

Strains LLC
2013 Newport Blvd.
Cosa Mesa, CA 92627

Development Services Department
City of Costa Mesa
77 Fair Dr.
Costa Mesa, CA 92626

June 1, 2023

On behalf of Strains LLC ("Strains"), and in furtherance of expanding Strains' established and trusted brand of providing premier cannabis products, promoting responsible consumption, and offering accessible consumer educational services, Strains is pleased to submit this Pre-application to the City of Costa Mesa for a cannabis retail storefront (with delivery) permit.

Experience

With a well-assembled ownership and management team of industry-leading experts who are ready to serve the Costa Mesa community as trustworthy ambassadors of the commercial cannabis industry, the Planning Committee can be assured that Strains ownership and management team has an extraordinary level of experience. As the Planning Committee will see, Strains' robust Business Plan is based on a successful and compliant model already in operation in Perris, where Strains' brand has been enthusiastically received and its expansion to other areas is eagerly anticipated.

Strains' ownership and management team is united by a shared dedication to providing an industry-leading cannabis experience to its valued customers. As one of California's first cannabis licensees, CEO and owner Waheed "Abe" Abdulla has maintained success in the highly competitive cannabis industry since 2016. His role at Strains Costa Mesa will be as a true owner-operator involved in the day-to-day operations, together with a highly knowledgeable and experienced team roster to operate as effectively as possible by ensuring it maintains compliant policies, procedures, and best practices.

The Premises

The proposed location for Strains is 2013 Newport Boulevard in the City of Costa Mesa, which is located within the commercial zone. The location is not located within 1,000 feet of any sensitive use pursuant to the Costa Mesa Business Ordinance. There is no evidence that illegal or unpermitted cannabis activity has taken place on this property in the past 365 days. The location has served as a Chiropractic practice for the past ten years. The facility will solely operate as a retail dispensary and no cultivation, manufacturing or distribution will take place.

The property includes a stand-alone building that is 3,009 square feet, with a second level that will be used for non-cannabis office supply and store supply storage. At a minimum, the dispensary will include the following rooms and areas:

- **Manager's Office:** The manager's office will be used for manager and owner related duties including record keeping, cash handling, receiving and processing vendor deliveries and payment and monitoring CCTV screens.
- **Reception Desk:** The reception desk will be at the entrance of the dispensary and will have a receptionist stationed to greet and check in customers, check identification, and provide purchasing instructions.
- **Waiting Area:** A waiting area will be separate from the sales area for customers to wait comfortably to enter the sales room.
- **Sales Room:** The retail sales room is where customers make cannabis purchases using a POS system integrated with the State's Track-and-Trace system.
- **Storage Room:** The storage room will store all cannabis goods and will be locked by a door made of commercial grade steel and secured with card access only available to authorized personnel. The storage room will be climate controlled and have shelving, a refrigerator and a freezer to store cannabis products.

Operations

It will be evident throughout this application process that central to the Strains brand is the concept of a safe, clean, and tranquil community space where cannabis consumers can purchase top-quality, expertly curated, and fairly priced products. All operating procedures have been tested through implementation at other locations operated by Strains' owner. The compliance record of zero regulatory violations at these locations is a testament to the operating procedures' successful execution and efficacy. Strains operations will be based on a proven track record of excellence in regulatory compliance, best practices in the industry and a deep-seated commitment to business operations that ensure Strains operates as a responsible cannabis business and a good neighbor.

Strains has invested significant efforts to implement reliable noise, light and air-quality control mechanisms for the wellbeing and safety of our customers, community and neighbors. In furtherance of these goals, Strains' Security Plan includes comprehensive and measurable strategies to not only protect the health, safety and welfare of employees, customers and the public, but to ensure only lawful access and prevent any diversion of cannabis consistent with federal, state and local laws. The plan includes imbedded built-in security features in the facilities, inventory and access control, storage procedures, alarms, check-in procedures, video monitoring and security guard presence. The plan ensures not only the safety of customers and employees at the site but also protects people outside the location in surrounding areas.

In the area of inventory control, Strains has devised best practice operating procedures for electronic tracking of products, testing for quality control, and storage of all required products and records to easily identify cannabis activity and comply with Track-and-Trace and Metrc requirements.

Products Sold

Strains will curate the most sought after and recognized brands and products. As we have identified our highest selling products at our Perris location, we will also carry the same or very similar product lines in Costa Mesa. We will also continue to carry our very own, award winning cannabis line Strains Brand flower, which is cultivated and grown indoors in our Adelanto facility. This line of flower has the highest market share of branded flower in the entire Inland Empire. Similar to our Perris location sales, Strains expects its percentage of sales for flower and manufactured products as follows: (1) Flower 55%; (2) Concentrates 31%; (3) Edibles 11%; (4) Topicals 2%; and (5) Drinks 1%. Strains will only carry laboratory-tested cannabis goods from suppliers that have been vetted by the Inventory Manager with due diligence performed on their regulatory compliance, customer reputation, environmental values, location, scale, product quality, and safety.

Green Zone/Chemicals

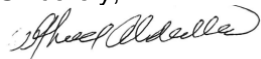
Strains' proposed premises is not located within the Green Zone and will not use any chemicals or dispose of any hazardous waste.

Conclusion

As will be further detailed in the Cannabis Business Permit Application, Strains has invested significant efforts to implement embedded security design features, reliable air-quality control mechanisms, and a location-sympathetic facility design proposal with the goal of ensuring Strains' neighborhood presence is always positively perceived. Strains trusts that its demonstrated enthusiasm for the community of Costa Mesa and aptitude to make this project a success translates to its worthiness to be awarded a cannabis retailer permit.

Thank you for considering Strains.

Sincerely,



Waheed "Abe" Abdulla, Owner