 deposit. The first \$1,000 is non-refundable. The remaining \$2,000.00 will be prorated across the 90 day waiting period at \$22.22 per day ($\$2000/90 \text{ days} = \22.22 per day).

If the approval is obtained in less than 90 days, the prorated amount will be applied to the first month's rent. If the lease is not consummated within 90 days, then the entire remaining \$2,000.00 is non-refundable and the option to lease expires.


Ralph A. Hanson, Owner

Date: July 4, 2009


Jmathew Carl Rangel, Perspective Tenant

Date: July 4, 2009

received check #1004 for \$3000.00
7-4-09

i. Ralph A. Hanson, being the owner of the real property located at 19391 Newhall Street, Palm Springs, CA 92262, agree to lease up to 3,000 sq. ft. of the aforementioned property to be used as a Medical Cannabis Cooperative or Collective, and I acknowledge that the property will be used for such purpose.

Ralph A. Hanson
Ralph A. Hanson

July 4, 2009
Date

State of California

County of RIVERSIDE)

On JULY 4TH 2009 before me, RICHARD MARTIN NOTARY
(Date) (Insert name and title of the officer.)

personally appeared Ralph A. Hanson, who proved to me on the basis of satisfactory evidence to be the person whose name is subscribed within this instrument and acknowledged to me that he executed the same in his authorized capacity, and that by his signature on the instrument the person, or the entity upon behalf of which the person 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 *Richard W. Martin*

(Seal)

State of California
Secretary of State



I, DEBRA BOWEN, Secretary of State of the State of California, hereby certify:

That the attached transcript of 1 page(s) has been compared with the record on file in this office, of which it purports to be a copy, and that it is full, true and correct.



IN WITNESS WHEREOF, I execute this certificate and affix the Great Seal of the State of California this day of

JUL 03 2009

Debra Bowen

DEBRA BOWEN
Secretary of State

HAPPY RELIEF CENTR COLLECTIVE

19391 Newhall St. Palm Springs, CA92240

Staff contacts information:

Incorporator (Owner)/Applicant

Matthew Carl Rangel
77942 Grey Wolf TRL. LA Quinta, CA92253
Tel: (760) 333-0500

Manager/Officer

Ryan Hanley
300 S. Calle El Segundo, Palm Springs, CA92262
Tel: (424)222-0834

JOSEPH SUN
17048 E. Colima Rd. Hacienda Heights, CA91745
Tel: (213)858-8873

Staff

Daniel Faulk
2500 East Palm Canyon Dr. Palm Springs, CA92264
Tel: (424) 222-1863

Joleena Powell
300 S. Calle El Segundo, Palm Springs, CA92262
Tel: (310) 948-1987

ENDORSED - FILED
In the office of the Secretary of State
of the State of California

JUL 02 2009

Articles of Incorporation

Article I

The name of this Corporation is "Happy Relief Center Collective" (the "Corporation").

Article II

A) This corporation is a nonprofit Mutual Benefit Corporation organized under the Nonprofit Mutual Benefit Corporation Law. The purpose of this corporation is to engage in any lawful act or activity, other than credit union business, for which a corporation may be organized under such law.

B) The specific purpose of this Corporation is to facilitate and coordinate medical marijuana transactions exclusively between members of the organization.

Article III

These Articles may be amended by the affirmative vote of at least two-thirds of the directors of the Corporation. When the Corporation has members, any such amendment must be ratified by a two-thirds (2/3) majority of the members voting on any proposed amendment.


Article IV

The name and address in the State of California of this corporation's initial agent for service of process is:

Matthew Carl Rangel
77942 Grey Wolf Trail
La Quinta, CA 92253

Article V

Notwithstanding any of the above statements of purposes and powers, this corporation shall not, except to an insubstantial degree, engage in any activities or exercise any powers that are not in furtherance of the specific purposes of this corporation.

 7.2.2009
Matthew Carl Rangel, Incorporator



Date of this notice: 07-02-2009

Employer Identification Number:
27-0479290

Form: SS-4

Number of this notice: CP 575 A

HAPPY RELIEF CENTER COLLECTIVE
77942 GREY WOLF TRL
LA QUINTA, CA 92253

For assistance you may call us at:
1-800-829-4933

IF YOU WRITE, ATTACH THE
STUB AT THE END OF THIS NOTICE.

WE ASSIGNED YOU AN EMPLOYER IDENTIFICATION NUMBER

Thank you for applying for an Employer Identification Number (EIN). We assigned you EIN 27-0479290. This EIN will identify you, your business accounts, tax returns, and documents, even if you have no employees. Please keep this notice in your permanent records.

When filing tax documents, payments, and related correspondence, it is very important that you use your EIN and complete name and address exactly as shown above. Any variation may cause a delay in processing, result in incorrect information in your account, or even cause you to be assigned more than one EIN. If the information is not correct as shown above, please make the correction using the attached tear off stub and return it to us.

Based on the information received from you or your representative, you must file the following form(s) by the date(s) shown.

Form 941	01/31/2010
Form 940	01/31/2010

If you have questions about the form(s) or the due date(s) shown, you can call us at the phone number or write to us at the address shown at the top of this notice. If you need help in determining your annual accounting period (tax year), see Publication 538, *Accounting Periods and Methods*.

We assigned you a tax classification based on information obtained from you or your representative. It is not a legal determination of your tax classification, and is not binding on the IRS. If you want a legal determination of your tax classification, you may request a private letter ruling from the IRS under the guidelines in Revenue Procedure 2004-1, 2004-1 I.R.B. 1 (or superseding Revenue Procedure for the year at issue). Note: Certain tax classification elections can be requested by filing Form 8832, *Entity Classification Election*. See Form 8832 and its instructions for additional information.

If you are required to deposit for employment taxes (Forms 941, 943, 940, 944, 945, CI-1, or 1042), excise taxes (Form 720), or income taxes (Form 1120), you will receive a Welcome Package shortly, which includes instructions for making your deposits electronically through the Electronic Federal Tax Payment System (EFTPS). A Personal Identification Number (PIN) for EFTPS will also be sent to you under separate cover. Please activate the PIN once you receive it, even if you have requested the services of a tax professional or representative. For more information about EFTPS, refer to Publication 966, *Electronic Choices to Pay All Your Federal Taxes* and Publication 4248, *EFTPS (Brochure)*. If you need to make a deposit before you receive your Welcome Package, please visit an IRS taxpayer assistance center to obtain a Federal Tax Deposit Coupon, Form 8109-B. To locate the taxpayer assistance center nearest you, visit the IRS Web site at <http://www.irs.gov/localcontacts/index.html>. Note: You will not be able to obtain Form 8109-B by calling 1-800-829-TAXFORMS (1-800-829-3676).

The IRS is committed to helping all taxpayers comply with their tax filing obligations. If you need help completing your returns or meeting your tax obligations, Authorized e-file Providers, such as Reporting Agents (payroll service providers) are available to assist you. Visit the IRS Web site at www.irs.gov for a list of companies that offer IRS e-file for business products and services. The list provides addresses, telephone numbers, and links to their Web sites.

To obtain tax forms and publications, including those referenced in this notice, visit our Web site at www.irs.gov. If you do not have access to the Internet, call 1-800-829-3676 (TTY/TDD 1-800-829-4059) or visit your local IRS office.

IMPORTANT REMINDERS:

- * Keep a copy of this notice in your permanent records. **This notice is issued only one time and the IRS will not be able to generate a duplicate copy for you.**
- * Use this EIN and your name exactly as they appear at the top of this notice on all your federal tax forms.
- * Refer to this EIN on your tax-related correspondence and documents.

If you have questions about your EIN, you can call us at the phone number or write to us at the address shown at the top of this notice. If you write, please tear off the stub at the bottom of this notice and send it along with your letter. If you do not need to write us, do not complete and return the stub. Thank you for your cooperation.

Keep this part for your records. CP 575 A (Rev. 7-2007)

Return this part with any correspondence so we may identify your account. Please correct any errors in your name or address.

CP 575 A

9999999999

Your Telephone Number Best Time to Call
() -

DATE OF THIS NOTICE: 07-02-2009
EMPLOYER IDENTIFICATION NUMBER: 27-0479290
FORM: SS-4 NOBOD

INTERNAL REVENUE SERVICE
CINCINNATI OH 45999-0023
[Barcode]

HAPPY RELIEF CENTER COLLECTIVE
77942 GREY WOLF TRL
LA QUINTA, CA 92253

Edward Robertson

From: Ken Lyon
Sent: Tuesday, July 21, 2009 1:45 PM
To: Edward Robertson
Subject: Happy Relief MC09-008 change in patients to be served

Edward,

I got a call from the applicant changing his projected patient count from 100 to 500. I asked him to submit it in writing in an e mail which I'll forward to you upon receipt. I told him you'd probably be calling him shortly to introduce yourself as the planner reviewing his case.

**Ken Lyon,
Associate Planner**

City of Palm Springs Department of Planning Services
3200 Tahquitz Canyon Way
Palm Springs, CA 92263
Phone 760 323 8245 Fax 760 322 8360

"Make no small plans;
they have no magic to stir men's blood and probably won't be realized.
Make big plans; aim high in your work and in hope.
Let your watchword be Order, and your beacon Beauty"
- Daniel Burnham, Architect and Planner

WE AUTHORIZE THE CITY OF PALM
SPRINGS TO PERFORM ANY NECESSARY
BACKGROUND CHECKS IN ASSOCIATION WITH
THE HAPPY RELIEF CENTER COLLECTIVE AND
APPLICANT MATTHEW C. RANGLER.

SIGNATURE *Matthew Rangler*

09-007

RECEIVED

JUL 16 2009

PLANNING SERVICES
DEPARTMENT

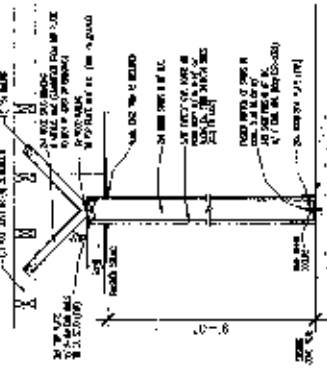
CONTRACTOR NOTES

1. THE CONTRACTOR SHALL VERIFY ALL DIMENSIONS AND LOCATIONS OF EXISTING UTILITIES, STRUCTURES AND OTHER FEATURES SHOWN ON THE PLANS AND FIELD SURVEY. THE CONTRACTOR SHALL BE RESPONSIBLE FOR OBTAINING ALL NECESSARY PERMITS AND APPROVALS FROM THE LOCAL JURISDICTIONS AND AGENCIES. THE CONTRACTOR SHALL BE RESPONSIBLE FOR OBTAINING ALL NECESSARY PERMITS AND APPROVALS FROM THE LOCAL JURISDICTIONS AND AGENCIES.
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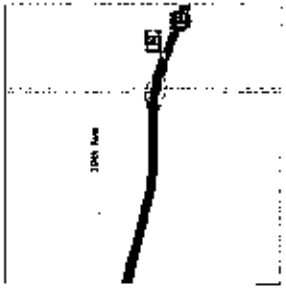
FIRE DEPT. NOTES

1. THE CONTRACTOR SHALL VERIFY ALL DIMENSIONS AND LOCATIONS OF EXISTING UTILITIES, STRUCTURES AND OTHER FEATURES SHOWN ON THE PLANS AND FIELD SURVEY.
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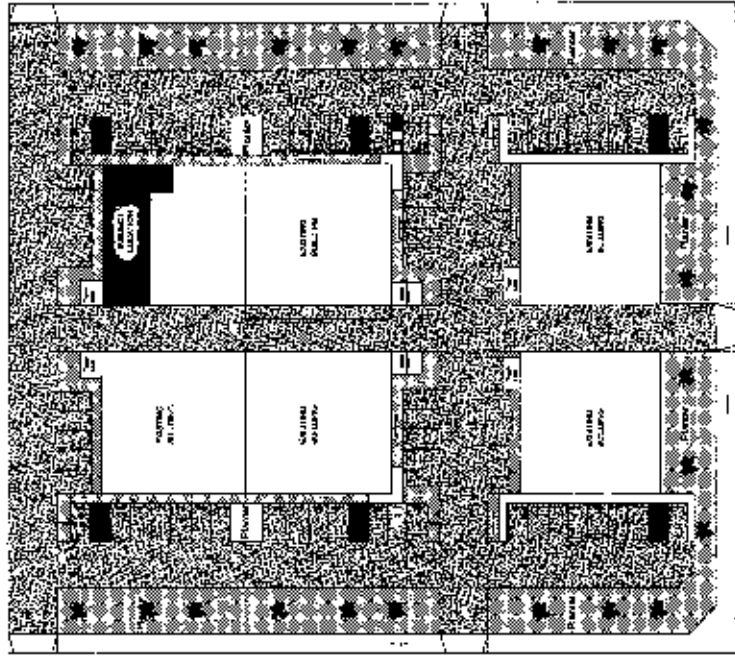
NON BEARING WALL DETAIL



VICINITY MAP



ORR WAY



NEWHALL

RUPPERT

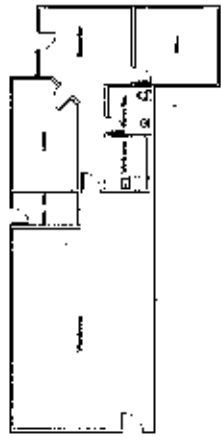


ORR WAY

ORR WAY

Plot plan

SCALE 1/32" = 1'



Floor Plan

SCALE 1/32" = 1'

30 30



Staff Report to City Manager

Date: August 7, 2009

Case No.: 09-009 MC

Application Type: Medical Cannabis Cooperative Application

Location: 4765 Ramon Road

Applicant: Mark Adams for Herbal Solutions, Southern California, Inc.

Zone: M-1 (Manufacturing)

General Plan: Industrial

APN: 580-101-028

From: Craig A. Ewing, AICP, Director of Planning Services

Project Planner: Ken Lyon, Associate Planner

PROJECT DESCRIPTION

An application has been submitted by Mark Adams of Herbal Solutions, Southern California, Inc. requesting a permit to operate a medical cannabis cooperative at 4765 Ramon Road, Zone M-1 Section 19/T4/R5. Pursuant to Zoning Code Section 93.22.00(H), a report shall be prepared on the acceptability of the applicant and the suitability of the proposed location. This report describes the proposal and evaluates it against the standards and provisions of the applicable zoning provisions.

CONCLUSIONS

Following review of the application, staff has determined that the application does not conform to the following requirements of Section 93.22.00 of the Zoning Code:

1. 93.22.00(C) Site is within 1,000 feet of another medical cannabis application's proposed site.
2. 93.22.00(H) Full background check of criminal records not yet available.

Section 93.22.00(H)(6) notes that the City Manager may determine that an application is not qualified unless “each and every requirement of this Section” (is) satisfied. Based on the non-conforming conditions noted above, Staff is recommending that this is not a qualified application.

BACKGROUND AND SETTING

Table 2.0: Comparison of Requirements for Medical Cannabis Cooperatives against the proposed project

	Requirements for Medical Cannabis Cooperatives	Proposed Application
Application fee/deposit	\$7,500 Deposit	\$7,500 deposit submitted (conforms)
93.22.00(C) Distance to sensitive uses:	Prohibited within 500 feet.	Conforms
93.22.00(C) Distance to other Medical Cannabis Cooperatives	Prohibited within 1,000 feet	The proposed site is within 1,000 feet of another Medical Cannabis Application at 560 Williams Place (Case 09-002 Organic Solutions of the Desert) Does not conform
Restrictions relative to primary uses on property.	Prohibited on parcels with commercial-retail as primary use.	.Conforms
93.22.00(E) Off-Street Parking Requirements:	1 space for every 250 gsf. (8,000 gsf = 32 required off-street parking spaces)	34 spaces required for both occupancies; 34 spaces provided. Conforms
93.22.00 (G.1) Estimated number of primary caregivers or qualified patients	No minimum or maximum requirement	Approximately 500/day, 12,000/month.
93.22.00 (G.1) Delivery service (if	Delivery Service not required	Delivery Service will be offered between 10 and 7 Conforms.

provided describe extent of the delivery service)		
93.22.00 (G.2) Address	As noted	4765 Ramon Road
93.22.00 (G.3) Site & Floor Plans of Building including area comprising this business	No minimum area required.	Approximately 8,000 square feet
93.22.00 (G.4) Security Plan	Security plan is required:	As noted in attached application: Conforms.
93.22.00 (G.4.a.) Security System Requirements	Security cameras w/min 120 hrs of recording. Operated 24hr/day, 7days/week covering all areas as determined by the City Manager	120 hours of concurrent digital recordings operating 24/7. (Conforms)
93.22.00 (G.4.b) Security System Requirements	Security Alarm operated and monitored by a recognized security company	Maximum Security Company: installer and maintenance contractor. (will conform when installed as proposed)
93.22.00 (G.4.c) Control of Entrances	Entrance locked at all times and controlled by staff	Provided (see application)
93.22.00 (G.4.d) Outdoor Lighting Requirements	Windows and entrances / conform to the City's outdoor lighting ordinance.	Existing lighting at site. (Conforms)
93.22.00 (G.4.e) Windows & Marijuana Storage requirements	Windows secured, marijuana securely stored. Maintain a clear view into the premises	Windows secured. (Conforms)
93.22.00 (G.5)		

Contact information required	Name address of manager and employees and statement on criminal background.	Mark Adams, CEO/Owner 5105 E Harvey Way Long Beach CA 90808, plus 2 other staff members Jeremiah Chaney and Felicia Flick
93.22.00 (G.6) Property Owner requirements	Name & address of Owner and lessor of property; notarized acknowledgement from bldg. owner that a MCC will be operated on his/her property	Dick Baxley Baxley Properties, INC. 73712 Alessandro Suite B4 Palm Desert, CA 92260 Acknowledgement submitted (conforms)
93.22.00 (G.7) Release of Information Requirements	Authorization for City Mgr to verify information.	Provided.
93.22.00 (G.8) Proof of Business Establishment	Non-profit cooperative, in accord w/the Compassionate Use Act	Attached to application Conforms
Building Area comprising this business	No minimum required.	Approximately 8,000 square feet
93.22.00 (K.2.) Hours of Operations restricted	Between 9 am and 7 pm Monday through Saturday only	Between 10 and 7pm Conforms
93.22.00 (K.9, & 10) Signage	No smoking/consuming marijuana on premises sign and name of business sign only	Separate sign application required.

DISCUSSION OF ACCEPTABILITY OF APPLICANT AND SUITABILITY OF PROPOSED LOCATION.

As noted in the table above, this application does not conform to the following requirements of the Medical Cannabis ordinance:

- Distances to sensitive uses
- Unable to complete background criminal activity checks

Further explanation of each nonconforming condition is outlined below.

Distance to sensitive uses. Section 93.22.00(C) requires medical cannabis cooperatives to be not closer than 1,000 feet to other medical cannabis cooperative uses. The proposed cooperative at 4765 Ramon Road is adjacent to another medical cannabis application at 560 Williams Road (09-002 Herbal Solutions of the Desert.)

Off-street parking. Section 93.22.00(E) requires 1 parking space for every 250 square feet of collective. The building at 4765 Ramon is approximately 9,300 square feet; 8,000 of which is proposed for the medical cannabis use, and approximately 1,300 square feet is warehouse use. The site provides 34 spaces and is thus conforming.

Federal criminal background data not available. Section 93.22.00 (G) requires the City Police Department to run criminal background checks on all owners and employees of the collective. The applicant has submitted a release, however as of the writing of this staff report, national database systems have not been able to confirm all individuals associated with this application. Staff anticipates release of this information shortly.

93.22.00 (H) BACKGROUND CRIMINAL CHECK

The Palm Springs Police Department has evaluated the information provided by the applicant and identified the following statistics and data as summarized from their June 18, 2009 memo (attached):

Live Scan electronic fingerprinting was conducted on the following persons and the following are the results of the investigation:

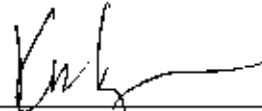
<u>Status:</u>	<u>Name:</u>	<u>Findings:</u>
Owner:	Mark Adams	Pending
Employee	Jeremiah Chaney	Pending
Employee	Felicia Flick	Pending

The Live Scan obtained information from the State of California database, but no Federal data was obtained

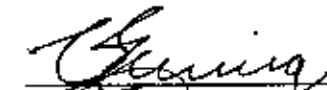
ENVIRONMENTAL ASSESSMENT

Pursuant to the California Environmental Quality Act (CEQA) Guidelines, the permitting or entitlement of use by a public agency is deemed a project. This application is therefore determined to be a project under CEQA. The City has evaluated the project

and determined that it is Categorical Exempt in accordance with CEQA Section 15303
"New Construction or Conversion of Small Structures".



Ken Lyon
Associate Planner



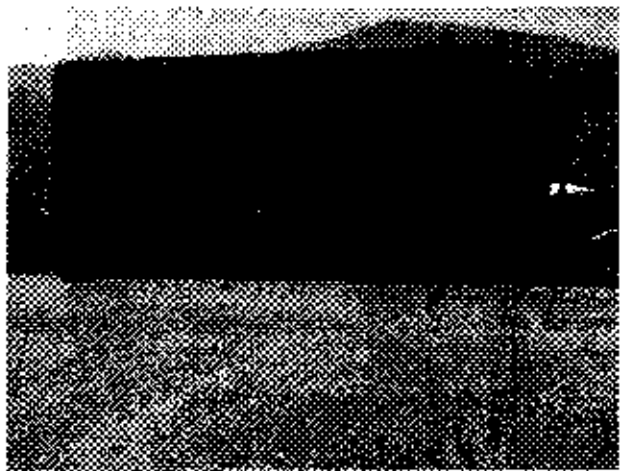
Craig A. Ewing, AICP
Director of Planning Services

ATTACHMENTS

1. Vicinity Map
2. Application including site, plans, photos and letters.



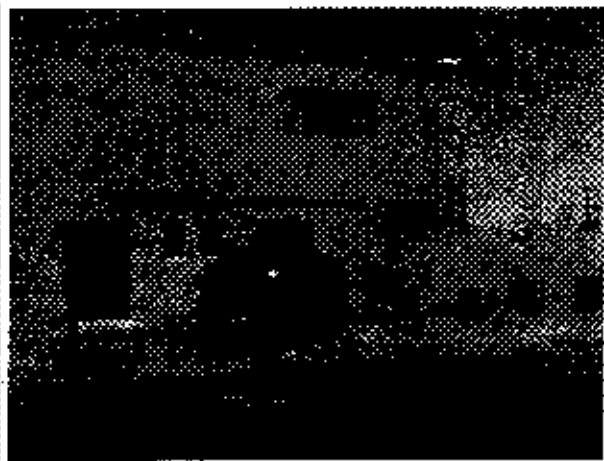
Front of 505 Industrial Place



East Elevation and parking lot



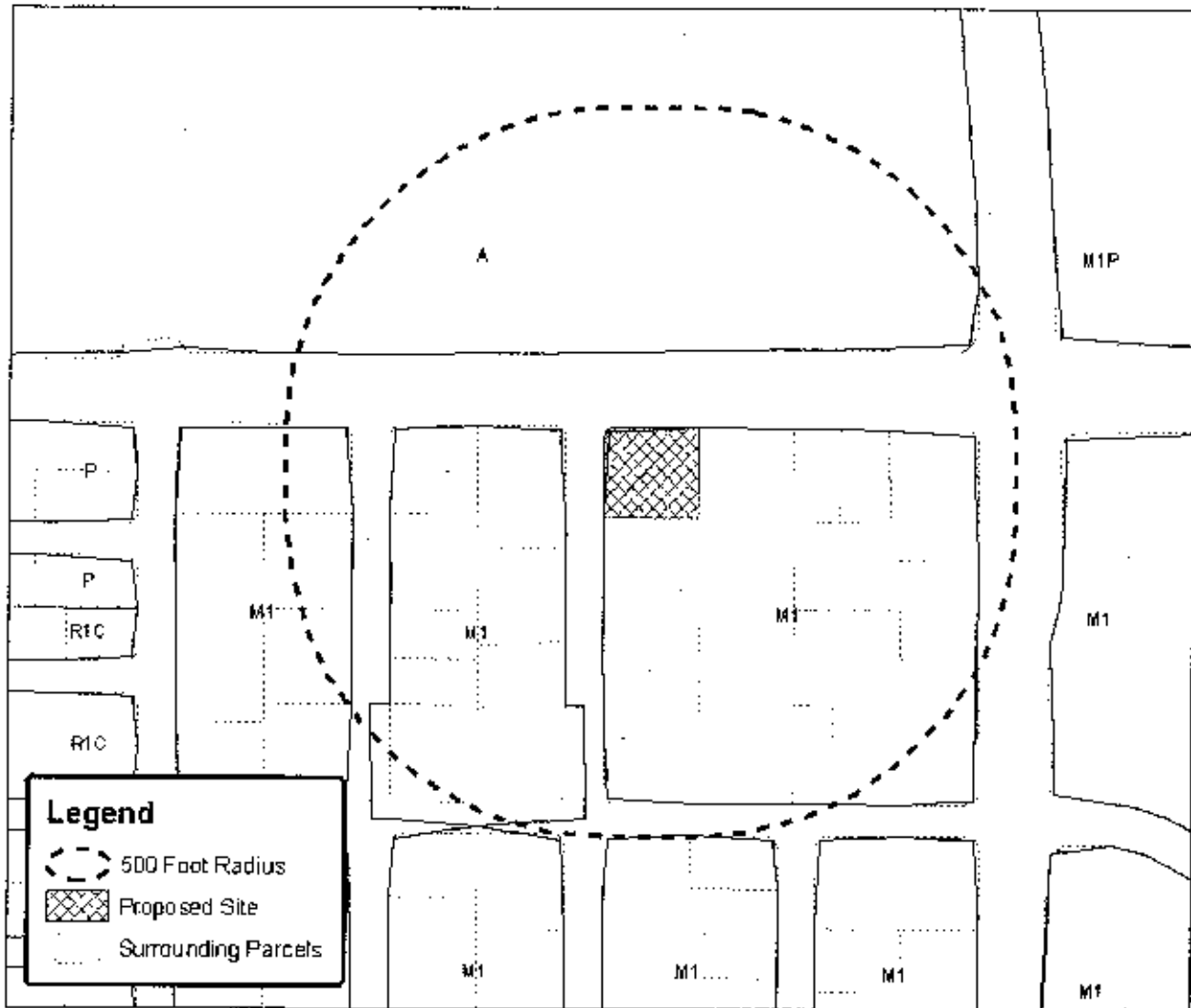
South side of building



South side of building



Department of Planning Services
Vicinity Map



Legend

- 500 Foot Radius
- Proposed Site
- Surrounding Parcels

CITY OF PALM SPRINGS

CASE NO: MC 09-009

APPLICANT: Herbal Solutions

DESCRIPTION: Application for a medical cannabis cooperative/collective at 4765 East Ramon Road.



CITY OF PALM SPRINGS
Department of Planning Services

Office Use Only

Date Submitted: JULY 6, 2009
Case No: MC 09-009
Planner: ST

APPLICATION FOR MEDICAL CANNABIS
COOPERATIVE OR COLLECTIVE (MC)

Please read carefully to ensure application is accurate and complete.
Inaccurate or incomplete applications may be rejected.

TO THE APPLICANT:

Your cooperation in completing this application and supplying the information requested will expedite City review
of your application pursuant to local procedures. Applications submitted will not be considered complete until all
submittal requirements are met.

Please submit this completed application and subsequent material to the Department of Planning Services
at 3200 East Tahquitz Canyon Way, Palm Springs, CA 92262 - Phone: 760-323-8245 - Fax: 760-322-8360

Cooperative / Collective Site Address: 4765 RAMON ROAD
Applicant's Name: HERBAL SOLUTIONS SO. CALIF., INC.
Applicant's Signature: [Signature] CEO
Mailing Address: 100 OCEANGATE 12TH FLOOR
LONG BEACH CA 90802
Applicant's Telephone: RES: 562 209 0111 BUS: 562 628 5556 CELL: 562 209 0111
FAX: 562 628 5556 Applicant's E-Mail: hnsolutions@uplan.com

(If Applicant is leasing the Cooperative / Collective Site please list the Property Owner's contact information.)

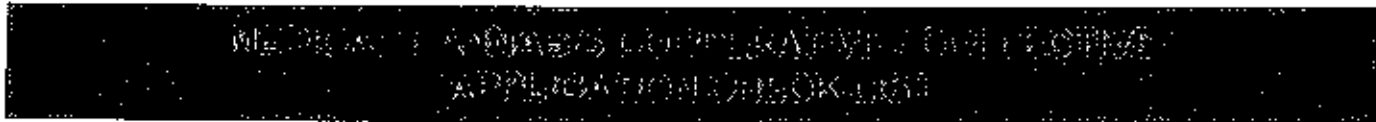
Property Owner's Name: WAYNE SIMMONS
Property Owner's Mailing Address: 4765 RAMON RD
PALM SPRINGS CA
Property Owner's Telephone: RES: 760 831 0246 BUS: 760 831 0246 CELL: FAX:
Property Owner's E-Mail: [Blank]

COOPERATIVE / COLLECTIVE SITE INFORMATION:

Gross Square Footage of proposed business space: 10,000 sq ft Assessor's Parcel Number: 680-101-028
Zone: M1 Section/Township/Range: 19 / 4 / 5 General Plan: (ND) Hours of Operation: 10am to 7pm
Come for discuss

If Cooperative / Collective is in a Multi-Tenant Building List other Businesses:

Business Name	Type of Business
Business Name	Type of Business
Business Name	Type of Business
Business Name	Type of Business
Business Name	Type of Business
Business Name	Type of Business



The following items must be completed and accompany the Medical Cannabis Cooperative / Collective Application (MC). Please check off each item to ensure completeness.

	Applicant Only	City Use Only
Application & Fee:		
❖ Original completed Application & \$7,500 Deposit	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Detailed Site Plan:		
❖ 11" X 17" or 24" X 36" Site Plan and floor plan : Indicate north arrow, site address; floor plan; doors, entrances, windows, use of each area, including storage and cultivation areas; exterior lighting & security cameras; restrooms; signage & parking for the business.	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Off Street Parking requires 1 parking space for every 250 gross square feet of business space (If proposed business location is within a multi-tenant building, the site plan must show adequate parking for all businesses located on that site).	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
❖ An electronic file in PDF format may also be submitted on a CD (Compact Disc)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Photographs of Existing Site:		
❖ Photographs of site showing front, back and sides of building, lighting, parking, etc.	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>

**MEDICAL CANNABIS COOPERATIVE / COLLECTIVE
APPLICATION CHECKLIST**

Submittal Requirements: The following information shall be submitted on white single-sided 8½" x 11" paper using either MS WORD or text-readable PDF format:

Per Made on 7/20/09

Group Size:

- | | | Applicant
Only | City Use
Only |
|---|------------|-------------------------------------|-------------------------------------|
| ❖ Estimated number of caregivers: | <u>5</u> | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |
| ❖ Estimated number of qualified patients: | <u>70</u> | | |
| ❖ Will delivery service be provided? (yes/ no) (Circle one) | <u>yes</u> | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |

*±500/day
±12,000/mo.*

If yes, describe the extent and method of the delivery service to be provided for each qualified patient.

Site Requirements:

Security Plan:

- | | | |
|--|-------------------------------------|-------------------------------------|
| ❖ Number of security cameras or zones with a listing of the areas covered. Confirmation that security system shall be provided with 120 hrs of digitally recorded documentation and cameras shall be in use 24 hours per day, 7 days per week. | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |
| ❖ Alarm system & security camera monitoring company's contact information. | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |
| ❖ Entrances, windows, and cannabis storage lighting and security methods. (Indicate lighting & security for the above mentioned on Site Plan as well as, a written description.) | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |

Cooperative / Collective staff contact & criminal background Information:

- | | | |
|--|-------------------------------------|-------------------------------------|
| ❖ Name, address, telephone number of all managers, staff, applicant and owner. Include a statement as to whether such person(s) has or have been convicted of a crime, nature of the offense and the sentence received for such conviction. | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |
| ❖ Notarized acknowledgement from owner of the building that a Medical Cannabis Cooperative / Collective will be operating on his / her property. | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |
| ❖ Evidence that Cooperative / Collective is organized as a bona fide non-profit comprised, exclusively and entirely, of qualified patients and the primary caregivers of those patients in strict accordance with the Compassionate Use Act. | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |
| ❖ Background Check Authorization Form. (Signed document giving The City of Palm Springs authorization to run background check on applicant and associates. | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |

Group size

(The following is an estimate based upon our previous experience with new locations)

Estimated number of caregivers:

Collective staff will consist of social worker, medical insurance billing director, receptionist, security officer and a patient consultant. For a total of five people on staff at all times.

Estimated number of qualified patients:

We estimate to see between 20-70 qualified patients per day.

↑ 1/20/09
Revised to 500/day
per Mark

Deliveries:

Deliveries will be made available only to qualified patients in the Palm Springs area that are incapable of providing their own form of transportation.

Proposed collective Property address:

~~2050 executive dr suite C~~ Palm Springs, CA 92262

4765 RAMON ROAD

Security Plan

Security cameras:



All security systems are in use 24 hours per day 7 days a week. 16 camera set up consisting of high resolution, infra red security cameras shall be placed in every room, including all hallways and exteriors of building. Recorded on 16 channel dual codec J series DVR with a 1500 gigabyte hard drive, 384 hour minimum recording capacity, with remote viewing via internet connection. DVR will be stored in fireproof secure casing.

Alarm Company Contact Information:

Maximum Security Company
3700 Tachevah Drive, Suite 120
Palm Springs, CA 92262
(760) 770-0777

Alarm System and lighting:

All entrances and windows will be furnished with sufficient security lighting (see plan); also will be equip with magnetic contacts, wireless motion sensors, and glass break sensors. Remote panic buttons will also be in place. Alarm system equip with radio and battery backup. If phone or power is shut off the alarm will be tripped and will contact the Police department and site manager. All cannabis is stored in sterile bins with roll down steel doors equip with heavy duty locks (see attached photo). Licensed and bonded security guard will be posted in reception area during all hours of operation.



WAYNE SIMMONS

DATE: June 30, 2009

TO: Herbal Solutions So California
Rob Wenthold
Coldwell Banker Commercial

Pho: (760) 641-7602

Fax: (760) 772-6499

From: Dick Baxley
BAXLEY PROPERTIES, INC
Email: dbaxley@baxleyproperties.com

Pho: (760) 773-3310

Fax: (760) 773-3013

RE: Intended use of 4765 Ramon Road, Palm Springs, CA

Gentlemen,

As owner of 4765 Ramon and prospective Lessor, please be advised I am aware of the proposed medical marijuana use and will permit said use in the above referenced building subject to City and police approval.



ACKNOWLEDGMENT

State of California
County of Riverside

On July 1, 2009 before me, S HILL
(insert name and title of the officer)

personally appeared Wayne Simmons
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] (Seal)



**ARTICLES OF INCORPORATION OF
HERBAL SOLUTIONS SOUTHERN CALIFORNIA, INC., A
California Non-Profit Corporation**

I.

The name of this corporation shall be:

**HERBAL SOLUTIONS SOUTHERN CALIFORNIA, INC., A
California Non-Profit Corporation.**

II.

- A. This corporation is a nonprofit PUBLIC BENEFIT CORPORATION and is not organized for the private gain of any person. It is organized under the Nonprofit Public Benefit Corporation Law for public and charitable purposes.
- B. The specific and primary purposes for which this non-profit corporation is formed are:
1. To facilitate natural remedies for chronically ill Californians with HIV, AIDS, chronic pain, chronic spasticity, glaucoma, arthritis, cancer, migraine, wasting syndrome, and/or such other conditions for which licensed medical physicians may recommend various remedies.
 2. To collect, compile and conduct new research and a continuous record and history of herbal and alternative remedies and to make said records available for research, study and interpretive use.

III.

The name and address in the State of California of this corporation's initial agent for service of process is: MARK ADAMS, 5105 Harvey Way., Long Beach, CA 90808.

IV.

This corporation shall have such powers as are necessary or convenient to enable it to carry other specific and primary purposes for which it is formed, including the power:

A. To acquire property of any name or nature by gift, request, purchase, lease or otherwise; to use, manage or operate all property owned by or under the control of this corporation; to dispose of property or of an interest in property owned by this corporation by gift, sale, lease or otherwise.

B. To borrow money and to issue evidences of indebtedness, mortgage, deed of trust or by other means.

C. To conduct its affairs in California, and in any other state of the United States, in the District of Columbia, in the territories and possessions of the United States and in foreign countries.

Notwithstanding any other provision of these Articles, the corporation shall not, except to an insubstantial degree, carry on any other activities not permitted to be carried on (a) by a corporation exempt from Federal income tax under Section 501 (c) (3) of the Internal Revenue Code of 1954 (or the corresponding provision of any future United States

Internal Revenue law) or (b) by a corporation, contributions to which are deductible under Section 170 (b) (2) of the Internal Revenue Code of 1954 (or the corresponding provision of any future United States Internal Revenue law).

V.

This corporation is organized pursuant to the General Non-Profit Corporation Law (Part 1 of Division 2 of Title 1 of the Corporations Code of California).

VI.

The principal office of this non-profit corporation shall be in the City of Long Beach, County of Orange, at 5105 Harvey Way., Long Beach, CA 90808.

VII.

The names and addresses of the persons who are to act in the capacity of directors until the selection of their successors are as follows:

MARK ADAMS, 5105 Harvey Way., Long Beach, CA 90808

VIII.

The authorized number and qualifications of the members of the corporation, the different classes of memberships, if any, the property, voting and other rights and privileges of members and their liability for dues and assessments and the method of collection thereof, shall be set forth in the by-laws.

IX.


This corporation is not organized nor shall it be operated, for pecuniary gain or profit. No part of the net earnings of their nonprofit corporation shall inure to the benefit of any member or individual. No substantial part of the activities of this nonprofit corporation shall consist of the carrying on of propaganda or otherwise attempting to influence legislation, and the corporation shall not participate in or intervene in (including the publishing or distribution of statements) any political campaign on behalf of any candidate for public office.

X.

In the event of the dissolution of this non-profit corporation, after its just debts and obligations have been paid or adequately provided for, its remaining assets shall be distributed exclusively to one or more funds, foundations or corporations (as determined by the last Board of Directors) exempt from Federal Income tax under Section 501 (c) (3) of the Internal Revenue Code of 1954 as now in effect or as subsequently amended.

IN WITNESS WHEREOF, the undersigned, being the persons herein above named as the first directors, have executed these Articles of Incorporation, this March 9, 2005,

Incorporators:


Stewart Richlin, 1460 S. Robertson Blvd., #108, Los Angeles, CA 90035.

July 2, 2009

To whom it may concern,

I, Mark Adams, authorize the City Manager of Palm Springs to run a background check on myself and my associates.

Sincerely,

A handwritten signature in black ink, appearing to be 'Mark Adams', written over a horizontal line.

Mark Adams
CEO, Herbal Solutions Southern California

July 2, 2009

To whom it may concern,

I, Mark Adams, hereby guarantee, under penalty of perjury, that all information contained in this application is true and correct.

Sincerely,

A handwritten signature in black ink, consisting of a stylized first name and a last name with a horizontal line extending to the right.

Mark Adams
CEO, Herbal Solutions Southern California

To the City of Palm Springs:

Herbal Solutions Southern California is a 501c(3) Non Profit Public Benefit Corporation. We have been providing safe access for California patients since 2006 and now have over 10,000 patient members at four locations in Southern California.

We have a very thorough screening process to assure the legitimacy of all patients that wish to join our collective. We thoroughly screen all cannabis at an independent laboratory for mold and other known harmful micro organisms. All medicine is labeled with test results and percentages of active ingredients. All packaging is done in a clean sterile site to prevent the serious risk of harmful contamination.

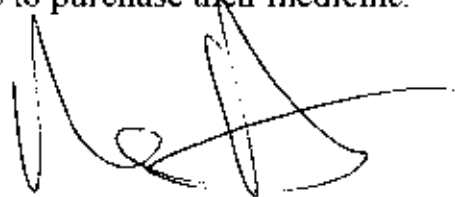
As a service to our patients we assist in the processing and submittal of medical claims to health insurance carriers. We also donate to charities such as The Aids Foundation, County Children's Hospital, Americans for Safe Access and other local charities.

We are among the most respected and well run collectives in the State. We have very strict security measures put in place by our chief of security, former U.S. Federal Police Officer and former deputy chief of U.S. naval security Jermiah Chaney. All locations have a security officer during all hours of operation. We use 24 hour 16 channel surveillance systems that are locally and remotely recorded which are saved for a minimum of 384 hours. Our alarm systems are equipped with radio and battery back-up and panic buttons. We have been and are compliant with all local and state regulations since our inception.

As CEO and founder of Herbal Solutions Southern California, it would be an honor to personally provide patients in the Palm Springs area with a clean and safe place to purchase their medicine.

Sincerely,

Mark Adams
Chief Executive Officer



Herbal Solutions Southern California Safety Screening and Lab Analysis

Herbal Solutions is proud to announce Independent Laboratory Testing and safety screening.

We are among the first Medical Cannabis Collectives in the state to offer this service to insure the safety of the cannabis we provide.

All medicine determined to contain pathogenic molds or other dangerous contaminants will be quickly removed from Inventory, This is especially important for patients with compromised immune systems.

The analytical test method used are gas chromatography / mass spectrometry, gas chromatography / flame ionized detection and plate culture analysis.

A handwritten signature in black ink, appearing to read 'Mark Adams', with a large, stylized flourish extending to the right.

Mark Adams, President
Herbal Solutions Southern California INC.



Southern California Collective Locations:

5746 E. 2nd Street
Long Beach, CA 90803
(562) 434-5075

1206 E. Wardlow Rd.
Long Beach, CA 90807
(562) 997-2929

735 N. La Brea
Los Angeles, CA 90038
(323) 933-4372

8830 Imperial Hwy
Downey, CA 90242
(562) 904-8800

Corporate Office:

100 Oceangate, Suite 1200
Long Beach, CA 90802
(562) 628-5560

DISPLAY CONSPICUOUSLY AT PLACE OF BUSINESS FOR WHICH ISSUED

CALIFORNIA STATE BOARD OF EQUALIZATION

CONSOLIDATED SELLER'S PERMIT

THIS PERMIT DOES NOT AUTHORIZE RETAIL SALES



CONSOLIDATED ACCOUNT NUMBER

1/2/2007 SR Y EA 100-919636

HERBAL SOLUTIONS S. CALIFORNIA
5746 E 2ND ST
LONG BEACH, CA 90803-5046

NOTICE TO PERMITTEE:
You are required to file all Federal and State sales tax returns on or before our business days. This permit does not allow for any extensions.

IS HEREBY AUTHORIZED TO SELL, LEASE, RENT, BULK, AND REFINISH ITEMS OF THE BOARD TO FEEL OR NEEDLE WITH SALES AND USE TAX RETURNS. BE AWARE THAT CONSTRUCTION OF A CLIENT NUMBER.

THIS PERMIT IS VALID UNTIL REVOKED OR CANCELED AND IS NOT TRANSFERABLE. IF YOU SELL YOUR BUSINESS OR DROP OUT OF A PARTNERSHIP, YOU MAY BE HELD RESPONSIBLE FOR SALES AND USE TAXES OWED BY THE NEW OPERATOR OF THE BUSINESS.

For general tax questions, please call our Information Center at 800-400-7115.

For information on your rights, contact the Taxpayers' Rights Advocate Office at 888-324-2798 or 916-324-2798.

BOE-10243-91-V-12 (11-06)

A MESSAGE TO OUR NEW PERMIT HOLDER

As the holder of a Consolidated Seller's Permit, each of your selling locations will receive a Seller's Permit authorizing sales of tangible personal property at that location.

As a seller, you have rights and responsibilities under the Sales and Use Tax Law. In order to assist you in your endeavor and to better understand the law, we offer the following sources of help:

- Visiting our website at www.sbe.ca.gov
- Visiting a district office
- Attending a Basic Sales and Use Tax Law class offered at one of our district offices
- Sending your questions in writing to any one of our offices
- Calling our toll-free Information Center at 800-400-7115

As a seller, you have the right to issue resale certificates for merchandise that you intend to resell. Conversely, you have the responsibility of not misusing resale certificates. While the sales tax is imposed upon the retailer,

- You have the right to seek reimbursement of the tax from your customer
- You are responsible for filing and paying your sales and use tax returns timely
- You have the right to be treated in a fair and equitable manner by the employees of the Board
- You are responsible for following the regulations set forth by the Board

As a seller, 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 Board representative when requested. You are also expected to 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. If it becomes necessary to surrender this permit, you should only do so by mailing it to a Board office, or giving it to a Board representative.

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

Please post this permit at the address for which it was issued and at a location visible to your customers.

STATE BOARD OF EQUALIZATION

Sales and Use Tax Department

305

Herbal Solutions Southern California

General Staff Rules

Breaking any of the following rules will result in; 1st written warning, 2nd suspension, 3rd warning will generally result in termination.

1. Courtesy
2. Remain professional at all times - Always say please and thank you at all times.
3. No inappropriate language.
4. All personal belongings must be stored in lockers before beginning shift - including cell phones.
5. No personal calls.
6. No visitors.
7. No eating in show room or reception.
8. No smoking on premises.

Employee Dress Code - Business Casual

1. Shirts will be provided - should always be clean and pressed.
2. Tan or black pants, or skirt - no jeans whatsoever.
3. Shoes or sandals - no beach flip flops.
4. Piercings and tattoos must be removed and/or covered at all times during shift.
5. Name tags must be worn at all times during shift.

Check in procedure - First Time Patient

1. Must bring valid California ID or US Passport & original doctor's recommendation, doctor's patient ID card, County health department ID card, or state issued ID card. NO EXCEPTIONS.
2. Verify patient via phone, or online (always be courteous to medical staff).
3. Check with State for validity of Driver's License.
4. Scan new patient file: Open new document, type in driver's license number, full name, expiration date, go to insert picture from scanner and select insert, scan in picture. Make sure doctor's ID or original, California ID, are scanned in with collective form.
5. Advise patients of our collective's rules.
6. Hand them a new patient card.
7. Add patients e-mail address to mailing list.

Returning patients

1. Must bring valid California ID or US Passport & original copy of doctor's recommendation, doctor's patient ID card, County health department ID card, or state issued ID card. NO EXCEPTIONS.
2. Open patient files.
3. Type in file number.
4. Open file and scan in any updated document.
5. Check files to make sure everything is current (if not re-scan).
6. Update e-mail list if necessary.

Collective Staff Contact and Criminal Background Information:

Mark Adams, CEO

5105 E. Harvey Way

Long Beach, CA 90808

(562) 209-0111

DUI conviction, standard 1st and 2nd offense penalty

Jeremiah Chaney

3760 North Way, #68

Oceanside, CA 92056

(805) 551-5519

Felicia Flick

120 Via Los Miradores

Redondo Beach, CA 90277

(310) 714-3361



KEEPING YOU IN BUSINESS THROUGH EDUCATION

June 24th, 2009

To City of Palm Springs:

I have known Mark Adams since he became a business neighbor some 3 years ago. During that time I have had the up most regards for him as a business person, especially during these tough economic times. I also know his landlord, and to my knowledge his business has always been promptly on time with the monthly rent due.

Mr. Adams's management style has been very respectful, as I am not aware of any complaints from the surrounding business community during his 3 year location.

As the current owner of two different companies, residing at my present business location for the past 13 years, we have a very high regard for the quality of individuals and their business in our community. We have watched Mark improve business wise as well as personally through our business association.

If I can be of further assistance please feel free to contact me.

Respectfully,

Ken Cassidy

Mediate Past President, NIBA (Naples Island Business Association)

President, Cassidy's Salon Management Consulting Company

Pygmalion Salon

KASSIDY'S SALON MANAGEMENT CONSULTANTS

5740 E. SECOND ST. NAPLES ISLAND, LONG BEACH, CA 90803 • Tel (562) 432-4462 • Fax (562) 439-6992

www.kassidys.com • kassidy122@earthlink.net

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June 30, 2009

City of Palm Springs
3200 East Tahquitz Canyon Way
Palm Springs, California 9226

To whom it may concern:

It is with great pleasure that I recommend Mr. Mark Adams as the business Owner of Herbal Solutions, Inc. into the City of Palm Springs. He and his wife have used my company for Architectural services on the design of their family home, restaurant and cooperatives over the years and it has always been a great pleasure.

Mr. Adams has always displayed a high degree of integrity and professionalisms in all the projects that he ventures in. The way he conducts business has been a true testament of work ethics that have been shown through the test of time. Every opportunity he has to better any of his businesses, he employs the best resources and implements this to make a superior product. Whether it is his highly successful Restaurant to the cooperatives for medicinal marijuana for the seriously ill, he always strives for an upscale operation.

By having Mr. Adams business in Palm Springs he will not only contribute to the community at large by bring with him a class of business, but a company strong in reliability as well.

Herbal Solution, Inc. will be a business that Palms Springs will be proud to have in its city to help out people in need of an alternative solution. Therefore, I am happy to give my wholehearted endorsement.

Sincerely,



Edward Gulian, AIA
President - Gulian Design, Inc.

June 23, 2009

To whom it may concern:

I am writing this in support of Herbal Solutions Southern California.

I have owned and operated my business, Nails of Naples, at 5738 E. Second Street, Long Beach, California for four years. I have known Mr. Mark Adams, the owner/operator of Herbal Solutions at 5746 E. Second Street, Long Beach, California, for the past three years.

During this period I have personally observed Mr. Adam's business operations on a daily basis. He has conducted his business in a highly professional manner. His staff and patrons have behaved in a polite and courteous manner.

I have no knowledge of any complaints regarding Mr. Adams' business operations in our community and would highly recommend him as a valuable addition to any other business community.

Should you have questions or comments, please feel to contact me.

Very truly yours,



Vernon E. McGhee

Owner, Nails of Naples

(562) 438-3722

Side Bangs Salon

5754 E. Second St.
Naples, Belmont Shore
Long Beach, CA 90803
562-4330451


June 24, 2009

To whom it may concern,

I am the business owner of Side Bangs Salon, we are located next door to the Herbal Solutions location on 2nd Street in Long Beach. I have known the business owner for 3 years now and I have no complaints. I have no problem recommending Herbal Solutions as a good member of the community.

Thank you.

Sincerely,


Anthony Gonzales

Scott Landis

July 1, 2009

To whom it may concern,

I am the owner of a building in Long Beach where Mark Adams is a tenant. I find him to be an excellent tenant, he pays rent on time and is responsible. I believe him to be a person of good character and an asset to our community.

Sincerely,

Scott Landis

To Whom It May Concern, Mark Adams has been a tenant of mine for the past three years. As of July 1st. he has occupied a space at my building in the Naples area of Long Beach for 3 years and at a building on La Brea near Melrose he has completed 2 years June 1st. He has been an excellent tenant, always paying his rent on time, respecting the buildings, as well as the other tenants. I would recommend him to any prospective landlord considering leasing space to him. If you have any question for further background check please feel free to call.

Respectfully,



Rick Vaudry

Owner: Vaudry Properties Company

733 N. La Brea Avenue
Los Angeles, Ca. 90038
310 993 5262 cell
323 634 0755 office

Dated: 7/02/09

TO WHOM IT MAY CONCERN,

My name is Captain Jeremiah Chaney, I'm the CHIEF OF SECURITY for Herbal Solutions. This letter is to give you a brief overview of my experience and education in the Law Enforcement and Security Operations of my career. Based on my skills in Law Enforcement as a Deputy Sheriff, and Federal Police Officer, in Private Security as a Private Investigator, Loss Prevention Agent, US Military Law Enforcement/Security Operations Deputy Commander, Civil Air Patrol Command, and Military Base Command. I am confident that I am a great addition to this company. My resume highlights my ability/knowledge/expertise in Law Enforcement and the Private Sector areas/industries for the last 9 years can be enclosed when requested.

During my time as a Deputy Chief of Law Enforcement/Security Operations both for Tinker Air Force Base Oklahoma City, OK, and Naval Base Ventura County in California, I was in charge of the daily law enforcement and security operations of the base. Commanding over 150 officers for front gate, harbor, and air field security. Keeping life and property safe that pertained to National Security was priority one. Training included Federal, State and County Law. I worked closely with Military Commanders, Federal, State and local agencies on a weekly basis, and I look forward to a long relationship with city personnel. Military Commanders will vouch for my professional conduct and work.

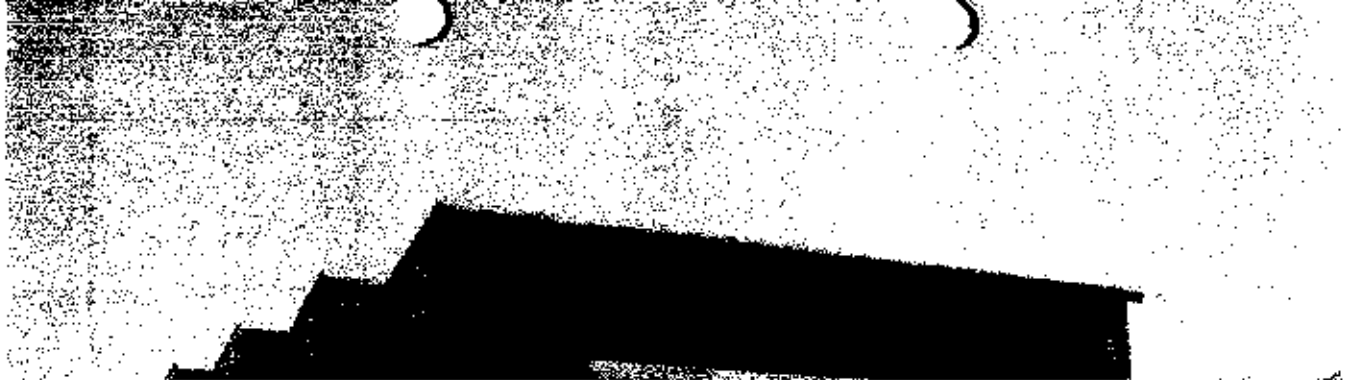
I have been a Federal Police Officer for the Department of Defense, Deputy Chief of Security for the United States Air Force, US Navy and US Marine Corps Police Department Graduate. I have 7 years of Law Enforcement, 3 years in Military Law and Security Enforcement, 2 years Civil Air Patrol Command, 4 years licensed Private Investigator/security, loss prevention and a Bachelors degree in Criminal Science.

I am excited about the position and the ability to help Mr. Adams company succeed. Thank you in advance for your time. Please do not hesitate to contact me if you have any questions. My 24 hour duty cell phone is 805-551-5519. I would appreciate the opportunity to review my qualifications in more detail

Sincerely,

Captain. Jeremiah Chaney







69-009



Mr. Wayne D. Simmons
65 San Marino Ctr
Rancho Mirage, CA 92270

PLANNED GROWTH
CONSULTANTS

August 5, 2009

160-374-5729

To the City of Palm Springs,

I, Wayne Simmons, have leased to Herbal Solutions Southern California, Inc, 8,000 sq ft of the property I own at 4765 Ramon Road, Palm Springs, CA 92262. The remaining 1,800 sq ft will be used for my own personal warehouse space.

Sincerely,

Wayne Simmons
W. Simmons Mattress
Retired

State of California

County of Riverside

Subscribed and sworn to (or affirmed) before me on this
5th day of August, 2009, by
Date Month Year

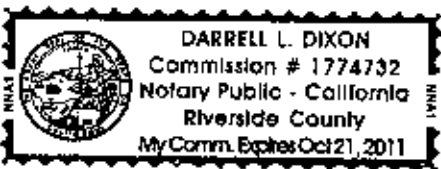
(1) WAYNE SIMMONS
Name of Signer

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

(2) N/A (and)
Name of Signer

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

Signature Darrell L Dixon
Signature of Notary Public



Place Notary Seal Above

OPTIONAL

Though the information below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent removal and reattachment of this form to another document.

Further Description of Any Attached Document

Title or Type of Document: _____

Document Date: _____ Number of Pages: _____

Signer(s) Other Than Named Above: _____

RIGHT THUMBPRINT OF SIGNER #1
Top of thumb here

RIGHT THUMBPRINT OF SIGNER #2
Top of thumb here

DATE	REVISION

02/09

THESE PLANS ARE THE PROPERTY OF GULIAN DESIGN, INC. AND MAY NOT BE REPRODUCED IN PART OR WHOLE WITHOUT THE EXPRESSED WRITTEN PERMISSION OF GULIAN DESIGN, INC.

1. CONTRACTOR SHALL BE RESPONSIBLE FOR OBTAINING ALL NECESSARY PERMITS AND APPROVALS FROM THE CITY AND COUNTY OF DENVER AND THE STATE OF COLORADO. THE CONTRACTOR SHALL BE RESPONSIBLE FOR OBTAINING ALL NECESSARY PERMITS AND APPROVALS FROM THE CITY AND COUNTY OF DENVER AND THE STATE OF COLORADO. THE CONTRACTOR SHALL BE RESPONSIBLE FOR OBTAINING ALL NECESSARY PERMITS AND APPROVALS FROM THE CITY AND COUNTY OF DENVER AND THE STATE OF COLORADO.

KEY LEGEND

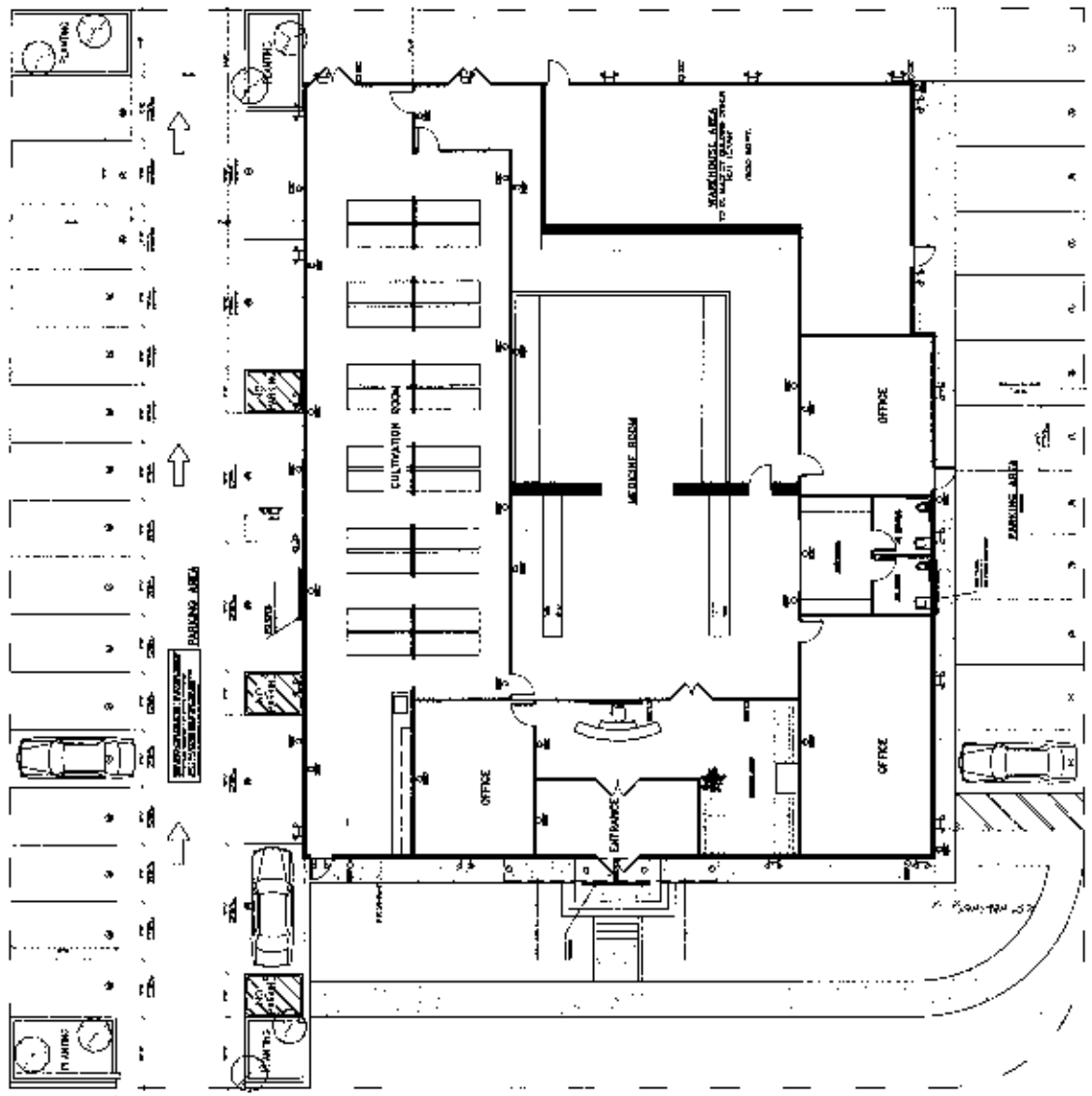
- FLOOR FINISH
- WALL FINISH
- CEILING FINISH
- FLOOR COVERING
- WALL COVERING
- CEILING COVERING
- FLOOR COVERING
- WALL COVERING
- CEILING COVERING

RECEIVED
 1/15/13
 PROJECT: HEALTH SOLUTIONS & SERVICES
 SHEET: A-1.0



SITE PLAN
 SCALE: 1/8" = 1'-0"

ADJACENT N-1 LOT



WILLIAMS ROAD

LYNN ROAD



Staff Report to City Manager

Date: August 7, 2009

Case No.: 09-010 MC

Application Type: Medical Cannabis Cooperative Application

Location: 905 Crossley Road

Applicant: Desert Valley Patients Collective, Carlo Pablo

Zone: M-1 (Manufacturing)

General Plan: NCC (Neighborhood Community Commercial)

APN: 680-562-002

From: Craig A. Ewing, AICP, Director of Planning Services

Project Planner: Ken Lyon , Associate Planner

PROJECT DESCRIPTION

An application has been submitted by Carlo Pablo requesting a permit to operate a medical cannabis cooperative at 905 Crossley Road, Zone M-1 Section 20/T4/R5. Pursuant to Zoning Code Section 93.22.00(H), a report shall be prepared on the acceptability of the applicant and the suitability of the proposed location. This report describes the proposal and evaluates it against the standards and provisions of the applicable zoning provisions.

CONCLUSIONS

Following review of the application, staff has determined that the application does not conform to the following requirements of Section 93.22.00:

1. 93.22.00(C) Medical Cannabis Cooperatives shall not be located in multi-tenant buildings where the primary use is commercial retail.
2. 93.22.00(E) Off-street parking

3. 93.22.00(H) Full background check of criminal records not yet available.

Section 93.22.00(H)(6) notes that the City Manager may determine that an application is not qualified unless "each and every requirement of this Section" (is) satisfied. Based on the non-conforming conditions noted above, Staff is recommending that this is not a qualified application. The applicant has submitted a request for relief from the items above (attached).

BACKGROUND AND SETTING

Table 2.0: Comparison of Requirements for Medical Cannabis Cooperatives against the proposed project

	Requirements for Medical Cannabis Cooperatives	Proposed Application
Application fee/deposit	\$7,500 Deposit	\$7,500 deposit submitted (conforms)
93.22.00(C) Distance to sensitive uses:	Prohibited within 500 feet.	Conforms
93.22.00(C) Distance to other Medical Cannabis Cooperatives	Prohibited within 1,000 feet	Conforms.
Restrictions relative to primary uses on property.	Prohibited on parcels with commercial-retail as primary use.	Primary use of subject parcel is commercial/retail uses Does not conform
93.22.00(E) Off-Street Parking Requirements:	1 space for every 250 gsf. (1,418 gsf = 6 required off-street parking spaces)	All on site uses require 88 spaces, there are 80 existing spaces on site; site is short 10 spaces Does not conform
93.22.00 (G.1) Estimated number of primary caregivers or qualified patients	No minimum or maximum requirement	Approximately 3,000 persons.
93.22.00 (G.1) Delivery service (if	Delivery Service not required	Delivery Service will be offered Monday through Saturday 9am to 7pm

provided describe extent of the delivery service)		
93.22.00 (G.2) Address	As noted	905 Crossley Road
93.22.00 (G.3) Site & Floor Plans of Building including area comprising this business	No minimum area required.	Approximately 1,418 square feet business
93.22.00 (G.4) Security Plan	Security plan is required:	As noted in attached application:
93.22.00 (G.4.a.) Security System Requirements	Security cameras w/min 120 hrs of recording. Operated 24hr/day, 7days/week covering all areas as determined by the City Manager	120 hours of concurrent digital recordings operating 24/7. (Conforms)
93.22.00 (G.4.b) Security System Requirements	Security Alarm operated and monitored by a recognized security company	ADT Security: installer and maintenance contractor. (will conform when installed as proposed)
93.22.00 (G.4.c) Control of Entrances	Entrance locked at all times and controlled by staff	Provided (see application)
93.22.00 (G.4.d) Outdoor Lighting Requirements	Windows and entrances / conform to the City's outdoor lighting ordinance.	Existing lighting at site. (Conforms)
93.22.00 (G.4.e) Windows & Marijuana Storage requirements	Windows secured, marijuana securely stored. Maintain a clear view into the premises	Windows secured. (Conforms)
93.22.00 (G.5)		

Contact information required	Name address of manager and employees and statement on criminal background.	Carlo Pablo; Owner 915 Crossley Road Palm Springs, CA 92264
93.22.00 (G.6) Property Owner requirements	Name & address of Owner and lessor of property; notarized acknowledgement from bldg. owner that a MCC will be operated on his/her property	Ernie Noia 919 Crossley Road Palm Springs, CA Acknowledgement submitted (conforms)
93.22.00 (G.7) Release of Information Requirements	Authorization for City Mgr to verify information.	Provided.
93.22.00 (G.8) Proof of Business Establishment	Non-profit cooperative, in accord w/the Compassionate Use Act	Conforms
Building Area comprising this business	No minimum required.	Approximately 1,418 square feet
93.22.00 (K.2.) Hours of Operations restricted	Between 9 am and 7 pm Monday through Saturday only	Conforms
93.22.00 (K.9, & 10) Signage	No smoking/consuming marijuana on premises sign and name of business sign only	Separate sign application required.

DISCUSSION OF ACCEPTABILITY OF APPLICANT AND SUITABILITY OF PROPOSED LOCATION.

As noted in the table above, this application does not conform to the following requirements of the Medical Cannabis ordinance:

- Location in a multi-tenant center with commercial retail as primary uses.

- Off-street parking
- Unable to complete background criminal activity checks

Further explanation of each nonconforming condition is outlined below.

Medical Cannabis Cooperative prohibited in multi-tenant centers with primary commercial-retail uses. Section 93.22.00(C) requires medical cannabis cooperatives to not be located in multi-tenant centers where commercial retail uses are the primary use. The Indian Oasis center is primarily a commercial-retail use center. The applicant has submitted a letter seeking relief from this requirement.

Off-street parking. Section 93.22.00(E) requires 1 parking space for every 250 square feet of collective. For this collective at 1,418 square feet, six spaces are required. The building at Indian Oasis Crossing is a multi-tenant complex with a total of approximately 22,200 gsf. Multi-tenant centers are parked at 1 space for 250 gsf or 89 spaces. The existing multi-tenant development was approved in 2005 with 80 off-street parking spaces in a lot to the east of the building, thus the entire center is short approximately 10%. Currently there are many vacant tenant spaces at the subject parcel and parking is not anticipated to be a problem. However once fully leased, there is the potential that this center may require people to park on the side streets.

Federal criminal background data not available. Section 93.22.00 (G) requires the City Police Department to run criminal background checks on all owners and employees of the collective. The applicant has submitted a release, however as of the writing of this staff report, national database systems have not been able to confirm all individuals associated with this application. Staff anticipates release of this information shortly.

93.22.00 (H) BACKGROUND CRIMINAL CHECK

The Palm Springs Police Department has evaluated the information provided by the applicant and identified the following statistics and data as summarized from their June 18, 2009 memo (attached):

Live Scan electronic fingerprinting was conducted on the following persons and the following are the results of the investigation:

<u>Status:</u>	<u>Name:</u>	<u>Findings:</u>
Owner:	Carlo Pablo	pending
Managing Director	Steve Aray	pending
Employee	Anthony Brown	pending
Employee	Christopher Hauser	pending
Employee	Jasmin Enruqiez	pending
Employee	Jason Duran	pending
Employee	Celso Cruz	pending
Employee	Sergey Vovk	pending
Employee	Edith Duran	pending

Employee	Melody Enriquez	pending
Employee	Daniel Sarmiento	pending

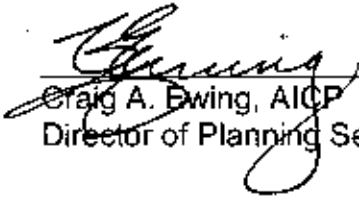
The Live Scan obtained information from the State of California database, but no Federal data was obtained

ENVIRONMENTAL ASSESSMENT

Pursuant to the California Environmental Quality Act (CEQA) Guidelines, the permitting or entitlement of use by a public agency is deemed a project. This application is therefore determined to be a project under CEQA. The City has evaluated the project and determined that it is Categorical Exempt in accordance with CEQA Section 15303 "New Construction or Conversion of Small Structures".



Ken Lyon
Associate Planner



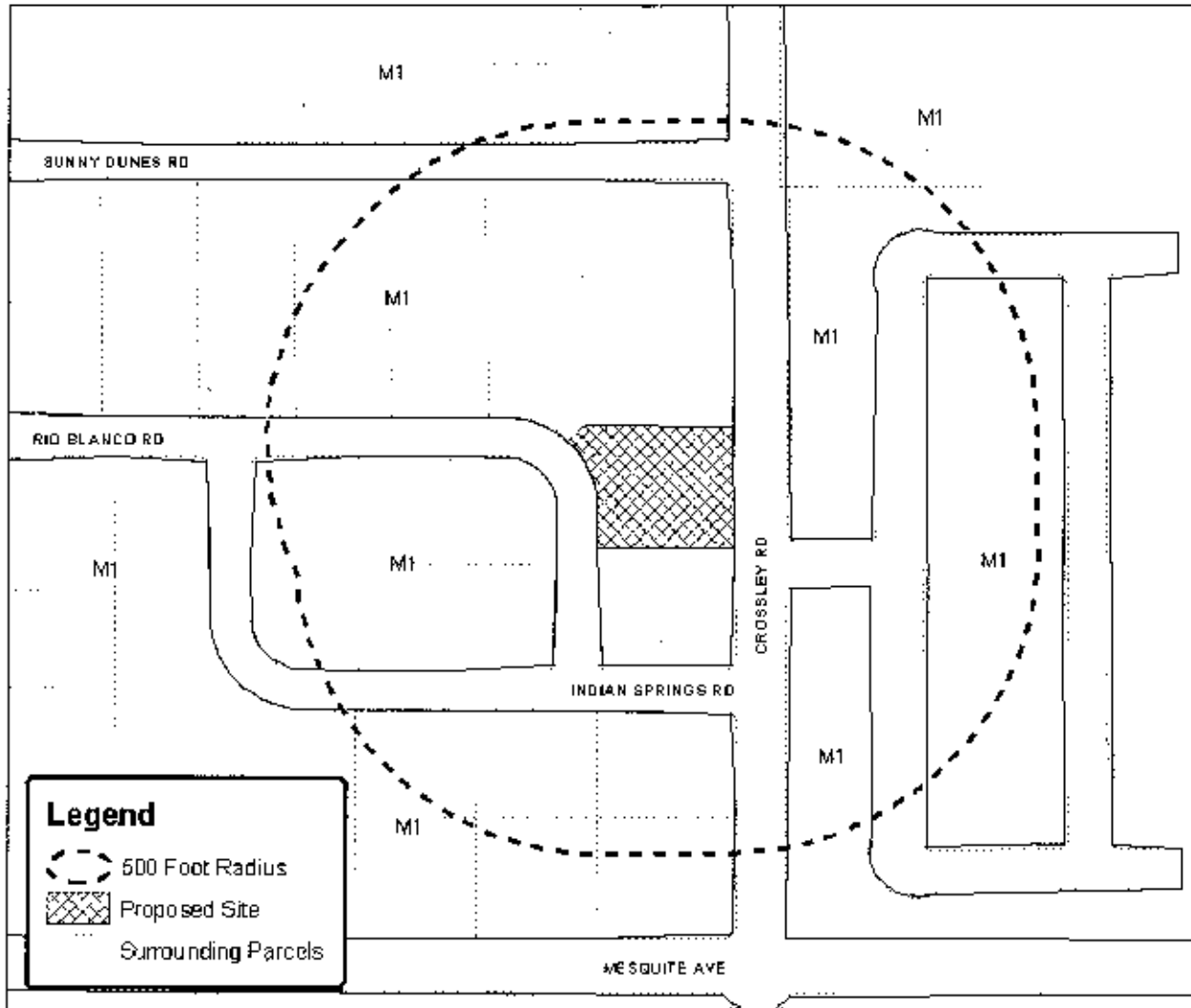
Craig A. Ewing, AICP
Director of Planning Services

ATTACHMENTS

1. Vicinity Map
2. Application including site, plans, photos and letters.



Department of Planning Services Vicinity Map



CITY OF PALM SPRINGS

CASE NO: MC 09-010

APPLICANT: Desert Valley Patients Association

DESCRIPTION: Application for a medical cannabis cooperative/collective at 905 Crossley Road.



CITY OF PALM SPRINGS
Department of Planning Services

Office Use Only

Date Submitted:	7/6/09
Case No:	09-010
Planner:	Gh

**APPLICATION FOR MEDICAL CANNABIS
COOPERATIVE OR COLLECTIVE (MC)**

**Please read carefully to ensure application is accurate and complete.
Inaccurate or incomplete applications may be rejected.**

TO THE APPLICANT:

Your cooperation in completing this application and supplying the information requested will expedite City review of your application pursuant to local procedures. Applications submitted will not be considered complete until all submittal requirements are met.

Please submit this completed application and subsequent material to the Department of Planning Services at 3200 East Tahquitz Canyon Way, Palm Springs, CA 92262 - Phone: 760-323-8245 - Fax: 760-322-8360

Cooperative / Collective Site Address: 905 CROSSLEY RD. PALM SPRINGS CA 92264

Applicant's Name: CARLO PABLO

Applicant's Signature: Carlo

Mailing Address: 905 CROSSLEY RD.

PALM SPRINGS (Street Number and Name or P.O. Box) CA 92264
City State Zip Code

Applicant's Telephone: RES: _____ BUS: 760 699 5705 CELL: 760 408 7982

FAX: _____ Applicant's E-Mail: BALUTBUDDY@YAHOO.COM

(If Applicant is leasing the Cooperative / Collective Site please list the Property Owner's contact information.)

Property Owner's Name: ERNIE NOIA

Property Owner's Mailing Address: 919 CROSSLEY RD

PALM SPRINGS (Street Number and Name or P.O. Box) CA 92264
City State Zip Code

Property Owner's Telephone: RES: _____ BUS: 760 323 3516 CELL: _____ FAX: _____

Property Owner's E-Mail: _____

COOPERATIVE / COLLECTIVE SITE INFORMATION:

Gross Square Footage of proposed business space: 1418 FT² Assessor's Parcel Number: 680 562 002
L.A. 20 4 5 M.C.

If Cooperative / Collective Is in a Multi-Tenant Building List other Businesses:

LA PERLITA
Business Name

BLACKHAWK CIGARETTES
Business Name

LV NAILS
Business Name

PA COMPUTERS
Business Name

NOIA LEASING OFFICE
Business Name

SELECT STAFFING
Business Name

RESTAURANT
Type of Business

TOBACCO SALES
Type of Business

NAIL SALON
Type of Business

COMPUTER SALES/REPAIR
Type of Business

PROPERTY MANAGEMENT
Type of Business

JOB PLACEMENT PROGRAM
Type of Business

AGUA CALIENTE GAMING COMMISSION PROTECTING GAMING ASSETS



The following items must be completed and accompany the Medical Cannabis Cooperative / Collective Application (MC): Please check off each item to ensure completeness.

	Applicant Only	City Use Only
Application & Fee:		
❖ Original completed Application & \$7,500 Deposit	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Detailed Site Plan:		
❖ 11" X 17" or 24" X 36" <u>Site Plan</u> and floor plan : Indicate <u>north arrow</u> , <u>site address</u> ; floor plan; doors, entrances, windows, <u>use of each area</u> , including storage and cultivation areas; exterior lighting & security cameras; restrooms; signage & parking for the business.	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Off Street Parking requires 1 parking space for every 250 gross square feet of business space (If proposed business location is within a multi-tenant building, the site plan must show adequate parking for all businesses located on that site).	<input type="checkbox"/>	<input checked="" type="checkbox"/>
❖ An electronic file in PDF format may also be submitted on a CD (Compact Disc)	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Photographs of Existing Site:		
❖ Photographs of site showing front, back and sides of building, lighting parking, etc.	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>

MEDICAL CANNABIS COOPERATIVE / COLLECTIVE APPLICATION CHECKLIST

Submittal Requirements: The following information shall be submitted on white single-sided 8½" x 11" paper using either MS WORD or text-readable PDF format:

	Applicant Only	City Use Only
Group Size:		
❖ Estimated number of caregivers: <u>10</u>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
❖ Estimated number of qualified patients: <u>2200</u>		
❖ Will delivery service be provided? (yes/ <u>no</u>) (Circle one)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
If yes, describe the extent and method of the delivery service to be provided for each qualified patient.		
Site Requirements:		
Security Plan:		
❖ Number of security cameras or zones with a listing of the areas covered. Confirmation that security system shall be provided with 120 hrs of digitally recorded documentation and cameras shall be in use 24 hours per day, 7 days per week.	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
❖ Alarm system & security camera monitoring company's contact information.	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
❖ Entrances, windows, and cannabis storage lighting and security methods. (Indicate lighting & security for the above mentioned on Site Plan as well as a written description.)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Cooperative / Collective staff contact & criminal background information:		
❖ Name, address, telephone number of all managers, staff, applicant and owner. Include a statement as to whether such person(s) has or have been convicted of a crime, nature of the offense and the sentence received for such conviction.	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
❖ Notarized acknowledgement from owner of the building that a Medical Cannabis Cooperative / Collective will be operating on his / her property.	<input type="checkbox"/>	<input type="checkbox"/>
❖ Evidence that Cooperative / Collective is organized as a bona fide non-profit comprised, exclusively and entirely, of qualified patients and the primary caregivers of those patients in strict accordance with the Compassionate Use Act.	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
❖ Background Check Authorization Form. (Signed document giving The City of Palm Springs authorization to run background check on applicant and associates.	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>



Bob Belanger
Security Representative
CCTV Systems

ADT Security Services
1120 Palmyra Ave. #280
Riverside, CA 92507

Tel: 909 376 6231

Fax: 951 787 8276

CA Contractors License #707408

Consumer Affairs #A004227

www.adt.com

A Tyco International Company

(909) 818-554-2830

Security Plan

Security cameras: 7

Zones covered: outside view of Rear Entry/ Exit, View of who enters through rear door, view of patients in the dispensary area, 360 degree view from ceiling of dispensary area, view of patients who are at receptionist window, view of lobby, outside view of front entry

ADT monitors both alarm and cameras for the required amount of time.

Contact info :

Bob Belanger

Security Representative

909-376-6231

Submittal requirement #4

The following undersign hereby declare, under penalty of perjury, have not been convicted of any crime(s) or have received any sentences for criminal convictions:

The following also give authorization to run a background check.

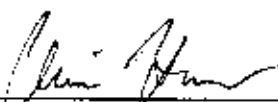
sign  date 7-5-09

Anthony Brown

67430 Tamara Ln.

Cathedral City, CA 92234

Tel #: 760-250-3890

sign  date 7-6-09

Christopher Hauser

1200 S. Palm Canyon #1

Palm Springs, CA 92262

Tel #: 760-641-7612


sign  date 7/5/09

Jasmin Enriquez

3155 E. Ramon Rd #102

Palm Springs, CA 92264

Tel #: 760-641-6169

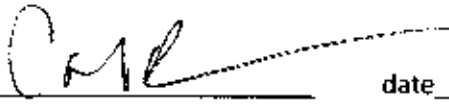
sign  date 7/6/09

Jason Duran

4020 E. Calle San Antonio

Palm Springs, CA 92264

Tel #: 760-902-2834

sign  date 07/06/09

Carlo Pablo

76752 New York Ave

Palm Desert, CA 92211

Tel #: 760-408-7982

sign  date 7/06/09

Celso Cruz

3155 E. Ramon #102

Palm Springs, CA 92264

Tel #: 760-641-6765

sign Serg Vovk date 7.5.09

Sergey Vovk

9486 Palm Dr.

Desert Hot Springs, CA 92240

Tel #: 760-898-3248

sign Edith Duran date 7/6/09

Edith Duran

4020 E. Calle San Antonio

Palm Springs, CA 92264

Tel #: 760-902-8164

Sign Melody Enriquez date 7/6/09

Melody Enriquez

3155 E. Ramon Rd. #102

Palm Springs, CA 92264

Tel #: 760-534-6377

sign Daniel Sarmiento date 7/6/09

Daniel Sarmiento

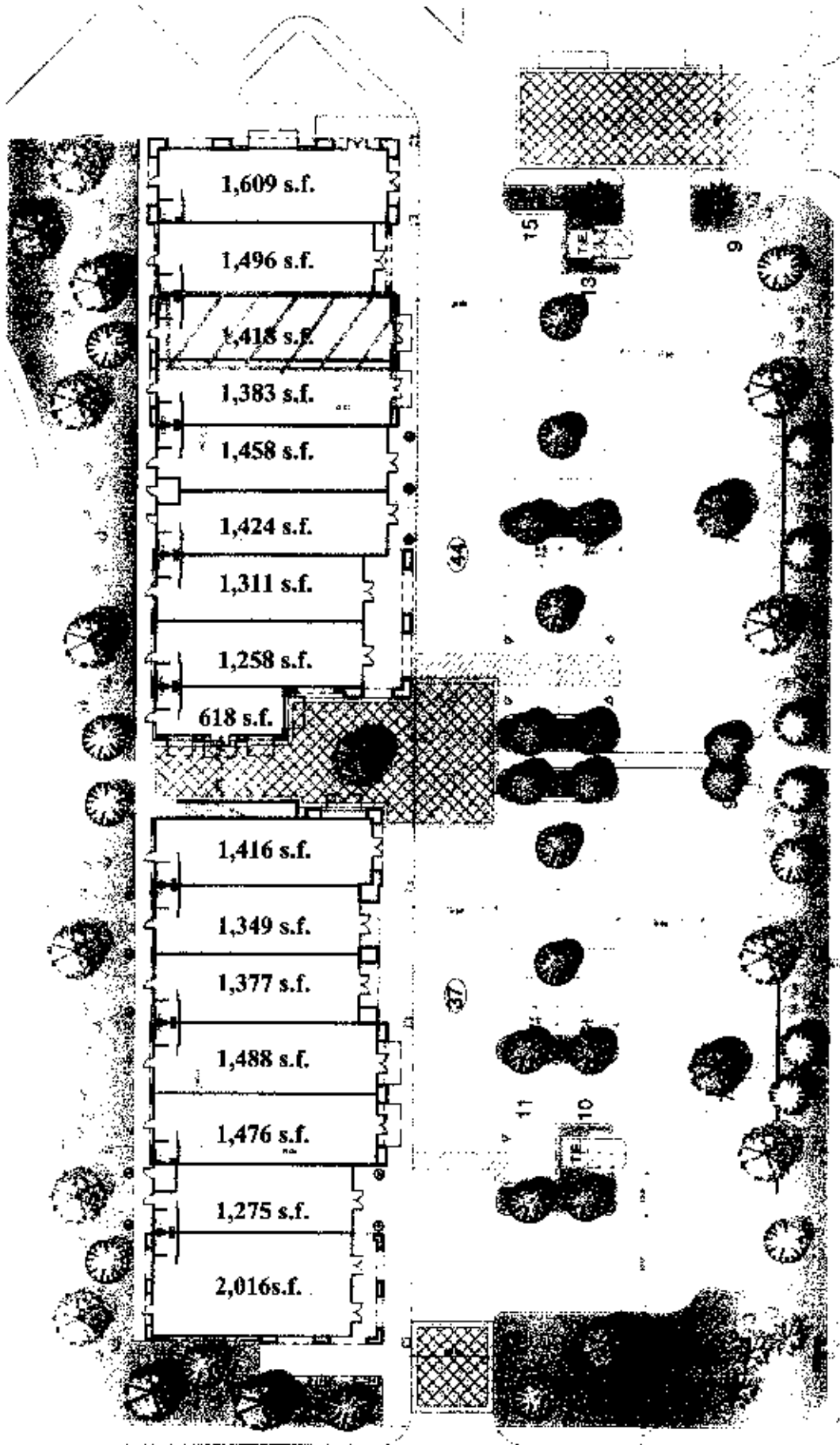
1200 S. Palm Canyon #3

Palm Springs, CA 92262

Tel #: 909-967-0267

SITE PLAN
STANDARD RETAIL/MULTI-TENANT LEASE - NET

3,2761



CROSSLEY ROAD

INDIAN SPRINGS ROAD

MC
09-010

387

**ADDENDUM TO
STANDARD RETAIL/MULTI-TENANT LEASE - NET**

By and Between (Lessor): NOIA BUILDING L.P.

(Lessee): MICHELLE SONS

Address of Premises: 905 Crossley Road, Palm Springs, California

THIS ADDENDUM TO STANDARD RETAIL/MULTI-TENANT LEASE - NET ("Addendum") is entered into as of the date of the foregoing Standard Retail/Multi-Tenant Lease - Net, AIR Commercial Real Estate Association to which this Addendum is appended ("Lease"), by and between NOIA BUILDING L.P., the Lessor under the Lease, and the Lessee set forth above.

The parties' mutual execution of this Addendum shall be deemed to incorporate the terms and provisions of the Lease, as modified by this Addendum. This Addendum (when executed by Lessor and Lessee), together with the Lease, shall constitute the binding contract between the parties, and shall not be binding until signed and delivered by all parties.

All sections and paragraphs of the Lease that are affected by the terms and provisions of this Addendum shall be deemed modified, whether or not specifically mentioned by section/paragraph number.

In the event of any ambiguity or inconsistency between the terms of this Addendum and the terms of the Lease, the terms of this Addendum shall control. All initial-capitalized terms used in this Addendum that are not expressly defined herein shall have the same meanings as are ascribed to such terms in the Lease.

All references in this Addendum or in the foregoing Lease to the "Lease" shall mean and refer to the foregoing Lease, as modified and supplemented by this Addendum.

51. LEASE SUBJECT TO MASTER LEASE AND OTHER GOVERNING DOCUMENTS. The Premises comprise a subleasehold interest in a unit in the Indian Oasis Plaza Retail Center at the address set forth in the Lease. This Lease shall be subject to, and Lessee, in its use of and conduct of its business upon the Premises, shall not cause or permit any violation or breach of, all of the following documents ("**Governing Documents**"), copies of which are available at the request of Lessee and all of which are hereby incorporated into this Lease by this reference:

51.1 Master Business Lease No. PSL-350 dated November 8, 2001 between Darlene Diaz Sanchez (Allottee No. 109 of the Agua Caliente Band of Caluilla Indians) ("**Master Lessor**"), and MidValley Business Park, L.P., a California limited partnership, as lessee ("**Master Lessee**"), which was approved by the U.S. Department of the Interior, Bureau of Indian Affairs ("**Secretary**") on March 3, 2004, as amended by that certain Amendment No. 1 to Business Lease No. PSL-350, dated October 3, 2005 and approved by the Secretary on January 25, 2006 (as it may be further amended from time to time, the "**Master Lease**").

51.2 Sublease BP-105 Under Master Lease No. PSL-350 dated November 1, 2005 between MidValley Business Park, L.P., a California limited partnership, as Lessor, and Native Development Corporation, a California corporation, as lessee, which was approved by the Secretary on January 25, 2006. Said Sublease BP-105 was assigned to Noia Building, L.P. under that certain Assignment, Acceptance of Assignment and Consent dated August 8, 2006, which was approved by the Secretary on August 15, 2006 (as it may be amended from time to time, the "**Sublease BP-105**"). Sublease BP-105 is a sublease under the Master Lease and covers a portion of the property under the Master Lease, including the Premises.

51.3 Declaration of Covenants, Conditions and Restrictions for Oasis Plaza. A Declaration of Covenants, Conditions and Restrictions for the Oasis Plaza Retail Center may be recorded at some time after the execution of this Lease ("**CCRs**"). Lessee hereby agrees that (a) this Lease, and Lessee's interest in the Premises, will be subordinate to the CCRs, and the CCRs

will be a Governing Document as defined herein; and (b) Lessee shall, within ten (10) days after Lessor's request, execute and return all documents and instruments that in Lessor's reasonable judgment are necessary or appropriate to implement such subordination. In the event Lessee fails to timely execute and return said documentation to Lessor in the time stated herein, then Lessee hereby appoints Lessor as Lessee's attorney-in-fact, and Lessor is given the full authority to execute said documentation, as delivered to Lessee, on behalf of Lessee. Lessor's failure to timely comply with the requirements of this Section shall constitute a material breach of and default under this Lease, and the cure provisions set forth in the Lease shall not apply. Lessor shall include in the CCRs anything that adversely affects Lessee's rights under the Lease without Lessee's written approval, which shall not be unreasonably withheld, conditioned or delayed.

This Lease, and the interest of Lessee and any sublessee in the Premises, are subject to all of the terms, covenants, conditions and restrictions set forth in the Governing Documents and the rights and interests of the parties thereto. In the event of any conflict between this Lease and the Governing Documents, the terms and conditions of the Governing Documents shall prevail. Any violation by Lessee, or caused by Lessee, under the Governing Documents shall automatically constitute a breach of this Lease.

52. **INDIAN OASIS RETAIL PROJECT SITE.** Lessee acknowledges that the building floor plan sets forth proposed general layouts, and shall not be deemed a representation by Lessor that the project shall be constructed as indicated thereon or that any tenants or occupants designated by name or nature of business thereon shall conduct business in the project during the lease term. The project developer and owner may increase, decrease or change the size, shape, number, location, use and dimensions of the buildings, the premises therein, driving lanes, driveways, walkways, pedestrian areas, common areas and other improvements, and have the right to make additions and alterations to all improvements constructed within the project; *provided, however*, that, without Lessee's approval, Lessor shall not modify the Premises in a manner that would materially adversely affect Lessee's rentable square footage.

53. **ASSIGNMENT AND SUBLEASES.** In addition to the requirements of the Lease, any assignment or subleasing of the Premises by Lessee shall be subject to the consent and other requirements of the Governing Documents.

54. **ATTORNEY GENERAL OPERATIONAL GUIDELINES.** It is understood and agreed by the Lessee that its use shall be conducted in accordance with the existing Attorney General Guidelines for a Cooperative or Collective, a copy of which is incorporated herein in its entirety. Failure to do so shall be considered a default under this Lease.

55. **RENT CONCESSIONS.** Provided the Lessee is not in default under the terms of this Lease Agreement, during the initial two year term Lessee shall be entitled to free rent for the months of January, July and August of 2009 and August 2010. If Lessee exercises its option to extend for two additional years the Lessee shall be entitled to half rent for August 2011. Notwithstanding the free rent set forth herein Lessee shall pay common area charges for those months except for January 2009.

Lessor:

NOIA BUILDING L.P., a California Limited Partnership
Noia Investments, Inc., a California Corporation - Its General Partner

By: _____

Ernest G. Noia, Vice-President

12/23/08
Date

Lessee:

MICHELLE SONS dba HEAVEN SENT HERBS

By: _____

MICHELLE SONS

12-22-08
Date

**DESERT VALLEY PATIENTS COLLECTIVE ASSOCIATION
ARTICLES OF ASSOCIATION AND BY LAWS**

THIS AGREEMENT (hereinafter "AGREEMENT"), on March 1, 2009 is by and between the undersigned individuals who are current members of the Desert Valley Patients Association (hereinafter "MEMBERS") and by its execution by the undersigned, agrees the name of the Desert Valley Patients Association be changed to the Desert Valley Patients Collective Association (herein after " Association") and also, that this Agreement amends and modifies any and all prior agreements, articles and or by laws relating to the Desert Valley Patients Association hereinafter to be known as the Desert Valley Patients Collective Association and that this Agreement shall be known and here after referred to as Desert Valley Patients Collective Association Articles and By Laws. It is the intent of the current members of the Desert Valley Patient Association to maintain the continuity, integrity, and continued operation of the Desert Valley Patients Association and by this Agreement in no way intend to terminate the existence of the Desert Valley Patients Association but merely amend and modify the preexisting Desert Valley Patients Association Agreement dated March 21, 2007.

Any person joining the Association subsequent to the date of this Agreement , or on any date any current member agrees this agreement, shall be bound by its terms. It is understood, and the members agree, that the terms and conditions of this Agreement supercede the terms and conditions of any prior agreement relating to the Desert Valley Patients Association its articles of association or by laws.

WHEREAS, On November 6, 1996, the people of the State of California enacted the Compassionate Use Act of 1996 (hereinafter the "act") codified in Section 11362.5 of the Health and Safety Code, in order to allow seriously ill residents of the state, who have

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the oral or written approval or recommendation of a physician, to use marijuana for medical purposes without fear of criminal liability under Sections 11357 and 11358 of the Health and Safety Code.

WHEREAS, To clarify the scope of the application of the act and facilitate the prompt identification of qualified patients in order to avoid unnecessary arrest and prosecution of these individuals and provide needed guidance to law enforcement officers, the legislature enacted Senate Bill 420 (hereinafter S.B. 420), codified in California Health and Safety Code Section 11362.7 et. seq.

WHEREAS, it is the declared intent of the legislature by enacting S.B.420 to, inter alia, enhance the access of patients and caregivers to medical marijuana through collective, cooperative cultivation projects.

WHEREAS, California Health and Safety Code Section 11362.775 states that Qualified patients, persons with valid identification cards, and the designated Primary Caregivers of qualified patients and persons with identification cards, who associate within the State of California in order collectively or cooperatively to cultivate marijuana for medical purposes, shall not solely on the basis of that fact be subject to state criminal sanctions under Sections 11357, 11358, 11359, 11360, 11366, 11366.5, or 11570 of the California Health and Safety Code

WHEREAS, it is the intent of the parties, by this Agreement, to form, operate, and maintain an association of qualified medical marijuana patients for the purposes of inter alia, cultivating, acquiring and or distributing marijuana to qualified patients for medical purposes pursuant to California Health and Safety Code Sections 11362.7 et. seq. and specifically pursuant to California Health and Safety Code Sections 11362.775 and for those additional purposes set forth herein below.

WHEREAS, it is the intent of the parties that the Association be designated as The Desert Valley Patients Collective Association (herein after "Association").

WHEREAS, it is the intent of the qualified patients, as parties to this Agreement, that they shall upon execution of this Agreement, become members (hereinafter "Members") of the Association.

WHEREAS, it is the intent of the Members that all parties signatory to this Agreement, and all qualified patients who here after may become Members of the Association, be bound by this Agreement and any by-laws, rules, or membership requirements of the Association hereafter adopted by the Association.

NOW, THEREFORE, in consideration of the premises and the mutual covenants herein contained, the Qualified Patients, as parties or signatories to this agreement, agree as follows:

PURPOSE OF AGREEMENT

1. The purpose of this Agreement is to form an Association among qualified patients as defined by California Health and Safety Code Section 11362.5 and California Health and Safety Code Section 11362.7 et. seq in order to collectively and cooperatively cultivate marijuana for medical purposes, to provide for the safe and affordable acquisition and or distribution of medical marijuana to members of the Association according to physician recommenced amounts or amounts provided by law, and to provide assistance in the cultivation, acquisition and or distribution of medical marijuana to members. This agreement shall, inter alia, set forth the terms and conditions of membership and the rights, duties and obligations thereof.

PURPOSE OF THE ASSOCIATION

2. The members understand and agree the purpose and or object(s) of the Association is (1) the collective and or cooperative cultivation, acquisition, possession

and or distribution by the members of the Association of marijuana for medical purposes for the use and benefit of the members; (2) To provide members safe and affordable access to marijuana for medical purposes without fear of criminal liability; (3) To provide for the safe and affordable distribution of marijuana to members of the Association at a reasonable cost to the members, (4) to enhance safe access of members to medical marijuana through collective cultivation project(s) and distribution of the products of such projects(s)(5) to provide health and counseling services related to medical marijuana to the members of the Association, (6) to advance and disseminate practical or technical knowledge and information to the members and or general public regarding medicinal uses of marijuana, (7) To promote public awareness of the issues relating to medical marijuana and (8) to effect and influence legislative and regulatory agencies to promote laws, rules, regulations and policies beneficial to the Association, its members, and the community of qualified patients at large. **The Association shall be, if applicable, a Nonprofit Association within the meaning of California Corporations Code Section 18020 whereby it is an unincorporated association with a primary common purpose other than to operate a business for profit.**

The members understand and agree that no marijuana shall be used, possessed or distributed to any person for any reason whatsoever who is not a member of the Association.

COLLECTIVE OR COOPERATIVE CULTIVATION PROJECT

3. The members understand and agree that this Agreement authorizes the execution of a collective or cooperative medical marijuana cultivation project(s) as authorized by

Health and Safety Code Section 11362.7, Section 1(b)(3) and or 11362.775 (hereinafter "Project"), and any agreements attendant thereto, by the Governing Board chairman as directed by the Governing Board of the Association if formed pursuant to the Agreement herein, or by the Managing Directors acting on behalf of the Association. The members understand and agree that the product(s) of such project(s) is and shall become the collective property of the Association and its members, that the Association shall acquire, hold and manage such property for the benefit of the members collectively and which product shall be for the sole use and benefit its members. Each member shall have the right to obtain and use such property only so long as they are members of the Association and payment of their pro rata share of the costs of operation of the Association as represented by that portion of the such property acquired, from time to time, by that member is received by the Association.

Each member shall contribute to the project their time, effort, labor, advice, support (financial or otherwise), technical or administrative assistance according to ability, expertise, knowledge, technical training, or experience of the member on an as needed basis upon the reasonable request of the Managing Directors.

It is understood by the members herein that one or more members may cultivate medical marijuana for the benefit of the Association and that the costs and expenses associated with such cultivation and processing and or distribution to members shall be borne by the Association through its members on a pro rata basis as reflected by the pro rata cost of each members physicians recommended medical marijuana as more fully explained below.

CONTRIBUTION BY PRO RATA SHARE

4. The members understand and agree that each member shall contribute funds to the project(s), on a pro rata basis, which shall be accomplished by payment to the Association through the Managing Directors and or staff or employees of the Managing

Directors or Association. The members understand and agree that any pro rata payment to the Association are used to insure continued operation of the Association and that any such transaction in no way constitutes commercial promotion.

Such funds paid to the Association on a pro rata basis shall be that amount necessary to provide for the (1) costs of acquisition, cultivation, processing, transporting, distribution and or delivery of medical marijuana by the Association to its members, (2) for salary and other compensation for services rendered to the Association and or its members by the Managing Directors or other employees of the Association, (3) for costs associated with rent, utilities, or other fixed or variable expenses associated with any location operated by, for or on behalf of the Association (4)for costs and expenses advanced on behalf of the Association , (5) for such other debt or obligation incurred by the Association on its behalf and for its benefit, and (6) reserve funds for potential civil or criminal liabilities of the Association and or the Managing Directors or employees thereof. The amount of any reserve fund for potential civil or criminal liabilities may be determined by the Governing Board or in it's absence, the Managing Directors..

The members agree that each pro rata payment as mentioned above may be deferred until such time as the member acquires his or her medical marijuana from the Association. The members understand and agree that acquisition of medical marijuana by the Association may occur on a regular, irregular or periodic basis, depending on the needs of each member, and that the pro rata contribution of each acquiring member shall be paid upon acquisition of each members physicians recommended or lawfully possessable amount as they occur.

However, the members understand and agree that indigent or low income qualified members may obtain medical marijuana at no or discounted cost based upon need and ability to pay. Indigent and low income members may be required to provide to the Association if directed by the Managing Directors, an income and expense declaration signed under penalty of perjury. The Managing Directors shall, in their

reasonable discretion, compute that members pro rata share that bears a reasonable relation to the member's ability to pay. The difference between the pro rata payment by non-indigent members and indigent or low income members shall be borne by the Association members as a whole.

COMPENSTATION FOR SERVICES RENDERED

5. The members understand and agree that the designated Managing Directors and other employees of the Association shall be entitled to salary and other compensation for services provided to members of the Association. The Managing Directors or any employee of the Association shall be a qualified patient as required by law and must be a member of the Association. Loss of legal status as a qualified medical marijuana patient under applicable California law is and will be grounds for immediate termination of employment of any employee or Managing Directors without notice, other provisions of this Agreement notwithstanding.

The members understand and agree that the pro rata share as mentioned above to be paid to the Association shall include the salary and other compensation of the Managing Directors and or other employees of the Association and also for out of pocket expenses incurred, if any, by the Managing Directors or employees of the Association on behalf of the Association.

The members understand and agree that due to the unsettled nature of the law regarding the collective or cooperative cultivation, acquisition, possession and or distribution of medical marijuana by and to the members of the Association, and that legal action against the Association, the Managing Directors, or both, whether criminal or civil in nature, may result from the activities of the Association, the Managing Directors, employees of the Association, or any of them, the salary of the Managing Directors, and or any employees of the Association, for services rendered to the Association shall take

into consideration and incorporate those factors associated with potential risks of civil or criminal liabilities and or penalties.

The salary and or other compensation of the Managing Directors shall be fixed annually by the governing board of the Association if formed pursuant to this Agreement, or in its absence, by the Managing Directors. The salaries or other compensation of the employees of the Association shall be determined by the Managing Directors at their sole discretion.

CONDITIONS OF MEMBERSHIP

6. Each member of the Association shall be a qualified medical marijuana patient pursuant to California Health and Safety Code Section 11362.5 and 11362.7 et. seq. The members understand and agree that each member shall not be required to pay to any membership fee. However, the governing board, or the Managing Directors in its absence, shall have the authority to charge a membership fee upon thirty days notice to members.

7. The members understand and agree that, in the absence of a written recommendation by a licensed physician and upon request by the Managing Directors, each member shall execute an affidavit of truth under penalty of perjury wherein it shall be stated that a medical doctor has recommended or approved his or her use of cannabis for treatment of a serious disease or illness.

8. The members understand and agree that the medical marijuana cultivated for the members of the Association may be cultivated by other members of the Association at various locations throughout the State of California for the use and benefit of the members of the Association. The members understand and agree the amount of medical

marijuana cultivated and or possessed by the Association shall be based upon the membership of the Association multiplied by that amount allowed by law for of each member to possess. It is further understood that each member shall be allowed their pro rata share of any medical marijuana so cultivated or possessed upon payment to the Association of their pro rata share of the costs to the Association as mentioned in this Agreement.

9. The members understand and agree that all the medical marijuana cultivated, obtained or possessed by the Association is the property of the members collectively without any individual right of possession, dominion or control of any of said property absent payment, as mentioned above, of that members pro rata share of the costs associated with the operation of the Association, as mentioned above, and then only will the member be allowed to acquire only that quantity as allowed by law.

10. The members understands and agrees that each member shall sign an authorization for release of medical information in favor of the Association for the limited purpose of verification of a physicians recommendation for the use of medical marijuana for the treatment or relief of a serious disease or illness. The Association shall not in any way use or disclose said medical information except as expressly authorized by this Agreement, nor shall said medical information be released to any third parties unless authorized in writing by the member, by order of a court of competent jurisdiction, as otherwise required by the laws of the State of California, or as expressly authorized by this Agreement. However, voluntary disclosure by the member of any information acquired by the Association resulting from the authorization for release of medical information to any third party shall constitute a waiver of this paragraph by the member.

11. The members understand and agree that each member shall provide to the Association upon execution of this Agreement or upon application for membership in the Association, which ever occurs first, a physician's recommendation, signed by a physician, for the use of medical marijuana. Each member understands and agrees that failure to provide said recommendation shall be grounds for denial of membership.

12. The members understand and agree that each member shall provide to the Association upon execution of this Agreement or upon application for membership in the Association, which ever occurs first, a valid California driver's license, a valid California identification card or a valid U.S. Passport. Each member understands and agrees that a copy of said identification will be made by the Association and maintained by the Association as part of the membership records. The Association shall not in any way use or disclose said identifying information except to verify identity of the member or as expressly authorized by this Agreement, nor shall said identifying information be released to any third parties unless authorized in writing by the member, as expressly authorized by this Agreement, by order of a court of competent jurisdiction or as required by the laws of the State of California.

13. The members understand and agree that each member may, at the discretion of the governing board, or in its absence, the Managing Directors, be issued a document or card identifying the member as a member of the Association. If so issued, each member shall present said document or card upon request for acquisition of medical marijuana from the Managing Directors or from the Association. At the sole discretion of the Managing Directors, failure to present said document or card shall result in denial of the request for acquisition of medial marijuana.

14. The members understand and agree that distribution and or resale of medical marijuana acquired through the Association to any non- member of the Association shall result in immediate termination of membership from the Association.

CONFIDENTIALITY OF MEMBERSHIP

15. The members understand and agree the membership list and identity of members of the Association shall remain confidential and The Association, no individual member, in any way shall use or disclose said list, identity or identity information except as expressly authorized by this Agreement, nor shall said list or identity be released to any third parties unless authorized by the member, by order of a court of competent jurisdiction, as otherwise required by the laws of the State of California, or as expressly authorized by this Agreement. However, voluntary disclosure by the member of membership in the Association to any third party not a member of the Association shall constitute a waiver of this paragraph by the member. Disclosure by a member of the identity of another member without the consent of that member shall be grounds for termination of membership of the disclosing member in the Association.

However, the members understand and agree the disclosure of the existence of the Association is expressly authorized by this Agreement, and the Association or the Managing Directors may disclose said existence to third parties. However, disclosure of the existence of the Association shall exclude the identities of the members unless authorized pursuant to paragraph 15.

VERIFICATION OF RECOMMENDATION

16. Each member understands and agrees the Association shall verify each member's physician recommendation upon application for membership or within 72 hours thereof. Each member understands that failure of the Association to verify each member's physician recommendation shall be grounds for denial or termination of member's membership in the Association. The member understands and agrees that no medical marijuana shall be distributed to the member without verification, by the Association or the Managing Directors, of the member's doctor recommendation.

GOVERNING BOARD

17. The members understand and agree that they may form a Governing Board for the Association. Should the members desire to form a Governing Board, such formation must be approved by a majority of the members present at a membership meeting by written ballot approving such formation. Notice of such meeting shall be given to members by electronic or postal mail. Such notice shall designate the time and place of such meeting and such meeting shall occur no less than ten days from date of notice by electronic means or twelve days if by postal notice. Upon approval of such formation, the election of the Governing Board shall occur upon vote of the majority of the members then present at a membership meeting. Notice of such meeting shall be given to members by electronic postal mail. Such notice shall designate the time and place of such meeting and such meeting shall occur no less than ten days from date of notice by electronic means or twelve days if by postal notice. Votes shall be cast by written ballot. The Governing Board shall serve for one year whereupon the election of a new committee shall occur on the anniversary date of the election of the previous committee.

The Governing Board shall consist of three members plus the Managing Directors. The Managing Directors shall not be an elected member.

If formed, the Governing Board shall have the discretion to draft any amendments to the bylaws of the Association. Such amendments, if drafted, shall be submitted and be approved within thirty days for adoption by a majority of the members of the Association present at a meeting called for that purpose. In the absence of such amendments to the bylaws of the Association, this Agreement shall serve as the governing rules and by laws of the Association.

DESIGNATION AND DUTIES OF THE MANAGING DIRECTORS

18. The members hereby agree that **Carlo Pablo and Steve Arey** shall be the designated Managing Directors of the Association until such time as he resigns or is removed by two thirds vote of the members of the Association. However, no termination of the Managing Directors, or either of them shall occur without thirty days written notice by the Governing Board to the Managing Directors.

The Managing Directors, by accepting said designation, shall be bound by the terms and conditions of the Agreement herein set forth as though the Managing Directors were a member of the Association.

It shall be the duty of the Managing Directors, or either of them, inter alia, to operate and manage in good faith the affairs, financial, business or otherwise, of the Association. It shall be the duty of the Managing Directors, or either of them, to keep and maintain, or cause to be kept and maintained in accordance with generally accepted accounting principles, adequate and correct accounts of the properties and the business transactions of the Association, including accounts of its assets, liabilities, receipts, and disbursements.

The Managing Directors, or either of them, shall deposit all moneys and other valuables in the name and to the credit of the Association with such depositaries as may be designated by the Governing Board, or in its absence, by the Managing Directors. It is

understood and agreed by the members of the Association that the Managing Directors, or either of them, are authorized hereby to provide for a depository in the discretion of the Managing Directors, or either of them, for the funds of the Association and is further authorized to deal with Association funds

It shall be the right, duty and responsibility of the Managing Directors, or either of them, to hire, direct, supervise, manage, and or terminate employees of the Association without interference from the members thereof or the Governing Board.

It shall also be the duty of the Managing Directors, or such employees so designated, to examine the quality and purity of the medical marijuana provided to the member(s) and to provide consultations with members regarding the quality, type, strain, quantity, and dosage and frequency of use medical marijuana used by the member with regard to that members medical condition illness, sickness, or disease. The Managing Directors shall be knowledgeable, either by education, training or experience, or any combination thereof, in the types or strains of medial marijuana provided to the member(s) and the effects and or efficacy of medical marijuana provided to the member as it relates to the medical condition, illness, sickness, or disease of the member.

It shall be the duty of the Managing Directors to properly label any container containing medical marijuana delivered to the member specifying that the user of the medicine should consult with his or her own physician when using such medicine in combination with other drugs or alcohol, that the medicine should not be used when operating machinery or driving a motor vehicle and that the medicine is not to be used or made available to anyone who does not have an oral or written recommendation by a licensed physician or a state issued identification card.

The Managing Directors shall provide, upon request of a member, delivery of medicine to the member, assistance in administering medicine, and or recommendation of physicians who provide medical services to qualified patients. The Managing Directors

shall also provide access to the services of attorney's knowledgeable of patients' rights under Health and Safety Code Sections 11362.5 and 11362.7 et. seq.

The members agree to designate, and by this Agreement is so designated, the Managing Directors as its agent for service of process as well as custodian of records for the purpose of possessing and maintaining the books, records, receipts, accounts, and any or all other records and documents of the Association relating to the cultivation, possession and distribution of marijuana to the members for medical purposes, or other affairs of the Association. The Managing Directors is hereby authorized to file with the California Secretary of State a Statement by Unincorporated Association or any other statement similar or related thereto. . The Managing Directors is hereby authorized to obtain an employee identification number on behalf of the Association.

The members agree the Managing Directors is authorized to prosecute or defend any legal action in any court of proper jurisdiction on behalf of and for the benefit of the Association. The members understand and agree the Managing Directors shall be entitled to reimbursement for costs and reasonable compensation for services rendered as agent and custodian of records of the Association. The members of the Association agree that the Association shall defend hold harmless the Managing Directors or its employees from any and all civil or criminal liability resulting from any action taken on behalf of or the benefit of the Association or for the results or the effects of any conduct occurring during the course and scope of services rendered to the Association, excepting intentional tortious conduct resulting in harm to third persons or employees of the Association. .

For the purpose of this agreement, health and safety needs provided by the Managing Directors shall include, but are not limited to advising members, (1) on a frequent and continuous basis or as requested by the member, regarding their use of medical marijuana, (2) regarding frequency of use and or dosage of medical marijuana as recommended to the member, (3) regarding use of other herbs in relation to medical marijuana, (4) regarding types or strains of medical marijuana and or other herbs to be

used in relation to members condition; (5) regarding personal cultivation as requested by members; (6) regarding delivery of medicine as requested by members; (7) regarding access to legal advice or assistance as requested by members; (8) regarding written and or published materials relating to medical marijuana, its benefits, uses, or applications; (9) regarding affiliation with other medical marijuana associations, such as Americans for Safe Access, for the education and benefit of the members of the Association, (10) of information regarding emergency telephone numbers or contacts to be used in case of arrest or seizure of medicine, and assuring that members of the association obtain safe affordable, unadulterated and properly labeled medicine.

BANK RESOLUTION

19. The Managing Directors, or either of them, shall deposit all moneys and other valuables in the name and to the credit of the Association with such depositaries as may be designated by the Governing Board, or in its absence, by the Managing Directors. It is understood and agreed by the members of the Association that the Managing Directors, in their discretion, are authorized hereby to provide for a depositary for the funds of the Association and is further authorized to deal with Association funds. Until such authority is revoked by sealed notification to said bank by a successor Managing Directors or the governing board of the Association, if so formed, the Managing Directors named herein are authorized to execute checks and other items for and on behalf of the Association.

Said account shall be governed by applicable banking laws, customs and Clearing House regulations and by the rules printed charge schedule of the bank. If the account is a checking account, the bank is requested to prepare and mail the monthly bank statement and cancelled checks, if available, to the mailing address of the Association shown on the bank records.

AMENDMENT TO THE BY LAWS

20. The by laws of the Association may not be amended except by majority of the members then present at a meeting called for that purpose except as to those matters governing bank resolutions herein above mentioned or as to those matters which are affected by changes in state law either by legislative enactment or judicial decree which may be amended at any time at the discretion of the governing board, or in its absence, the Managing Directors. Notice of any such amendment or revocation shall be given to the members of the Association no later than thirty days from the date of such amendment or revocation by electronic or postal mail. Any amendment or revocation as mentioned herein shall be appended to this Agreement and made apart thereof.

DELIVERY AND ACQUISITION

21. The members understand and agree that it is not practicable, cost effective or efficient for the Managing Directors or any employees of the Association to deliver to each individual member his or her medical marijuana, unless the member is not physically capable, due to his or her condition, to receive his or her medicine from the acquisition center herein below mentioned in which case the medicine shall be delivered to the member by the Managing Directors, or either of theme, or an employee of the Association.

The members also understand that the cultivation of medical marijuana by other members of the Association, for the Association and its members, and intended for the exclusive use of the members of the Association may, and frequently does, occur at various locations throughout the state and that it is not practical or cost effective for the members of the Association to acquire their allowable quantity of medical marijuana directly from the cultivation site.

Therefore, the members understand and agree to the establishment of an distribution center (hereinafter "center") that shall be utilized by the Managing Directors for the purpose of distribution of the medical marijuana so cultivated to members of the Association. The members further understand and agree that the center shall be serviced, operated and or maintained by the Managing Directors for the benefit of members and that it is the obligation of the Association through individual member pro rata contributions to pay for costs associated with the center and the services provided through the center.

The members further understand and agree that the premises wherein the center is located may be rented or leased in the name of the Association by the Managing Directors, at their discretion. The members understand and agree the center may also be utilized by the Managing Directors to provide health and safety services to the members and that the costs associated with such services and center shall be used as a factor to determine the members pro rata contribution to the Association for medical marijuana provided to the member through the center.

DEFINITIONS

22. The following terms shall have the following meanings for the purposes of this Agreement:

a. "Qualified patient" means a person who is entitled to the protections of Section 11362.5 of the California Health and Safety Code, but who does not have an identification card issued pursuant to Section 11362.5 or 11362.7 of the California Health and Safety Code.

b. "Managing Directors" means the individual so designated by the Association.

c. "Medical Marijuana." or "Marijuana" means all parts of the plant *Cannabis sativa* L., whether growing or not; the seeds thereof, the resin extracted from any part of the plant; and every compound, manufacture, salt, derivative, mixture, or preparation of the plant, its seeds or resin. Medical marijuana, 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 there from), fiber, oil, or cake, or the sterilized seeds of the plant which is incapable of germination.

d. "Association" is defined as an unincorporated group of two or more persons joined by mutual consent for a common lawful purpose, whether organized for profit or not.

e. "Intellectual property" means any and all ideas, inventions, formulas, processes, methods, trademarks, trade names, service marks, copyrightable works, artwork, designs, logos, original works of authorship, trade secrets and the like that an independent contractor as work for hire has made, conceived or developed either alone or jointly with others for the benefit of the Association.

DISCLAIMER OF LIABILITY

23. The members understand and agree the provisions of this Agreement shall not be construed to protect members from arrest and or prosecution pursuant to any Federal laws or other State or local laws that prohibit the cultivation, possession, sale, use, distribution, transportation or of controlled substances.

RELEASE OF LIABILITY

24. The members understand and agree there are or may be health or physical risks associated with the use of medical marijuana either alone or in conjunction with other prescribed medication and that each member should consult with his or her own physician regarding such use or risks. The members understand and agree the Association makes no warranties or representations as to the purity, growth standards, quality or efficacy of the medical marijuana manufactured, possessed or distributed by, for or through the Association.

By this Agreement, the members together with their heirs, assigns, successors-in-interest, trustees, employees, agents, affiliates and any attorneys and other professionals retained by any of them, hereby voluntarily and knowingly, forever and fully, finally, completely and mutually, release, acquits and discharges the Association and or the Managing Directors, each individual member and all of its or his or her assigns, successors-in-interest, members, officers, managers, trustees, employees, agents, affiliates and any attorneys and other professionals retained by any of them, from any and all claims of liability arising from the use of medical marijuana acquired by the member by or through participation in the Association.

EXECUTION OF AGREEMENT

25. In order to maintain the privacy and confidentiality of the members of the Association as signatories to this Agreement, this Agreement may be subscribed and executed by members upon a document not attached to the Agreement (herein after "Executing Document Desert Valley Patients Collective Association"). However, such Executing Document shall incorporate by reference the terms, conditions and provisions of this Agreement by reference to the Agreement as "Desert Valley Patients Collective Association Agreement Articles of Association and By Laws". The Executing Document shall also state that each member has read and understood the Agreement prior to subscribing the Executing Document. The Executing Document shall be maintained according to the provisions of this Agreement. The Executing Document, if any, is hereby incorporated by reference as though fully set forth herein.

NONDISCLOSURE OF AGREEMENT

26. The members understand and agree that this Agreement, and the terms thereof, are confidential and the information contained herein proprietary and or constitutes intellectual property and that any member shall not, at any time during or after the term of this Agreement, in any manner, either directly or indirectly, divulge, disclose, provide, or in anyway communicate to any person, firm, corporation, or other entity, or use for its own benefit or for the benefit of any person, firm, corporation, or other entity, and not for the benefit of Association, any information contained in this Agreement except by order of a court of competent jurisdiction or as required by the laws of the State of California. Any disclosure pursuant to court order or other applicable State or Federal Law shall not

constitute a waiver, held jointly or severally, of any intellectual property rights of this Agreement or the terms thereof.

Further, the Managing Directors may record any part or all of this Agreement in the Office of the County Recorder wherein the Association or center are located for the purpose of giving public notice establishing the formation and existence of the Association. Any recordation of said pages by the Managing Directors in the Office of the County Recorder wherein the Association or center are located shall not constitute a waiver, held jointly or severally, of any intellectual property rights of this Agreement or the terms thereof nor does said recordation authorize full disclosure of this Agreement or the Terms thereof by any member or third person except as expressly provided by the terms of this Agreement.

The members understand and agree that unauthorized use, disclosure or dissemination may result in a suit for monetary damages, injunctive or other relief in any action at law or equity. Unauthorized disclosure or dissemination of this Agreement shall result in automatic termination of membership of the member who discloses information in violation of this provision.

RESERVE ACCOUNT

27. The members understand and agree that, due to the unsettled nature of the law regarding the collective cultivation, possession and distribution of medical marijuana, and that legal action against the Association or the Managing Directors, or both, whether criminal or civil in nature, may result from the activities of the Association or Managing Directors, or both, a reserve account shall be created to compensate the Managing

Directors for costs associated with such criminal or civil litigation against the Association or Managing Directors, or both, and or for any costs associated with consultation or retention of an attorney for the purpose of assisting or representing the Association or Managing Directors in any legal matter related to the Association. Said reserve shall be created from the pro rata contributions and or donations of the members as costs associated with the services of the Managing Directors. The amount of said account shall be determined by the Managing Directors, or by the Governing Board if formed, but in any event shall be no greater than fifty percent of the annual total pro rata contribution of the members collectively. The pro rata contribution as mentioned above of each member shall reflect the cost of said reserve account. In any event, should the costs associated with either litigation, consultation or retention as mentioned herein exceeds the reserve account, the Association shall reimburse the Managing Directors for any out of pocket expenses associated therewith and shall compensate said Managing Directors for services rendered. In the event of civil or criminal litigation against the Association, Managing Directors or any employee of the Association, or either of them, such services rendered to the Association by the Managing Directors associated with such litigation shall be considered extraordinary and shall be considered as a factor in determining reasonable compensation for such services.

MISCELLANEOUS

28. Agreements: The members understand and agree that the consideration for this Agreement is contractual and not a mere recital, and that each member has had the opportunity to engage counsel to review this Agreement and advise such party with respect hereto and that this Agreement and the releases and Agreements contained herein are binding upon, and inure to the benefit of, the parties hereto.

29. Entire Agreement. This Agreement, together with the other Agreements referred to herein, constitutes the entire understanding between the members with respect to the matters set forth herein and can be amended, supplemented or changed only by written instrument signed by three fourths of the members.

30. Governing Law. This Agreement shall be governed by, and construed in accordance with, the laws of the State of California.

31. Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original and all of which, taken together, shall be considered one and the same Agreement.

32. Severability. In case any provision of this Agreement shall, for any reason, be held to be invalid, unenforceable, or illegal, such provision shall be severed from this Agreement, and such invalidity, unenforceability, or illegality shall not affect any other provisions of this Agreement.

33. Waiver. No waiver by the Association of any breach by member of any of the provisions of this Agreement shall be deemed a waiver of any preceding or subsequent breach. No waiver is effective unless written and then only to the extent set forth in the writing.

34. Attorney Fees: In the event of any dispute arising out of this Agreement, the prevailing party shall be entitled to recover its reasonable attorney fees and costs.

July 6, 2009

I hereby authorize the City Manager of Palm Springs to seek verification of the information contained within this application.

X Carlo Pablo

Carlo Pablo

Desert Valley Patients Collective Association
D.b.a. Heaven Sent Herbs
905 E. Crossley Road
Palm Springs, California 92264
August 3, 2009

Subject: Request for Relief - Certain Requirements of Sections 93.22.00

The Desert Valley Patients Collective Association D.b.a Heaven Sent Herbs was notified of non-conformance to certain requirements of Section 93.22.00 relative to its application to operate a medical cannabis collective. The Association requests relief from the non-conformance cited by the Planning Department Services. The following is our response:

1. The Association requests relief from the initial development application, dated August 8, 2005, that the spaces are 'retail spaces' because:
 - The property is in an industrial/commercial zone. It is partly used for retail and, is 50% occupied; therefore, could have mixed uses in the future as attested to by the owner, Ernie Noia;
 - The Association does not engage in 'retail sale' to the public. It dispenses medical cannabis to its legally compliant members only.
2. With regard to parking on the property, Mr. Noia stated that, if necessary, a condition of approval requiring that a reciprocal parking agreement for 8 additional spaces may be entered in to satisfy this requirement.

As stated in the lease agreement, the Desert Valley Patients Collective Association and the owner, Ernie Noia, have committed to following the Attorney General guidelines. Failure to do so is considered a violation of the lease agreement and may result in termination of the lease.

The Association respectfully asks for due consideration and the granting of relief from the non-conformance cited by Planning.

Respectfully yours,



Carlo S. Pablo
Managing Director
Desert Valley Patients Collective Association
D.b.a. Heaven Sent Herbs

RECEIVED

415
PLANNING DEPARTMENT

EXECUTING DOCUMENT

DESERT VALLEY PATIENTS COLLECTIVE ASSOCIATION

This document is the executing document of the Desert Valley Patients Collective Association Articles of Association and Bylaws dated March 1, 2009 by the forming members of the Desert Valley Patients Collective Association and any members that may join subsequent to the date of formation of the Desert Valley Patients Collective Association. Execution of this document by its subscribers authorizes the formation and existence of the Desert Valley Patients Collective Association pursuant to the terms of the Desert Valley Patients Collective Association Articles of Association and Bylaws as well as admission as a member of the Desert Valley Patients Collective Association with all rights and benefits pertaining thereto. This document hereby incorporates by reference the Desert Valley Patients Collective Association Articles of Association and Bylaws dated March 1, 2009 as though fully set forth herein and that each subscriber to this document acknowledges the he or she has read and understood the Desert Valley Patients Collective Association prior to subscribing this Executing Document, and that by subscribing hereto shall become a member of the Association and that he or she shall abide by of the terms, conditions restrictions and or obligations contained therein.

Dated:

By: _____

Member Signature

By: Carlo Pde
Desert Valley Patients Collective Association

Print Name

CARLO PABLO
Print Name

APPLICATION FOR MEDICAL CANNABIS
COOPERATIVE OR COLLECTIVE

Desert Valley Patients Collective Association
Previously In the Amado Business Center

D.b.a. Heaven Sent Herbs
905 Crossley Rd.
Palm Springs, CA 92264

MC09-010

9

477

Noia Investments, Inc.

Mail: P.O. Box 4490, Palm Springs, California, 92263-4490

Office: 919 Crossley Road, Palm Springs, California 92264

Telephone: (760) 320-5737 & Facsimile: (760) 320-5739

Email: info@noiainc.com Web Site: www.noiainc.com

July 7, 2009

City of Palm Springs
3200 E. Tahquitz Canyon Way
Palm Springs, Ca. 92262

RE: Carlo Pablo - Heavenly Sent
905 E. Crossley Road, Palm Springs, California
APPLICATION FOR MEDICAL CANNABIS COOPERATIVE
Notarized Acknowledgment from Building Owner

To whom it may concern:

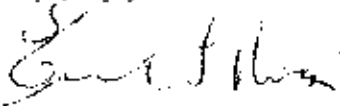
The owner of the above mentioned property is NOIA BUILDING, L.P. a California limited partnership in which Noia Investments, Inc is the general partner.

This letter is to satisfy the requirement of the City of Palm Springs to have the Owner of the property in which a Medical Cannabis Cooperative or Collective is renting acknowledge in front of a Notary Public that we are aware of and approve the use as defined by the City of Palm Springs.

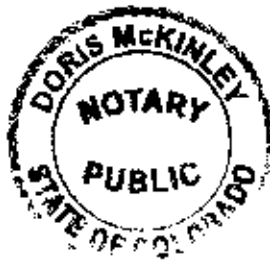
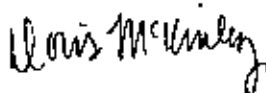
I am the Vice President of Noia Investments, Inc. and have the authority to provide said acknowledgment and by my signature below do hereby confirm to the City that we are aware of and approve said use. I might mention here that I have incorporated into the lease for Heavenly Sent the California Attorney General's guidelines for operating said Cooperative or Collective to insure compliance with all laws pertaining to said use.

If you need anything further please contact me. I am currently in Colorado and can be reached at either my office in Palm Springs or in Colorado at 970 533 1190.

Very truly yours,



Ernest G. Noia
Vice President
Cc: Carlo Pablo

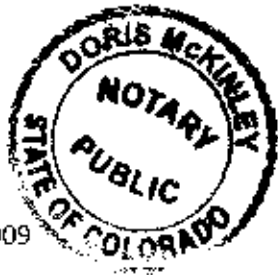


MC09-010

Ernest G. Noia personally appeared before me on this 7th day of July, 2009.

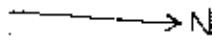
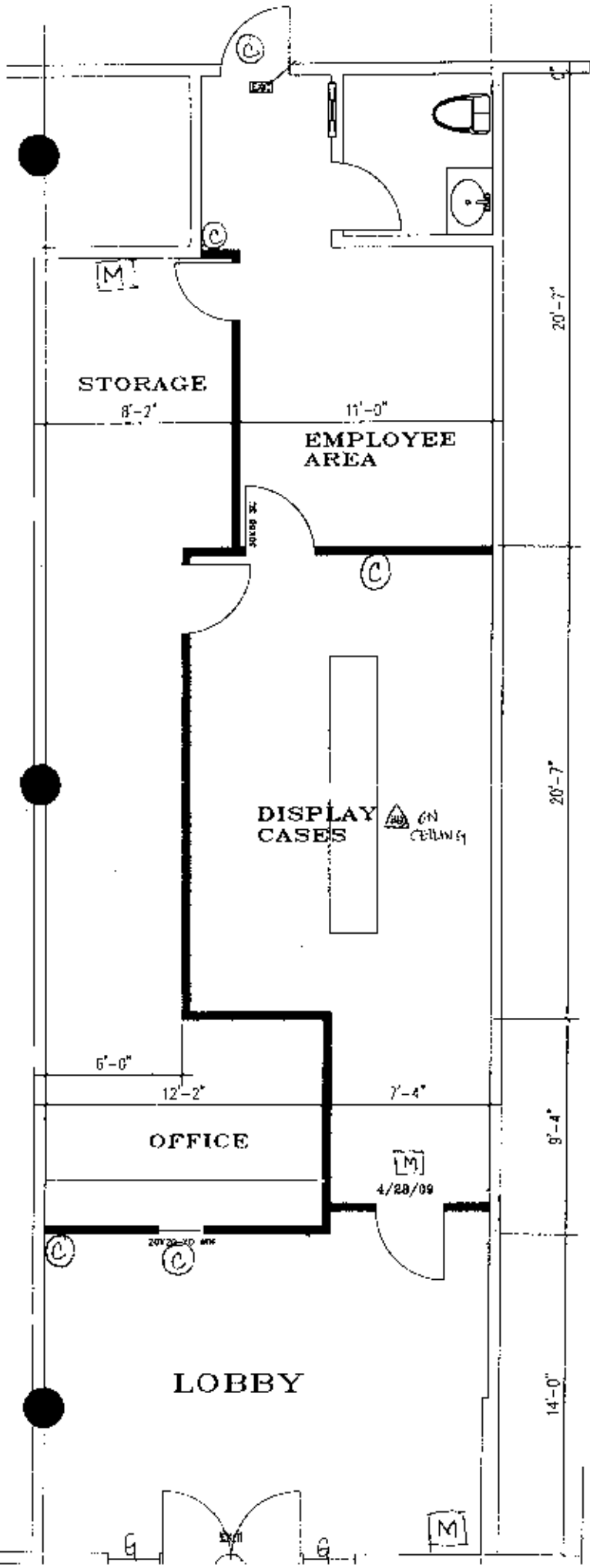
Doris McKinley

Notary Public
State of Colorado
County of Montezuma



My commission expires on November 4, 2009

MC.09-090



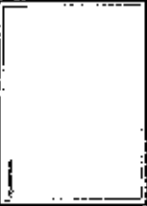
**905 CROSSLEY ROAD
PALM SPRINGS, CA 92262**

- (C) SECURITY CAMERAS
- (M) MOTION DETECTORS
- (triangle) 360° MOTION DETECTOR
- (G) GLASS BREAK SENSOR



K.E.D. ASSOCIATE, INC.
 1000 WEST 10TH AVENUE
 SUITE 1000 DENVER, CO 80202
 TEL: 303.733.1100 FAX: 303.733.1101

INDIAN OASIS
 3800 TAMING ROAD, NO. 30, 30070 DND
 PUEBLO SPRINGS, CALIFORNIA



DATE: 11/15/99
 DRAWN BY: [Name]
 CHECKED BY: [Name]
 APPROVED BY: [Name]

SITE PLAN

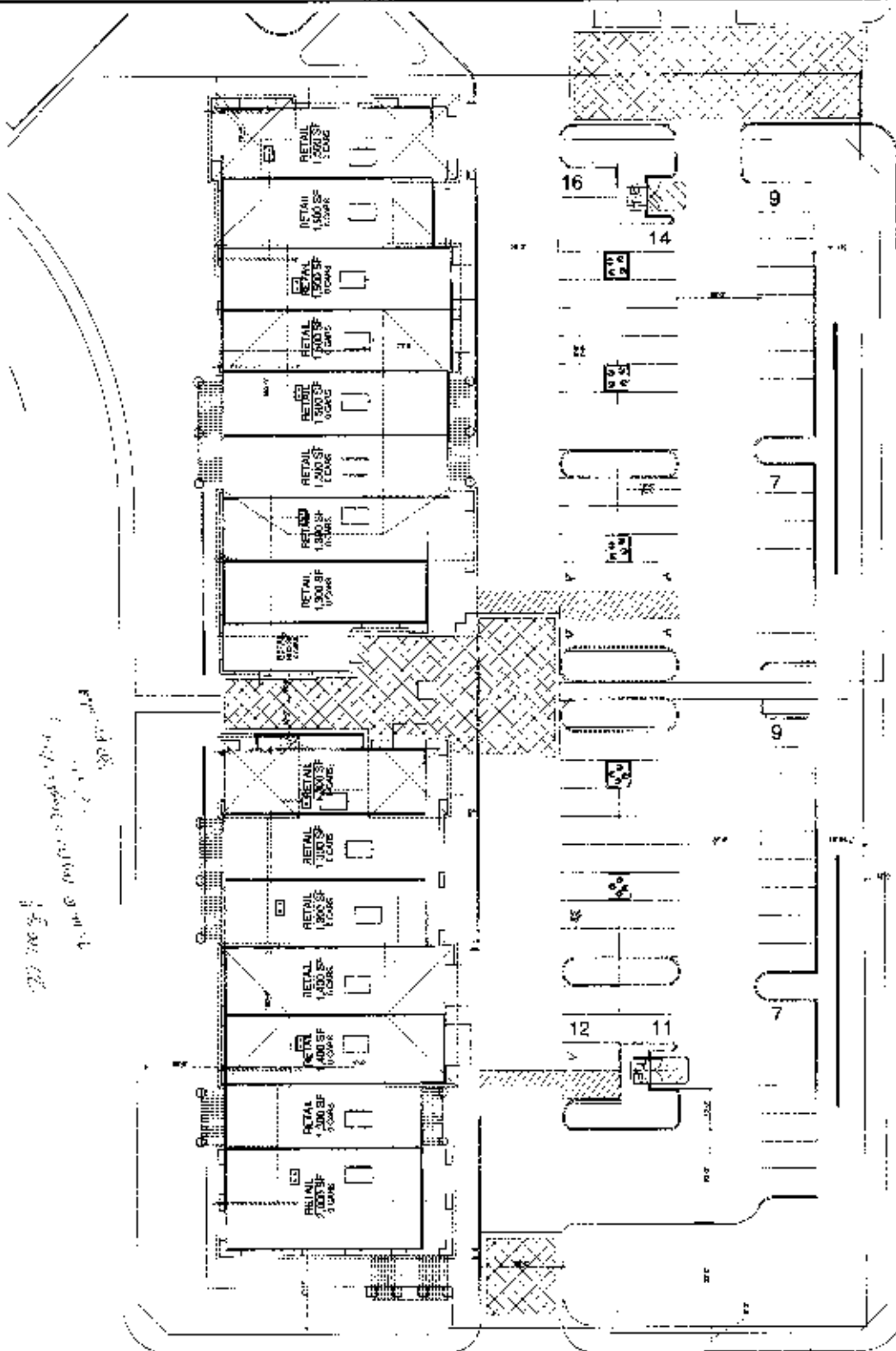


DATE: 11/15/99
 TIME: 10:00 AM
 TYPE: [Blank]
 SHEET NO. 1 OF 1

PROJECT NO. [Blank]
 CLIENT: [Blank]
 PROJECT: [Blank]
 LOCATION: [Blank]

SHEET NO. **S-1**

110



Handwritten notes:
 270 700 SF
 1. 1000 1000 1000 1000 1000 1000
 500 1000 1000

INDIAN SPRINGS ROAD

CROSSLEY ROAD



Staff Report to City Manager

Date: August 7, 2009

Case No.: 09-011 MC

Application Type: Medical Cannabis Cooperative Application

Location: 19486 Newhall Street, Suite 102

Applicant: Lillian R. Lazarin, West Valley Patients Collective

Zone: M-2 (Manufacturing Zone)

General Plan: IND (Industrial)

APN: 666-423-004

From: Craig A. Ewing, AICP, Director of Planning Services

Project Planner: Edward O. Robertson, Principal Planner

PROJECT DESCRIPTION

An application has been submitted by Lillian Lazarin of West Valley Patients Collective requesting a permit to operate a medical cannabis cooperative at 19486 Newhall Street, Zone M-2 (Manufacturing Zone). Pursuant to Section 93.22.00(H) of the Zoning Code, "a report shall be prepared on the acceptability of the applicant and the suitability of the proposed location". This report describes the proposal and evaluates it against the standards and provisions of the applicable zoning provisions.

CONCLUSIONS

Following review of the application, staff has determined that the application does not conform to the following requirements of Section 93.22.00:

1. 93.22.00(C) The proposed site is within 1,000 feet of two other applicants for Medical Cannabis Cooperatives
2. 93.22.00(E) The proposed site does not provide adequate off-street parking spaces for all proposed uses.

3. 93.22.00(H) Full background check of criminal records not yet available.

Section 93.22.00(H)(6) notes that the City Manager may determine that an application is not qualified unless "each and every requirement of this Section" (is) satisfied. Based on the non-conforming conditions noted above, Staff is recommending that this is not a qualified application.

BACKGROUND AND SETTING

Table 2.0: Comparison of Requirements for Medical Cannabis Cooperatives against the proposed project

	Requirements for Medical Cannabis Cooperatives	Proposed Application
Application fee/deposit	\$7,500 Deposit	\$7,500 deposit submitted (conforms)
93.22.00(C) Distance to sensitive uses:	Prohibited within 500 feet.	Conforms.
93.22.00(C) Distance to other Medical Cannabis Cooperatives	Prohibited within 1,000 feet	This location is within 1,000 feet of two other applicants for Medical Cannabis Cooperatives. Does not conform.
Restrictions relative to primary uses on property.	Prohibited on parcels with commercial-retail as primary use.	Primary use of subject parcel is office and manufacturing/industrial businesses. (Conforms)
93.22.00(E) Off-Street Parking Requirements:	1 space for every 250 gsf. (1,412 gsf = 6 required off-street parking spaces)	All on site uses require 19 spaces. 14 existing spaces on site., Does not conform.
93.22.00 (G.1) Estimated number of primary caregivers or qualified patients	No minimum or maximum requirement	Approximately 3,000 persons.
93.22.00 (G.1) Delivery service (if provided describe extent of the delivery service)	Delivery Service not required	Delivery Service will not be offered at this location.

93.22.00 (G.2) Address	As noted	19486 Newhall Street
93.22.00 (G.3) Site & Floor Plans of Building including area comprising this business	No minimum area required.	Approximately 1,412 square feet from an existing 7,925 square feet office / warehouse building
93.22.00 (G.4) Security Plan	Security plan is required:	As noted in attached application:
93.22.00 (G.4.a.) Security System Requirements	Security cameras w/min 120 hrs of recording. Operated 24hr/day, 7days/week covering all areas as determined by the City Manager	120 hours of concurrent digital recordings operating 24/7. (Conforms)
93.22.00 (G.4.b) Security System Requirements	Security Alarm operated and monitored by a recognized security company	ADT Alarm Co.: installer and maintenance contractor. (will conform when installed as proposed)
93.22.00 (G.4.c) Control of Entrances	Entrance locked at all times and controlled by staff	Provided (see application)
93.22.00 (G.4.d) Outdoor Lighting Requirements	Windows and entrances / conform to the City's outdoor lighting ordinance.	Existing lighting at site. (Conforms)
93.22.00 (G.4.e) Windows & Marijuana Storage requirements	Windows secured, marijuana securely stored. Maintain a clear view into the premises	All Marijuana will be stored securely with additional alarm and sensors for additional security purposes
93.22.00 (G.5) Contact information required	Name address of manager and employees and statement on criminal background.	Lillian Lazarin; Owner 50415 El Dorado Drive La Quinta, CA 92258. Employee: Lawrence J. Lara 1162 N. Palm Avenue, Beaumont, CA 92223
93.22.00 (G.6) Property Owner requirements	Name & address of Owner and lessor of property; notarized	Frank J. Young 68.845 Perez Road Bldg. H, Suite 16

	acknowledgement from bldg. owner that a MCC will be operated on his/her property	Cathedral City, CA. Acknowledgement submitted (conforms)
93.22.00 (G.7) Release of Information Requirements	Authorization for City Mgr to verify information.	Provided.
93.22.00 (G.8) Proof of Business Establishment	Non-profit cooperative, in accord w/the Compassionate Use Act	Attached to application (Articles of incorporation). IRS Employer ID No: 27-0343100 Non-profit. Conforms
Building Area comprising this business	No minimum required.	Approximately 1,412 square feet
93.22.00 (K.2.) Hours of Operations restricted	Between 9 am and 7 pm Monday through Saturday only	Conforms
93.22.00 (K.9, & 10) Signage	No smoking/consuming marijuana on premises sign and name of business sign only	Separate sign application required.

DISCUSSION OF ACCEPTABILITY OF APPLICANT AND SUITABILITY OF PROPOSED LOCATION.

As noted in the table above, this application does not conform to the following requirements of the Medical Cannabis ordinance:

- Distances to TWO other Medical Cannabis Cooperative applicants

Distance to sensitive uses. Section 93.22.00(C) requires medical cannabis cooperatives not to be within 1,000 feet of other medical cannabis cooperative locations. Although neither of the other two locations is currently in operation, the proposed cooperative at 19486 Newhall Street is within 1,000 feet of two other applicants.

Off-street parking. Section 93.22.00(E) requires 1 parking space for every 250 square feet of collective. The building at 19486 Newhall Street is a multi tenant building of approximately 7,925 square foot multi-tenant building. The location is provided with 14 off-street parking spaces. The building is comprised of roughly 1,749 square feet of office uses requiring 7 spaces, approximately 4,763 square feet of warehouse uses

requiring 6 spaces and 1,412 square feet for the medical cannabis use requiring 6 spaces for a total of 19 spaces. The site is therefore five spaces short, and is thus non-conforming.

Federal criminal background data not available. Section 93.22.00 (G) requires the City Police Department to run criminal background checks on all owners and employees of the collective. The applicant has submitted a release; however as of the writing of this staff report, national database systems have not been able to confirm one of the individual associated with this application. Staff anticipates release of this information shortly.

93.22.00 (H) BACKGROUND CRIMINAL CHECK

The Palm Springs Police Department has evaluated the information provided by the applicant and identified the following statistics and data as summarized from their July 9, 2009 memo (attached):

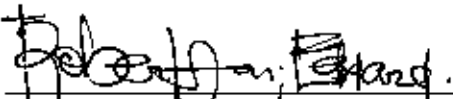
Live Scan electronic fingerprinting was conducted on the following persons and the following are the results of the investigation:

<u>Status:</u>	<u>Name:</u>	<u>Findings:</u>
Owner:	Lillian R. Lazarin	Investigations Report Pending
Employee	Lawrence Juan Lara	No criminal or felony history found

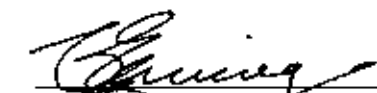
The Live Scan data includes information obtained from the State of California database, but no Federal data was obtained.

ENVIRONMENTAL ASSESSMENT

Pursuant to the California Environmental Quality Act (CEQA) Guidelines, the permitting or entitlement of use by a public agency is deemed a project. This application is therefore determined to be a project under CEQA. The City has evaluated the project and determined that it is Categorical Exempt in accordance with CEQA Section 15303 "New Construction or Conversion of Small Structures".



Edward O. Robertson
Principal Planner



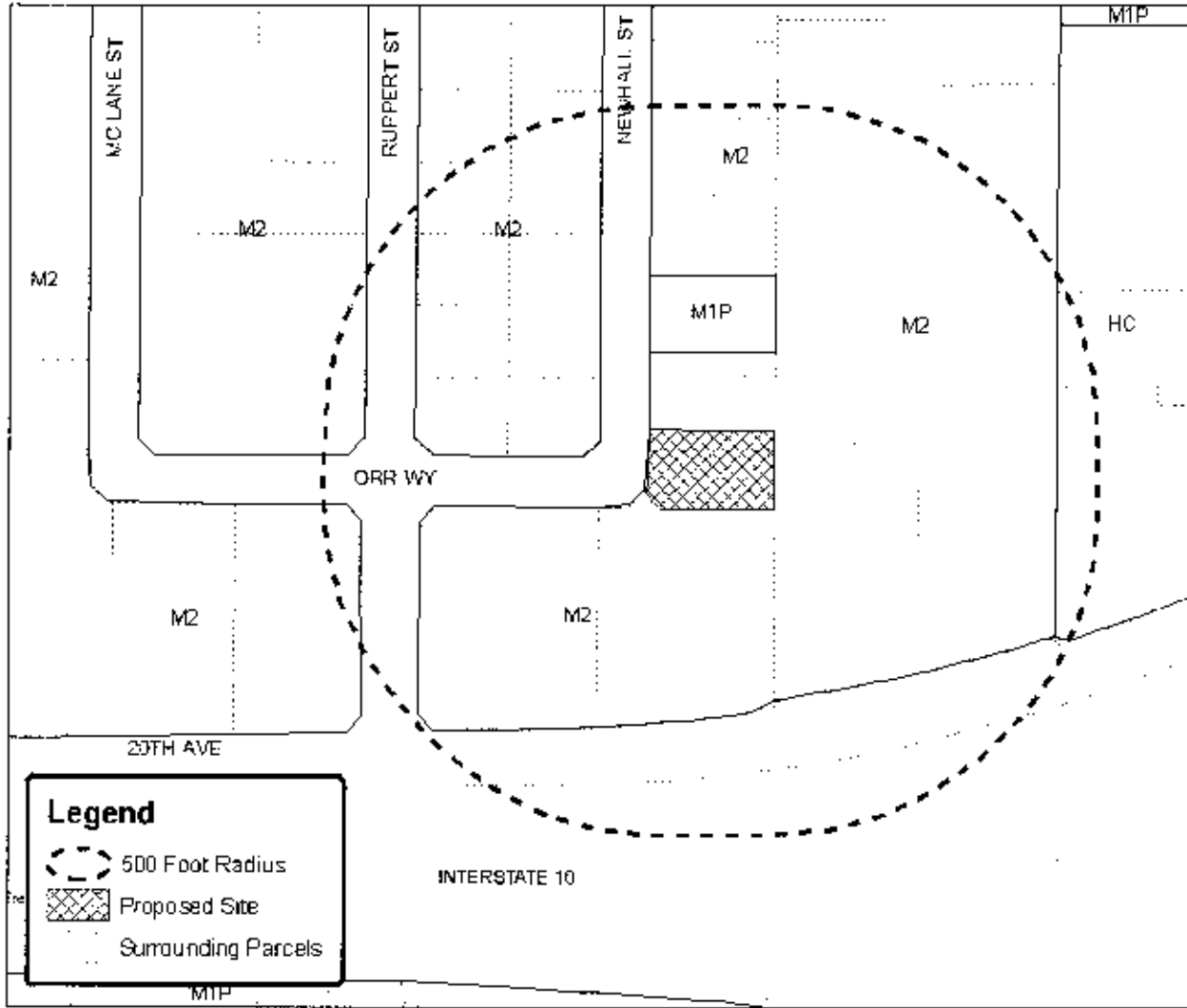
Craig A. Ewing, ACP
Director of Planning Services

ATTACHMENTS

1. Vicinity Map
2. Application including site, plans, photos and letters.
3. Palm Springs Police Department background results dated 7-7-09 for Mr. Lara



Department of Planning Services Vicinity Map



Legend

- 500 Foot Radius
- Proposed Site
- Surrounding Parcels

CITY OF PALM SPRINGS

CASE NO: MC 09-011

APPLICANT: West Valley Patients Collective

DESCRIPTION: Application for a medical cannabis cooperative/collective at 19486 Newhall Street.



CITY OF PALM SPRINGS
Department of Planning Services

Office Use Only

Date Submitted:	7/6/15
Case No:	09-011
Planner:	LM

**APPLICATION FOR MEDICAL CANNABIS
COOPERATIVE OR COLLECTIVE (MC)**

Please read carefully to ensure application is accurate and complete. Inaccurate or incomplete applications may be rejected.

TO THE APPLICANT: West Valley Patients Collective Association

Your cooperation in completing this application and supplying the information requested will expedite City review of your application pursuant to local procedures. Applications submitted will not be considered complete until all submittal requirements are met.

Please submit this completed application and subsequent material to the Department of Planning Services at 3200 East Tahquitz Canyon Way, Palm Springs, CA 92262 - Phone: 760-323-8245 - Fax: 760-322-8360

Cooperative / Collective Site Address: 19486 Newhall St., Suite 102
North Palm Springs, CA 92255

Applicant's Name: William R. Kazarin

Applicant's Signature: [Signature]

Mailing Address: 50415 El Dorado Drive
La Quinta, CA 92258

Applicant's Telephone: RES: (760) 554-5910 BUS: (760) 329-0418 CELL: (951) 282-5571

FAX: N/A Applicant's E-Mail: rkazarin@gmail.com

(If Applicant is leasing the Cooperative / Collective Site please list the Property Owner's contact information.)

Property Owner's Name: Frank J. Young

Property Owner's Mailing Address: 108845 Perez Rd. Building H Suite 16
Cathedral City, CA 92234

Property Owner's Telephone: RES: (760) 507-9885 BUS: (760) 300-2033 CELL: (760) 360-2634

Property Owner's E-Mail: N/A

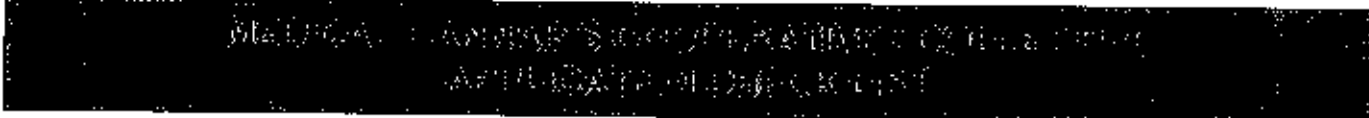
COOPERATIVE / COLLECTIVE SITE INFORMATION:

Gross Square Footage of proposed business space: 1412, Assessor's Parcel Number: 666-423-004
666-423-007

Zone: M2, Section/Township/Range: 15 13 17, General Plan: SP-2, Hours of Operation: 9 to 7:30

If Cooperative / Collective Is In a Multi-Tenant Building List other Businesses:

<u>Proactive Welding</u> Business Name	<u>Welding Certification</u> Type of Business
<u>Testing Engineers</u> Business Name	<u>Iron Resters</u> Type of Business
<u>Marble Counter Tops Co.</u> Business Name	<u>Produce Marble Countertops</u> Type of Business
_____ Business Name	_____ Type of Business
_____ Business Name	_____ Type of Business
_____ Business Name	_____ Type of Business



The following items must be completed and accompany the Medical Cannabis Cooperative / Collective Application (MC). Please check off each item to ensure completeness.

	Applicant Only	City Use Only
Application & Fee:		
❖ Original completed Application & \$7,500 Deposit	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Detailed Site Plan:		
❖ 11" X 17" or 24" X 36" Site Plan and floor plan : Indicate north arrow, site address; floor plan; doors, entrances, windows, use of each area, including storage and cultivation areas; exterior lighting & security cameras; restrooms; signage & parking for the business.	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Off Street Parking requires 1 parking space for every 250 gross square feet of business space (If proposed business location is within a multi-tenant building, the site plan must show adequate parking for all businesses located on that site).	<input type="checkbox"/>	<input checked="" type="checkbox"/>
❖ An electronic file in PDF format may also be submitted on a CD (Compact Disc)	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Photographs of Existing Site:		
❖ Photographs of site showing front, back and sides of building, lighting, parking, etc.	<input type="checkbox"/>	<input checked="" type="checkbox"/>

**MEDICAL CANNABIS COOPERATIVE / COLLECTIVE
APPLICATION CHECKLIST**

Submittal Requirements: The following information shall be submitted on white single-sided 8½" x 11" paper using either MS WORD or text-readable PDF format:

Group Size:	<u>Applicant Only</u>	<u>City Use Only</u>
❖ Estimated number of caregivers: <u>7</u>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
❖ Estimated number of qualified patients: <u>3,000</u>		
❖ Will delivery service be provided? (yes / no) (Circle one)	<input type="checkbox"/>	<input checked="" type="checkbox"/>
If yes, describe the extent and method of the delivery service to be provided for each qualified patient.		

Site Requirements:

Security Plan:

❖ Number of security cameras or zones with a listing of the areas covered. Confirmation that security system shall be provided with 120 hrs of digitally recorded documentation and cameras shall be in use 24 hours per day, 7 days per week.	<input type="checkbox"/>	<input checked="" type="checkbox"/>
❖ Alarm system & security camera monitoring company's contact information.	<input type="checkbox"/>	<input checked="" type="checkbox"/>
❖ Entrances, windows, and cannabis storage lighting and security methods. (Indicate lighting & security for the above mentioned on Site Plan as well as, a written description.)	<input type="checkbox"/>	<input checked="" type="checkbox"/>

Cooperative / Collective staff contact & criminal background information:

❖ Name, address, telephone number of all managers, staff, applicant and owner. Include a statement as to whether such person(s) has or have been convicted of a crime, nature of the offense and the sentence received for such conviction.	<input type="checkbox"/>	<input checked="" type="checkbox"/>
❖ Notarized acknowledgement from owner of the building that a Medical Cannabis Cooperative / Collective will be operating on his / her property.	<input type="checkbox"/>	<input checked="" type="checkbox"/>
❖ Evidence that Cooperative / Collective is organized as a bona fide non-profit comprised, exclusively and entirely, of qualified patients and the primary caregivers of those patients in strict accordance with the Compassionate Use Act.	<input type="checkbox"/>	<input checked="" type="checkbox"/>
❖ Background Check Authorization Form. (Signed document giving The City of Palm Springs authorization to run background check on applicant and associates.	<input type="checkbox"/>	<input checked="" type="checkbox"/>

4/1

9 July 2009

TO WHOM IT MAY CONCERN:

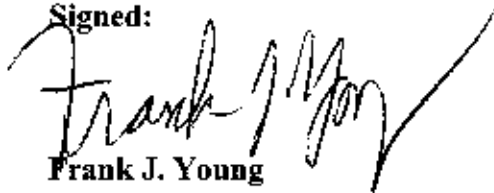
This memo is to confirm that I am the owner of a commercial property located at 19486 Newhall St., North Palm Springs, California.

West Valley Patients Association, situated in Suite 102 is a tenant in good standing.

My lease agreement with them contains a specific provision that I am aware and approve of their primary business activity, which is the dispensation of medical marijuana products.

Please extend every courtesy to these folks as they provide relief and compassion to those that benefit from their clinic.

Signed:



Frank J. Young

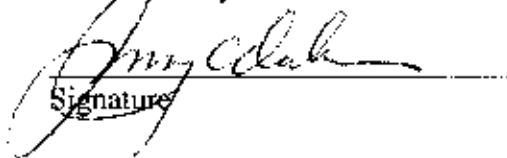
My signature is notarized as requested by the City of Palm Springs

State of California
County of Riverside

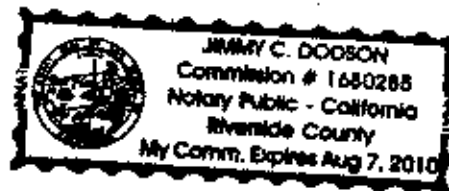
On July 10, 2009, before me Jimmy C. Dodson a Notary Public, personally appeared Frank J. Young who proved to me on the basis of satisfactory evidence to be the person whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his authorized capacity, and that by his signature on the instrument the person or entity upon behalf of which the person 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



West Valley Patients Collective Association

19486 Newhall St Suite 102

North Palm Springs, Ca 92258

July 6, 2009

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23. COPY OF MONEY ORDER PAYED TO THE CITY OF PALM SPINGS FOR THE PERMIT FOR MEDICAL CANNABIS COOPERATIVE OR COLLECTIVE

1. The estimate size of group of qualified patients who will be served by West Valley Patients Collective Association will be an estimate of 3000 qualified patients.
2. We will not be offering delivery service.
3. The address of the location from which the collective will be operating is
19486 Newhall Street, Suite 102, North Palm Springs, CA 92258 located in the M-2 zone.
4. The Medical Cannabis Collective is parked at a rate of 1 space for every 250 sq. feet of the entire business space. Parking lot and building is handicap accessible.
5. This collective is **NOT** established, developed or operated within 500 feet from any school, playground, park, residential zone, child care facility, youth center, and church. This collective is **NOT** within 1000 feet from any other Medical Cannabis Collective from date that building was leased to applicant and is not located on any property that is occupied with a commercial retail use.
6. The security cameras that will be installed will be in good condition and will be in use in an on-going manner with at least 120 concurrent hours of digitally recorded documentation. (SEE INDEX 5 ATTACHED A.D.T. SERVICE DOCUMENT). The cameras will be in use 24 hours per day, 7 days per week. Cameras will be installed and will cover the parking lot, outside entrance, lobby, hallway, dispensing area, storage area/cultivation area, and any areas that the City of Palm Springs finds necessary.
7. The business is alarmed with an alarm system and monitored by A.D.T.
8. All windows on the building areas will be illuminated during evening hours. Lighting Standards (SEE INDEX 18 ATTACHED SITE PLAN).
9. The entrance to the dispensing area and front door to the building is controlled by staff with a magnetic lock/strike. A bullet-proof window will be installed in the reception area for security. A security guard will be on-site indoor and outdoor during business hours.
10. All storage areas and patient files will be locked at all times with staff only having access.

11. All cannabis will be stored securely and an alarm and sensor will be installed for security.
12. All patients will have to read and agree to the WEST VALLEY PATIENTS COLLECTIVE AGREEMENT/BYLAWS BEFORE BECOMING a MEMBER. (SEE INDEX 6 ATTACHED DOCUMENT OF WEST VALLEY PATIENTS COLLECTIVE ASSOCIATION AGREEMENT)
13. All patients will need to sign an AUTHORIZATION TO DISCLOSE PROTECTED HEALTH INFORMATION, ASSUMPTION OF RISK AND RELAIASE OF LIABILITY AGREEMENT, and AN EXECUTING DOCUMENT FOR WEST VALLEY PATIENTS COLLECTIVE ASSOCIATION. If patient is a minor or is otherwise unable to sign the Authorization we will obtain a parent or guardian signature for the patient. (SEE INDEX 7 ATTACHED EXECUTING DOCUMENT FOR QUALIFIED PATIENTS)
14. All patients will have their Valid California Drivers License or Identification Card copied along with their valid documentation of Medical Authorization to Possess Marijuana for Medical Purposes in California signed by their physician.
15. All physicians will have their license searched at www2.dca.ca.gov for medical doctor and Special faculty permit to make sure physician has a valid license or permit in the State of California.
16. After patient has become a member all returning patients will have to show their valid original physician statement and valid California driver's license or Identification Card and will be logged into the West Valley Patients Collective Association system to obtain any medical cannabis from West Valley Patients Collective Association.
17. All packaged marijuana will be properly secured when given to patients with regulations to keep cannabis stored in the trunk of their car when driving and to not consume or use until patient is at the privacy of their own residence. All packages will be stapled with rules and

regulations and containers will be properly labeled (SEE INDEX 8 ATTACHED DOCUMENT PACKAGING AND LABELING)

18. No employees or patients will be allowed to consume or use medical cannabis in building or outside of the premises. If employees or patients do not comply, employees will be terminated and the patients will have their membership revoked from West Valley Patients Association.
19. All employees will have to sign a Confidentiality Agreement if considered for employment at West Valley Patients Association. (SEE INDEX 9 ATTACHED DOCUMENT CONFIDENTIALITY AGREEMENT)
20. All member growers will have to sign a West Valley Patients Collective Association Cultivation Agreement when joining the Association. (SEE INDEX 10 ATTACHED DOCUMENT WEST VALLEY COLLECTIVE ASSOCIATION CULTIVATION AGREEMENT)
21. IF WEST VALLEY PATIENTS COLLECTIVE ASSOCIATION IS PERMITTED ALL REGULATORY REQUIRMENTS, STANDARD CONDITIONS AND ENFORCEMENT WILL BE FOLLOWED AS STATED IN THE CITY OF PALM SPRINGS ORDINANCE.

WEST VALLEY PATIENTS COLLECTIVE ASSOCIATION

Employee Information

Full Name: LAZARIN LILLIAN R
Last First M.I.

Address: 50415 EL DORADO DRIVE N/A
Street Address Apartment/Unit #

LA QUINTA CA 92258
City State ZIP Code

Home Phone: (760) 554-5901 Alternate Phone: N/A

E-mail Address: lr-lazarin@gmail.com

CONVICTIONS

MISDEMEANOR:

DRIVING UNDER THE INFLUENCE
(ALCOHOL) AND A CITATION FOR
DRIVING WITH A SUSPENDED DRIVERS
LICENSE

- ❖ **PLEASE NOTE** OTHER EMPLOYEES WILL BE HIRED ONCE A DECISION HAS BEEN MADE FROM THE CITY OF PALM SPRINGS. AN ESTIMATE OF 7 EMPLOYEES WILL BE HIRED IF ACCEPTED. ALL EMPLOYEES WILL BE SUBMITTED FOR A BACKGROUND CHECK/FINGER PRINTS. A COPY WILL BE SUBMITTED TO THE CITY OF PALM SPRINGS AND P.S. POLICE DEPARTMENT FOR REVIEW.

WEST VALLEY PATIENTS
COLLECTIVE ASSOCIATION

Employee Information

Full Name: LARA IV LAWRENCE J
Last First M.I.

Address: 1162 N. PALM AVENUE N/A
Street Address Apartment/Unit #

BEAUMONT CA 92223
City State ZIP Code

Home Phone: (951) 282-5571 Alternate Phone: N/A

E-mail Address: llara951@gmail.com

CONVICTIONS

NONE

**FRANK J. YOUNG
12 VIA ELEGANTE
RANCHO MIRAGE, CA 92270**

DATE: April 15, 2009

TO: City of Palm Springs

FROM: Frank J. Young

RE: Business activity at Unit 102, 19486 Newhall St. N. Palm Springs CA

To Whom It May Concern:

You may use this letter as verification that I am fully aware of the Medical Marijuana activities at the above referenced location, and that they have my full approval.

I was fully aware and approved same during our negotiations for occupancy by this tenant.

Respectfully,



**Frank J. Young
Landlord/Owner**

X _____



77-734 Country Club Drive, Suite F-2
Palm Desert, California 92211
(760) 360-2033 FAX (760) 360-2034

Thursday – 7 May 2009

RE: Suite 102 at 19-486 Newhall Street, North Palm Springs, CA

TO WHOM IT MAY CONCERN....

I am the Leasing Agent and Property Manager for the above industrial building.

I leased Suite 102 to the West Valley Patients Association with the full knowledge that they would be dispensing medical marijuana.

This fact was made known to the owner and to the owner's attorney. Neither of them have any problem with West Valley being a tenant in the building. Nor have any other tenants made a complaint of any kind.

West Valley serves people in pain or with other health issues. They do so in a quiet, professional manner.

I have been in commercial real estate for 35 years and can readily say we are pleased to have them as a tenant.

Sincerely yours,

Christopher Ryan, RPA
Leasing & Sales Associate

Cellular Phone: (760) 567-9889
Email: inkwell.8@netzero.com

X _____



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- Intrusion Detection
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- Preferred Services
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Date	June 17, 2009
Company	West Valley
Attention	Lillian
Fax No.	760 329 2939
From	Fred McClung / fmcclung@adt.com
Subject	See attached
No. of pages (including this one)	3

6/17/2009 1:53 pm

Work Order - Job# 51358892

Page 1 of 1

Job Type COMM-SERVICE
Job Request Q-STD RESPONSE
Req'd By / Phone LARRY LARA 951 282-5571
PC#
Service Plan 109DEC-MAINT/NO INSPEC:ADT OWNED D Co
Warranty Status None
Commitment 5/7/2009 09:00-19:00
Estimated Hours 1.4 **Start Date** 12/1/2008
System Type DSC1-DSC 1864,1832,1856
CS# H765485760 **Mon Sys** RMMMA
Receiver Phone 877 208-1389 **Install Date**
Panel Location back of office **VRT#**
Job Comment applying for a permit. ettd wanted to make sure the business is up to par for city.

Customer# 19835872 **Site#** 16596538
Customer Type A-ADMIN Billed
Customer Name WEST VALLEY
Site Type C-COMM - Commercial
Site Name WEST VALLEY
Site Address 19-488 NEWHALL ST STE 102
 NORTH PALM SPRINGS, CA 92256
Site Phone 951 789-2911
Cross Street
Map Book **Page** **Coord**
Install Co 198-CA RIVERSIDE

System
Service Comment

Service
Company
Comment

Date	Time	User	Additional Job Comments	En-Route	On Site	Cleared / Recalled
5/5/2009	13:57	78419	applying for a permit. ettd wanted to make sure the business is up to par for city.			
5/6/2009		26531-Davis, Mark				5/6/2009 14:24 (Recalled)
5/7/2009		26531-Davis, Mark		5/7/2009 09:58	5/7/2009 10:38	5/7/2009 11:10

State of California
Secretary of State



I, DEBRA BOWEN, Secretary of State of the State of California, hereby certify:

That the attached transcript of 1 page(s) has been compared with the record on file in this office, of which it purports to be a copy, and that it is full, true and correct.



IN WITNESS WHEREOF, I execute this certificate and affix the Great Seal of the State of California this day of

JUN 26 2009

Debra Bowen

DEBRA BOWEN
Secretary of State



**State of California
Secretary of State**

**REGISTRATION OF UNINCORPORATED NONPROFIT ASSOCIATION
PURSUANT TO CALIFORNIA CORPORATIONS CODE SECTION 21309**

REG. NO. 10963

ENDORSED - FILED
In the office of the Secretary of State
of the State of California

JUN 26 2009

Instructions:

1. Complete and mail to: Secretary of State, Document Filing Support Unit,
P. O. Box 944225, Sacramento, CA 94244-2250 (916) 657-5448
2. Include filing fee of \$10.00 per box checked below.

This space For Filing Use Only

Association includes any lodge, order, beneficial association, fraternal or beneficial society, historical, military, or veterans organization, labor union, foundation, or federation, or any other society, organization, or association, or degree, branch, subordinate lodge, or auxiliary thereof.

Registration For:

Name Insignia Alteration Cancellation

Association Name

West Valley Patients Collective Association

Street or Mailing Address

19480 Newhall St. Suite 102

City and State

Palm Springs, CA

Zip Code

92258

Nature of Allegation (if Any):

Description of Insignia, which may include badge, motto, button, decoration, charm, emblem, or rosette:

Attach Facsimile:

I declare under penalty of perjury under the laws of the State of California that I am a chief officer of the association; that I am authorized to act on behalf of the association with respect to completing and submitting this application; that the information contained in this application is true and correct.

B. Lazarin 12/19/08
Signature of Officer Date

Signature of Additional Officer Date

Lillian R. Lazarin, President
Typed Name and Title

Typed Name and Title





**State of California
Secretary of State**

ENDORSED - FILED
In the office of the Secretary of State
of the State of California

DEC 22 2008

STATEMENT BY UNINCORPORATED ASSOCIATION
(Corporations Code section 18200)

A \$25.00 filing fee must accompany this form.

IMPORTANT - Read instructions before completing this form.

This Space For Filing Use Only

ENTITY NAME

1. NAME OF UNINCORPORATED ASSOCIATION
West Valley Patients Collective Association

2. PRINCIPAL OFFICE ADDRESS
1946 Newhall Suite 102

CITY	STATE	ZIP CODE
Palm Springs	CA	92258

3. MAILING ADDRESS (If item 2 was not completed, complete item 3 with the address to which the Secretary of State shall send any required notices.)

CITY AND STATE	ZIP CODE

4. NAME OF AGENT FOR SERVICE OF PROCESS
Lilian Lazian

CITY	STATE	ZIP CODE
Palm Springs	CA	

5. IF AN INDIVIDUAL, CALIFORNIA ADDRESS OF AGENT FOR SERVICE OF PROCESS
1946 Newhall Suite 102

6. SECRETARY OF STATE FILE NUMBER
5195

7. FORMER NAME OF UNINCORPORATED ASSOCIATION (if different from the name in item 1 above)
West Valley Patients Association

EXECUTION

8. THE INFORMATION CONTAINED HEREIN IS TRUE AND CORRECT.

SIGNATURE OF PERSON COMPLETING THIS FORM

Anthony L. Curiale

TYPE OR PRINT THE NAME OF PERSON COMPLETING THIS FORM

Attorney

TITLE OF PERSON COMPLETING THIS FORM

12/18/08

DATE

APPROVED BY SECRETARY OF STATE

Gregory D. Barton CPA & Associates, Inc.

June 11, 2009

City of Palm Springs
Palm Springs, CA 92262

RE: West Valley Patients Collective Association

To Whom It May Concern,

The above referenced association has been granted a Federal ID number (27-0343100) for use in its banking relations and for the reporting of payroll and payroll taxes.

The business has been established as an Unincorporated Nonprofit Association by the State of California. As a nonprofit entity, West Valley Patients Collective Association is being established to promote, maintain and or advance the health and well being of its members through collective and cooperative cultivation projects. As the Internal Revenue Service indicates, a Community or Volunteer group is established to not engage in an activity that is for profit. To retain its nonprofit status, those persons closely involved in the operation of the entity must not profit from it. However, officers and directors that are actively engaged in the operations may be paid fair remuneration for their services.

As the CPA firm for West Valley Patients collective Association we are in the process of obtaining State ID numbers for the reporting of payroll and establishing the books and records for the business so that it will comply with the requirements of being a nonprofit association.

Should you need additional information please feel free to contact our office.

Sincerely,



Gregory D. Barton, CPA

777 E. Tahquitz Canyon Way
Suite 320
Palm Springs, CA 92262
Phone: 760.969.6499
Fax: 760.325.8269

www.GregBartonCPA.com

445 W. Palmdale Blvd
Suite 1
Palmdale, CA 93551
Phone: 661.266.1555
Fax: 661.266.1144

Date of this notice: 06-10-2009

Employer Identification Number:
27-0343100

Form: SS-4

Number of this notice: CP 575 A

WEST VALLEY PATIENTS COLLECTIVE
ASSOCIATION
19486 NEWHALL SUITE 102
PALM SPRINGS, CA 92258

For assistance you may call us at:
1-800-829-4933

IF YOU WRITE, ATTACH THE
STUB AT THE END OF THIS NOTICE.

WE ASSIGNED YOU AN EMPLOYER IDENTIFICATION NUMBER

Thank you for applying for an Employer Identification Number (EIN). We assigned you EIN 27-0343100. This EIN will identify you, your business accounts, tax returns, and documents, even if you have no employees. Please keep this notice in your permanent records.

When filing tax documents, payments, and related correspondence, it is very important that you use your EIN and complete name and address exactly as shown above. Any variation may cause a delay in processing, result in incorrect information in your account, or even cause you to be assigned more than one EIN. If the information is not correct as shown above, please make the correction using the attached tear off stub and return it to us.

Based on the information received from you or your representative, you must file the following form(s) by the date(s) shown.

Form 941	10/31/2009
Form 940	01/31/2010

If you have questions about the form(s) or the due date(s) shown, you can call us at the phone number or write to us at the address shown at the top of this notice. If you need help in determining your annual accounting period (tax year), see Publication 538, *Accounting Periods and Methods*.

We assigned you a tax classification based on information obtained from you or your representative. It is not a legal determination of your tax classification, and is not binding on the IRS. If you want a legal determination of your tax classification, you may request a private letter ruling from the IRS under the guidelines in Revenue Procedure 2004-1, 2004-1 I.R.B. 1 (or superseding Revenue Procedure for the year at issue). Note: Certain tax classification elections can be requested by filing Form 8832, *Entity Classification Election*. See Form 8832 and its instructions for additional information.

If you are required to deposit for employment taxes (Forms 941, 943, 940, 944, 945, CT-1, or 1042), excise taxes (Form 720), or income taxes (Form 1120), you will receive a Welcome Package shortly, which includes instructions for making your deposits electronically through the Electronic Federal Tax Payment System (EFTPS). A Personal Identification Number (PIN) for EFTPS will also be sent to you under separate cover. Please activate the PIN once you receive it, even if you have requested the services of a tax professional or representative. For more information about EFTPS, refer to Publication 966, *Electronic Choices to Pay All Your Federal Taxes* and Publication 4248, *EFTPS (Brochure)*. If you need to make a deposit before you receive your Welcome Package, please visit an IRS taxpayer assistance center to obtain a Federal Tax Deposit Coupon, Form 8109-B. To locate the taxpayer assistance center nearest you, visit the IRS Web site at <http://www.irs.gov/localcontacts/index.html>. Note: You will not be able to obtain Form 8109-B by calling 1-800-829-TAXFORMS (1-800-829-3676).

The IRS is committed to helping all taxpayers comply with their tax filing obligations. If you need help completing your returns or meeting your tax obligations, Authorized e-file Providers, such as Reporting Agents (payroll service providers) are available to assist you. Visit the IRS Web site at www.irs.gov for a list of companies that offer IRS e-file for business products and services. The list provides addresses, telephone numbers, and links to their Web sites.

To obtain tax forms and publications, including those referenced in this notice, visit our Web site at www.irs.gov. If you do not have access to the Internet, call 1-800-829-3676 (TTY/TDD 1-800-829-4059) or visit your local IRS office.

IMPORTANT REMINDERS:

- * Keep a copy of this notice in your permanent records. This notice is issued only one time and the IRS will not be able to generate a duplicate copy for you.
- * Use this EIN and your name exactly as they appear at the top of this notice on all your federal tax forms.
- * Refer to this EIN on your tax-related correspondence and documents.

If you have questions about your EIN, you can call us at the phone number or write to us at the address shown at the top of this notice. If you write, please tear off the stub at the bottom of this notice and send it along with your letter. If you do not need to write us, do not complete and return the stub. Thank you for your cooperation.

Keep this part for your records.

CP 575 A (Rev. 7-2007)

Return this part with any correspondence so we may identify your account. Please correct any errors in your name or address.

CP 575 A

999999999

Your Telephone Number Best Time to Call
()

DATE OF THIS NOTICE: 06-10-2009
EMPLOYER IDENTIFICATION NUMBER: 27-0343100
FORM: SS-4 NOBOD

INTERNAL REVENUE SERVICE
CINCINNATI OH 45999-0023
[Barcode]

WEST VALLEY PATIENTS COLLECTIVE
ASSOCIATION
19486 NEWHALL SUITE 102
PALM SPRINGS, CA 92258

WEST VALLEY PATIENTS COLLECTIVE ASSOCIATION
ARTICLES OF ASSOCIATION AND BYLAWS

THIS AGREEMENT (hereinafter "AGREEMENT"), made as of December 9, 2008, is by and between the undersigned individuals (hereinafter "MEMBERS") and by its execution by the undersigned, the West Valley Patients Collective Association, hereinafter, the "Association", is formed

WHEREAS, On November 6, 1996, the people of the State of California enacted the Compassionate Use Act of 1996 (hereinafter the "act") codified in Section 11362.5 of the Health and Safety Code, in order to allow seriously ill residents of the state, who have the oral or written approval or recommendation of a physician, to use marijuana for medical purposes without fear of criminal liability under Sections 11357 and 11358 of the Health and Safety Code.

WHEREAS, To clarify the scope of the application of the act and facilitate the prompt identification of qualified patients in order to avoid unnecessary arrest and prosecution of these individuals and provide needed guidance to law enforcement officers, the legislature enacted Senate Bill 420 (hereinafter S.B. 420), codified in California Health and Safety Code Section 11362.7 et. seq.

WHEREAS, it is the declared intent of the legislature by enacting S.B.420 to, inter alia, enhance the access of patients and caregivers to medical marijuana through collective, cooperative cultivation projects.

WHEREAS, California Health and Safety Code Section 11362.775 states that Qualified patients, persons with valid identification cards, and the designated Primary Caregivers of qualified patients and persons with identification cards, who associate within the State of California in order collectively or cooperatively to cultivate marijuana for medical purposes, shall not solely on the basis of that fact be subject to state criminal sanctions under Sections 11357, 11358, 11359, 11360, 11366, 11366.5, or 11570 of the California Health and Safety Code

WHEREAS, it is the intent by these Articles, to form, operate, and maintain an association of qualified medical marijuana patients for the purposes of inter alia, cultivating, acquiring and or distributing marijuana to qualified patients for medical purposes pursuant to California Health and Safety Code Sections 11362.7 et. seq. and specifically pursuant to California Health and Safety Code Sections 11362.775 and for those additional purposes set forth herein below.

WHEREAS, it is the intent by these Articles that the Association be designated as The West Valley Patients Collective Association (herein after "Association").

WHEREAS, it is the intent by these Articles that any member here after joining the Association shall be qualified patients pursuant to California Health and Safety Code Section 11262.5 and 11326.7 et. seq. who hereafter may become Members of the Association, be bound by these Articles and Bylaws any by-laws, rules, or membership requirements of the Association hereafter adopted by the Association.

ARTICLE I

NAME OF ORGANIZATION

1. WHEREAS the name of the Association is The West Valley Patients Collective Association (herein after "Association), an unincorporated, non profit association created under the laws of the State of California. The office of the Association shall be located at the address at which the President, from time to time, may determine, or as the Association may require. The duration of the Association shall be perpetual. The death, removal, or resignation of the President shall not result in the dissolution of the Association. The Association shall consist of two or more members joined together by mutual consent for the common non profit purpose as stated herein in the State of California.

ARTICLE II

PURPOSE

2. The purpose by these Articles is to form an Association among qualified patients as defined by California Health and Safety Code Section 11362.5 and California Health and Safety Code Section 11362.7 et. seq. in order to collectively and cooperatively cultivate marijuana for medical purposes, to provide for the safe and affordable acquisition and or distribution of medical marijuana to members of the Association according to physician recommended amounts or amounts provided by law, and to provide assistance in the cultivation, acquisition and or distribution of medical marijuana to members. The Articles and Bylaws shall, inter alia, set forth the terms and conditions of membership and the rights, duties and obligations thereof.

3 The purpose and or object(s) of the Association is (1) the collective and or cooperative cultivation, acquisition, possession and or distribution by the members of the Association of marijuana for medical purposes for the use and benefit of the members; (2) To provide members safe and affordable access to marijuana for medical purposes without fear of criminal liability; (3) To provide for the safe and affordable distribution of marijuana to members of the Association at a reasonable cost to the members, (4) to enhance safe access of members to medical marijuana through collective cultivation project(s) and distribution of the products of such projects(s); (5) to provide health and counseling services related to medical marijuana to the members of the Association, (6) to advance and disseminate practical or technical knowledge

and information to the members and or general public regarding medicinal uses of marijuana, (7) To promote public awareness of the issues relating to medical marijuana and (8) to effect and influence legislative and regulatory agencies to promote laws, rules, regulations and policies beneficial to the Association, its members, and the community of qualified patients at large. **The Association shall be, if applicable, a Nonprofit Association within the meaning of California Corporations Code Section 18020 whereby it is an unincorporated association with a primary common purpose other than to operate a business for profit. While it is not the goal or purpose of the Association to generate profits, if the Association accrues any profit it shall be taxed under the IRS code and related California Code and any cash reserves retained by the Association shall be used to pay any income taxes that may become due.**

By these Articles and Bylaws, no marijuana shall be used, possessed or distributed to any person for any reason whatsoever who is not a member of the Association.

4. In conformance with the purpose of the Association, the Articles and Bylaws as stated here in authorize the execution of a collective or cooperative medical marijuana cultivation project(s) as authorized by Health and Safety Code Section 11362.7, Section 1(b)(3) and or 11362.775 (hereinafter "Project"), and any agreements attendant thereto, by the Governing Board chairman as directed by the Governing Board of the Association if formed pursuant to the Agreement herein, or by the President acting on behalf of the Association. By these Articles and Bylaws, the product(s) of such project(s) is and shall become the collective property of the Association and its members, that the Association shall acquire, hold and manage such property for the benefit of the members collectively and which product shall be for the sole use and benefit its members. Each member shall have the right to obtain and use such property only so long as they are members of the Association and payment of their pro rata share of the costs of operation of the Association as represented by that portion of the such property acquired, from time to time, by that member is received by the Association.

Each member shall contribute to the project their time, effort, labor, advice, support (financial or otherwise), technical or administrative assistance according to ability, expertise, knowledge, technical training, or experience of the member on an as needed basis upon the reasonable request of the President.

By the Articles and Bylaws herein stated, one or more members may cultivate medical marijuana for the benefit of the Association and that the costs and expenses associated with such cultivation and processing and or distribution to members shall be borne by the Association through its members on a pro rata basis as reflected by the pro rata cost of each members physicians recommended medical marijuana as more fully explained below.

ARTICLE III

CONTRIBUTION BY PRO RATA SHARE

5. By these Articles and Bylaws, member shall contribute funds to the project(s), on a pro rata basis, which shall be accomplished by payment to the Association through the President and or staff or employees of the President or Association. By these Articles and Bylaws, any pro rata payment to the Association is used to insure continued operation of the Association and that any such transaction in no way constitutes commercial promotion.

Such funds paid to the Association on a pro rata basis shall be that amount necessary to provide for the (1) costs of acquisition, cultivation, processing, transporting, distribution and or delivery of medical marijuana by the Association to its members, (2) for salary and other compensation for services rendered to the Association and or its members by the President or other employees of the Association, (3) for costs associated with rent, utilities, or other fixed or variable costs and or expenses associated with any location operated by, for or on behalf of the Association (4) for costs and expenses advanced on behalf of the Association , (5) for such other debt or obligation incurred by the Association on its behalf and for its benefit, and (6) reserve

funds for potential civil or criminal liabilities of the Association and or the President or employees thereof. The amount of any reserve fund for potential civil or criminal liabilities may be determined by the Governing Board or in its absence, the President.

By these Articles and Bylaws, each pro rata payment as mentioned above may be deferred until such time as the member acquires his or her medical marijuana from the Association. By these Articles and Bylaws, that acquisition of medical marijuana by the Association may occur on a regular, irregular or periodic basis, depending on the needs of each member, and that the pro rata contribution of each acquiring member shall be paid upon acquisition of each members physicians recommended or lawfully possessable amount as they occur.

By these Articles and Bylaws, indigent or low income qualified members may obtain medical marijuana at discounted cost based upon need and ability to pay. Indigent and low income members may be required to provide to the Association, if directed by the President, an income and expense declaration signed under penalty of perjury. The President shall, in his or her reasonable discretion, compute that members pro rata share that bears a reasonable relation to the member's ability to pay. The difference between the pro rata payment by non-indigent members and indigent or low income members shall be borne by the Association members as a whole.

ARTICLE IV

COMPENSTATION FOR SERVICES RENDERED

6. By these Articles and Bylaws, the designated President and other employees of the Association shall be entitled to salary and or other compensation for services provided to members of the Association. The President or any employee of the Association shall be a qualified patient as required by law and must be a member of the Association. Loss of legal status as a qualified medical marijuana patient under applicable California law is and will be

grounds for immediate termination of employment of any employee or President without notice, other provisions of this Agreement notwithstanding.

By these Articles and Bylaws, the pro rata share as mentioned above to be paid to the Association shall include the salary and or other compensation of the President and or other employees of the Association and also for out of pocket expenses incurred, if any, by the President or employees of the Association on behalf of the Association.

Due to the unsettled nature of the law regarding the collective or cooperative cultivation, acquisition, possession and or distribution of medical marijuana by and to the members of the Association, and that legal action against the Association, the President, or both, whether criminal or civil in nature, may result from the activities of the Association, the President, employees of the Association, or any of them, the salary of the President, and or any employees of the Association, for services rendered to the Association shall take into consideration and incorporate those factors associated with potential risks of civil or criminal liabilities and or penalties.

The salary and or other compensation of the President shall be fixed annually by the governing board of the Association if formed pursuant to this Agreement, or in its absence, by the President. The salaries or other compensation of the employees of the Association shall be determined by the President at his or her sole discretion.

ARTICLE V

CONDITIONS OF MEMBERSHIP

7. By these Articles and Bylaws, no person may be a member of the Association who is not a qualified patient as defined by California Health and Safety Code Section 11362.5 and 11362.7 et. seq. and each member of the Association shall be a qualified medical marijuana patient pursuant to California Health and Safety Code Section 11362.5 and 11362.7 et. seq. By these Articles and Bylaws, a member shall not be required to pay any membership fee or annual dues.

However, the governing board, or the President in its absence, shall have the authority to charge a membership or annual dues fee upon thirty days notice to members.

8. In the absence of a written recommendation by a licensed physician and upon request by the President, each member shall execute an affidavit of truth under penalty of perjury wherein it shall be stated that a medical doctor has orally recommended or approved his or her use of cannabis for treatment of a serious disease or illness.

9. The medical marijuana cultivated for the members of the Association may be cultivated by other members of the Association at various locations throughout the State of California for the use and benefit of the members of the Association. By these Articles and Bylaws, the amount of medical marijuana cultivated and or possessed by the Association shall be based upon the membership of the Association multiplied by that amount allowed by law for of each member to possess. It is further understood that each member shall be allowed their pro rata share of any medical marijuana so cultivated or possessed upon payment to the Association of their pro rata share of the costs associated with the Association as mentioned in this Agreement.

10. By these Articles and Bylaws, all the medical marijuana cultivated, obtained or possessed by the Association is the property of the members collectively without any individual right of possession, dominion or control of any of said property absent payment, as mentioned above, of that members pro rata share of the costs associated with the operation of the Association, as mentioned above, and then only will the member be allowed to acquire only that quantity as allowed by law.

11. By these Articles and Bylaws, each member shall sign an authorization for release of medical information in favor of the Association for the limited purpose of verification of a physician's recommendation for the use of medical marijuana for the treatment or relief of a serious disease or illness. The Association shall not in any way use or disclose said medical information except as expressly authorized by this Agreement, nor shall said medical information be released to any third parties unless authorized in writing by the member, by order of a court of competent jurisdiction, as otherwise required by the laws of the State of California, or as expressly authorized by this Agreement. However, voluntary disclosure by the member of any information acquired by the Association resulting from the authorization for release of medical information to any third party shall constitute a waiver of this paragraph by the member.

12. By these Articles and Bylaws, that each member shall provide to the Association upon execution of this Agreement or upon application for membership in the Association, which ever occurs first, a physician's recommendation, signed by a physician, for the use of medical marijuana. Each member understands and agrees that failure to provide said recommendation shall be grounds for denial of membership.

13. By these Articles and Bylaws, each member shall provide to the Association upon execution of this Agreement or upon application for membership in the Association, whichever occurs first, a valid California driver's license, a valid California identification card or a valid U.S. Passport. Each member understands and agrees that a copy of said identification will be made by the Association and maintained by the Association as part of the membership records. The Association shall not in any way use or disclose said identifying information except to verify identity of the member or as expressly authorized by this Agreement, nor shall said identifying information be released to any third parties unless authorized in writing by the member, as

expressly authorized by this Agreement, by order of a court of competent jurisdiction or as required by the laws of the State of California.

14. By these Articles and Bylaws, each member may, at the discretion of the governing board, or in its absence, the President, be issued a document or card identifying the member as a member of the Association. If so issued, each member shall present said document or card upon request for acquisition of medical marijuana from the President or from the Association. At the sole discretion of the President, failure to present said document or card shall result in denial of the request for acquisition of medical marijuana.

15. By these Articles and Bylaws, distribution and or resale of medical marijuana acquired through the Association to any non- member of the Association shall result in immediate termination of membership from the Association.

ARTICLE VI CONFIDENTIALITY OF MEMBERSHIP

16. By these Articles and Bylaws, the membership list and identity of members of the Association shall remain confidential and The Association, no individual member, in any way shall use or disclose said list, identity or identity information except as expressly authorized by this Agreement, nor shall said list or identity be released to any third parties unless authorized by the member, by order of a court of competent jurisdiction, as otherwise required by the laws of the State of California, or as expressly authorized by this Agreement. However, voluntary disclosure by the member of membership in the Association to any third party not a member of the Association shall constitute a waiver of this paragraph by the member. Disclosure by a member of the identity of another member without the consent of that member shall be grounds for termination of membership of the disclosing member in the Association.

By these Articles and Bylaws, the disclosure of the existence of the Association is expressly authorized by this Agreement, and the Association or the President may disclose said existence to third parties. However, disclosure of the existence of the Association shall exclude the identities of the members unless authorized pursuant to the Articles and Bylaws of the Association.

Liability of Members

9.01 No person who is deemed a Member of the Association shall be personally liable under any judgment of a court, or in any other manner, for any debt obligation, or liability of the Association, whether that liability or obligation arises in contract, tort,, or otherwise, solely by reason of being a Member of the Association. .

ARTICLE VII

VERIFICATION OF RECOMMENDATION

17. By these Articles and Bylaws, the Association shall verify each member's physician recommendation upon application for membership or within 72 hours thereof. Each member understands that failure of the Association to verify each member's physician recommendation shall be grounds for denial or termination of member's membership in the Association. By these Articles and Bylaws, no medical marijuana shall be distributed to the member without verification, by the Association or the President, of the member's doctor recommendation.

ARTICLE VIII

GOVERNING BOARD

18. By these Articles and Bylaws, the members may form a Governing Board for the Association. Should the members desire to form a Governing Board, such formation must be approved by a majority of the members present at a membership meeting by written ballot approving such formation. One hundred percent of the total membership of the Association shall constitute a quorum.

Notice of such meeting shall be given to members by electronic or postal mail. Such notice shall designate the time and place of such meeting and such meeting shall occur no less than ten days from date of notice by electronic means or twelve days if by postal notice. For all notices mentioned by these Articles and Bylaws, the notice must state the matters to be decided and describe how and when the vote is to be conducted. Upon approval of such formation, the election of the Governing Board shall occur upon vote of the majority of the members then present at a membership meeting. One hundred percent of the total membership of the Association shall constitute a quorum.

Each member of the Governing Board shall be elected separately by a majority of the members present at a meeting for such purpose. One hundred percent of the total membership of the Association shall constitute a quorum.

Notice of such meeting shall be given to members by electronic or postal mail. Such notice shall designate the time and place of such meeting and such meeting shall occur no less than ten days from date of notice by electronic means or twelve days if by postal notice. Votes shall be cast by written ballot. The Governing Board shall serve for five years whereupon the election of a new Governing Board shall occur on the anniversary date of the election of the previous committee. The election of the new Governing Board shall be in the manner as prescribed in this section.

The Governing Board shall consist of three members plus the President. The President shall not be an elected member.

If formed, the Governing Board shall have the discretion to draft any amendments not inconsistent with the purposes of the Association to the bylaws of the Association. Such

amendments, if drafted, shall be submitted and be approved within thirty days for adoption by a majority of the members of the Association present at a meeting called for that purpose. One hundred percent of the total membership of the Association shall constitute a quorum.

In the absence of such amendments to the bylaws of the Association, these Articles and Bylaws shall serve as the governing rules and Bylaws of the Association. The governing board may not direct the affairs or operation of the Association and may not interfere with the rights, duties and obligations of the President as stated in these Articles and Bylaws. The Board may receive compensation for services rendered.

ARTICLE IX

DESIGNATION AND DUTIES OF THE PRESIDENT

19. By these Articles and Bylaws, **Lilian Lazarin** shall be the designated President of the Association until such time as he resigns or is removed by unanimous vote of the members of the Governing Board, if so formed pursuant to these Bylaws. However, no termination of the President shall occur without thirty days written notice by the Governing Board to the President. The President may only be terminated for cause. Upon termination, resignation or other vacancy of the President, the Governing Board, if formed, shall appoint the President upon two thirds vote of the Governing Board. Should there be no governing Board the President may appoint his or her successor. In the absence of an appointment of a successor by the President, the successor President shall be elected by two thirds vote of the Governing Board, if so formed. If not so formed, then by two thirds vote of the membership at a meeting called for that purpose. Two thirds of the members present at a meeting called for such purpose shall constitute a quorum.

The President, by accepting said designation, shall and must be a member of the Association and bound by the terms and conditions of the Articles and Bylaws expressed herein.

He or she shall have such powers as may be reasonably construed as belonging to the chief executive of any organization.

It shall be the duty of the President, inter alia, to operate and manage in good faith the affairs, financial, business or otherwise, of the Association. It shall be the duty of the President to keep and maintain, or cause to be kept and maintained in accordance with generally accepted accounting principles, adequate and correct accounts of the properties and the business transactions of the Association, including accounts of its assets, liabilities, receipts, and disbursements.

The President shall deposit all moneys and other valuables in the name and to the credit of the Association with such depositaries as may be designated by the Governing Board, or in its absence, by the President. It is understood and agreed by the members of the Association that the President is authorized hereby to provide for a depository in the discretion of the President for the funds of the Association and is further authorized to deal with Association funds

It shall be the right, duty and responsibility of the President to hire, direct, supervise, manage, and or terminate employees of the Association without interference from the members thereof or the Governing Board.

It shall also be the duty of the President, or such employees so designated, to examine the quality and purity of the medical marijuana provided to the member(s) and to provide consultations with members regarding the quality, type, strain, quantity, and dosage and frequency of use medical marijuana used by the member with regard to that members medical condition illness, sickness, or disease. The President shall be knowledgeable, either by education, training or experience, or any combination thereof, in the types or strains of medical marijuana provided to the member(s) and the effects and or efficacy of medical marijuana provided to the member as it relates to the medical condition, illness, sickness, or disease of the member.

It shall be the duty of the President to properly label any container containing medical marijuana delivered to the member specifying that the user of the medicine should consult with his or her own physician when using such medicine in combination with other drugs or alcohol, that the medicine should not be used when operating machinery or driving a motor vehicle and that the medicine is not to be used or made available to anyone who does not have an oral or written recommendation by a licensed physician or a state issued identification card.

The President shall provide, upon request of a member, delivery of medicine to the member, assistance in administering medicine, and or recommendation of physicians who provide medical services to qualified patients. The President shall also provide access to the services of attorneys knowledgeable of patients' rights under Health and Safety Code Sections H362.5 and H362.7 et. seq.

The members agree to designate, and by this Agreement is so designated, the President as its agent for service of process as well as custodian of records for the purpose of possessing and maintaining the books, records, receipts, accounts, and any or all other records and documents of the Association relating to the cultivation, possession and distribution of marijuana to the members for medical purposes, or other affairs of the Association. The President is hereby authorized to file with the California Secretary of State a Statement by Unincorporated Association or any other statement similar or related thereto. . The President is hereby authorized to obtain an employee identification number on behalf of the Association.

By these Articles and Bylaws, President is authorized to prosecute or defend any legal action in any court of proper jurisdiction on behalf of and for the benefit of the Association and be the authorized agent for service of process. By these Articles and Bylaws, the President shall be entitled to reimbursement for costs and reasonable compensation for services rendered as agent and custodian of records of the Association. By these Articles and Bylaws the Association shall defend hold harmless the President or its employees from any and all civil or criminal liability resulting from any action taken on behalf of or the benefit of the Association or for the results or the effects of any conduct occurring during the course and scope of services rendered

to the Association, excepting intentional tortuous conduct resulting in harm to third persons or employees of the Association. .

For the purpose of these Articles and Bylaws, the health and safety needs provided by the President shall include, but are not limited to advising members, (1) on a frequent and continuous basis or as requested by the member, regarding their use of medical marijuana, (2) regarding frequency of use and or dosage of medical marijuana as recommended to the member, (3) regarding use of other herbs in relation to medical marijuana, (4) regarding types or strains of medical marijuana and or other herbs to be used in relation to members condition; (5) regarding personal cultivation as requested by members; (6) regarding delivery of medicine as requested by members; (7) regarding access to legal advice or assistance as requested by members;(8) regarding written and or published materials relating to medical marijuana, its benefits, uses, or applications; (9) regarding affiliation with other medical marijuana associations, , for the education and benefit of the members of the Association. (10) of information regarding emergency telephone numbers or contacts to be used in case of arrest or seizure of medicine, and assuring that members of the association obtain safe affordable, unadulterated and properly labeled medicine.

ARTICLE X

BANK RESOLUTION

20. The President shall deposit all moneys and other valuables in the name and to the credit of the Association with such depositories as may be designated by the by the President. It is understood and agreed by the members of the Association that the President, in his or her discretion, is authorized hereby to provide for a depository for the funds of the Association, add or delete signatories to any account held in the name of the Association, and is further authorized to deal with Association funds. Until such authority is revoked by sealed notification to said bank by a successor President or the governing board of the Association, if so formed, the President

named herein are authorized to execute checks and other items for and on behalf of the Association.

Said account shall be governed by applicable banking laws, customs and Clearing House regulations and by the rules printed charge schedule of the bank. If the account is a checking account, the bank is requested to prepare and mail the monthly bank statement and cancelled checks, if available, to the mailing address of the Association shown on the bank records.

ARTICLE XI

AMENDMENT TO THE BYLAWS

21. The Bylaws of the Association may not be amended except by seventy five percent of the members then present at a meeting called for that purpose except as to those matters governing bank resolutions herein above mentioned or as to those matters which are affected by changes in state law either by legislative enactment or judicial decree which may be amended at any time at the discretion of the governing board, or in its absence, the President. One Hundred percent of the total membership of the Association shall constitute a quorum.

Notice of any such amendment or revocation shall be given to the members of the Association no later than thirty days from the date of such amendment or revocation by electronic or postal mail. Any amendment or revocation as mentioned herein shall be appended to this Agreement and made apart thereof.

ARTICLE XII

DELIVERY AND ACQUISITION

22. By these Articles and Bylaws, it is understood that it is not practicable, cost effective or efficient for the President or any employees of the Association to deliver to each individual

member his or her medical marijuana, unless the member is not physically capable, due to his or her condition, to receive his or her medicine from the acquisition center herein below mentioned in which case the medicine shall be delivered to the member by the President or an employee of the Association.

By these Articles and Bylaws, the cultivation of medical marijuana by other members of the Association, for the Association and its members, and intended for the exclusive use of the members of the Association may, and frequently does, occur at various locations throughout the state and that it is not practical or cost effective for the members of the Association to acquire their allowable quantity of medical marijuana directly from the cultivation site.

Therefore, by these Articles and Bylaws, the establishment of a distribution center (hereinafter "Center") is authorized and shall be utilized by the President for the purpose of distribution of the medical marijuana so cultivated to members of the Association. The members further understand and agree that the Center shall be serviced, operated and or maintained by the President for the benefit of members and that it is the obligation of the Association through individual member pro rata contributions to pay for costs associated with the Center and the services provided through the Center.

By these Articles and Bylaws the premises wherein the Center is located may be rented or leased in the name of the Association by the President, at his or her discretion. By these Articles and Bylaws, the Center may also be utilized by the President to provide to the members health and safety services, or other services that conform to the purpose of the Association, and that the costs associated with such services and Center shall be used as a factor to determine the members pro rata contribution to the Association for medical marijuana provided to the member through the Center.

ARTICLE XII

BOOKS AND RECORDS

23. All minute books, correspondence, and other records of the Association shall be preserved by the President. Records that have ceased to be of use for the conduct of the affairs of the Association may be turned over for preservation to a depository designated by it, or discarded.

ARTICLE XIII

DISCLAIMER OF LIABILITY

24. By these Articles and Bylaws, membership in the Association shall not be construed to protect members from arrest and or prosecution pursuant to any Federal laws or other State or local laws that prohibit the cultivation, possession, sale, use, distribution, transportation or of controlled substances.

ARTICLE IVX

RELEASE OF LIABILITY

25. By these Articles and Bylaws it is noted that there are or may be health or physical risks associated with the use of medical marijuana either alone or in conjunction with other prescribed medication and that each member should consult with his or her own physician regarding such use or risks. By these Articles and Bylaws, the Association makes no warranties or

representations as to the purity, growth standards, quality or efficacy of the medical marijuana manufactured, possessed or distributed by, for or through the Association.

By these Articles and Bylaws, as a further condition of membership, the members together with their heirs, assigns, successors-in-interest, trustees, employees, agents, affiliates and any attorneys and other professionals retained by any of them, hereby voluntarily and knowingly, forever and fully, finally, completely and mutually, release, acquits and discharges the Association and or the President, each individual member and all of its or his or her assigns, successors-in-interest, members, officers, managers, trustees, employees, agents, affiliates and any attorneys and other professionals retained by any of them, from any and all claims of liability arising from the use of medical marijuana acquired by the member by or through participation in the Association.

ARTICLE XV

EXECUTION

26. In order to maintain the privacy and confidentiality of the members of the Association these Articles and Bylaws may be subscribed, attested and or executed by members upon a document not attached to the Articles and Bylaws (herein after "Executing Document West Valley Patients Collective Association"). However, such Executing Document shall incorporate by reference the terms, conditions and provisions of these Articles and Bylaws by reference to the Articles and Bylaws as "West Valley Patients Collective Association Agreement Articles of Association and Bylaws". The Executing Document shall also state that each member has read and understood these Articles and Bylaws prior to subscribing the Executing Document. The Executing Document shall be maintained according to the provisions of this these Articles and

Bylaws. . The Executing Document as executed or attested by each member of the Association is hereby incorporated by reference as though fully set forth herein and shall be sufficient evidence of membership in the Association. No member, or any other person or entity, shall be entitled to a copy of the Articles and Bylaws, whether or not amended, without the express written consent of the President, order of a court of competent jurisdiction or as required by the laws of the State of California. However, these Articles shall be made available to any member for review during the normal hours of operation of the Association.

ARTICLE XVI NONDISCLOSURE

27. By these Articles and Bylaws, the Articles and Bylaws of the Association, whether or not amended, are confidential and the information contained herein proprietary and or constitutes intellectual property and that any member shall not, at any time during, in any manner, either directly or indirectly, divulge, disclose, provide, or in anyway communicate to any person, firm, corporation, or other entity, or use for its own benefit or for the benefit of any person, firm, corporation, or other entity, and not for the benefit of Association, any information contained in the Articles and Bylaws except by order of a court of competent jurisdiction or as required by the laws of the State of California. Any disclosure pursuant to court order or other applicable State or Federal Law shall not constitute a waiver, held jointly or severally, of any intellectual property rights.

Further, the President may record any part or all of the Articles and Bylaws in the Office of the County Recorder wherein the Association or center are located for the purpose of

giving public notice establishing the formation and existence of the Association. Any recordation of said pages by the President in the Office of the County Recorder wherein the Association or center are located shall not constitute a waiver, held jointly or severally, of any intellectual property rights nor does said recordation authorize full disclosure of the Articles and Bylaws or the Terms thereof by any member or third person except as expressly provided by the terms of this Agreement.

By these Articles and Bylaws, the unauthorized use, disclosure or dissemination of the Articles and Bylaws may result in a suit for monetary damages, injunctive or other relief in any action at law or equity. Unauthorized disclosure or dissemination of this Agreement shall result in automatic termination of membership of the member who discloses information in violation of this provision.

ARTICLE XVII RESERVE ACCOUNT

28. By these Articles and Bylaws, due to the unsettled nature of the law regarding the collective cultivation, possession and distribution of medical marijuana, and that legal action against the Association or the President, or both, whether criminal or civil in nature, may result from the activities of the Association or President, or both, a reserve account shall be created to compensate the President for costs associated with such criminal or civil litigation against the Association or President, or both, and or for any costs associated with consultation or retention of an attorney for the purpose of assisting or representing the Association or President in any legal matter related to the Association. Said reserve shall be created from the pro rata contributions and or donations of the members as costs associated with the services of the

President. The amount of said account shall be determined by the President, or by the Governing Board if formed, but in any event shall be no greater than fifty percent of the annual total pro rata contribution of the members collectively. The pro rata contribution as mentioned above of each member shall reflect the cost of said reserve account. In any event, should the costs associated with either litigation, consultation or retention as mentioned herein exceed the reserve account, the Association shall hold harmless and reimburse the President for any out of pocket expenses associated therewith and shall compensate said President for services rendered. In the event of civil or criminal litigation against the Association, President or any employee of the Association, or either of them, such services rendered to the Association by the President associated with such litigation shall be considered extraordinary and shall be considered as a factor in determining reasonable compensation for such services.

ARTICLE XVIII

DISSOLUTION

29. In the event of the dissolution of the Association, its property, funds and other assets shall be transferred to whatever organization or organizations operated exclusively for charitable, educational, and or scientific purposes as the Association may determine.

ARTICLE XXIV INDEMNIFICATION OF PRESIDENTS AND OFFICERS

30. The Association shall hold harmless and indemnify the President, Officers and or Members of the Governing Board from any acts, errors or omissions to the fullest extent permissible under California law.

The Association shall indemnify and hold harmless any Person who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding by reason of the fact that he or she is or was a Member, officer, or director or employee, to the fullest extent permitted by applicable law in effect on the date hereof and to such greater extent as applicable law may hereafter from time to time permit, as the Members deem appropriate in its business judgment.

ARTICLE XXX DIRECTOR AND OFFICER LIABILITY

31. The liability of the President and Officers and or Members of the Governing Board of the Association for monetary damages shall be eliminated to the fullest extent permissible under California law.

ARTICLE XXXI MISCELLANEOUS

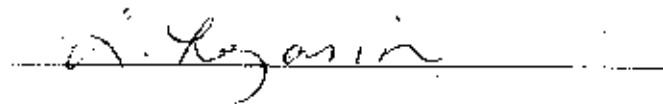
32. **Governing Law.** The Articles and Bylaws the Association shall be governed by, and construed in accordance with, the laws of the State of California.

33. **Severability.** In case any provision of the Articles and Bylaws shall, for any reason, be held to be invalid, unenforceable, or illegal, such provision shall be severed from the Articles and

Bylaws and such invalidity, unenforceability, or illegality shall not affect any other provisions of the Articles and Bylaws

34. Waiver. No waiver by the Association of any breach by member of any of the provisions of the Articles and Bylaws shall be deemed a waiver of any preceding or subsequent breach. No waiver is effective unless written and then only to the extent set forth in the writing.

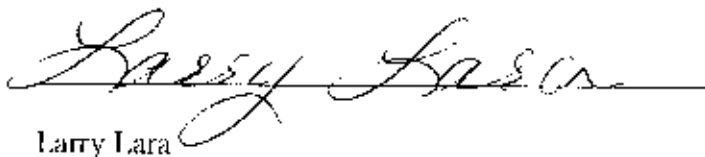
IN WITNESS WHEREOF, the undersigned have executed these Articles of Association and Bylaws on this 9th day of December, 2008



Lilian Lazarin

MEMBER OF ASSOCIATION

ATTEST:



Larry Lara

MEMBER OF ASSOCIATION

AUTHORIZATION TO DISCLOSE PROTECTED HEALTH INFORMATION

Patient Name

Date of Birth

Facility

hereinafter referred to as "Facility"

I hereby authorize the facility to disclose to the West Valley Patients Collective Association, or its authorized agent, my health information as it relates to the recommendation of a physician to use medical marijuana for a serious condition as listed in Health and Safety Code Sections 11362.5 and or 11362.7 et seq

The facility is not authorized to disclose the nature of any medical condition or any treatment I may have received at the facility pursuant to this authorization and is only authorized verify that the facility, i.e. a licensed physician, has recommended, either orally or in writing, that I use medical marijuana for a serious condition or illness.

The facility will verify only the name of the recommending physician, the physician's recommendation, and the termination date of the recommendation, if any.

I understand that once the Facility discloses my health information to the recipient, the Facility cannot guarantee that the recipient will not redisclose my health information to a third party. The third party may not be required to abide by the Authorization or applicable law governing the use and disclosure of my health information

I understand I may refuse to sign or may revoke at any time this Authorization for any reason and that such refusal or revocation will not affect the commencement, continuation or quality of my treatment at the Facility, except, however, if my treatment at the Facility is for the sole purpose of creating health information for disclosure to the recipient identified in this Authorization, in which case the Facility may refuse to treat me if I do not sign this Authorization.

This authorization will expire one year from the date of execution hereof.

I have read and understand the terms of this Authorization and I have had an opportunity to ask questions about the use and disclosure of my health information. By my signature below, I hereby, knowingly and voluntarily, authorize the Facility to use or disclose my health information

Date

Patient Signature

If Patient is a minor or is otherwise unable to sign this Authorization, obtain the following

ASSUMPTION OF RISK AND RELEASE OF LIABILITY AGREEMENT

Due to the risks inherent in the use of medical marijuana, all members of the West Valley Patients Collective Association, or an individual qualified patient, acquiring medical marijuana using the services of the West Valley Patients Collective Association Acquisition Center are required to have a completed Release of Liability form on file with the Association before acquiring the individual qualified patient's or member's quantity of medical marijuana. All members or individual qualified patients, or parents or guardians of members or individual qualified patients under the age of 18 must sign and initial the form. We request that the member or individual qualified patients, or member or individual qualified under the age of 18, discuss the risks of using medical marijuana dispensed by the West Valley Patients Collective Association using the services of the Association with their physician. The following information is provided to assist you making an informed decision regarding acquisition of medical marijuana from the Association.

The medical marijuana dispensed by or through the West Valley Patients Collective Association, is grown, harvested, and processed by members of the Association at various locations not under the direct supervision or control of the Association. While the Association takes every reasonable precaution to assure the quality, purity and effectiveness of the medical marijuana dispensed to an individual qualified patient or member of the West Valley Patients Collective Association makes no warranties or representations as to the quality, purity, growth conditions, efficacy, or effects of medical marijuana dispensed to individual qualified patient or member of the West Valley Patients Collective Association. The Association is not responsible for the

effects, and makes no representations or warranties with regard thereto, of the medical marijuana dispensed when used in conjunction with other drugs, whether prescribed by the individual qualified patient or member's physician or otherwise.

It is the responsibility of the individual member of the West Valley Patients Collective Association to discuss with his or her physician the physical, psychological and or emotional risks associated with the use of medical marijuana prior to the acquisition of medical marijuana from the Association.

DEFINITIONS:

Facilities – WEST VALLEY PATIENTS COLLECTIVE ASSOCIATION

ACQUISITION/ DISTRIBUTION CENTER

Managing Director –Lilian Lazarin or her successor

Qualified Patient – The individual or member of the West Valley Patients Collective Association signing below. and his/her heirs, administrators, executors, and assigns.

THEREFORE; AS LAWFUL CONSIDERATION for using the services of the West Valley Patients Collective Association, The **Qualified Patient**, together with my heirs, assigns, successors-in-interest, trustees, employees, agents, affiliates and any attorneys and other professionals retained by any of them hereby release the **West Valley Patients Collective Association** from any liability for damages from illness, injury and/or death that arises out of, or is connected with, or in any manner relates to, my use of the **Facilities** and services provided at the **Facilities** or the use of the medical marijuana dispensed, administered or provided, in whatever form by the Managing Director.

I, the **Qualified Patient** represent that:

- (1). I am 18 years of age or older or I am the parent or guardian of the Qualified Patient.
- (2). I am submitting this release, waiver of liability, and assumption of risk declaration voluntarily and of my own free will.
- (3). I have no physical or emotional problems, nor any history thereof, which will impair my ability to utilize the **Facilities** and its services in a safe manner.
- (4). I understand and agree that it is my responsibility to assess the hazards presented by my use of the **Facilities** and services of the **Facilities**, the services of the Managing Director and specifically the use of medical marijuana either alone or in conjunction with other medications and further agree that I, or my parent or guardian as undersigned, am the ultimate judge as to whether I can use the **Facilities** and services without risk of harm to myself.
- (5). I understand and EXPRESSLY ASSUME all the dangers incident to using the **Facilities**, their services, and the services of the Managing Director
- (6.) My use of the **Facilities** is entirely optional and my own free choice.

I HAVE CAREFULLY READ THIS AGREEMENT AND FULLY UNDERSTAND ITS CONTENTS. I AM AWARE THIS IS A RELEASE OF LIABILITY AND A CONTRACT BETWEEN ME AND THE WEST VALLEY PATIENTS COLLECTIVE ASSOCIATION AND SIGN OF MY OWN FREE WILL.

Date: _____

Signature: _____

Print Name: _____

EXECUTING DOCUMENT

WEST VALLEY PATIENTS COLLECTIVE ASSOCIATION

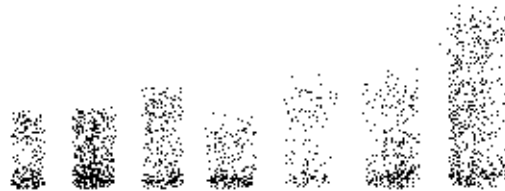
This document is the executing document of the West Valley Patients Collective Association Agreement dated _____ by the forming members of the West Valley Patients Collective Association and any members that may join subsequent to the date of formation of the West Valley Patients Collective Association. Execution of this document by its subscribers authorizes the formation and existence of the West Valley Patients Collective Association pursuant to the terms of the West Valley Patients Collective Agreement as well as admission as a member of the West Valley Patients Collective Association with all rights and benefits pertaining thereto. This document hereby incorporates by reference the West Valley Patients Collective Association dated _____ as though fully set forth herein and that each subscriber to this document acknowledges that he or she has read and understood the West Valley Patients Collective Association Agreement prior to subscribing this Executing Document, and that by subscribing hereto shall become a member of the Association and that he or she shall abide by the terms, conditions, restrictions and or obligations contained therein.

Dated:

By: _____
Member Member
(Signature) (Print Name)

By: _____
WEST VALLEY PATIENT S COLLECTIVE ASSOCIATION

PACKAGING FOR CANNABIS AND LABELING OF VIALS



(ACTUAL SIZE)

(NAME OF CANNABIS STRAIN)

MEDICAL USE ONLY

MEDICAL USE ONLY
Do Not Use in Conjunction with Other Medication without consulting a Physician. Do Not Operate Heavy Machinery or Drive a Motor Vehicle while Using this Medication.
KEEP OUT OF REACH OF CHILDREN.
Must be Accompanied by Authorized Medical Documentation in Compliance with Health & Safety Code 11362.5

Do Not Use in Conjunction with Other Medication without consulting a Physician. Do Not Operate Heavy Machinery or Drive a Motor Vehicle while Using this Medication.

KEEP OUT OF REACH OF CHILDREN.

Must be accompanied by Authorized Medical Documentation in Compliance with Health & Safety Code 11362.5 489

CONFIDENTIALITY AGREEMENT

In consideration of my employment as an employee of the West Valley Patients Collective Association (referred to in this Agreement as the "Company"), and the compensation paid to me by the Company, I understand and agree to the following:

1. Definitions.

a. **Confidential Information.** For the purposes of this Agreement, "Confidential Information" shall mean information, from any source, that is used in Company's business and is (a) proprietary to Company; (b) gives Company a competitive advantage or the opportunity to obtain a competitive advantage; (c) designated by Company as confidential or secret or that should reasonably be assumed by me to be confidential or secret; or (d) not generally known to the public (e) any identity or list of members of the **West Valley Patients Collective Association.**

Confidential information does not include any information that (a) is already lawfully in my possession (unless received pursuant to a nondisclosure agreement); (b) is or becomes generally available to the public through no fault of my own; (c) is disclosed to me by a third party who may transfer or disclose such information without restriction; (d) is required to be disclosed by me as a matter of law; provided, that I will use all reasonable efforts to provide Company with prior notice of such disclosure and to obtain a protective order therefore; (e) is disclosed by me with Company's approval, or (f) is independently developed by me without any use of confidential information. In all cases, I will use all reasonable efforts to give Company ten (10) days' prior written notice of any disclosure of confidential information.

Confidential Information shall also mean any and all discoveries, ideas, facts, or any other information of whatever type and in whatever form, that is not publicly known, and that is disclosed or otherwise made available to me or that was developed by me alone or with others within the scope of my employment with the company, including, but not limited to Company's price, cost and fee data, pricing and billing policies, data, forecasts, plans, and strategies for all aspects of Company operations, whether or not in effect. Confidential Information shall also mean any discoveries, ideas, facts, or other information in the form of collection methods, promotion methods, patient acquisition or other techniques associated therewith, processes, marketing, licensing, advertising, distribution, mailing lists, sources of independent contractors, patient lists, member ship list, phone numbers, personnel or financial information.

b. **Trade Secret.** For the purposes of this Agreement, "Trade Secret" shall mean any and all Information that derives independent economic value, actual or potential, from not being generally known to the public or to other persons who can obtain economic value from its disclosure or use.

2. **Confidentiality.** I understand that any and all Confidential Information and Trade Secrets are received or developed by me and are disclosed to me in confidence. I agree that during the term of my employment and thereafter I will not directly or indirectly, except as required by the normal business of the Company or expressly consented to in writing by the company: (a) disclose, publish, or make available, other than to an authorized employee, officer, or director of the Company, any Confidential Information or Trade Secrets; (b) sell, transfer, or otherwise use or exploit the Confidential Information or Trade Secrets; (c) permit the sale, transfer, use, or

exploitation of any Confidential Information or Trade Secrets by any third parties; or (d) remove from the company's premises or retain upon termination any Confidential Information or Trade Secrets, any copies of them, or any other tangible items containing or constituting Confidential Information or Trade Secrets. I shall also take all reasonable precautions to prevent inadvertent disclosure of any Confidential Information.

3. **Noncompetition.** I agree that during the course of my employment with the Company, I will not directly or indirectly compete with the Company or aid any other individual or organization in competition with the Company. I also agree that following the termination of my employment or contract with the Company I will not sell, transfer, or otherwise use or exploit the Company's Confidential Information or Trade Secrets, nor will I take any action that would unfairly compete with the Company, that would aid others in unfairly competing with the Company, or that would in any way breach the confidence that the Company has placed in me.

4. **Patient and Patient Lists.** The Company considers and I acknowledge that the Company's Patients or Members of the Qualified Patients Association are Trade Secrets and or Confidential Information as defined herein above of this Agreement. I further understand that the health requirements, physical and or medical condition, medicinal needs, uses of medical marijuana, likes and dislikes of the Company's patients are intrinsic to the value of these Trade Secrets. I therefore agree that for a period of 1 year immediately following the termination of my employment I will not, either directly or indirectly, call upon or attempt to solicit or take away any of the Company's patients, either for myself or for any third party nor will I disclose the identity of any patient to any third party without the express written consent of the patient.

5. **Company Property.** I understand that all Company property, including Confidential Information and Trade Secrets, copies of any of the foregoing, and any equipment furnished to me by the Company, belong to the Company and that I must promptly return to the Company all such property upon termination of my employment.

6. **Obligations on Unauthorized Disclosure.** I agree that if, at any time, I become aware of any unauthorized access to or possession or knowledge of any Information or Trade Secrets, I shall immediately notify the Company. In the event that I have directly or indirectly disclosed, published, or made available to third parties without authorization as provided in this Agreement any Confidential Information or Trade Secrets, I further agree to provide any and all reasonable assistance to the Company to protect the confidentiality of such Confidential Information or Trade Secrets. I also agree to take all reasonable steps requested by the Company to prevent the recurrence of such unauthorized access, use, possession, or knowledge.

7. **Injunctive Relief.** I understand that any breach of my duties under this Agreement with respect to Confidential Information or Trade Secrets may result in irreparable injury to the Company for which the Company may not have an adequate remedy at law. I therefore agree that, in the event of any breach of this Agreement by me, the Company may, in its sole discretion and in addition to any other remedies available to it, bring an action or actions for injunctive relief, specific performance, or both, and have entered a temporary restraining order, preliminary or permanent injunction, or order compelling specific performance. I agree that no bond or security shall be required in obtaining such equitable relief.

8. **Benefit of this Agreement.** This Agreement shall be binding on my heirs, executors, or administrators, legatees, successors, and assigns, and shall inure to the benefit of the Company and its successors and assigns.

9. **Severability and Interpretation.** It is intended that each provision of this Agreement shall be viewed as separate and divisible and that in the event that any provision shall be held invalid, the remaining provisions shall continue in full force and effect. It is further intended that in the event that any provision of this Agreement shall be held invalid because of its scope or duration, the court making such a determination shall have the power to limit the scope or duration of the provision in question and, in its limited form, such provision shall then be enforceable.

10. **Integration.** This Agreement sets forth the entire agreement and understanding between me and the Company relating to the Confidential Information and Trade Secrets defined in this Agreement and supersedes any and all prior agreements, arrangements, and understandings, written or oral, relating to the same subject of this Agreement.

11. **Modification and Waiver.** This Agreement may not be amended, modified, superseded, or terminated in whole or in part except in writing. The failure of the Company at any time to require performance of any provision of the Agreement shall in no way affect its right at a later time to enforce that provision. No waiver by the Company of the breach of any provision of this Agreement shall be deemed to be or construed as further or continuing waiver of such breach, or a waiver of the breach of any other provision contained in this Agreement.

12. **Governing Law.** This Agreement shall be governed by and construed and enforced in accordance with the law of the State of California. The venue for any action at law or equity shall be the County of Orange.

13. **Attorney Fees.** In the event of any dispute arising out of this Agreement, the prevailing party shall be entitled to recover its reasonable attorney fees and costs, including but not limited to expert witness fees.

14. **Entire Agreement.** This Agreement embodies the final and complete understanding between the parties, and replaces and supersedes all previous oral or written agreements, understandings, or arrangements between the parties with respect to the subject matter contained in this Agreement. This Agreement may not be modified or amended except in a writing signed by each contracting party.

Dated:

(Print Name)

Signature of Employee

**WEST VALLEY PATIENTS COLLECTIVE ASSOCIATION
CULTIVATION AGREEMENT**

THIS AGREEMENT (hereinafter "AGREEMENT"), made as of _____
_____, is by and between the undersigned individuals and by its
execution by the undersigned hereinafter form an agreement for the purpose of
collectively and cooperatively cultivating marijuana for medical purposes for the benefit
of the West Valley Patients Collective Association.

WHEREAS, On November 6, 1996, the people of the State of California enacted
the Compassionate Use Act of 1996 (hereinafter the "act") codified in Section 11362.5 of
the Health and Safety Code, in order to allow seriously ill residents of the state, who have
the oral or written approval or recommendation of a physician, to use marijuana for
medical purposes without fear of criminal liability under Sections 11357 and 11358 of
the Health and Safety Code.

WHEREAS, To clarify the scope of the application of the act and facilitate the
prompt identification of qualified patients in order to avoid unnecessary arrest and
prosecution of these individuals and provide needed guidance to law enforcement
officers, the legislature enacted Senate Bill 420 (hereinafter S.B. 420), codified in
California Health and Safety Code Section 11362.7 et. seq.

WHEREAS, it is the declared intent of the legislature by enacting S.B.420 to, inter
alia, enhance the access of patients and caregivers to medical marijuana through
collective, cooperative cultivation projects.

WHEREAS, California Health and Safety Code Section 11362.775 states that
Qualified patients, persons with valid identification cards, and the designated primary
caregivers of qualified patients and persons with identification cards, who associate
within the State of California in order collectively or cooperatively to cultivate marijuana
for medical purposes, shall not solely on the basis of that fact be subject to state criminal

sanctions under Sections 11357, 11358, 11359, 11360, 11366, 11366.5, or 11570 of the California Health and Safety Code

WHEREAS, it is the intent of the West Valley Patients Collective Association, and , , individually as a qualified patient and a member of the West Valley Patients Collective Association, to associate within State of California to collectively cultivate marijuana for medical purposes for the use and benefit of the West Valley Patients Collective Association pursuant to California Health and Safety Code Sections 11362.7 et. seq. and specifically pursuant to California Health and Safety Code Sections 11362.775.

NOW, THEREFORE, in consideration of the premises and the mutual covenants herein contained, the Parties agree as follows:

PURPOSE OF AGREEMENT

1. This agreement is entered into by the West Valley Patients Collective Association, and , (hereinafter "Member Grower") individually as a qualified patient and a member of the West Valley Patients Collective Association, to collectively and cooperatively cultivate marijuana for medical purposes for the use and benefit of the West Valley Patients Collective Association and members thereof, according to those amounts allowed to be possessed and used pursuant to State law in order to provide for the safe and affordable distribution of medical marijuana to members of the West Valley Patients Collective Association according to physician recommended amounts or amounts provided by law.

OBJECT OF THE AGREEMENT

2. The undersigned understand and agree the object(s) of the agreement is (1) the collective and cooperative cultivation, possession and distribution of marijuana for medical purposes for the use and benefit of the West Valley Patients Collective Association and; (2) To allow the members of the West Valley Patients Collective Association to obtain and use marijuana for medical purposes without fear of criminal liability; (3) To provide for the safe and affordable distribution of marijuana to members of the West Valley Patients Collective Association and (4) to enhance access of members of the West Valley Patients Collective Association to medical marijuana through collective and cooperative cultivation. The parties undersigned understand and agree that no marijuana grown for the West Valley Patients Collective Association, shall be used, possessed or distributed to any person for any reason whatsoever who is not a member of the West Valley Patients Collective Association.

CULTIVATION PROJECT

3. The undersigned understand and agree that that the Member Grower shall contribute to the cultivation project his or her time, effort, labor, advice, support (financial or otherwise), technical or administrative assistance according to ability, expertise, knowledge, technical training, or experience of the Member Grower.

It is understood by the parties hereto that any marijuana cultivated pursuant to this agreement and possessed by the Member Grower is the collective property of the West Valley Patients Collective Association and that the amount of marijuana cultivated shall be limited to of the amount legally allowed to be possessed by the members of West Valley Patients Collective Association collectively pursuant to Health and Safety Code Sections 11362.5 and 11362.7 et. seq.

CONTRIBUTION REIMBURSEMENT AND COMPENSATION

4. The parties to this Agreement understand and agree that each party shall contribute funds to the project(s), that amount necessary to provide for the costs of cultivation. However, any party to this Agreement may provide the total amount of funds necessary to provide for the costs of the cultivation project(s). Any party making such contribution shall be entitled reimbursement for such costs by the non-contributing party upon final processing and delivery of the medical marijuana so processed to the Association..

However, because the member grower must expend time, effort and labor cultivating medical marijuana, the member grower shall be entitled to payment as compensation for services rendered to the association and or the cultivation project. Understanding that cultivating and growing quality medical marijuana free of harmful chemicals or other impurities, and cultivating such types and strains such as sativa, indica or various hybrids or clones requires knowledge of biology, herbology , horticulture, organic farming and or other technical or specialized knowledge, training or expertise, and understanding also there is no comparable market upon which to base a fixed compensation for such services, the compensation to the member grower shall be agreed upon by and between the parties at time of delivery.

DISTRIBUTION OF PROCESSED MEDICAL MARIJUANA

5. The parties to this Agreement understand and agree that, upon final processing of each plant or crop of the medical marijuana cultivated by the project(s) herein mentioned, the medical marijuana so cultivated and processed shall be delivered to the Managing

Director of the West Valley Patients Collective Association or employees thereof for distribution to the members.

DEFINITIONS

8. The following terms shall have the following meanings for the purposes of this Agreement:

a. "Qualified patient" means a person who is entitled to the protections of Section 11362.5 of the California Health and Safety Code, but who does not have an identification card issued pursuant to Section 11362.5 or 11362.7 of the California Health and Safety Code.

b. "Managing Director" means the individual so designated by the West Valley Patients Collective Association.

c. "Medical Marijuana." or "Marijuana" means all parts of the plant *Cannabis sativa L.*, whether growing or not; the seeds thereof, the resin extracted from any part of the plant; and every compound, manufacture, salt, derivative, mixture, or preparation of the plant, its seeds or resin. Medical marijuana, 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 there from), fiber, oil, or cake, or the sterilized seeds of the plant which is incapable of germination.

d. "Intellectual property" means any and all ideas, inventions, formulas, processes, methods, trademarks, trade names, service marks, copyrightable works, artwork, designs, logos, original works of authorship, trade secrets and the like that an

independent contractor as work for hire has made, conceived or developed either alone or jointly with others for the benefit of the Collective.

DISCLAIMER OF LIABILITY

9. The parties to this Agreement understand and agree that this Agreement shall not be construed to protect parties from arrest and or prosecution pursuant to any Federal laws or other State or local laws that prohibit the cultivation, possession, sale, use, distribution, transportation or of controlled substances.

RELEASE OF LIABILITY

10. The parties to this Agreement understand and agree that there are or may be risks associated with the cultivation of medical marijuana. By this Agreement, the parties to this Agreement together with their heirs, assigns, successors-in-interest, trustees, employees, agents, affiliates and any attorneys and other professionals retained by any of them, hereby voluntarily and knowingly, forever and fully, finally, completely and mutually, release, acquits and discharges each of them, jointly or severally from any and all claims of liability arising from the collective or cooperative cultivation of medical marijuana.

NONDISCLOSURE OF AGREEMENT

11. The parties to this Agreement understand and agree that this Agreement, and the terms thereof, are confidential and the information contained herein proprietary and or constitutes intellectual property and that any member shall not, at any time during or after the term of this Agreement, in any manner, either directly or indirectly, divulge, disclose, provide, or in anyway communicate to any person, firm, corporation, or other entity, or use for its own benefit or for the benefit of any person, firm, corporation, or other entity, and not for the benefit of the parties to this Agreement, any information contained in this Agreement except by order of a court of competent jurisdiction or as required by the laws of the State of California. Any disclosure pursuant to court order or other applicable State or Federal Law shall not constitute a waiver, held jointly or severally, of any intellectual property rights of this Agreement or the terms thereof.

The parties to this Agreement understand and agree that unauthorized use, disclosure or dissemination may result in a suit for monetary damages, injunctive or other relief in any action at law or equity.

MISCELLANEOUS

12. *Agreements:* The parties to this Agreement understand and agree that this Agreement is contractual and not a mere recital, and that each party has had the opportunity to engage counsel to review this Agreement and advise such party with respect hereto and that this Agreement and the releases and Agreements contained herein are binding upon, and inure to the benefit of, the parties hereto.

13. *Entire Agreement.* This Agreement, together with the other Agreements referred to herein, constitutes the entire understanding between the members with respect to the

matters set forth herein and can be amended, supplemented or changed only by written instrument signed by three fourths of the members.

14. **Governing Law.** This Agreement shall be governed by, and construed in accordance with, the laws of the State of California.

15. **Counterparts.** This Agreement may be executed in one or more counterparts, each of which shall be deemed an original and all of which, taken together, shall be considered one and the same Agreement.

16. **Severability.** In case any provision of this Agreement shall, for any reason, be held to be invalid, unenforceable, or illegal, such provision shall be severed from this Agreement, and such invalidity, unenforceability, or illegality shall not affect any other provisions of this Agreement.

17. **Waiver.** No waiver by Company of any breach by Recipient of any of the provisions of this Agreement shall be deemed a waiver of any preceding or subsequent breach. No waiver is effective unless written and then only to the extent set forth in the writing.

18. **Attorney Fees:** In the event of any dispute arising out of this Agreement, the prevailing party shall be entitled to recover its reasonable attorney fees and costs.

19. **Integration.** The parties' entire understanding is set forth in this Agreement. Any prior or contemporaneous promises or understandings are superseded by the terms of this Agreement. This Agreement may only be amended or altered by another written agreement executed by both parties.

20. **Termination of Agreement.** This agreement may be terminated by either party at any time with or without notice and automatically terminates should the grower member cease to be a member of the association.

West Valley Patients Collectiv

Chart of Accounts

June 11, 2009

Account	Type	Balance Total
Checking Account	Bank	0.00
Furniture and Equipment	Fixed Asset	0.00
Marketable Securities	Other Asset	0.00
Other Assets	Other Asset	0.00
Security Deposits Asset	Other Asset	0.00
Accounts Payable	Accounts Payable	0.00
Payroll Liabilities	Other Current Liability	0.00
Other Liabilities	Long Term Liability	0.00
Opening Balance Equity	Equity	0.00
Perm. Restricted Net Assets	Equity	0.00
Temp. Restricted Net Assets	Equity	0.00
Unrestricted Net Assets	Equity	0.00
Direct Public Support	Income	
Direct Public Support:Corporate Contributions	Income	
Direct Public Support:Gifts in Kind - Goods	Income	
Direct Public Support:Individ, Business Contributi...	Income	
Indirect Public Support	Income	
Indirect Public Support:United Way, CFC Contrib...	income	
Investments	Income	
Investments:Interest-Savings, Short-term CD	Income	
Other Types of Income	Income	
Other Types of Income:Miscellaneous Revenue	Income	
Program Income	Income	
Program Income:Membership Dues	Income	
Program Income:Program Service Fees	Income	
Business Expenses	Expense	
Business Expenses:Business Registration Fees	Expense	
Contract Services	Expense	
Contract Services:Accounting Fees	Expense	
Contract Services:Legal Fees	Expense	
Contract Services:Outside Contract Services	Expense	
Facilities and Equipment	Expense	
Facilities and Equipment:Depr and Amort - Allow...	Expense	
Facilities and Equipment:Donated Facilities	Expense	
Facilities and Equipment:Equip Rental and Maint...	Expense	
Facilities and Equipment:Property Insurance	Expense	
Facilities and Equipment:Rent, Parking, Utilities	Expense	
Operations	Expense	
Operations:Books, Subscriptions, Reference	Expense	
Operations:Postage, Mailing Service	Expense	
Operations:Printing and Copying	Expense	
Operations:Supplies	Expense	
Operations:Telephone, Telecommunications	Expense	
Other Types of Expenses	Expense	
Other Types of Expenses:Insurance - Liability, D ...	Expense	
Other Types of Expenses:Other Costs	Expense	
Payroll Expenses	Expense	
Travel and Meetings	Expense	
Travel and Meetings:Conference, Convention, M...	Expense	
Travel and Meetings:Travel	Expense	
Ask My Accountant	Other Expense	

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This paper is prepared for the Patient Associations currently formed and operating under the laws of the State of California. It is intended to provide a discussion of tax exemption issues related to non profit entities, and moderate a discussion regarding the use of associations as compared to corporations. It is not intended to be exhaustive nor comprehensive but merely informative for the benefit of those to whom the issues relate. Nor is it intended that the opinions expressed herein be relied upon for any purpose without the express written consent of this law firm or its authorized agent.

NON PROFIT TAX EXEMPT ENTITIES

A non profit entity must declare the purpose for which they are formed. Non profit entities purposes are more narrow than other business entity purposes, such as a for profit corporation. The purposes of a non profit entity must be carefully spelled out in its charter or governing documents or they may be presumed not to exist. A non profit entities purposes go beyond the usual corporate purposes such as holding property or executing contracts. The non profit entity exists to accomplish the goals for which it exists. In other words, the purpose of the entity are the goals themselves, such as advancing or dissemination of knowledge or technology on a particular topic or in a particular field, or, in the case of medical marijuana collective associations, to promote maintain and or advance the health and well being of its members through collective and cooperative cultivation projects.

A non profit entity may take many forms, such as clubs, associations or corporations. A non profit entity is one that does not make a profit from its own conduct or operations. However, a non profit entity may conduct some other business for profit and still retain its classification as non profit.

To retain a non profit status, it is important that those persons closely involved in the operation of the entity do not personally profit from it. Typically, insiders who manage and control key aspects of the entity are in the best position to profit from it. Thus, the insiders (managers, officers, directors, etc). must carefully manage the entity so it cannot be used for the personal benefit of its insiders. The legal duties of directors or officers of for profit entities are substantially similar to those of non profit entities attendant with the same legal liabilities and exposures.

A non profit entity should closely follow its charter or bylaws. The necessity of a written charter, governing documents and or bylaws cannot be understated. Should any

challenge be made as to the purpose of the entity, these documents are the first thing the Attorney General, the IRS or any other governmental agency will request and examine.

It is recommended that the entity, whether it be an association, collective, cooperative, or some hybrid thereof, elect a board of directors or other governing committee which in turn should appoint the various officers of the entity. Governing documents should grant to the membership the right to control election or appointment of the board of directors or other governing board who in turn will make policy and oversee association affairs. The directors or other members of the governing body are directly accountable to the members of the association. However, the powers of the members are limited in that they cannot take over the management of the association and cannot run the association themselves. They must select others to do that for them.

A non profit entity may or may not be a tax exempt entity at its election. That is, it may choose or not choose to be tax exempt. Note that IRC 277 provides that a membership organization not exempt from tax may deduct expenses attributable to the provision of goods, services, or insurance to members only to the extent of income derived from members. In any tax year in which deductions exceed income, excess deductions are treated as paid in the following year. Thus, it may not be necessary for any entity to seek a tax exempt status if its revenue is generated solely from member contribution. Here, as mentioned elsewhere, a tax specialist should be consulted regarding this issue.

Tax exempt status allows the entity to avoid taxes generated from business income derived from activities related to its tax exempt purpose. A tax exempt entity may, in some states, avoid sales tax, and in some cases, be exempt from state and federal employment discrimination laws. Government funding, or other benefits may also be available. However, be aware that the acquisition of a tax exempt status submits the entity to the qualifying and operational rules of federal tax law, which in turn must be followed and obeyed. Failure to comply will result in the loss of exemption and penalties may follow. Tax exempt status is a privilege and not a right and is subject to the discretion of the IRS. Tax exempt entities must be organized and operated exclusively for tax exempt purposes. This requirement is mandatory and basic and forms the basis for any IRS inquiry. The rules that define these requirements are too numerous to mention here. A tax specialist should be consulted to discuss the desirability of the entity to apply for tax exempt status.

With respect to complying with rules governing tax exempt status, a ruling or determination of private inurement (personal benefit of insiders, however insubstantial) will result in loss of tax exempt status, and may result in other collateral damage. State laws limit the purposes and activities of non profit entities and prohibit private inurement. Failure to comply will result in the loss of nonprofit status. Therefore, non profit entities should not engage in activities not related to its purpose and guard against insider gain. However, reasonable compensation for services rendered and goods supplied is not prohibited. Officers and employees may therefore be paid fair remuneration for their services. Excessive bonuses or wages, free use of entity assets or property or excessive allotments for expenses should be avoided.

To be recognized as tax exempt, the entity must apply to the IRS for such exemption. The application process includes the submission of various documents to the

IRS, such as the entity charter, bylaws or other governing documents as well as financial statements which include incomes and expenses statements and a current balance sheet. For more detailed information, a tax specialist should be consulted. It is the burden on the organization to show that it qualifies for the tax exemption claimed. It is not necessary to be incorporated to achieve tax exempt status.

An unincorporated association should pay particular attention to its internal book keeping and accounting. Its existence, financial condition, accounting principles, and daily operation depend on accurate record keeping. Decisions made by the directors or other officers of the association that substantially affect its operation or management should be properly documented in the books and records of the association. For example, any resolutions by the directors or other governing board should be memorialized in writing to prevent future disputes over the nature and content of such resolutions. Any entity that disregards responsible accounting methods or other record keeping procedures invites disaster.

There has been discussion in the medical marijuana community regarding IRC 501(c) (7) and its applicability to medical marijuana collectives and cooperatives. IRC 501(c)(7) holds that a club must have an established membership of individuals, commingling, and fellowship to be a social club within the meaning of the statute and must operated exclusively for pleasure, recreation or other non-profitable purposes. It is not necessary to be incorporated to gain this exemption. Any club, association or corporation that qualifies may gain IRC 501(c) (7) status. Clubs must be organized for pleasure, recreation and other non-profitable purposes. The IRS has held that these other non-profitable purposes must be similar to providing pleasure and recreation. Sponsoring activities of a noncommercial nature can lead to denial or revocation if the activities are not similar to providing pleasure and recreation. At this writing, no source could be found that describes a medical marijuana club, association, collective or cooperative (incorporated or otherwise) as a "social or recreational club". It is suggested that the form and structure, as well as the actual operation of such "club" will determine its status and eligibility to tax exemption under 501(c) (7). Again, whether or not medical marijuana associations, collectives or cooperatives are eligible for this status should be discussed with a qualified CPA or tax attorney familiar with this issue.

Caveat. A major factor to consider when applying for 501(c) (7) status is the federal ban on possession, manufacture, sale or distribution of marijuana. Because 501(c) (7) status is a privilege and not a right, and the IRS has the discretion to deny or revoke this status, acquiring or maintaining such status could be problematic. Further, because most collectives, cooperatives or associations generate their income from membership payment for their medicine, and one of the requirements for 501(c)(7) status is that 501(c)(7) entities must, in general, generate their income from fess, dues and assessments, the IRS may not consider payment for medicine as dues, assessments or fees. This may also present a substantial hurdle.

ASSOCIATIONS, COLLECTIVES, COOPERATIVES AND CORPORATIONS

Collectives and cooperatives are, by definition, an association of individual who have come together for a common purpose. California law defines an association as an unincorporated organization composed of a body of people partaking in general form and mode of procedure of the characteristics of a corporation. By its terms, this definition is not inclusive and exclusive and the formalities of quasi-corporate organization are not required.

"Association" is defined for purposes of Corp. Code §§ 21300-21310 as any lodge, order, beneficial association, fraternal or beneficial society or association, historical, military, or veterans organization, labor union, foundation, federation, or any other society, organization, or association, or degree, branch, subordinate lodge, or auxiliary thereof [Corp. Code § 21300(a)]. "Unincorporated association" is defined as an unincorporated group of two or more persons joined by mutual consent for a common lawful purpose, whether organized for profit or not [Corp. Code § 18035(a)]. "Nonprofit association" is defined as an unincorporated association with a primary common purpose other than to operate a business for profit [Corp. Code § 18020(a)]. A nonprofit association may carry on a business for profit and apply any profit that results from the business activity to any activity in which it may lawfully engage [Corp. Code § 18020(b)]. "Club" is defined as a voluntary, incorporated or unincorporated association of persons for common purposes of a social, literary, investment, or political nature, or the like [Black's Law Dictionary, p. 256 (6th ed. 1990); see also Bus. & Prof. Code § 23037 (definition of "club" for purposes of Alcoholic Beverage Control Act)]

While a corporation may have a single share holder and therefore not qualify as an association, collectives or cooperatives are, at their core, associations in that it is necessary to have at least two persons to form such an entity. The designation "collective" or "cooperative" may define the activities of its members, but their essential nature is associational.

While a collective has no recognized, legal status in this state, an association has much all of the benefits of a corporation, such as perpetual existence, separate legal status, rights independent of its members and shields members from the debts of the association.

An association is a legal entity distinct from its members. The association represents the common or group interests of its members, as distinguished from their personal or private interests. Dues and assessments paid by members to an association become the property of the association and any severable or individual interest in them ceases on payment. As association property, they are subject to disbursement and expenditure by the association in pursuit of the lawful object or objects for which they were designated to be expended.

The constitution, rules, and bylaws of a voluntary unincorporated association constitute a contract between the association and its members. The rights and duties of the members as between themselves and in their relation to the association, in all matters affecting the association's internal government and the management of its affairs, are measured by the terms of the constitution and bylaws.

A member's interest in association property is only incidental to his or her membership and will cease on his or her ceasing to be a member when the property was accumulated by reason of the payment of dues. However, courts may interfere for the

purpose of protecting property rights of members of unincorporated associations, such as the right to participate in their benefit

The California Supreme Court has held that members of an unincorporated association are entitled to inspect financial records of the association on written demand, at least to the extent reasonably related to the member's interests in the association

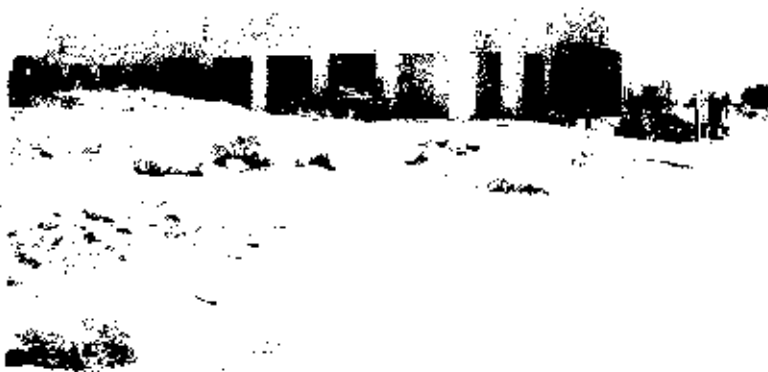
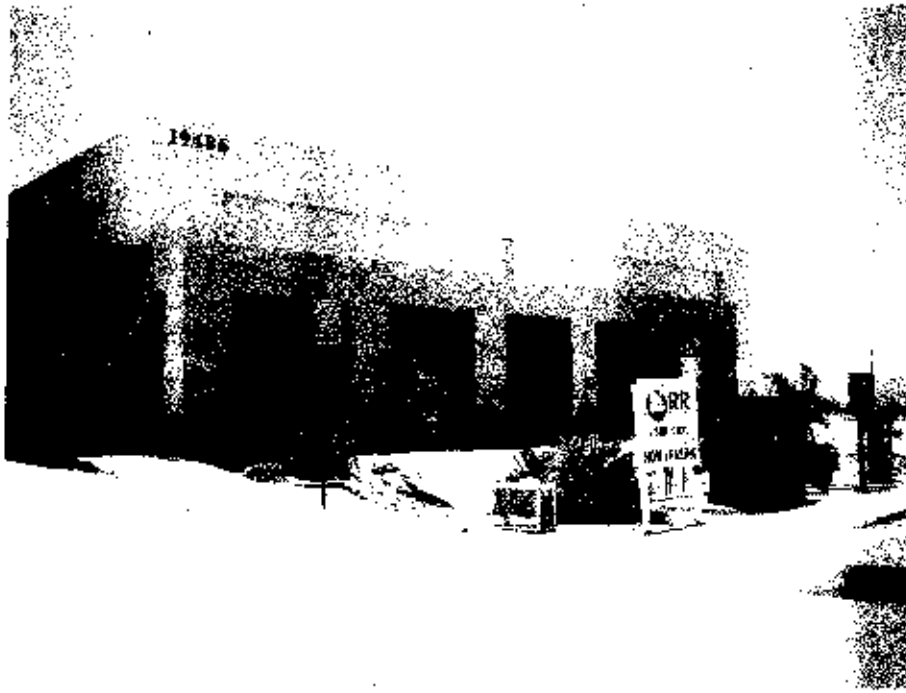
Except as otherwise provided by statute or by an unincorporated association's governing principles, the rules governing a member vote conducted pursuant to the provisions of the Corporations Code governing unincorporated associations are found in Corp. Code § 18330(a)-(c), such as.

1. A vote may be conducted either (1) at a member meeting at which a quorum is present, or (2) by a written ballot in which the number of votes cast equals or exceeds the number required for a quorum. Approval of a matter voted on requires an affirmative majority of the votes cast.
2. Written notice of the vote must be delivered to all members entitled to vote on the date of delivery. The notice must be delivered or mailed or sent electronically to the member addresses shown in the association's records a reasonable time before the vote is to be conducted. The notice may not be delivered electronically, unless the recipient has consented to electronic delivery of the notice. The notice must state the matter to be decided and describe how and when the vote is to be conducted
3. If the vote is to be conducted by written ballot, the notice of the vote will serve as the ballot. It must (1) set forth the proposed action, (2) provide an opportunity to specify approval or disapproval of any proposal, and (3) provide a reasonable time within which to return the ballot to the unincorporated association.
4. One-third the voting power of the association constitutes a quorum.
5. The voting power of the association is the total number of votes that can be cast by members on a particular issue at the time the member vote is held.

A member of a nonprofit association is not liable for injury, damage, or harm caused by an act or omission of the association or an act or omission of a director, officer, or agent of the association, unless any of the following conditions are satisfied: The member expressly assumes liability for injury, damage, or harm caused by particular conduct and that conduct causes the injury, damage, or harm. The member engages in tortious conduct that causes the injury, damage, or harm. The member is otherwise liable under any other statute.

An unincorporated association may, in its name, acquire, hold, manage, encumber, or transfer an interest in real or personal property [Corp. Code § 18105; see Corp. Code § 21200 (property rights of certain unincorporated medical societies)]

As can be seen from above, the essential benefits that are granted by law to a corporation are also granted to an association. However, the formalities of formation and operation of an association are less cumbersome, and in many cases, less procedural than that of a corporation. However, as mentioned above, the necessity of proper book and record keeping to protect the existence of an association remains.

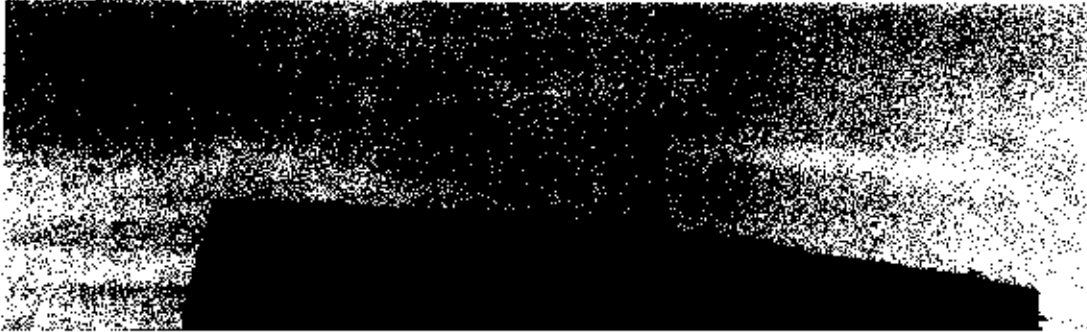


Google maps

Address [REDACTED]

Address is approximate

The address of this building is 19486 Newhall Street, North Palm Springs, CA 92258

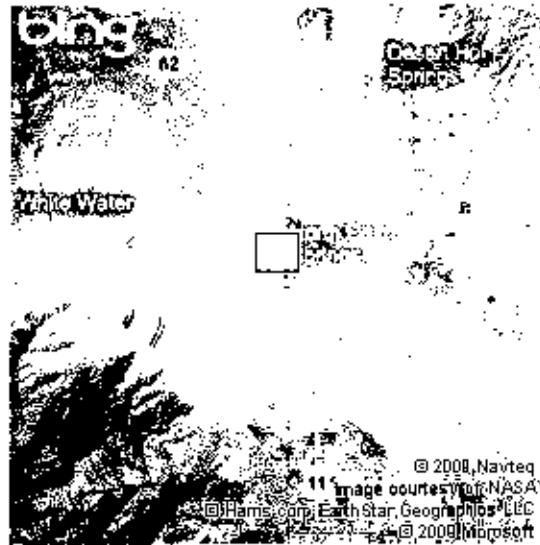


Bing Maps

 **Newhall St, North Palm Springs, CA 92258**

19486 Newhall Street

- **FREC** Use **Live Search 411** to find movies, businesses & more! **800-CALL-411**.



Bird's eye view maps can't be printed, so another map view has been substituted

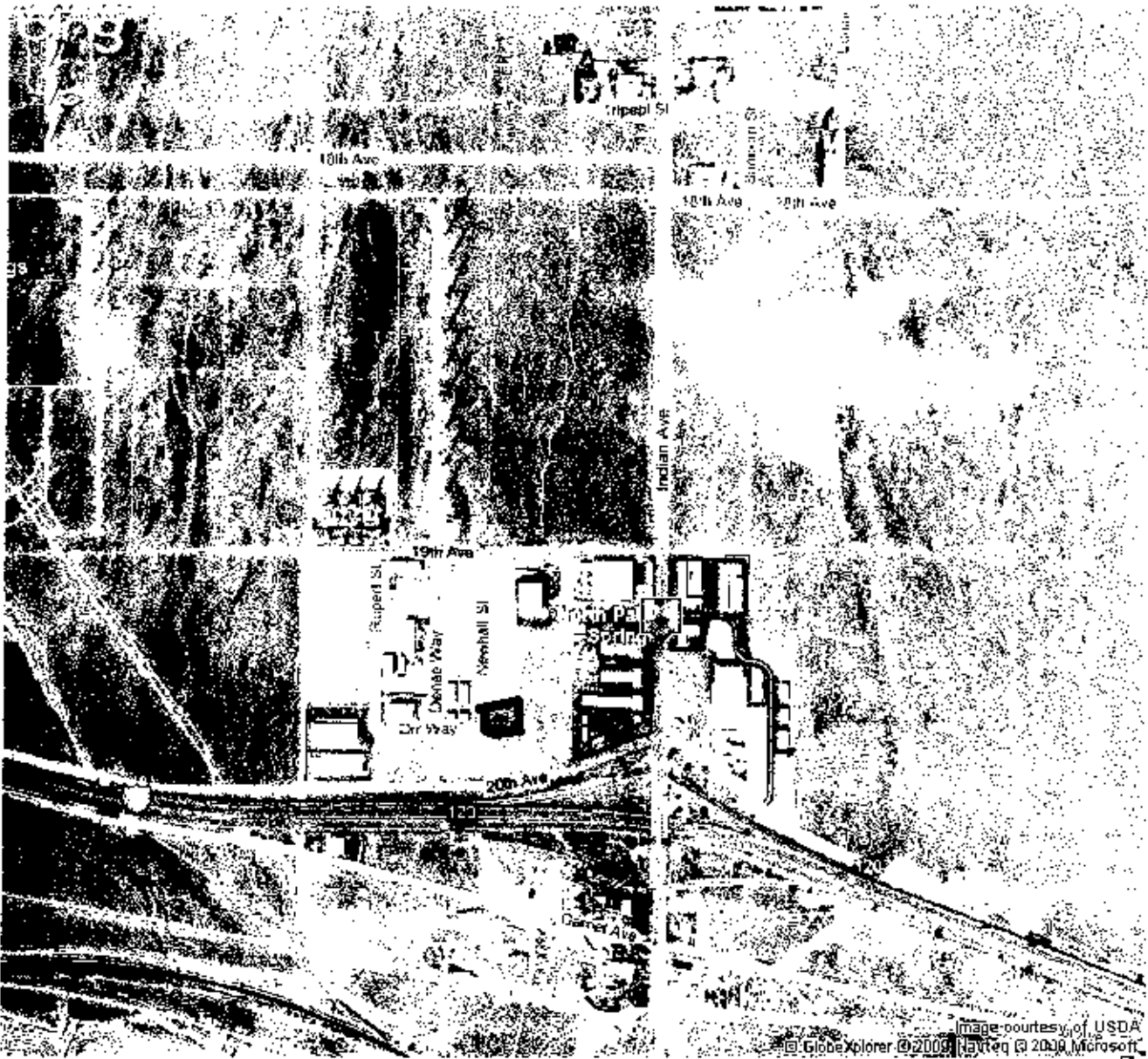
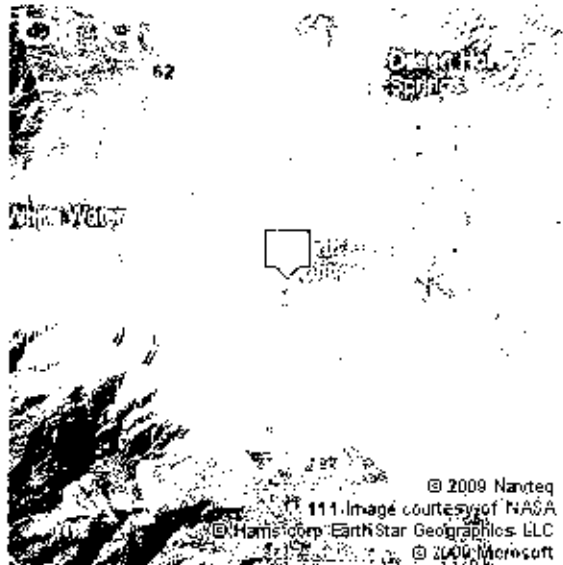
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Bing Maps

North Palm Springs, CA

19486 Newhall Street and Surrounding Buildings

FREE! Use Live Search 411 to find movies, business & more! 800-CALL-411.



West Valley Patients Collective Association

19486 Newhall Street, Suite 102

North Palm Springs, CA 92258

July 6, 2009

City of Palm Springs

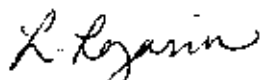
3200 East Tahquitz Canyon Way

Palm Springs, CA 92262

To whom it may Concern:

I, Lillian Lazarin, the applicant to obtain a permit for the medical cannabis cooperative or collective authorize the City Manager to seek verification of the information contained within the application.

Sincerely Yours,



Lillian Lazarin

West Valley Patients Collective Association

19486 Newhall Street, Suite 102

North Palm Springs, CA 92258

July 6, 2009

City of Palm Springs

3200 East Tahquitz Canyon Way

Palm Springs, CA 92262

To whom it may Concern:

I, Lillian Lazarin, the applicant to obtain a permit for the medical cannabis cooperative or collective certify under penalty of perjury that all information contained in the application is true and correct.

Sincerely Yours,



Lillian Lazarin

West Valley Patients Collective Association

19486 Newhall Street, Suite 102

North Palm Springs, CA 92258

July 6, 2009

City of Palm Springs

3200 East Tahquitz Canyon Way

Palm Springs, CA 92262

To whom it may Concern:

I, Lillian Lazarin, the applicant to obtain a permit for the medical cannabis cooperative or collective authorize the City Manager to seek verification of the information contained within the application.

Sincerely Yours,


Lillian Lazarin

West Valley Patients Collective Association
19486 Newhall Street, Suite 102
North Palm Springs, CA 92258

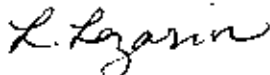
July 6, 2009

City of Palm Springs
3200 East Tahquitz Canyon Way
Palm Springs, CA 92262

To whom it may Concern:

I, Lillian Lazarin, the applicant to obtain a permit for the medical cannabis cooperative or collective certify under penalty of perjury that all information contained in the application is true and correct.

Sincerely Yours,



Lillian Lazarin

TENANTS AT 19486 NEWHALL ST.

- SUITE 101- NOT OCCUPIED
- SUITE 102- WEST VALLEY PATIENTS COLLECTIVE ASSOCIATION
- SUITE 103- PROACTIVE WELDING ZONE INC.
- SUITE 104- TESTING ENGINEERS
- SUITE 105- MARBLE COUNTER TOPS CO.
- SUITE 106- NOT OCCUPIED

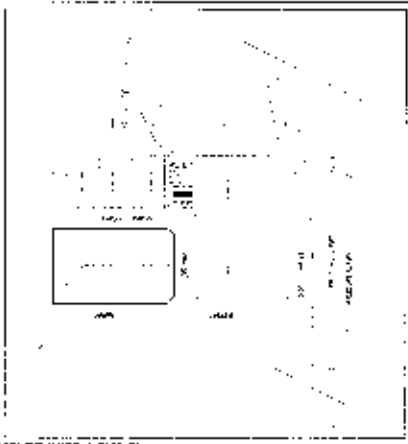
TENANTS IN SURROUNDING BUILDINGS

- FRITO LAY, INC
- ENXCO
- FED EX
- LOR ENGINEERING
- WESTERN ELECTRIC
- PRECISION MACHINERY
- P.S. FIRE PROS INC.

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VICINITY MAP



GENERAL SITE DATA

PROPERTY OWNER
 WEST VALLEY PATIENTS COLLECTIVE ASSOC.
 9486 NEWHALL STREET, SUITE 102
 NORTH PALM SPRINGS, CA 92258
 PHONE: (951) 241-1111

LAND UTILIZATION
 COMMERCIAL/INDUSTRIAL/INSTITUTIONAL
 ZONE M-2

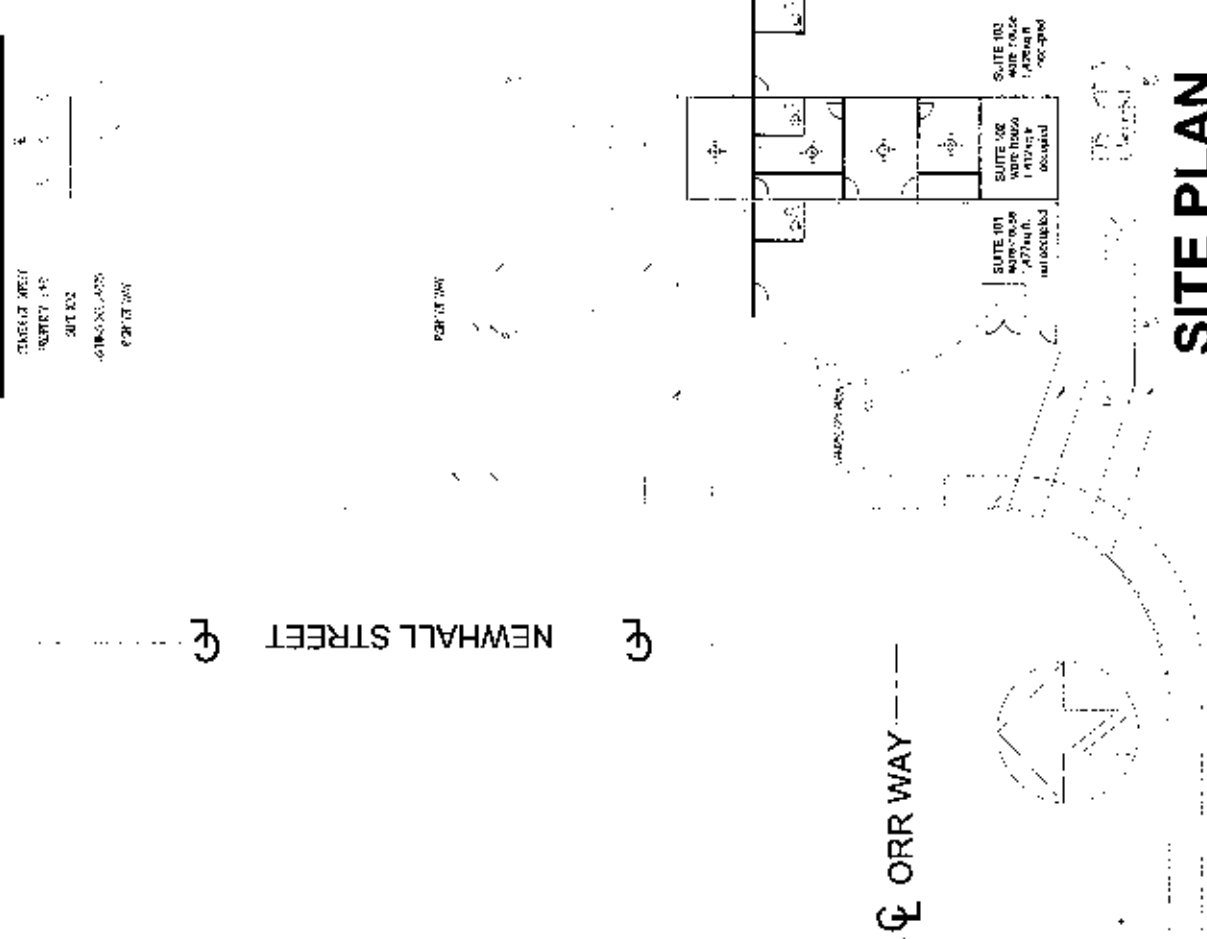
BUILDING CODE SUMMARY
 BUILDING CODE SUMMARY
 BUILDING CODE SUMMARY

AREA INFORMATION
 AREA INFORMATION
 AREA INFORMATION

WEST VALLEY PATIENTS COLLECTIVE ASSOC. 9486 Newhall Street, Suite 102 North Palm Springs, CA 92258 Phone: (951) 241-1111	
PROJECT NO: _____ SHEET NO: _____	DRAWN BY: _____ CHECKED BY: _____

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SITE PLAN

WEST VALLEY PARENTS COLLECTIVE ASSOC.
 19-486 Newhall Street, Suite 102
 North Fair Springs, CA 92258
 Phone: 760-398-0418

FRANK A. YOUNG
 8444 PRINCE RD., SUITE 10118
 CANTONMENT, CALIF. 90704

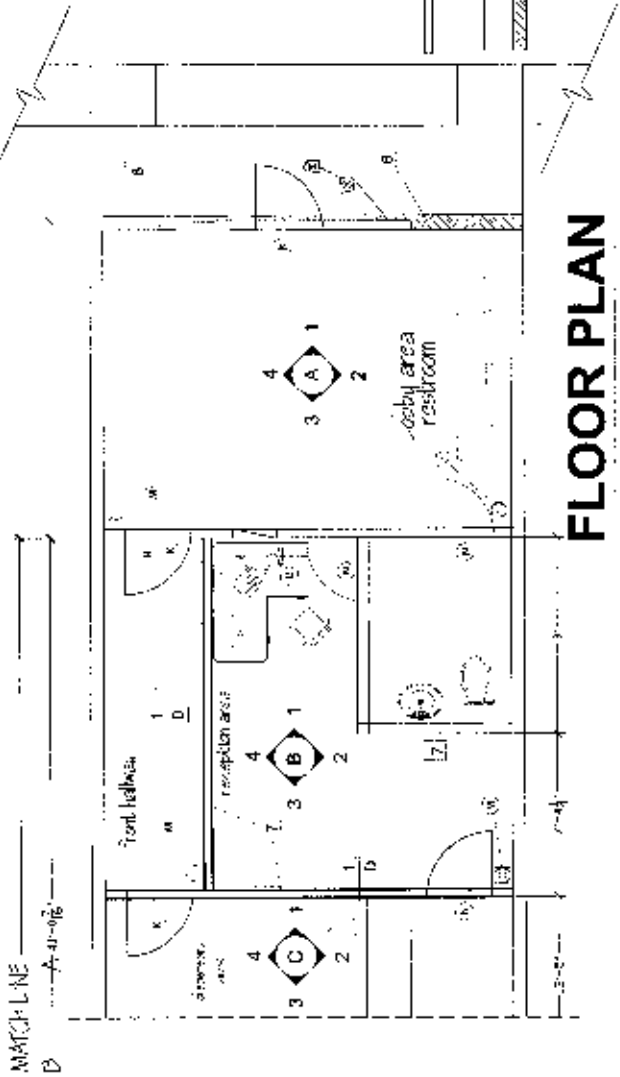
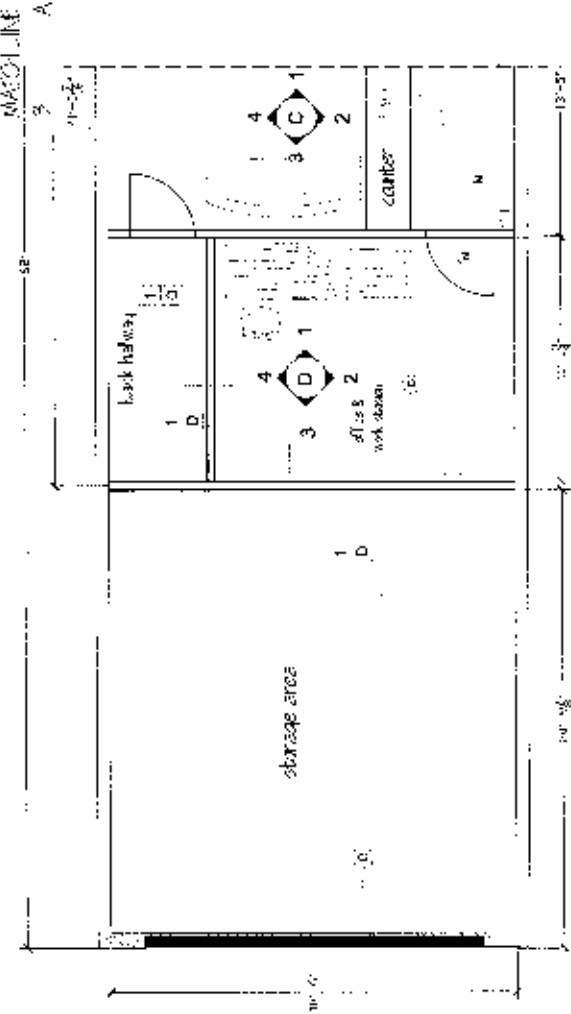
DATE: 11/11/03
 DRAWN BY: [Signature]

PROJECT:
 FLOOR PLAN

NO. 207
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REVISED

- KEY NOTES**
- SMOOTH CONCRETE SLAB
 - RAMP ACCESS LADDER & ROOF HATCH
 - AMP & ELECTRICAL PANELS SEE ELECTRICAL TINGS
 - 200 EXTERIOR STUD WALL WORK TO INSULATION (TYP.)
 - 2X4 1" ZEMR METAL STUD PARTITION WALL
 - STOVE FRONT, ALLUMINUM WINDOW FRAME W/LOW U-VALUE GLASS TYP. TIGHT LOADED SEVEN SPS FINISH BY CALCULATIONS LURC-VALVE
 - TRUSS RAKE (COORDINATE WITH ELECTRICAL DRAWINGS)
 - SEWAGE REF. TO DETAIL SHEET
- A. 2X4 FLOURESCENT LIGHT FIXTURES
 B. 2X4 ILLUMINANT LIGHT FIXTURES
 C. CULTIVATION AREA
 D. DETAIL SHEET
 E. CHIMNEY & INSULATION LOCATION
 F. ACoustic TILE
 G. STORAGE OF COOPERATIVE COLLECTIVE
 H. 2X4 ALUMINUM TILE SUSPENDED SYSTEM
 T. SMOKE DETECTOR
 J. MOTION DETECTOR
 K. ILLUMINATED EXIT SIGN REF. TO DETAIL SHEET
 L. ROUND RECESSED FLUORESCENT LIGHT FIXTURE
 M. SECURITY CAMERA
 N. DOOR & LOCKING MECHANISM CONTROLLED BY STAFF
 O. SOTTLE BOXES
 P. SECURITY MONITOR TV
- Wall legend*
- 1.0 1" ZEMR METAL STUD PARTITION WALL
 - 1.5 1.5" UPTON METAL STUD PARTITION WALL
 - 2.0 2" UPTON METAL STUD PARTITION WALL
 - 3.0 3" UPTON METAL STUD PARTITION WALL
 - 4.0 4" UPTON METAL STUD PARTITION WALL



FLOOR PLAN



City of Palm Springs

Police Department

200 South Civic Drive • Palm Springs, California 92262
Tel: (760) 323-8116 • Fax: (760) 323-8178 • Web: www.pspd.com

Date: July 7, 2009

Subject: Local Criminal History / Contacts

This letter is to certify that a search was made of local criminal history and/or contacts with the Palm Springs Police Department using the below listed name and date of birth:

NAME: Lawrence Juan Lara IV

Date of Birth: 12-06-79

The search revealed:

 X No local criminal history in our files.

 X No local felony convictions in our files.

 The following contact(s):

The purpose of this letter is to assist citizens of the United States and resident aliens with foreign travel arrangements. This letter has been issued on the basis of a local (city of Palm Springs only) name search and should not be used as the sole documentation to determine immigration or employment eligibility.

David Dominguez
Chief of Police
Palm Springs Police Department

V. Alvarez 15144
Police Services Officer

******Note**

Due to a computer malfunction we are not able to guarantee the accuracy of searches between 1992 and September 1999.

319

From: Kevin Smith [kevsmyth81@gmail.com]

Sent: Tuesday, July 14, 2009 2:24 PM

To: Steve Pougnet; Ginny Foat; Chris Mills; Rick Hutchcson; Lee Weigel; Terri Hintz; dholland@wss-law.com; Craig Ewing; Ken Lyon; Chief; Becky Kelley

Subject: To whom it may concern

HOW CAN WE TRUST THOSE CAREGIVERS WHO ARE ALREADY RUNNING ILLEGAL DISPENSARY AND WILL BECOME OUR LEGALIZE CAREGIVERS IN THE FUTURE??

First of all, I have to apologize bothering in such a rough way. There is a serious matter I wish the City would look into. I am really proud to be a resident of Palm Springs. Recently, City Hall has finally allowed medical marijuana collectives and cooperatives to operate in the city. Even though I have only lived in this city for about 3 years, I have become attracted to the sophisticated life style Palm Springs; a city of class and integrity. Due to a car accident, I have found medical marijuana to work the best for relieving my back pain and joint pain. Lately, I stopped going to the dispensaries in the Palm Springs City and began drive to Los Angeles weekly to pick up my medication. I found out that all the dispensaries in Palm Springs are currently operating illegally. I has become a concern for me to go to places that warrant illegal activity; I need to ensure I am getting the right medication from the right collective. I have heard from other patients that there are eleven dispensaries waiting to get the final approval from the City, which also include those that are already operating illegally. As a patient, I am really worried. If they are already doing what they are not supposed to do right now, how can I ensure the quality of the service I am getting in the future? I strongly suggest the City to do an investigation regarding this issue. I am really grateful about the service they have provided the community. However, how can anyone guarantee patients will get the right service from collectives that are already breaking the law? We need a reliable collective in this town!

In my understanding, some places told the patients that they have already submitted the application to th City. However, they are using different applicant names from the licenses they are holding to avoid the investigation from the City Hall and the law enforcement.

As a patient, I am really hoping the City will find the best candidate to serve the community I love. I strongly suggest the City to look into this matter. We need to have a reliable collective but not those have no respect to the law, and to us. Here is a list of the dispensaries in Palm Springs I have been to, hopefully it will be helpful for you in the investigation process:

I apologize for not providing my full name. Since I am already registered with those collectives in the city, I have to keep my information anonymous to ensure my safety. Thanks for taking the time reading this email.

Kevin S.

1-The California Collective of Choice (CCOC)

555 NORTH COMMERCIAL RD SUITE 5 PALM SPRING CA 92262

Phone:760-325-2262, After hours: 760-272-2010

Hours: Mon-Sat: 10am to 7pm, & Sunday 12pm to 4pm. Deliveries available during same hours

2-Community Caregivers (CC)

905 CROFFLEY RD PALM SPRINGS 92264

Phone: (760) 325-9988

Fax: (760) 325-9988

Hours: Open 7 Days: 10a to 6p

521

3-South Coast Patients Collective Assoc. (SCPCA)

68487 HIGHWAY 111 BUILDING #5 SUITE 51

Phone: (760) 770-0600 & (760) 449-8397 Cell

Hours: 8a to 7p 7 Days a week

4-West Valley Patients Collective Association (WVPCA)

Palm Springs, Ca 92258

Phone: (760) 329-0418

Hours: Mon. to Sat: 9:00a to 7:00p

5-C.A.P.S. Collective

4050 Airport Center Dr., Palm Springs

(760) 864-8700.

Open Sun-Thu 10am to 7pm, Fri 10am to 5pm

6-Canna Help

505A Industrial Place Palm Springs

(760) 327-2504

7-The Holistic Collective of Palm Springs (THC PS)

2235 N. Palm Canyon Dr. Palm Springs

(760) 778-1848

Open daily 11-7

8-Palm Springs Community Caregivers

333 N. Palm Canyon Dr #118, Palm Springs

760-325-9988.

From: Craig Ewing
Sent: Tuesday, July 14, 2009 6:12 PM
To: Ken Lyon
Subject: FW: Medical Marijuana
 Ken,

Here's some additional information to attach to the executive summary.

Craig A. Ewing, AICP
 Director of Planning Services
 City of Palm Springs
 3200 E. Tahquitz Canyon Drive
 Palm Springs, CA 92262
 760-323-8245

From: Amy Blaisdell
Sent: Tuesday, July 14, 2009 4:28 PM
To: Douglas C. Holland; Craig Ewing
Subject: Medical Marijuana

FYI, from K Kaufmann's MyDesert.Com Blog...

As reported in The Desert Sun on Sunday, Palm Springs officials are now madly reviewing 11 applications for the two permits the city will eventually dole out to two medical marijuana dispensaries under an ordinance passed earlier this year.

Among the 11 are several familiar names--CannaHelp, C.A.P.S. (aka the Collective Apothecary of Palm Springs), Palm Springs Compassionate Care and the West Valley Patients Collective, all of which have been doing business illegally in Palm Springs, under sufferance of a very tolerant City Council, for various lengths of time before the ordinance was passed.

Another local name on the list--Organic Solutions of the Desert--is owned by Jim Camper, who tried briefly to open the business in Desert Hot Springs, but was quickly shut down by the city.

The new and unfamiliar names and their proposed locations include:

Greenway Nature Care Foundation, 823 S. Williams Road
 Desert Organic Solutions, 19-437 New Hall St.
 Farmacy Collective, 3455 N. Indian Canyon Drive
 Happy Relief Center, 19-391 New Hall St.
 Herbal Solutions, 4765 Ramon Road
 Desert Valley Patients Association, 905 Crossley Road.

The big noise here is Farmacy, which has something of a storied dispensary in West Hollywood. According to the Web site, patients visiting the dispensary can sip free organic juices in the waiting room or get a free 10-minute massage or chiropractic adjustment along with their medicine. (I have not personally visited the place, but some online reviews of the place are almost uniformly glowing.) The collective also has an herbalist who will consult with patients on other, nonpsychoactive herbal remedies.

522

Another significant name is Herbal Solutions from Long Beach, 2009 winner of an outstanding collective award from the Los Angeles Cannabis Collectives Web site.

In other words, the incomers could mean serious competition for the local collectives since given their illegal status, most have operated on a fairly basic level, offering medical marijuana, but little else.

Conventional wisdom has it that Stacy Hochanadel, owner of CannaHelp, has at least an inside edge on one of the permits because of his long-time family connections in the city. His father, Larry Hochanadel, just completed a term as chairman of the Palm Springs Planning Commission.

Hochanadel had been selling medical marijuana since last year, when he opened the Palm Springs location for CannaHelp. The dispensary previously had an often-rocky, two-year run, from fall 2005 to fall 2007, on El Paseo in Palm Desert.

But he stopped selling after the council passed the Palm Springs ordinance in a move to curry favor with city officials.

Whether that will make a difference, with competition from the likes of Farmacy and Herbal Solutions, remains to be seen. Hochanadel and all the Palm Springs dispensaries may have to up their games big time if they want any chance of scoring one of the precious permits.

Amy Blaisdell
Director of Communications
City of Palm Springs
(760) 323-8250
Amy.Blaisdell@palmsprings-ca.gov



Palm Springs City Attorney
Palm Springs, California

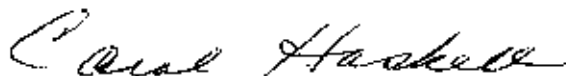
Reg: Proposed medical marijuana dispensary on Williams Road

Dear Sir,

Attached is a petition containing signatures of people who work in the neighborhood of the proposed dispensary.

They are the ones who will be impacted by the traffic and individuals who will be using the proposed dispensary. Also the residents of Demuth Park Neighborhood that I have spoken with, are not happy to have this dispensary so close to our neighborhood.

Sincerely,



Carol Haskell
717 South Mountain View Drive
Palm Springs, California 92264

Cc: Police Chief
City Manager
Planning Director

April 24, 2009

We strongly oppose any marijuana dispensary in the Demuth Park Neighborhood!!!

The location is across the street from our local grocery and a soccer store, both have many children as customers. And parking is not adequate for the existing businesses.

These dispensaries attract many unsavory looking customers and being so close to Ramon Road and the freeway will make it an easy target for a robbery.

Therefore, we the undersigned would like you to deny a permit to Organic Solutions on Williams Road as a marijuana dispensary.

NAME	ADDRESS	TEL. #/E-MAIL
Paulita Apeser	890 El Placer Rd.	(760) 325-0920
Paul Cappe	826 Arnold Vista Pl.	" 325 2999
GEORGE F. HOFFMAN	645 EUGENE RD	760-323-9866
Allen Sandermaan	6502 Eugene Rd	760-327-1917
Mike Hoffman	650 Eugene Rd	760-327-1917
ROSENBERG	669 Eugene Rd	760-416-2544
CHRIS FERRO	11461 WEST DR. MCKINNOVA AL	7603637765
Hakmat Aboob	4801 E. SUNNY DUNE RD.	760 322-2046
MICHAEL	745 S Eugene Rd	760-325-6931
John Charles	745 S. Eugene Rd.	949-492 5626
Carl Bong	745 S. Eugene Rd	760-404-2848
Christina Hilton	734 Eugene Rd	760-322-1562
Jacque Stewart	730 Eugene Rd	" 322-7725
Toni Villagram	729-722-Eugene Rd	325 6717
Leonid Fastay	760-325-0800	7205 Eugene Rd
Humberto A.	(760) 323-3727	706 Eugene Rd.
PALM SPRINGS, CA. 92264		

We strongly oppose any marijuana dispensary in the Demuth Park Neighborhood!!!

The location is across the street from our local grocery and a soccer store, both have many children as customers. And parking is not adequate for the existing businesses.

These dispensaries attract many unsavory looking customers and being so close to Ramon Road and the freeway will make it an easy target for a robbery.

Therefore, we the undersigned would like you to deny a permit to Organic Solutions on Williams Road as a marijuana dispensary.

NAME	ADDRESS	TEL. #/E-MAIL
Victor Ramos	631 Oleander Rd.	(760) 325-1100
Brian Adams	543 Oleander Rd	320-7777
Angelotitas	7145 Mountain Dr.	
1. Diana	688 Mountain View Dr	(760) 318-2148
Yusef	7805. Mountain Dr	322-4270
Jana Villalobos	4433 Sunny Dunes rd.	322-5918
Martin Villalobos	940 Vella rd	325-3135
Josefina mendoza	922 Vella Rd.	778 6323
RABAN BUCK	934 Vella Rd PS CA 92264	760 3271579
BEATRIZ LAROCK	934 Vella Rd PS CA	760/3271579
DONNE	934 Vella Rd PS CA	760/3271579
VICKY LUNT	934 Vella Rd.	760 3271579
JESSICA ARCO	934 Vella Rd	327-1579
Tom MUSA	990 S Vella Rd	778-6323
Juan Palafore	3045 PALM	778-6853
PHILIP	4970 Camino	770-3700
PALM SPRINGS, CA. 92264		Parole

Book Location

We strongly oppose any marijuana dispensary in the Demuth Park Neighborhood!!!

The location is across the street from our local grocery and a soccer store, both have many children as customers. And parking is not adequate for the existing businesses.

These dispensaries attract many unsavory looking customers and being so close to Ramon Road and the freeway will make it an easy target for a robbery.

Therefore, we the undersigned would like you to deny a permit to Organic Solutions on Williams Road as a marijuana dispensary.

NAME	ADDRESS	TEL. #/E-MAIL
ESTHER JUAN	4605 E. RAMON RD	ESTHERJUAN04@yahoo
Sonny Agosor	928 Avenida Evelita	eeko_love11@yahoo.com
Carmel Fustes	539 S Willow 12	Carmel Fustes 36944
Jenny Sanchez		328-5829
Denise Gardner	# 30355 Ave. Del Yuma, CA	
Shana Paul	68551 Terrace Rd	P.S. —
Tom Hood	17300 Corkill Rd #95 DHS	251-4572 Doodies2000@yahoo
Carole Wood	49126 Remonding St WINDO CA 92201	
MARK STEVENS	7545 WILLIAMS RD	3278466/mark
William King	8223 S WILLIAMS	Palm Springs
Felicia	760 660 5761 Williams Rd	327-9771
Carol Haskell	717 S Mt View Dr	327-9771
Donald E. Wall	4511 E. Sunny Dunes #B	325-4167
SCOTT BAU	4621 E Sunny Dunes RD	323-4822
Rogel Santacruz	4639 E Sunny Dunes RD	660-2909
Wally	670 OLEANDER ROAD PS	325-6007

PALM SPRINGS, CA. 92264



**CITY OF PALM SPRINGS
PUBLIC HEARING NOTIFICATION**

City Council

Meeting Date: December 2, 2009

Subject: APPLICATIONS FOR MEDICAL CANNABIS COLLECTIVES OR
COOPERATIVES

AFFIDAVIT OF MAILING

I, Kathie Hart, Chief Deputy City Clerk, of the City of Palm Springs, California, do hereby certify that a copy of the attached Notice of Public Hearing was mailed to each and every person on the attached list on November 19, 2009, in a sealed envelope, with postage prepaid, and depositing same in the U.S. Mail at Palm Springs, California.

1. Case No. 09-001 Medical Cannabis (39 notices mailed)
Cannahelp - 505 Industrial Place, Suite A
2. Case No. 09-002 Medical Cannabis (38 notices mailed)
Organic Solutions of the Desert - 560 South Williams Road
3. Case No. 09-003 Medical Cannabis (33 notices mailed)
CAPS Collective Apothecary - 4050 Airport Center Drive
4. Case No. 09-004 Medical Cannabis (70 notices mailed)
Palm Springs Compassionate Care - 3585 Del Sol Road
5. Case No. 09-005 Medical Cannabis (35 notices mailed)
Greenway Nature Care - 823 South Williams Road
6. Case No. 09-006 Medical Cannabis (33 notices mailed)
Desert Organic Solutions - 19437 Newhall Street
7. Case No. 09-007 Medical Cannabis (70 notices mailed)
Farmacy Collective Palm Springs - 3455 North Indian Canyon Drive
8. Case No. 09-008 Medical Cannabis (36 notices mailed)
Happy Relief Center Collective - 19391 Newhall Street
9. Case No. 09-009 Medical Cannabis (31 notices mailed)
Herbal Solutions - 4765 East Ramon Road
10. Case No. 09-010 Medical Cannabis (27 notices mailed)
Desert Valley Patients Collective Association - 905 Crossley Road
11. Case No. 09-011 Medical Cannabis (20 notices mailed)
West Valley Patients Collective Association - 19486 Newhall Street

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

A handwritten signature in black ink, appearing to read "Kathie Hart".

Kathie Hart, CMC
Chief Deputy City Clerk



**CITY OF PALM SPRINGS
PUBLIC HEARING NOTIFICATION**

City Council

Meeting Date: December 2, 2009

Subject: APPLICATIONS FOR MEDICAL CANNABIS COLLECTIVES OR
COOPERATIVES

AFFIDAVIT OF PUBLICATION

I, Kathie Hart, Chief Deputy City Clerk, of the City of Palm Springs, California, do hereby certify that a copy of the attached Notice of Public Hearing was published in the Desert Sun on November 21, 2009.

1. Case No. 09-001 Medical Cannabis (39 notices mailed)
CannaHelp - 505 Industrial Place, Suite A
2. Case No. 09-002 Medical Cannabis (38 notices mailed)
Organic Solutions of the Desert - 560 South Williams Road
3. Case No. 09-003 Medical Cannabis (33 notices mailed)
CAPS Collective Apothecary - 4050 Airport Center Drive
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11. Case No. 09-011 Medical Cannabis (20 notices mailed)
West Valley Patients Collective Association - 19486 Newhall Street

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

A handwritten signature in black ink, appearing to read "Kathie Hart".

Kathie Hart, CMC
Chief Deputy City Clerk



**CITY OF PALM SPRINGS
PUBLIC HEARING NOTIFICATION**

City Council

Meeting Date: December 2, 2009

Subject: APPLICATIONS FOR MEDICAL CANNABIS COLLECTIVES OR
COOPERATIVES

AFFIDAVIT OF POSTING

I, Kathie Hart, Chief Deputy City Clerk, of the City of Palm Springs, California, do hereby certify that a copy of the attached Notice of Public Hearing was posted at City Hall, 3200 E. Tahquitz Canyon Drive, on the exterior legal notice posting board and in the Office of the City Clerk on November 19, 2009.

1. Case No. 09-001 Medical Cannabis (39 notices mailed)
CannaHelp - 505 Industrial Place, Suite A
2. Case No. 09-002 Medical Cannabis (38 notices mailed)
Organic Solutions of the Desert - 560 South Williams Road
3. Case No. 09-003 Medical Cannabis (33 notices mailed)
CAPS Collective Apothecary - 4050 Airport Center Drive
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10. Case No. 09-010 Medical Cannabis (27 notices mailed)
Desert Valley Patients Collective Association - 905 Crossley Road
11. Case No. 09-011 Medical Cannabis (20 notices mailed)
West Valley Patients Collective Association - 19486 Newhall Street

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

A handwritten signature in black ink, appearing to read "Kathie Hart", written over a horizontal line.

Kathie Hart, CMC
Chief Deputy City Clerk

11-19-09

NOTICE OF PUBLIC HEARING
CITY COUNCIL
CITY OF PALM SPRINGS

CASE NO. 09-001 MEDICAL CANNABIS
CANNAHELP
505 INDUSTRIAL PLACE, SUITE A

NOTICE IS HEREBY GIVEN that the City Council of the City of Palm Springs, California, will hold a public hearing at its meeting of December 2, 2009. The City Council meeting begins at 6:00 p.m. in the Council Chamber at City Hall, 3200 East Tahquitz Canyon Way, Palm Springs.

The purpose of the hearing is to consider 11 applications for Medical Cannabis Collectives or Cooperatives in the City. One of the applications was filed by Cannahelp for a Medical Cannabis Cooperative located at 505 Industrial Place, Suite A, Zoned CM.

ENVIRONMENTAL DETERMINATION: This project is categorically exempt from environmental review pursuant to Section 15303, Class 3 of the California Environmental Quality Act (CEQA).

REVIEW OF PROJECT INFORMATION: The proposed application, site plan and related documents are available for public review at City Hall between the hours of 8:00 a.m. and 6:00 p.m. Monday through Thursday. Please contact the Office of the City Clerk at (760) 323-8204 if you would like to schedule an appointment to review these documents.

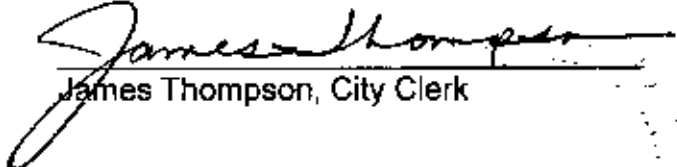
COMMENT ON THIS APPLICATION: Response to this notice may be made verbally at the Public Hearing and/or in writing before the hearing. Written comments may be made to the City Council by letter (for mail or hand delivery) to:

James Thompson, City Clerk
3200 E. Tahquitz Canyon Way
Palm Springs, CA 92262

Any challenge of the proposed project in court may be limited to raising only those issues raised at the public hearing described in this notice, or in written correspondence delivered to the City Clerk at, or prior, to the public hearing. (Government Code Section 65009[b][2]).

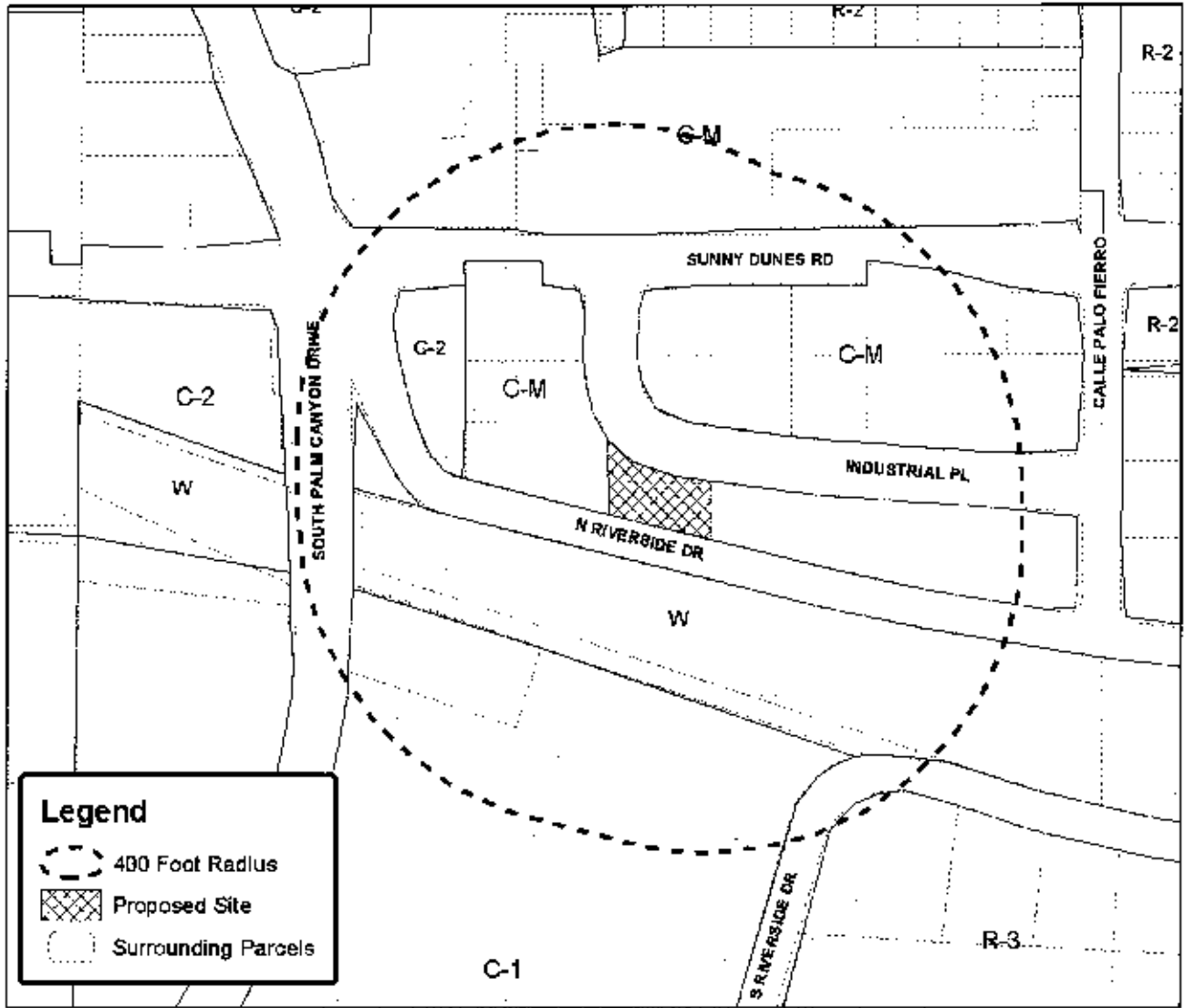
An opportunity will be given at said hearing for all interested persons to be heard. Questions regarding this case may be directed to Craig A Ewing, AICP, Director of Planning Services at (760) 323-8245.

Si necesita ayuda con esta carta, porfavor llame a la Ciudad de Palm Springs y puede hablar con Nadine Fieger telefono (760) 323-8245.


James Thompson, City Clerk



Department of Planning Services Vicinity Map



CITY OF PALM SPRINGS

CASE NO: MC 09-001

APPLICANT: CannaHelp

DESCRIPTION: Application for a Medical Cannabis Cooperative or Collective at 505 Industrial Place, Suite A, Zoned CM.

NOTICE OF PUBLIC HEARING
CITY COUNCIL
CITY OF PALM SPRINGS

CASE NO. 09-002 MEDICAL CANNABIS
ORGANIC SOLUTIONS OF THE DESERT
560 SOUTH WILLIAMS ROAD

NOTICE IS HEREBY GIVEN that the City Council of the City of Palm Springs, California, will hold a public hearing at its meeting of December 2, 2009. The City Council meeting begins at 6:00 p.m. in the Council Chamber at City Hall, 3200 East Tahquitz Canyon Way, Palm Springs.

The purpose of the hearing is to consider 11 applications for Medical Cannabis Collectives or Cooperatives in the City. One of the applications was filed by Organic Solutions of the Desert for a Medical Cannabis Cooperative located at 560 South Williams Road, Zoned M1.

ENVIRONMENTAL DETERMINATION: This project is categorically exempt from environmental review pursuant to Section 15303, Class 3 of the California Environmental Quality Act (CEQA).

REVIEW OF PROJECT INFORMATION: The proposed application, site plan and related documents are available for public review at City Hall between the hours of 8:00 a.m. and 6:00 p.m. Monday through Thursday. Please contact the Office of the City Clerk at (760) 323-8204 if you would like to schedule an appointment to review these documents.

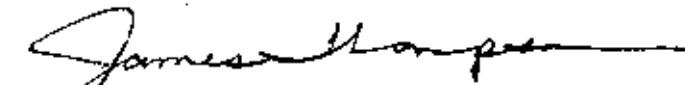
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Palm Springs, CA 92262

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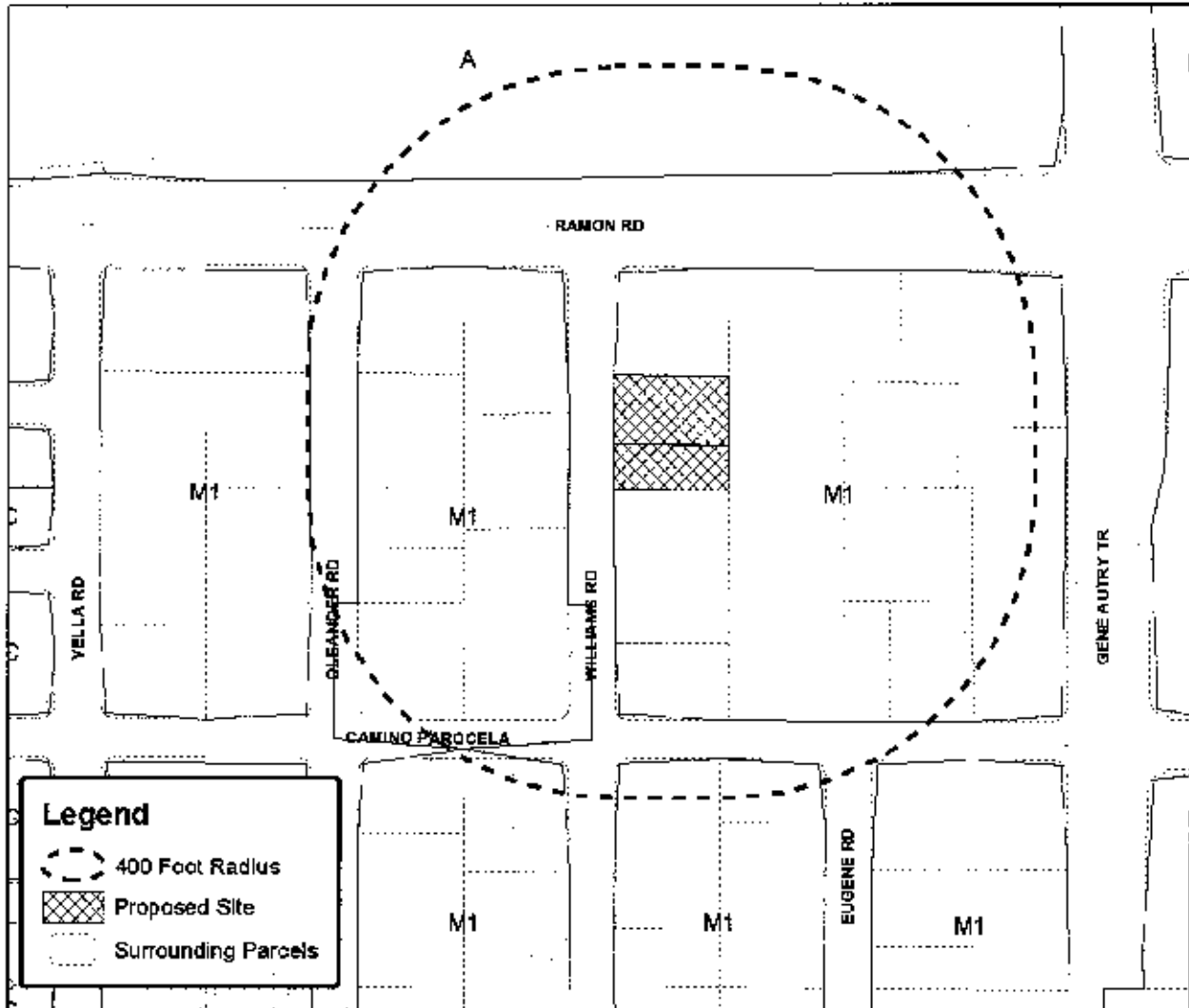
An opportunity will be given at said hearing for all interested persons to be heard. Questions regarding this case may be directed to Craig A Ewing, AICP, Director of Planning Services at (760) 323-8245.

Si necesita ayuda con esta carta, porfavor llame a la Ciudad de Palm Springs y puede hablar con Nadine Fieger telefono (760) 323-8245.


James Thompson, City Clerk



Department of Planning Services Vicinity Map



Legend

- 400 Foot Radius
- Proposed Site
- Surrounding Parcels

CITY OF PALM SPRINGS

CASE NO: MC 09-002

APPLICANT: Organic Solutions of the Desert

DESCRIPTION: Application for a Medical Cannabis Cooperative or Collective at 560 Williams Road, Zoned M1.



City of Palm Springs

Office of the City Clerk

3200 E. Tahquitz Canyon Way • Palm Springs, California 92262
Tel: (760) 323-8204 • Fax: (760) 322-8332 • Web: www.palmsprings-ca.gov

November 19, 2009

Ms. Claudia Saigado
Bureau of Indian Affairs
P. O. Box 2245
Palm Springs, CA 92263

Dear Ms. Saigado:

RE: City Council Meeting – December 2, 2009
Allotment Numbers for Public Hearing Notice MC 09-003
CAPS Collective Apothecary - 4050 Airport Center Way

The City Council of the City of Palm Springs will be conducting a public hearing to consider 11 applications for Medical Cannabis Collectives or Cooperatives on December 2, 2009. Enclosed are copies of the public hearing notice to be forwarded to the appropriate Indian landowner(s) within the 400 ft. radius of the project location.

The allotment numbers corresponding with the APN numbers are as follows:

APN	Allotment Number
677-490-001	1002A, 1002C, 1002D
677-490-004	1002
677-490-006	Public Right of Way
677-490-008	1002
677-490-009	1002, 1002A, 1002C, 1002D
677-490-011	1002
677-490-012	1002
677-490-014	1002, 1002A
677-490-015	1002A
677-530-007	Fee
677-530-008	Fee

Please feel free to contact me if there are any questions or concerns, 323-8206.

Sincerely,

Kathie Hart, CMC
Chief Deputy City Clerk

/kdh

Encl: Public Hearing Notices (7 copies)

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NOTICE OF PUBLIC HEARING
CITY COUNCIL
CITY OF PALM SPRINGS

CASE NO. 09-003 MEDICAL CANNABIS
CAPS COLLECTIVE APOTHECARY
4050 AIRPORT CENTER DRIVE

NOTICE IS HEREBY GIVEN that the City Council of the City of Palm Springs, California, will hold a public hearing at its meeting of December 2, 2009. The City Council meeting begins at 6:00 p.m. in the Council Chamber at City Hall, 3200 East Tahquitz Canyon Way, Palm Springs.

The purpose of the hearing is to consider 11 applications for Medical Cannabis Collectives or Cooperatives in the City. One of the applications was filed by CAPS Collective Apothecary for a Medical Cannabis Cooperative located at 4050 Airport Center Drive, Zoned M1.

ENVIRONMENTAL DETERMINATION: This project is categorically exempt from environmental review pursuant to Section 15303, Class 3 of the California Environmental Quality Act (CEQA).

REVIEW OF PROJECT INFORMATION: The proposed application, site plan and related documents are available for public review at City Hall between the hours of 8:00 a.m. and 6:00 p.m. Monday through Thursday. Please contact the Office of the City Clerk at (760) 323-8204 if you would like to schedule an appointment to review these documents.

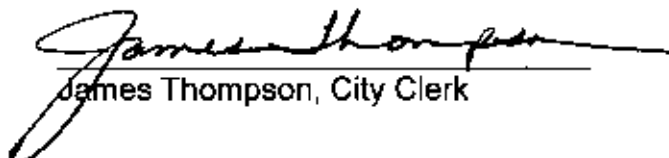
COMMENT ON THIS APPLICATION: Response to this notice may be made verbally at the Public Hearing and/or in writing before the hearing. Written comments may be made to the City Council by letter (for mail or hand delivery) to:

James Thompson, City Clerk
3200 E. Tahquitz Canyon Way
Palm Springs, CA 92262

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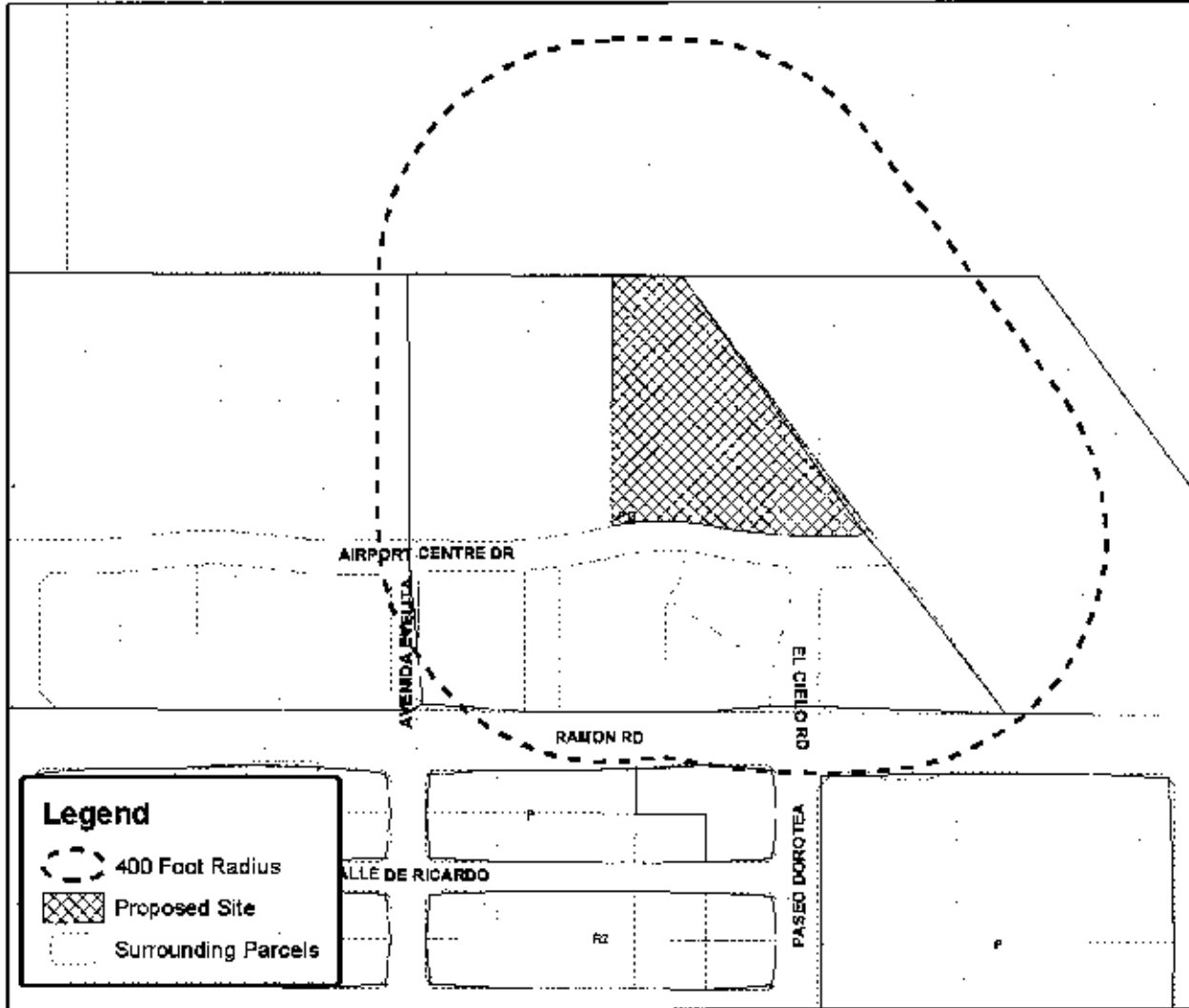
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Si necesita ayuda con esta carta, porfavor llame a la Ciudad de Palm Springs y puede hablar con Nadine Fieger telefonó (760) 323-8245.





James Thompson, City Clerk



Department of Planning Services Vicinity Map



Legend

-  400 Foot Radius
-  Proposed Site
-  Surrounding Parcels

CITY OF PALM SPRINGS

CASE NO: MC 09-003

APPLICANT: CAPS Collective
Apothecary

DESCRIPTION: Application for a Medical Cannabis Cooperative or Collective at 4050 Airport Center Way.

NOTICE OF PUBLIC HEARING
CITY COUNCIL
CITY OF PALM SPRINGS

CASE NO. 09-004 MEDICAL CANNABIS
PALM SPRINGS COMPASSIONATE CARE
3585 DEL SOL ROAD

NOTICE IS HEREBY GIVEN that the City Council of the City of Palm Springs, California, will hold a public hearing at its meeting of December 2, 2009. The City Council meeting begins at 6:00 p.m. in the Council Chamber at City Hall, 3200 East Tahquitz Canyon Way, Palm Springs.

The purpose of the hearing is to consider 11 applications for Medical Cannabis Collectives or Cooperatives in the City. One of the applications was filed by Palm Springs Compassionate Care for a Medical Cannabis Cooperative located at 3585 Del Sol Road, Zoned M1.

ENVIRONMENTAL DETERMINATION: This project is categorically exempt from environmental review pursuant to Section 15303, Class 3 of the California Environmental Quality Act (CEQA).

REVIEW OF PROJECT INFORMATION: The proposed application, site plan and related documents are available for public review at City Hall between the hours of 8:00 a.m. and 6:00 p.m. Monday through Thursday. Please contact the Office of the City Clerk at (760) 323-8204 if you would like to schedule an appointment to review these documents.

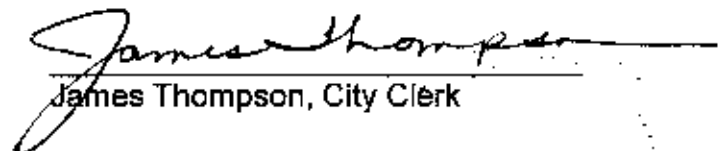
COMMENT ON THIS APPLICATION: Response to this notice may be made verbally at the Public Hearing and/or in writing before the hearing. Written comments may be made to the City Council by letter (for mail or hand delivery) to:

James Thompson, City Clerk
3200 E. Tahquitz Canyon Way
Palm Springs, CA 92262

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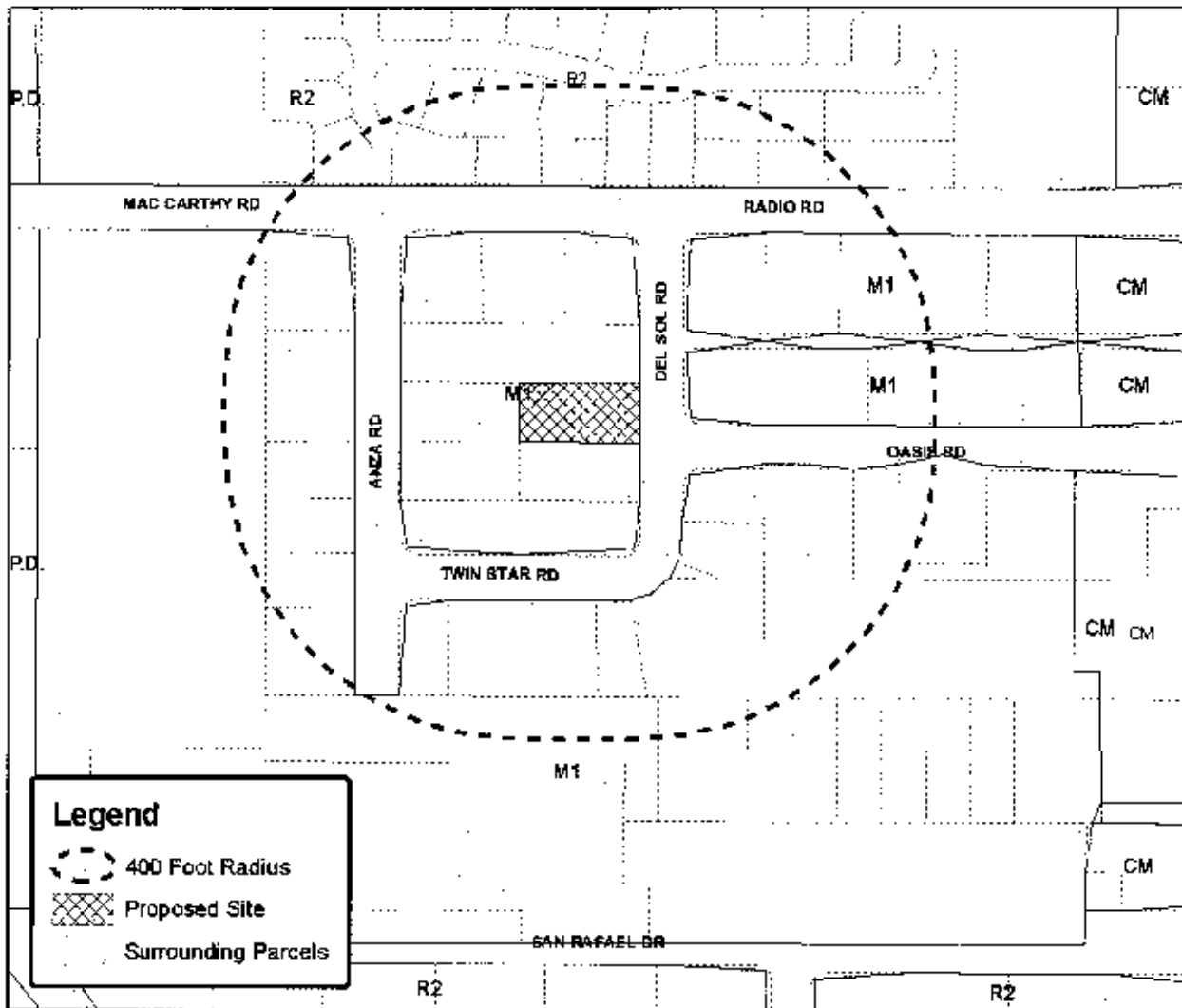
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James Thompson, City Clerk



Department of Planning Services Vicinity Map



Legend

- 400 Foot Radius
- Proposed Site
- Surrounding Parcels

CITY OF PALM SPRINGS

CASE NO: MC 09-004
APPLICANT: Palm Springs
Compassionate Care

DESCRIPTION: Application for a Medical Cannabis Cooperative or Collective at 3585 Del Sol Road, Zoned M1.

NOTICE OF PUBLIC HEARING
CITY COUNCIL
CITY OF PALM SPRINGS

CASE NO. 09-005 MEDICAL CANNABIS
GREENWAY NATURE CARE
823 SOUTH WILLIAMS ROAD

NOTICE IS HEREBY GIVEN that the City Council of the City of Palm Springs, California, will hold a public hearing at its meeting of December 2, 2009. The City Council meeting begins at 6:00 p.m. in the Council Chamber at City Hall, 3200 East Tahquitz Canyon Way, Palm Springs.

The purpose of the hearing is to consider 11 applications for Medical Cannabis Collectives or Cooperatives in the City. One of the applications was filed by Greenway Nature Care for a Medical Cannabis Cooperative located at 823 South Williams Road, Zoned M1.

ENVIRONMENTAL DETERMINATION: This project is categorically exempt from environmental review pursuant to Section 15303, Class 3 of the California Environmental Quality Act (CEQA).

REVIEW OF PROJECT INFORMATION: The proposed application, site plan and related documents are available for public review at City Hall between the hours of 8:00 a.m. and 6:00 p.m. Monday through Thursday. Please contact the Office of the City Clerk at (760) 323-8204 if you would like to schedule an appointment to review these documents.

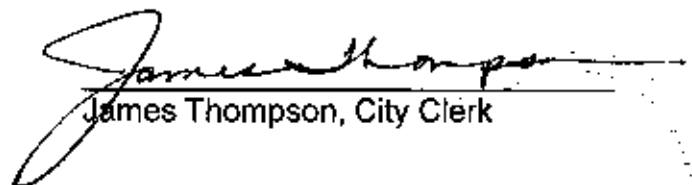
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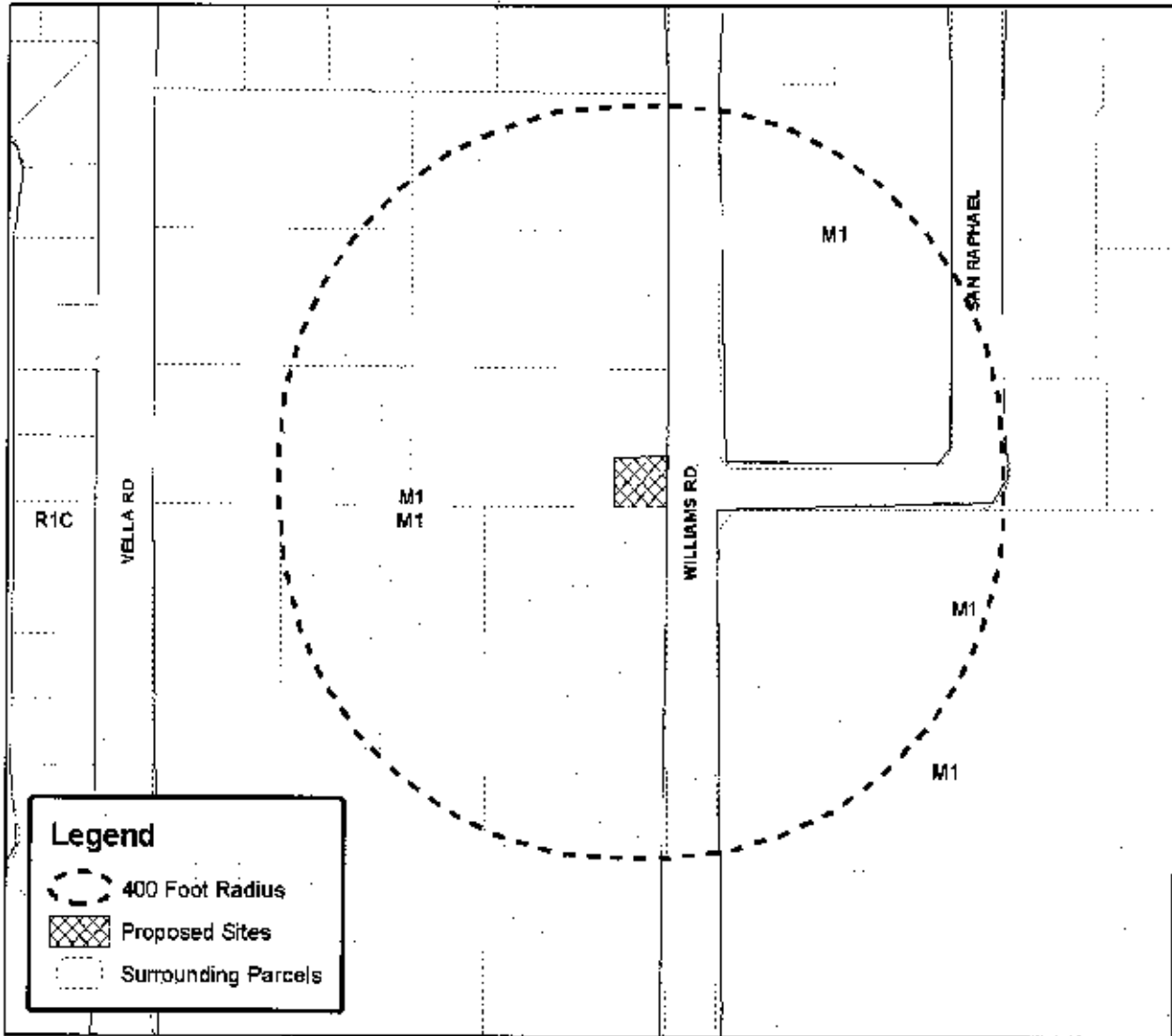
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James Thompson, City Clerk



Department of Planning Services Vicinity Map



CITY OF PALM SPRINGS

CASE NO: MC 09-005

APPLICANT: Greenway Nature Care Foundation

DESCRIPTION: Application for a Medical Cannabis Cooperative or Collective at 823 South Williams Road, Zoned M1.

NOTICE OF PUBLIC HEARING
CITY COUNCIL
CITY OF PALM SPRINGS

CASE NO. 09-006 MEDICAL CANNABIS
DESERT ORGANIC SOLUTIONS
19437 NEWHALL STREET

NOTICE IS HEREBY GIVEN that the City Council of the City of Palm Springs, California, will hold a public hearing at its meeting of December 2, 2009. The City Council meeting begins at 6:00 p.m. in the Council Chamber at City Hall, 3200 East Tahquitz Canyon Way, Palm Springs.

The purpose of the hearing is to consider 11 applications for Medical Cannabis Collectives or Cooperatives in the City. One of the applications was filed by Desert Organic Solutions for a Medical Cannabis Cooperative located at 19437 Newhall Street, Zoned M2.

ENVIRONMENTAL DETERMINATION: This project is categorically exempt from environmental review pursuant to Section 15303, Class 3 of the California Environmental Quality Act (CEQA).

REVIEW OF PROJECT INFORMATION: The proposed application, site plan and related documents are available for public review at City Hall between the hours of 8:00 a.m. and 6:00 p.m. Monday through Thursday. Please contact the Office of the City Clerk at (760) 323-8204 if you would like to schedule an appointment to review these documents.

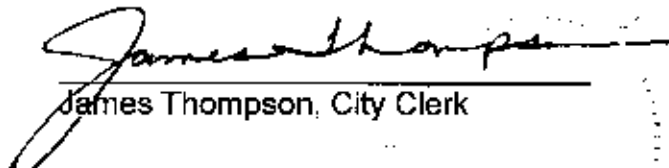
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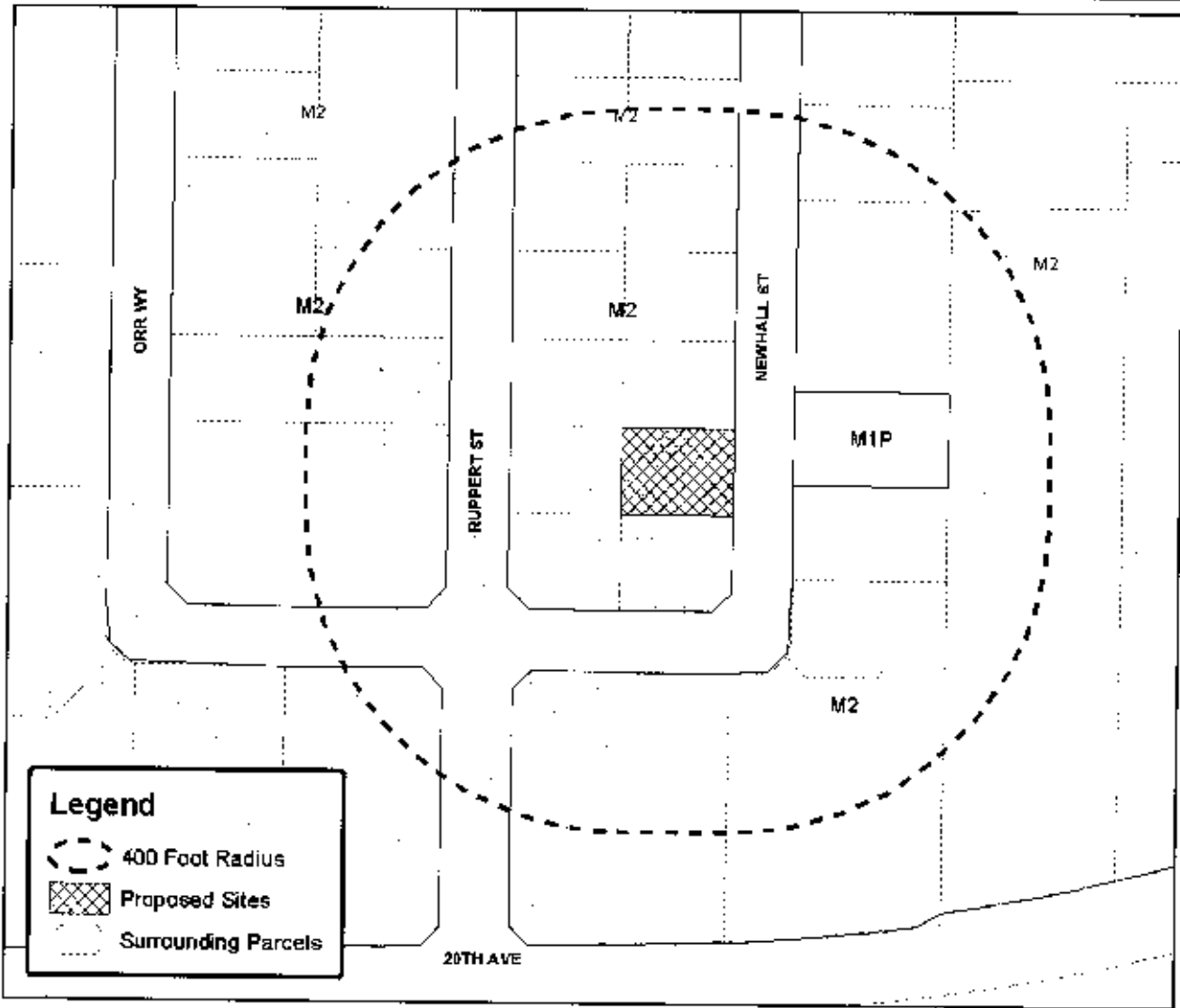
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James Thompson, City Clerk



Department of Planning Services Vicinity Map



CITY OF PALM SPRINGS

CASE NO: MC 09-006

APPLICANT: Desert Organic Solutions

DESCRIPTION: Application for a Medical Cannabis Cooperative or Collective at 19437 Newhall Street, Zoned M2.

NOTICE OF PUBLIC HEARING
CITY COUNCIL
CITY OF PALM SPRINGS

CASE NO. 09-007 MEDICAL CANNABIS
FARMACY COLLECTIVE PALM SPRINGS
3455 NORTH INDIAN CANYON DRIVE

NOTICE IS HEREBY GIVEN that the City Council of the City of Palm Springs, California, will hold a public hearing at its meeting of December 2, 2009. The City Council meeting begins at 6:00 p.m. in the Council Chamber at City Hall, 3200 East Tahquitz Canyon Way, Palm Springs.

The purpose of the hearing is to consider 11 applications for Medical Cannabis Collectives or Cooperatives in the City. One of the applications was filed by Farmacy Collective Palm Springs for a Medical Cannabis Cooperative located at 3455 North Indian Canyon Drive, Zoned M1.

ENVIRONMENTAL DETERMINATION: This project is categorically exempt from environmental review pursuant to Section 15303, Class 3 of the California Environmental Quality Act (CEQA).

REVIEW OF PROJECT INFORMATION: The proposed application, site plan and related documents are available for public review at City Hall between the hours of 8:00 a.m. and 6:00 p.m. Monday through Thursday. Please contact the Office of the City Clerk at (760) 323-8204 if you would like to schedule an appointment to review these documents.

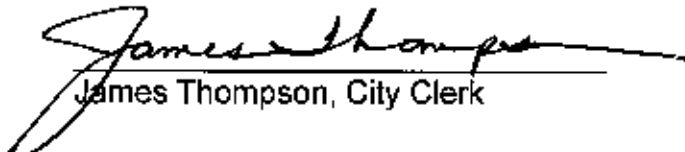
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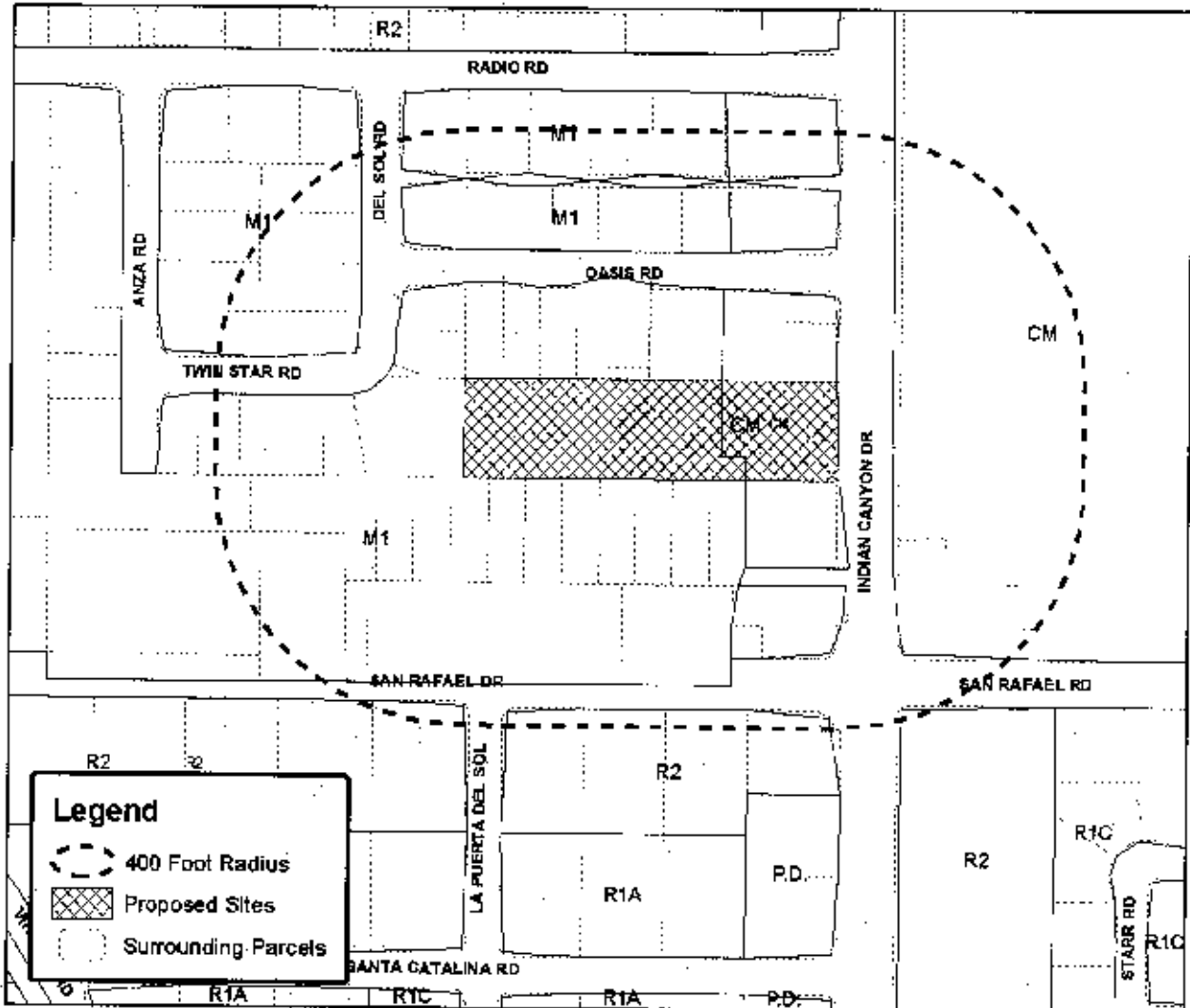
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James Thompson, City Clerk



Department of Planning Services Vicinity Map



CITY OF PALM SPRINGS

CASE NO: MC 09-007

APPLICANT: Farmacy Collective
Palm Springs

DESCRIPTION: Application for a Medical Cannabis Cooperative or Collective at 3455 North Indian Canyon Drive, Zoned M1.

NOTICE OF PUBLIC HEARING
CITY COUNCIL
CITY OF PALM SPRINGS

CASE NO. 09-008 MEDICAL CANNABIS
HAPPY RELIEF CENTER COLLECTIVE
19391 NEWHALL STREET

NOTICE IS HEREBY GIVEN that the City Council of the City of Palm Springs, California, will hold a public hearing at its meeting of December 2, 2009. The City Council meeting begins at 6:00 p.m. in the Council Chamber at City Hall, 3200 East Tahquitz Canyon Way, Palm Springs.

The purpose of the hearing is to consider 11 applications for Medical Cannabis Collectives or Cooperatives in the City. One of the applications was filed by Happy Relief Center Collective for a Medical Cannabis Cooperative located at 19391 Newhall Street, Zoned M1.

ENVIRONMENTAL DETERMINATION: This project is categorically exempt from environmental review pursuant to Section 15303, Class 3 of the California Environmental Quality Act (CEQA).

REVIEW OF PROJECT INFORMATION: The proposed application, site plan and related documents are available for public review at City Hall between the hours of 8:00 a.m. and 6:00 p.m. Monday through Thursday. Please contact the Office of the City Clerk at (760) 323-8204 if you would like to schedule an appointment to review these documents.

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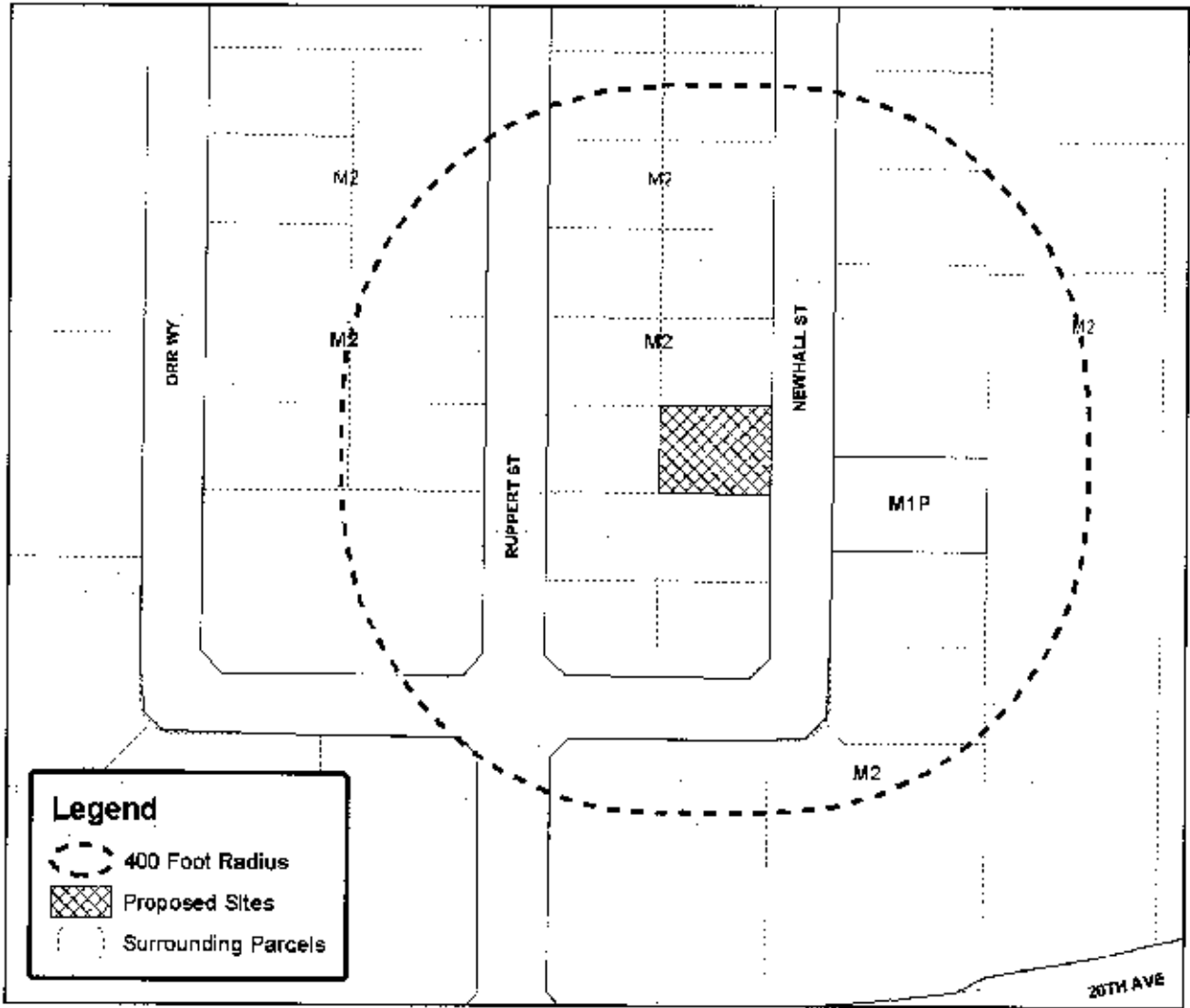
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James Thompson, City Clerk



Department of Planning Services Vicinity Map



CITY OF PALM SPRINGS

CASE NO: MC 09-008

APPLICANT: Happy Relief Center
Collective

DESCRIPTION: Application for a Medical Cannabis
Cooperative or Collective at 19391 Newhall Street,
Zoned M1.

NOTICE OF PUBLIC HEARING
CITY COUNCIL
CITY OF PALM SPRINGS

CASE NO. 09-009 MEDICAL CANNABIS
HERBAL SOLUTIONS
4765 EAST RAMON ROAD

NOTICE IS HEREBY GIVEN that the City Council of the City of Palm Springs, California, will hold a public hearing at its meeting of December 2, 2009. The City Council meeting begins at 6:00 p.m. in the Council Chamber at City Hall, 3200 East Tahquitz Canyon Way, Palm Springs.

The purpose of the hearing is to consider 11 applications for Medical Cannabis Collectives or Cooperatives in the City. One of the applications was filed by Herbal Solutions for a Medical Cannabis Cooperative located at 4765 East Ramon Road, Zoned M1.

ENVIRONMENTAL DETERMINATION: This project is categorically exempt from environmental review pursuant to Section 15303, Class 3 of the California Environmental Quality Act (CEQA).

REVIEW OF PROJECT INFORMATION: The proposed application, site plan and related documents are available for public review at City Hall between the hours of 8:00 a.m. and 6:00 p.m. Monday through Thursday. Please contact the Office of the City Clerk at (760) 323-8204 if you would like to schedule an appointment to review these documents.

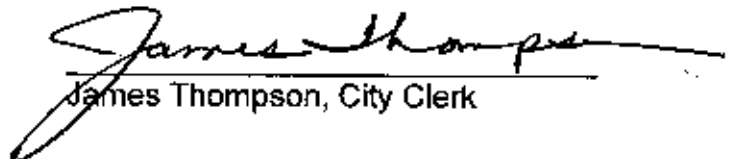
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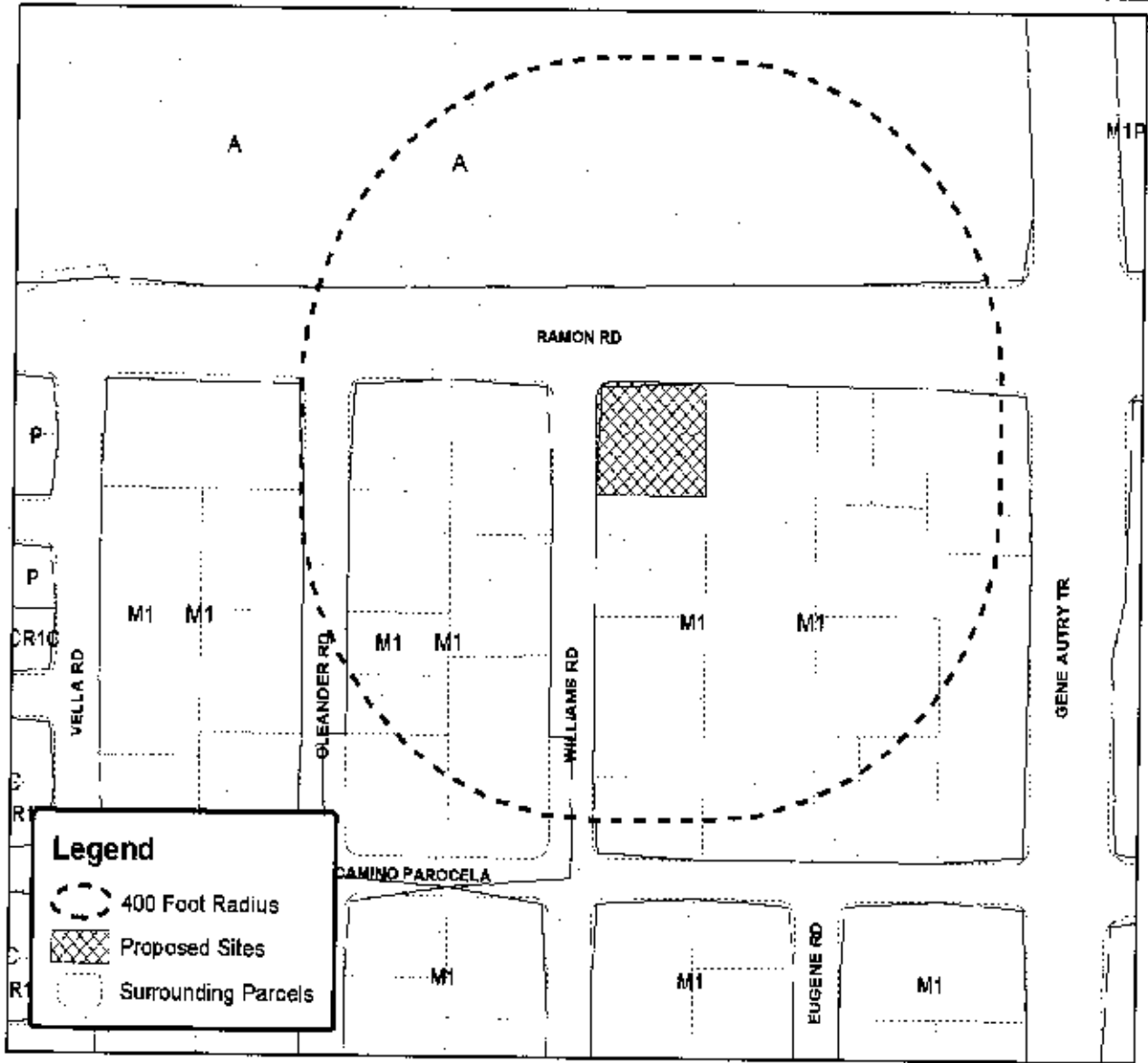
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James Thompson, City Clerk



Department of Planning Services

Vicinity Map



Legend

- 400 Foot Radius
- Proposed Sites
- Surrounding Parcels

CITY OF PALM SPRINGS

CASE NO: MC 09-009

APPLICANT: Herbal Solutions

DESCRIPTION: Application for a Medical Cannabis Cooperative or Collective at 4765 East Ramon Road, Zoned M1.



City of Palm Springs

Office of the City Clerk

3200 E. Tahquitz Canyon Way • Palm Springs, California 92262
Tel: (760) 323-8204 • Fax: (760) 322-8552 • Web: www.palmsprings-ca.gov

November 19, 2009

Ms. Claudia Salgado
Bureau of Indian Affairs
P. O. Box 2245
Palm Springs, CA 92263

Dear Ms. Salgado:

RE: City Council Meeting – December 2, 2009
Allotment Numbers for Public Hearing Notice MC 09-010
Desert Valley Patients Association

The City Council of the City of Palm Springs will be conducting a public hearing to consider 11 applications for Medical Cannabis Collectives or Cooperatives on December 2, 2009. Enclosed are copies of the public hearing notice to be forwarded to the appropriate Indian landowner(s) within the 400 ft. radius of the project location.

The allotment numbers corresponding with the APN numbers are as follows:

APN	Allotment Number
680-170-021	104E
680-170-041	104E, 65E, 104C
680-170-052	104C
680-562-001 through 680-562-004	109C
680-562-013 through 680-562-016	109C
680-563-001 through 680-563-006	109C
680-564-013	109C
680-564-014	109C
680-564-017	109C

Please feel free to contact me if there are any questions or concerns, 323-8206.

Sincerely,

Kathie Hart, CMC
Chief Deputy City Clerk

/kdh

Encl: Public Hearing Notices (7 copies)

NOTICE OF PUBLIC HEARING
CITY COUNCIL
CITY OF PALM SPRINGS

CASE NO. 09-010 MEDICAL CANNABIS
DESERT VALLEY PATIENTS COLLECTIVE ASSOCIATION
905 CROSSLEY ROAD

NOTICE IS HEREBY GIVEN that the City Council of the City of Palm Springs, California, will hold a public hearing at its meeting of December 2, 2009. The City Council meeting begins at 6:00 p.m. in the Council Chamber at City Hall, 3200 East Tahquitz Canyon Way, Palm Springs.

The purpose of the hearing is to consider 11 applications for Medical Cannabis Collectives or Cooperatives in the City. One of the applications was filed by Desert Valley Patients Collective Association for a Medical Cannabis Cooperative located at 905 Crossley Road, Zoned M1.

ENVIRONMENTAL DETERMINATION: This project is categorically exempt from environmental review pursuant to Section 15303, Class 3 of the California Environmental Quality Act (CEQA).

REVIEW OF PROJECT INFORMATION: The proposed application, site plan and related documents are available for public review at City Hall between the hours of 8:00 a.m. and 6:00 p.m. Monday through Thursday. Please contact the Office of the City Clerk at (760) 323-8204 if you would like to schedule an appointment to review these documents.

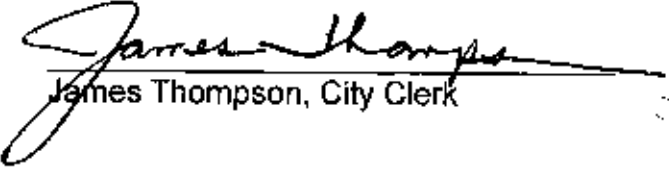
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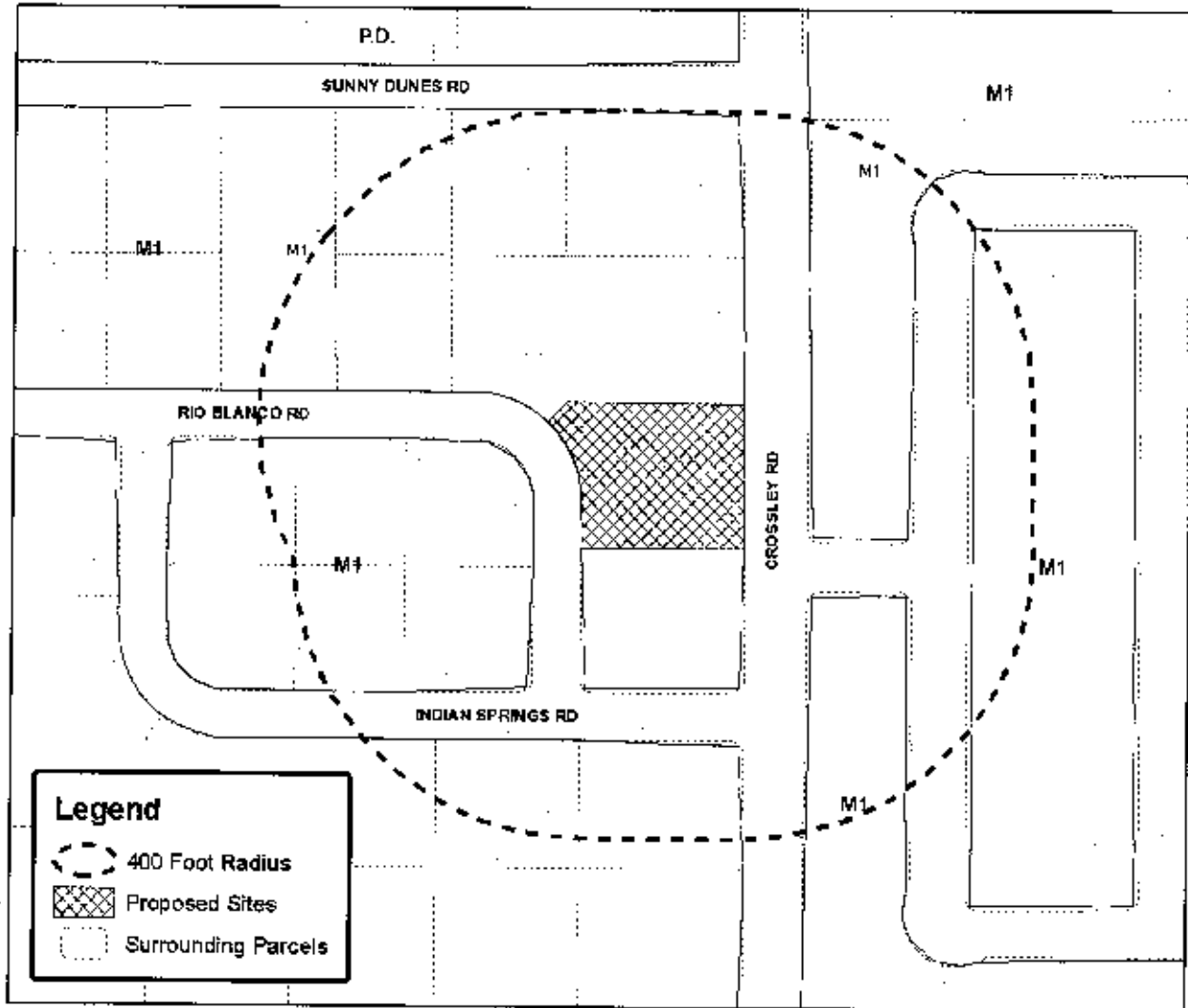
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James Thompson, City Clerk



Department of Planning Services Vicinity Map



CITY OF PALM SPRINGS

CASE NO: MC 09-010

APPLICANT: Desert Valley Patients Collective Association

DESCRIPTION: Application for a Medical Cannabis Cooperative or Collective at 905 Crossley Road, Zoned M1.

NOTICE OF PUBLIC HEARING
CITY COUNCIL
CITY OF PALM SPRINGS

CASE NO. 09-011 MEDICAL CANNABIS
WEST VALLEY PATIENTS COLLECTIVE ASSOCIATION
19486 NEWHALL STREET

NOTICE IS HEREBY GIVEN that the City Council of the City of Palm Springs, California, will hold a public hearing at its meeting of December 2, 2009. The City Council meeting begins at 6:00 p.m. in the Council Chamber at City Hall, 3200 East Tahquitz Canyon Way, Palm Springs.

The purpose of the hearing is to consider 11 applications for Medical Cannabis Collectives or Cooperatives in the City. One of the applications was filed by West Valley Patients Collective Association for a Medical Cannabis Cooperative located at 19486 Newhall Street, Zoned M1.

ENVIRONMENTAL DETERMINATION: This project is categorically exempt from environmental review pursuant to Section 15303, Class 3 of the California Environmental Quality Act (CEQA).

REVIEW OF PROJECT INFORMATION: The proposed application, site plan and related documents are available for public review at City Hall between the hours of 8:00 a.m. and 6:00 p.m. Monday through Thursday. Please contact the Office of the City Clerk at (760) 323-8204 if you would like to schedule an appointment to review these documents.

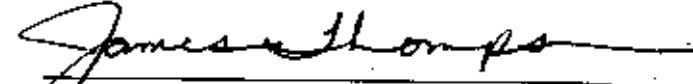
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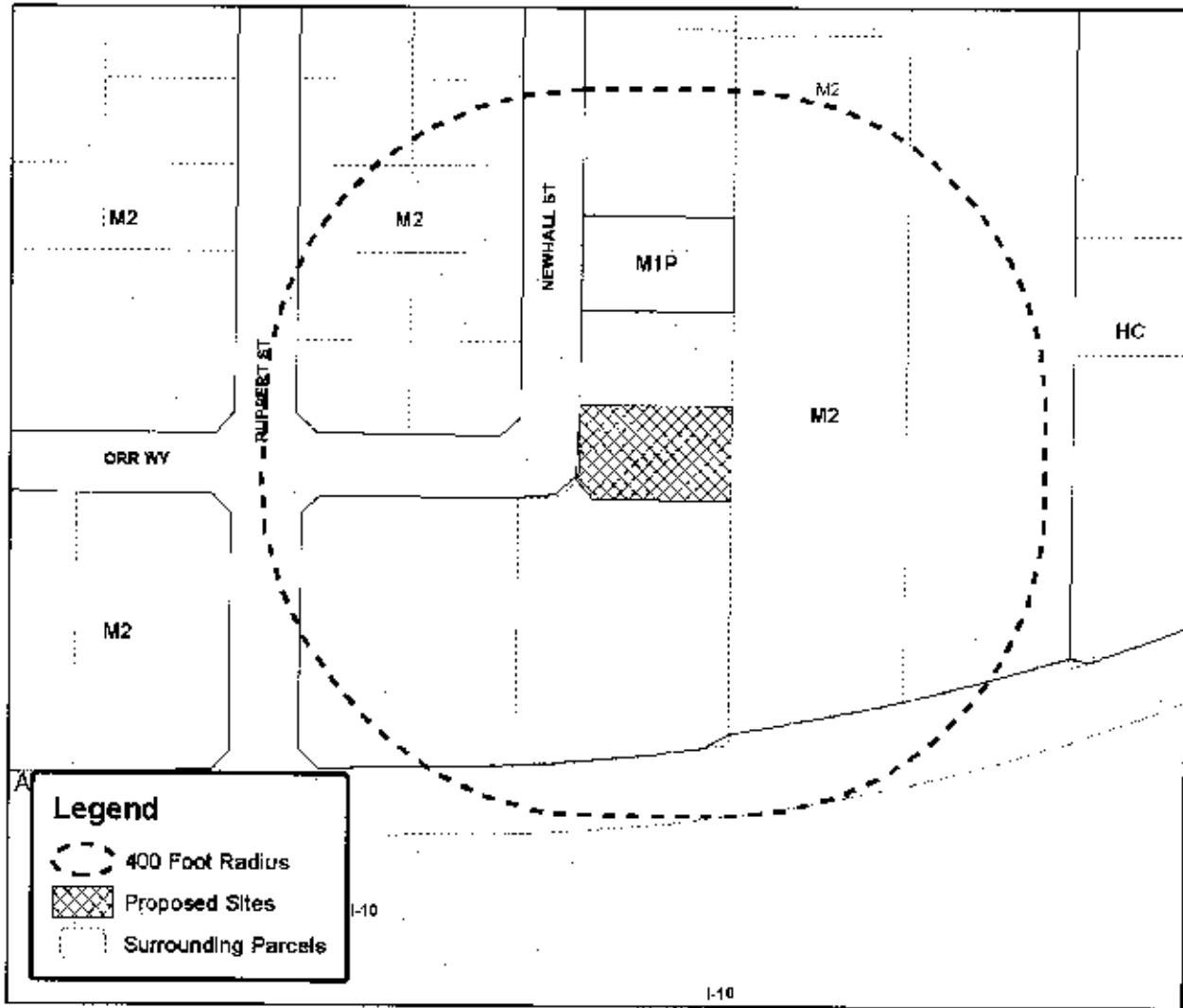
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James Thompson, City Clerk



Department of Planning Services Vicinity Map



CITY OF PALM SPRINGS

CASE NO: MC 09-011

APPLICANT: West Valley Patients Collective Association

DESCRIPTION: Application for a Medical Cannabis Cooperative or Collective at 19486 Newhall Street, Zoned M1.