

August 12th, 2021

Costa Mesa Development Services
77 Fair Drive
Costa Mesa, CA 92626
(714) 754-5270

RE: Retail CM1 LLC Applicant Letter for Commercial Cannabis Storefront Business Pre-Application

To the City of Costa Mesa,

We are writing this Applicant Letter as part of our Commercial Cannabis Storefront Business Pre-Application for a retail storefront and delivery service in the City of Costa Mesa. Retail CM1 LLC is working with Measure X Partner Shepard Investments, Inc. to establish a retail storefront and delivery service at 2275 Newport Blvd Costa Mesa, CA 92627 on parcel 419-111-15. The parcel's zoning is C2 General Commercial. This proposed location is not within the Green Zone.

The Applicant owns and manages Nectar Markets, a prominent vertically integrated operation in Oregon with cultivation facilities, manufacturing facilities and over 25 retail locations throughout the state. Nectar was founded in 2014 in Portland, Oregon by Jeremy Pratt and started out of a small 1,200 sqft medical dispensary. Now the leading cannabis retail brand in Oregon, Nectar has succeeded in providing great products and excellent customer service to a huge percentage of the State's market. Nectar has received many honors including recognition for being one of the top fifty (50) cannabis employers to work for in the nation, becoming the first cannabis company recognized by the BBB with an A+ rating, in addition to the various best dispensary and fastest-growing companies awards from multiple publications.

Our proposed commercial cannabis business in Costa Mesa amasses 1,816 sqft. We plan to use the space for conducting the retail sale of cannabis along with the processing and preparation of deliveries of cannabis goods offsite. We are obtaining Type 10 Storefront Retail with Delivery licensure with both Adult Use (A) and Medical (M) designations from the Department of Cannabis Control (DCC), so we conduct retail sales to Adult Use customers who are over the age of 21 and Medical customers who are over the age of 18 and have a valid physician's recommendation and/or Cannabis Card. There is ample parking available for both clients and employees, with 19 spaces available in an existing parking lot, one of which is a handicapped space. Areas that are accessible to our clients and visitors include a Check-In Area where we verify client identification and check them into our customer queue, a Showroom where cannabis goods are displayed and where transactions are processed and two restrooms, one of which adhere to all Americans with Disabilities Act requirements. Limited access areas are only accessible by employees of the commercial cannabis business and visitors that are escorted by an employee of the commercial cannabis business; These areas include a Vault/Storage Room where bulk cannabis goods are stored, our Shipping/Receiving Room where incoming deliveries of cannabis goods are received and where orders to be delivered offsite are prepared, our Offices where records and security footage are stored, our Employee Breakroom and a Server Room for all of our IT needs.

We only conduct the retail sale of cannabis goods that have been produced by licensed cultivators and manufacturers and sourced from licensed distributors that operation within the scope of compliance with local and state regulations. This includes cannabis flower, pre-rolls, manufactured cannabis products including various extracts, rosin, edibles, tinctures, topical products, sublingual tabs, capsules, beverages and non-cannabis merchandise such as branded clothing and accessories. All cannabis goods sold at our store are packaged and labeled in their final form and in compliance with State law. We have longstanding relationships with some of the leading brands including Raw Garden, Pacific Stone, Kiva and various others licensed operators. We have also built strong relationships with various distributors who carry these products so are able to secure favorable terms on products and maintain a consistent supply of cannabis goods for our clientele. We are implementing a robust inventory management, control and reporting system that allows us to accurately document the present location, amounts, and descriptions of all cannabis goods for all stages of the external supply chain and our internal retail process until purchase by a verified customer or patient.

We look forward to bringing the City of Costa Mesa premiere commercial cannabis that provides an incomparable customer experience and various additional community benefits. Please reach out to Jeremy Pratt via email at j.pratt@nectarpx.com or via phone at (503) 805-7523 with any questions or concerns.

Sincerely,



Jeremy Pratt