

Blum San Leandro

January 22, 2018

City of San Leandro
Board of Zoning Adjustments
835 E 14th Street
San Leandro, CA 94577-3767

Dear Board of Zoning Adjustments:

As requested, the following letter is a summary of operations for Blum, San Leandro 1915 Fairway Drive, San Leandro, CA 94577 presented for your use and review.

INTRODUCTION:

Blum dispensaries and branded products are known for providing our patients with the highest quality medical cannabis with consistently safe service at an affordable price point. In addition to these company standards, Blum San Leandro is committed to being an excellent community partner. The proposed facility at 1915 Fairway Drive is designed to accommodate Blum San Leandro's: Dispensary, Manufacturing Lab and Kitchen Production operations.

SUMMARY OF DISPENSARY OPERATIONS:

Blum's San Leandro dispensary proposed hours of operation will be:
Monday - Saturday 10:00 AM-7:00 PM; and Sunday 11:00 AM-7:00 PM.

The dispensary site will employ approximately thirteen (13) people upon opening and is projected grow to twenty-one (21) employees by the end of the third year of operations.

Patient visits are projected to be approximately sixty (60) per day when the dispensary opens and are expected increase to three-hundred (300) per day by the end of the third year of operations.

Based on our experience in other cities, the approximate duration of each patient visit will be 5-15 minutes.

Vending for the dispensary:

Our bulk wholesale purchasing of product will take place at the Blum Oakland Facility and the inventory will then be safely delivered to Blum San Leandro.

All product deliveries will comply with the City of San Leandro (CUP) conditions of approval and California State Regulations. The scheduling of all deliveries will be devised to reduce truck traffic related to deliveries occurring at the Blum San Leandro Facility.

SUMMARY OF MANUFACTURING LAB OPERATIONS:

Cannabis extracts are an emerging market segment in the cannabis industry and will be critical to adequately serve our San Leandro patients. Most patients who use cannabis extracts have a severe illness whereby their doctor prescribed a highly-concentrated dose of cannabinoids to offer the recommended level of relief.

Because many of our patients have been medically diagnosed with compromised immune systems, we have developed an in-house oil concentrate line branded: IVXX (pronounced eye-vex). This allows Blum to ensure that the medicine we are providing is of the highest quality, produced with the best technology and without impurities.

Manufacturing Lab Hours of Operation will be:
Monday-Friday 6:00 AM- 2:00 PM

Blum is proposing four (4) separate manufacturing divisions at the 1915 Fairway Drive facility. Each manufacturing room will never have more than three (3) staff people at any given time and will not be open to the public.

This area will have strict security protocols and access will be limited. This area will be monitored by security cameras and be subject to internal logs and accounts.

The manufacturing area will be maintained to a "clean room" standard and will be free from any impurities.

Below is a simplified summary of the Blum manufacturing process:

- Plant matter is received (trim, small buds and plant waste)
- Plant matter is tested
- Plant matter is placed in a dehumidifier
- Plant matter is then run through a closed loop extraction system whereby CO₂ or organic propane is used to strip the plant matter of the remaining cannabinoids
- A closed loop system makes it so that all CO₂ and organic propane is collected and recycled and there is NO off gassing
- The cannabinoids are collected in a collection vessel
- Once the process is complete, the concentrate in the collection vessel will be scraped and will sit on a tray to rest for approximately twenty-four (24) hours
- After the resting period, the concentrate will go into further refinement by either being placed into the oven or distilled into edible grade oil
- After the concentrate is finished, it will then be sent out for testing at a licensed, independent laboratory
- Upon receiving the test results and confirming that the product meets our standards for purity and potency, the product will be packaged and then will be prepared to transfer to the dispensary for dispensation to our patients or to the kitchen for further processing.

SUMMARY OF KITCHEN OPERATIONS:

Hours of operation:

Monday- Friday 6:00 AM -2:00 PM

Projected number of employees in the kitchen area: Two (2) to three (3)

The proposed kitchen will be designed to facilitate the production of edible goods such as: brownies, cakes, popcorn and other popular products. As noted above, these products will feature our proprietary Blum IVXX concentrates. All baked goods that are produced from IVXX's Kitchen will be for *medical use only* and will only be sold at licensed dispensary sites.

By controlling every aspect of this process, from cultivation, extraction, and oil concentrate manufacturing to production of the edibles, we can control the dosages, concentration and purity of the baked goods consistent with our Blum brand standards. The kitchen will meet or exceed all standard commercial kitchen principles regarding the safe practices for food processing.

Respectfully submitted:

Salwa Ibrahim
Blum San Leandro, Founder

James Nemechek
Tena Tech, Operations Manager