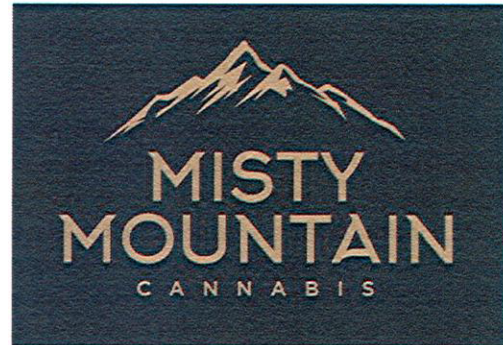


DESCRIPTION OF PROPOSAL

1318A Esquimalt Rd



To: Bill Brown, Director of Development Services

Township of Esquimalt

1229 Esquimalt Road
Esquimalt, BC V9A 3P1

bill.brown@esquimalt.ca



9.1 Size of the Retail Area

Misty Mountain Cannabis Inc. Response:

The proposed storefront front retail area is approximately 36 square meters; please see document 7.0 for the proposed floor plan.

9.2 Size of the Storage Area

Misty Mountain Cannabis Inc. Response:

The proposed storefront secure cannabis storage area is approximately 11 square meters; please see document 7.0 for the proposed floor plan.

9.3 Proposed Hours of Operation

Misty Mountain Cannabis Inc. Response:

Our proposed store will be open between the hours of 9 a.m. to 6 pm unless further restrictions are put in place by the Township of Esquimalt.

9.4 Parking Study

Misty Mountain Cannabis Inc. Response:

Please see document 6.0 for more information on the parking study.

9.5 Evidence The Company Has Applied For A Provincial License

Misty Mountain Cannabis Inc. Response:

Please see Appendix A for the Liquor and Cannabis Regulation Branch Cannabis Retail Licence Application receipt.

9.6 How Is Product Transferred To The Retail Outlet From The Province

Misty Mountain Cannabis Inc. Response:

The BC Liquor Distribution Branch (LDB) will be the sole, wholesale distributor of non-medical cannabis for the province. As the wholesale distributor, the LDB will only purchase non-medical cannabis from federally licensed producers. The LDB will be the only entity that retail stores, both private and government-owned, can purchase non-medical cannabis from in BC. Health Canada is responsible for licensing producers and undertakes a strict and thorough review of all applications. The LDB will purchase non-medical cannabis from licensed producers based in BC and across Canada. Non-medical cannabis products will be safely transported from the LDB's warehouse by appropriately regulated transport agents to 1318A Esquimalt Road. (Please see <https://www.bcldbcannabisupdates.com/> for more information.) Please see Appendix C info picture created by the LDB for further details on the process.

9.7 Community Impact and Mitigation

Misty Mountain Cannabis Inc. Response:

Misty Mountain Cannabis Inc. will attract a very diverse set of clientele at all of our locations and will make positive contributions to the neighbourhoods we operate in. Our storefronts will attract a large volume of traffic, increase economic opportunity for nearby businesses, and provide consumer access for residents of the neighbourhood. Below you will find common concerns regarding cannabis retail and our approach to mitigating any negative community impact. By mitigating any negative impacts and providing positive community contributions our operation will have a net benefit on the surrounding community.

Misty Mountain Cannabis Inc. is employing the management and design services of Camas Consulting in the operation of our retail outlets. Camas Consulting has a proven track record of providing staff training, store design, and security programs to five licensed medical dispensaries in Victoria, BC. Those retailers' good standing with the City and residents demonstrate that professionally-run cannabis retail stores can provide economic and social benefits.

Service to Minors:

Sales are conducted by professionally trained employees who are highly practiced and experienced in requesting identification from all customers, identifying fake IDs, using appropriate and non-confrontational language when asking for ID, and providing expert cannabis knowledge and suggestions to our customers. All of our employees undergo mandatory criminal background checks, have acquired their Cannabis Workers Qualification as required by the province, and will be certified by the Serving It Right equivalent (SellSafe) once announced by the Province.

Minimize Odours:

All Misty Mountain Cannabis Inc. locations are equipped with state of the art carbon filtration systems, which create a negative air pressure in the store, preventing any nuisance odours from escaping.

Public Health:

Misty Mountain Cannabis Inc. takes a proactive approach to minimizing the negative health impacts of cannabis use, and maximizing it's beneficial impacts. We will offer public education series to our customers

and the general public on topics such as cannabis etiquette, evidence-based research on the effects of cannabinoids, safe consumption, and using cannabis as a harm reduction strategy.

We are also partnering with major industry producers such as Canopy Growth who are working with M.A.D.D. on public education campaigns around safe consumption. These industry partnerships are key in providing professional training to staff as well as to our customers.

Prevention Of On-site Consumption:

Once the province publicly releases its requirements and applications for the SellSafe program, all of our retail staff will undergo the training and certification program to ensure that their training complies to the standards set out by the province. This training provides employees the tools necessary to prevent on-site consumption.

We also provide public notices on our stores' community bulletins to keep our customers apprised of all relevant bylaws, such as the prohibition on consumption in public spaces such as City parks and in the vicinity of the cannabis retail store. Additionally, in-store signage reminds customers to be courteous to neighbours and not litter packaging or consume near the store. All staff are trained in non-confrontational communication to address any instances of customers breaking the rules.

Additionally, the presence of 24 hour video monitoring and motion detection lighting deters loitering or consumption near the CRS.

Property Maintenance And Beautification:

The storefront is beautifully presented in wood trim and a pleasant and welcoming aesthetic. We intend to maintain a plant-filled, wood laden, earthy aesthetic that is pleasing to customers. The interior is designed so that no cannabis products are visible from the exterior, in keeping with provincial regulations. Please see the attached renderings of a previous cannabis retail store design for another company from Edda Creative in Appendix C, who are designing the proposed store.

The proposed CRS storefront will be tastefully adorned with flower boxes to enhance curb appeal.

Heritage:

This property does not have heritage status and no heritage buildings are affected by this application.

Proximity to Sensitive Use Areas:

The proposed cannabis retail store at 1318A Esquimalt Rd. is well situated at an appropriate distance from neighbouring sites that could be considered sensitive use areas. It is 302m away from Memorial Park (measured from door of the store to the property line, as the crow flies). It is 380m away from Esquimalt Rec Centre. It is 160m from La Pre Maternelle Appletree Preschool, however whereas the main concern for exposure to youth is with secondary and middle school aged children, we firmly believe there is no concern exposure of cannabis retail to preschool aged children as they would not be at an age where they would be unaccompanied, nor have the risk of having cannabis sold to them. There are no Elementary, Junior Secondary nor High Schools within 500m of the cannabis retail store.

We have also noted that the Township policy places no cap on the number of cannabis retail stores permitted to operate within the boundaries of Esquimalt, nor a minimum distance between retail storefronts. It is our understanding that AAA has submitted an application for 522 Admirals Road; we would like to voice our support in approving their application in tandem with ours. We believe that there is a large enough market for cannabis retail to support these two applications, located within 107 m of each other, outside of the large 500

m buffer zones from any Elementary, Junior Secondary or High Schools. As this buffer heavily limits the areas available to cannabis retail locations in Esquimalt, it would make sense that the area where these two proposed storefronts are located could support multiple stores.

While this distance provides a reasonable buffer from “family-oriented” locations, Misty Mountain Cannabis Inc. also takes additional mitigation measures for those who do not wish to be exposed to cannabis retail. Our store is not visible from any of the aforementioned sites. As discussed above, in addition to provincially mandated educational literature, we provide pamphlets and bulletin notices on cannabis consumption etiquette including asking our customers to not consume in public parks, near the CRS, and to not litter cannabis packaging. One of Misty Mountain Cannabis’ strengths is that it has scouted employees with first-hand professional knowledge in the existing cannabis industry. This means that all staff are well versed in informal cannabis etiquette, and have worked at licensed medical dispensaries where neighbour satisfaction is key to continued operations.

Community Contribution:

Esquimalt is in need of a cannabis retail store to facilitate access to cannabis in the community. The economic, environmental, and social benefits of this project are numerous. The regulation of this business sector in Esquimalt is likely to stimulate the local economy, making Esquimalt a hub of this emerging regulated and taxed business activity in the city and so help transition this industry, (that was previously taking place in an informal, unregulated and untaxed manner), toward a better regulated marketplace.

The location will provide an important service to both the high-density and low-density residential neighbourhoods surrounding the commercial core in which the proposed store is located. It will also provide convenient access to CFB Esquimalt now that the federal government has provided clarity on cannabis use guidelines for members of the Armed Forces.

As an Island-based business, we are also committed to sourcing our products from local producers. As micro-cultivators and other local Licensed Producers enter the provincial supply stream, we will support these local producers adding value to the local economy.

Additionally, Misty Mountain Cannabis Inc. is committed to donating a portion of net profits to local non-profit organizations.

9.8 Security Report

A concern for all retailers of high value products is security. On balance we believe that the environmental design approach as well as staff security training provides a net benefit for community safety.

Misty Mountain Cannabis Inc. has designed the proposed cannabis retail store using the principle of crime prevention through environmental design (CPTED). There is a direct relationship between the built environment and human behaviour. A well-designed physical environment can deter criminal activity through eight CPTED principles.

1. Territoriality

It is important to clearly demarcate the divide between public space and the private retail space allowing intruders to be quickly identified and deterred. Misty Mountain Cannabis Inc. The nature of the business as a 19+ space requires that we have clear signage demarcating the private space. On-premise signage indicating

our security systems are prominently displayed at all of our locations to provide further deterrence of theft or criminal activity.

2. Natural Surveillance

This principle relies on open sightlines to provide the perception of safety for staff and customers, while undermining the confidence of intruders. Our stores are open-concept design allowing staff and fellow customers to create a public eye in the store.

3. Access Control

The design of the store clearly separates the behind counter area as staff only, preventing access to cannabis. The staff only area of the store is located behind an electronic access controlled door. Additionally, the chain of command amongst staff is based on the principle of least privilege. Access to product storage, cash, inventory management software, and the actual store escalate from the position of CSSR, Keyholder, Supervisor to Manager. By limiting employee access to the lowest level of security required to allow normal functioning, the likelihood of internal crime is reduced.

4. Activity Support

This principle of environmental design is similar to natural surveillance in that it places security sensitive interactions between staff and the public within public sight as well as within view of formal high-definition video surveillance.

5. Image

By keeping the area surrounding the store clean, tidy, well-lit, and well-maintained potential criminals will be sent a message of guardianship and proprietary oversight, thus creating deterrence.

6. Target Hardening

This principle relies on physical security design to fortify targets of crime. All of our storefronts are secured with durable, commercial-grade doors and locks to protect the premises, as well as security film on windows. All cannabis products are securely locked behind the counter in staff-only areas of the store. Backstock inventory and cash are safely locked away in a secondary secure cannabis storage room to provide an extra layer of protection. Misty Mountain Cannabis Inc. locations are equipped with 24/7 intrusion and fire monitoring. Stores are also equipped with exterior motion-activated security lighting to discourage trespassing, theft, and loitering. During hours of operations, we will ensure that at least two employees are present on the premises at all times. All Misty Mountain Cannabis Inc. locations will be equipped with discreet, under-the-counter panic buttons.

The principle technique behind target hardening is the security concept of “rings of protection”. This involves using multiple barriers of protections around the inventory being protected. These multiple barriers can be seen on the floor plan that shows that backstock is securely stored behind two staff access only doors.

These measures ensure that any attempt to access valuables after hours will be immediately detected by the intrusion monitoring system and the multiple barriers will slow criminals allowing them to be thwarted by law enforcement.

7. Formal Surveillance

Misty Mountain Cannabis Inc. locations are equipped with 24/7 intrusion and fire monitoring, and supplemented with video surveillance cameras that monitor all retail areas, cannabis storage areas, entrances, exits, and exteriors. These cameras retain the data for a minimum of 28 days after it is gathered. On-premise signage indicating our security systems are prominently displayed at all of our locations to provide further deterrence for theft or criminal activity. Our 24-hour high definition camera system can be used to provide information on crimes that may happen in the neighbourhood after hours.

8. Security Training

All of our employees undergo mandatory criminal background checks. As part of training and employee induction, employees must read our standard operating procedures for incident reporting, maintaining the integrity of their passwords and security codes, and robbery prevention.

Misty Mountain Cannabis' presence in the area contributes to the safety and security of the neighbourhood and may contribute to a decrease in overnight petty crime in the immediate area. The increased foot traffic in the area as a result of the business attracts customers to other nearby businesses, and our staff will keep the area surrounding our business well maintained, clean, and free of litter and other refuse.