

January 6, 2023

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

RE: OTC Ventura 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 Conditional Use Permit application for a retail storefront and delivery service in the City of Costa Mesa. OTC Ventura LLC is working with Measure X Partner Ash Capital, Inc. to establish a retail storefront and delivery service at 2146 Newport Blvd Costa Mesa, CA 92627 on parcel 426-121-40. The parcel's zoning is C2 and the General Plan Use is Commercial. This proposed location is not within the Green Zone, but it is identified as compliant on the City's sensitive use map.

The Applicant owns and operates Off The Charts, one of the first licensed cannabis retailers in the City of Vista. Off the Charts has also opened two locations in Palm Springs, one of which has a consumption lounge and requires heightened compliance measures, as well as one location in Winterhaven, CA, and two locations in Los Angeles. Off The Charts has six (6) more locations scheduled to open by 2023 and has recently extended their footprint to New Jersey, Mississippi, Ohio and New Mexico with five (5) out of state location set to open in 2023. OTC has now established itself amongst the highest rated licensed cannabis retailers throughout Southern California.

The proposed commercial cannabis business amasses 2,833 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. Operating Hours are planned between the hours of 9AM-10PM seven days a week.

The proposed operation may employ as many as 50 employees with up to 8 staff members on-site during a given shift. There is ample parking available for both clients and employees, with 27 spaces available in the parking lot, two of which are handicapped accessible spaces. Delivery vehicles are stored off site when not in use and are only present on site when picking up orders for delivery or when ending their delivery route in accordance with state law requirements.

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 Retail Floor where cannabis goods are displayed and where transactions are processed and a restroom that is compliant with all provisions of the Americans with Disabilities Act. 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 Secure 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 additional space that is not open to the public.

We only conduct the retail sale of cannabis goods that have been produced by licensed cultivators and manufacturers and sourced from licensed distributors that operate 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 we 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.

In addition to the preceding, Off the Charts implements a robust Neighborhood Compatibility Plan that includes proactive outreach, as well as preemptive nuisance mitigation efforts such as a comprehensive Odor Control Plan, Security Plan, Open House, 24-hour Community Liaison, and more. Initial Outreach has included door to door introductions to all surrounding neighbors and a mailer to all residents and businesses within 500ft of the property that includes a background of our organization and steps that are being taken to address common concerns associated with commercial cannabis businesses. Initial feedback has been positive and neighbors have not only been receptive, but also supportive about the prospect of a licensed operator given the prior existence of illegal operators in the vicinity.

We look forward to bringing our neighbors and the City of Costa Mesa a premiere commercial cannabis that provides an exceptional customer experience and various additional community benefits. Please reach out to Sean Maddocks via email at maddocks@greencp.com or via phone at (949) 291-0587 with any questions or concerns.

Sincerely,

A handwritten signature in black ink, appearing to read 'S. Maddocks', with a stylized flourish at the end.

OTC Ventura LLC