

ATTACHMENT NO. 10



ONYX JONES
Chief Financial Officer

FINANCE DEPARTMENT

CITY OF CULVER CITY

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August 13, 2020

VIA EMAIL (trent@jushico.com) AND U.S. MAIL

Trenton Woloveck
TGS CC Ventures, LLC
1267 Willis St., STE 200
Redding, CA 96001

Dear Applicant:

You have passed steps 1(a) and 1(b) of the Culver City ("City") Cannabis Business Permit Storefront Retail Application Process ("Permitting Process") and have indicated a desire to proceed with Step 1(c). Before doing so, the City would like to confirm that you are aware of the pendency of an action filed in the Los Angeles County Superior Court by an applicant who was not selected in Step 1(b) to proceed further, and whose application was put on hold.

The City previously advised you that it received two (2) appeals from applicants whose applications were put on hold following the determination of the Permit Administrator in Step 1(b) of Permitting Process. At that time, you were informed that you would be permitted to proceed to Step 1(b) of the selection process while these appeals were pending. Provided, however, that in doing so you accepted the risk that should the City Manager alter the findings of the reviewing committee, your ability to proceed with your application might be adversely affected.

Both of the appeals proceeded to a hearing before the City Manager. After careful consideration, the City Manager denied each appeal and issued written decisions. One of the applicants has filed a petition for writ of mandate in the Los Angeles County Superior Court seeking to alter the City Manager's decision. The City Manager wants you to be aware of this proceeding so that you may determine whether you wish to proceed with the next phase of the application process at this time. While the City believes that the City Manager's decisions were well taken, there is the possibility that the court could alter the outcome of the City's selection process or alter the selection process, itself.

If you elect to proceed with Step 1(c) of the Permitting Process, it must be with the understanding that the court's ruling could impact the selection process and your application, as well as others. As a consequence, it is possible that your selection to

proceed to the Step 1(c) of the selection process may be changed and you might not be eligible to have your application considered by the City Council.

Should you elect to proceed, any fees paid to the City as part of the application process, including fees incurred for review of an application for a Conditional Use Permit ("CUP"), will not be refundable, regardless of the determination made by the court. These fees are required to offset the costs incurred by the City in evaluating your application for a CUP.

Please be further advised that should the litigation not be concluded at the time of the review of the CUP application by the Planning Commission, and should staff recommend the granting of a CUP, staff will request that a condition of approval be included that the CUP shall be subject to the final decision of the court in the writ of mandate proceeding.

Notwithstanding the pending writ proceeding, as you are aware, any CUP processed for a commercial cannabis storefront retail applicant will include a condition of approval stating that the CUP shall be subject to the City Council's approval of a storefront-retail cannabis business permit. As described in the Cannabis Business Permit Storefront Retail Application Process, the City Council's approval will be contingent on the successful completion of the remainder of the approval process.

Nothing herein is intended to provide legal advice. You should consult with your own counsel to determine whether to proceed with step 1(c) of the Permitting Process. If you decide you wish to continue at this time, please acknowledge your receipt, understanding and acceptance of this risk by signing a copy of this letter where indicated below.

We appreciate your participation in the Culver City Cannabis Business Permit Storefront Retail program. Should you have any questions regarding the writ proceeding, please feel free to contact special counsel to the City in the mandate proceeding, William Litvak, at wlitvak@drllaw.com; telephone (310) 477-5575. For questions regarding the CUP process, please contact Michael Allen, Current Planning Manager at michael.allen@culvercity.org or (310) 253-5727.

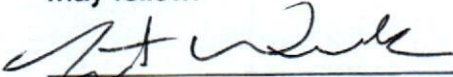
Thank you for your cooperation.

Very truly yours,

A handwritten signature in blue ink, appearing to read "Onyx Jones", is written over a horizontal line.

Onyx Jones, CFO
Permit Administrator
Culver City Cannabis Permitting

The undersigned is authorized to acknowledge the foregoing on behalf of TCV CC VENTURES [insert applicant name] and confirms that it has elected to proceed with the Permitting Process and that it does so with the understanding that its application a Culver City Cannabis Business Permit Storefront Retail Permit may be adversely affected as a result of the aforementioned court action and any appeal that may follow.

 PRESIDENT
Signature and Title

8/28/20
Date