SETTLEMENT AGREEMENT BY AND BETWEEN ADVISORY NEIGHBORHOOD COMMISSION 6B

and

JJHH Holdings, LLC t/a High Demand

Pursuant to DC Code § 7-5440, this Settlement Agreement, ("Agreement"), between JJHH Holdings, LLC t/a High Demand ("Applicant"), and Advisory Neighborhood Commission 6B ("ANC 6B"), takes effect on the date of its approval by ANC 6B. This agreement covers the Applicant's business at 511 11th Street, SE Washington, DC 20003 ("Premises").

WHEREAS, Applicant applied (ABCA-128725) to the DC Alcoholic Beverage and Cannabis Administration ("ABCA") for a new medical cannabis retailer license of approximately 1,275 square feet of the Premises to permit Applicant to sell cannabis flower, cannabis concentrates, and a line of edible products to registered patients, along with a delivery endorsement, permitting Applicant to provide delivery service of cannabis products to registered patients; and

WHEREAS, Applicant and ANC 6B seek to enter into a voluntary Agreement memorializing the terms and conditions upon which ANC 6B agrees to support Applicant's license application, conditioned on Applicant's promise to operate to minimize the Establishment's impact on (i) neighborhood peace, order, and quiet; (ii) pedestrian safety and vehicular traffic; (iii) real property values of nearby residential properties; (iv) residential parking; and (v) security and sanitation of the area around the Premises;

NOW, THEREFORE, Applicant and ANC6B agree as follows:

- 1. <u>ANC 6B Promise</u>. Conditioned on the Applicant's approval of, and fulfillment of its promises under this Agreement, including the recitals above, ANC 6B agrees to support Applicant's application before ABCA to secure a medical cannabis retailer's license, with delivery endorsement.
- 2. <u>Nature of the Business</u>. Applicant has applied to operate a medical cannabis retail facility ("Retailer") where the Applicant will permit qualifying patients to purchase medical cannabis products only in the interior of the Premises or by home delivery of cannabis products to registered patients in D.C. Applicant shall be permitted to change the type and class of license and operate in accordance with any new or current licenses, endorsements, and permits issued by the Board.
- 3. Hours of Operation; Sales, Service.
 - a) The Applicant's hours of operation, sales, and home delivery shall not exceed or extend beyond the following:

Retailer Hours of Operation shall be as follows:

Sunday – Saturday: 7:00 am - 10:00 pm

Retailer hours of sales to the public within the Premises to qualifying patients shall be as follows:

Sunday – Saturday: 9:00 am - 9:00 pm

Retailer Hours of home delivery to qualifying patients shall be as follows:

Sunday – Saturday: 9:00 am - 9:00 pm

- b) Applicant will maintain visible signs at the Premises' entrance clearly identifying the hours of medical cannabis retail sales and age limitations of those who may not enter the Premises.
- Applicant reserves the right to change its hours of operation upon prior approval of the ABCA Board.

4. <u>Maximum Purchase of Cannabis per 30-day Period</u>. Applicant shall comply with all cannabis sale amount restrictions required by law or any applicable regulations.

5. Verification.

- a. On-Site Sales: Applicant will comply with all ABCA regulations relating to verification of the identity of individuals who enter the Premises, including any regulations that require Applicant to institute and maintain a process, other than self-affirmation, to verify:
 - i. The identity of any individual who enters the Premises and that the individual is a qualified patient with a valid medical cannabis card; and,
 - ii. Any adult accompanying a qualifying patient under 18 that this adult is actually the minor patient's parent or guardian.
- b. Applicant will provide ANC6B and the ABC Board with a written plan that will be attached to this SA explaining its process for complying with ABCA regulations relating to patient verification.
- c. Home Deliveries: Applicant will comply with all ABCA regulations including 22C DCMR § 5703.3 relating to home delivery of cannabis, including any regulations that require Applicant to institute and maintain a process, other than self-affirmation, to verify:
 - i. The qualifying patient recipient of a medical cannabis home delivery is physically present at the residence and is the same person who placed the order;
 - ii. Pursuant to ABCA regulations, Applicant shall maintain a delivery manifest (using METRC) to track delivery of cannabis to and document receipt of each delivery in the METRC delivery manifest system immediately upon delivery;
 - iii. For home deliveries to patients under 18 years old, Applicant shall institute and maintain a process, other than self-affirmation, to verify that delivery goes directly to the patient's actual adult parent or guardian.
- d. Applicant will provide ANC6B and the ABC Board with a written plan that will be attached to this SA explaining its process for complying with ABCA regulations relating to home deliveries.
- 6. <u>Security Plan, Access Control, and Prohibited Activities</u>. Applicant shall develop, file with ABCA, and follow a security plan to control access to the Premises and its limited access area of the premises. The security plan will include processes and procedures that cover the following operational conditions:
 - a. A process for verifying qualifying patients as set forth in Section 5.
 - b. Exclusion of Minors. Applicant shall prohibit entry to those under the age of 18 who cannot prove they are registered qualifying patients accompanied by a parent or guardian. Applicant shall post a sign at the Premises' entrance that "Persons under the age of 18 are prohibited from entering the Premises unless they are registered qualifying patients accompanied by a parent or guardian."
 - c. No Food or Beverage Sales. Except for regulated cannabis-infused products, Applicant will not sell any food or beverages, including alcoholic beverages.
 - d. No On-Premises Consumption of Cannabis. Applicant shall not, at any time, permit anyone to consume cannabis, tobacco products, or alcohol on the Premises, except that Applicant may apply for a Safe-Use and/or educational tasting endorsement so long as Applicant complies with all ABCA rules and regulations related thereto, and upon receipt of such endorsement, Applicant shall have the right to offer cooking classes, demonstrations and tastings in accordance with ABCA rules and regulations. Applicant may apply for a safe-use treatment facility endorsement so long as Applicant complies with all ABCA rules and regulations related thereto and upon receipt of such endorsement, Applicant shall have the right to permit consumption of cannabis in accordance with ABCA rules and regulations. However, if Applicant applies for such endorsement, it will maintain a certificate of occupancy with an occupancy limit.

- e. Notice and Enforcement of Ban on On-Premises or Public Consumption of Cannabis. Applicant shall not permit anyone, including registered qualifying patients or caregivers, to consume medical cannabis products in any public space adjacent to the Premises, including any alley adjacent to the Premises. Applicant shall post the following sign at the Premises' entrance: "Smoking, ingesting, or consuming medical cannabis on the Premises or in public is strictly prohibited." Further, prior to completion of any sale, Applicant shall orally warn registered qualifying patients, and if the patient is under 18 that patient's parent, guardian, or caregiver, that cannabis consumption is prohibited inside the Premises and on streets, sidewalks, or other public places, and that violation may result in permanent exclusion from the Premises. If Applicant witnesses a violation by a registered qualifying patient, parent, guardian, or caregiver, the Applicant, to the extent permitted by law, shall take reasonable steps to report the violation to the Metropolitan Police Department (MPD).
- f. Security Camera and Video Monitoring. Applicant shall install security cameras of sufficient video quality to clearly monitor activity outside of all entrances into the Premises and the adjacent public alley. Applicant shall store such video footage for at least 7 days and agrees to provide access to the Metropolitan Police Department (MPD), ABCA investigators and other government agencies as required by law.
- g. Loitering and the Use of Illegal Drugs. Applicant will use reasonable efforts to discourage loitering immediately outside the Premises, including by posting a "No Loitering" sign in the alley and at the front entrance. Applicant will use reasonable efforts to monitor and prevent the sale or use of illegal substances inside the Premises and cooperate with ABCA investigators and the Metropolitan Police Department in investigating illegal activities. Further, Applicant will take reasonable steps to ensure that customers do not block the sidewalk in front of the Premises.
- h. No Live Entertainment; Noise Mitigation. Applicant shall not provide live music entertainment within the Premises unless approved in advance by ABCA, shall not install speakers on the exterior of the premises, and will not play music or emit sound or noise audible beyond the Premises' entrance, except in instances when sound may be audible when individuals are entering or exiting the Premises.
- i. Delivery Scooters. Any scooters utilized for delivery by the Applicant will be electric. The Applicant will make reasonable efforts to ensure that delivery scooters do not block the sidewalk, street or public way.
- 7. <u>Trash Management and Public Space Maintenance</u>. Applicant shall adhere to the following conditions with respect to the disposal of cannabis products and byproducts ("Waste"), recyclable and non-recyclable trash ("Trash") and to the sanitary maintenance of public space and trash area:
 - a. Public Space Maintenance. Applicant shall regularly inspect and use reasonable efforts to clean the public space extending the width of the Premises from the storefront to the curb front to keep such area free of garbage, trash, ice, snow, smoking material, and other debris.
 - b. Interior Trash and Waste Storage. Applicant shall store all trash and cannabis waste and byproducts inside the premises and shall not use any exterior space for this purpose. If such interior space is not available, Applicant shall ensure, at a minimum, that cannabis waste and byproducts are rendered unusable (e.g., mixing it with cat litter) prior to disposal in any receptacles stored in the rear yard of the Premises or other public space such as an alley or sidewalk.
 - c. Rodent-Resistant Receptacle Usage. Applicant shall use and maintain commercially available rodent-resistant trash receptacles with tight-fitting lids for all trash, unusable cannabis and byproducts stored on the exterior of the building. Applicant shall promptly replace any waste or trash receptacles that are sufficiently damaged that they are rendered no longer rodent-resistant.
 - d. Trash and Waste Collection. Applicant shall contract with one or more waste management and recycling vendor(s) to collect all recyclable and non-recyclable trash a minimum of 1 day per week

- or more frequently, if necessary, to prevent trash receptacles from exceeding their capacity. Applicant's contract with the waste management vendor will specify that trash collection will occur between 9 am and 8 pm.
- e. Pest and Rodent Control. Applicant will enter into and maintain a contract for a regular plan of pest control, including baiting or similar rodent-abatement measures.

8. Deliveries and Parking.

- a. Deliveries and Access to the Premises. Applicant will encourage vendors, staff, and qualifying patients to access the Premises by foot, rail, bus, or bicycle. Applicant will encourage cannabis product delivery vendors who drive to park in designated commercial loading zones and to make deliveries through the front entrance of the Premises on Pennsylvania Avenue, SE. Applicant will advise employees and vendors that parking, even temporarily, in any manner that blocks vehicular traffic lanes, dedicated bicycle lanes, or bus lanes is prohibited and could result in the vehicle's getting ticketed or towed. Additionally, Applicant shall inform staff that repeated violation could be grounds for the Applicant to terminate their commercial or professional relationship.
- b. Home Deliveries. Applicant will require anyone making home deliveries on their behalf to abide by DC parking regulations and will prohibit the parking of vehicles used for home delivery in any manner that blocks vehicular traffic lanes, dedicated bicycle lanes, sidewalks, bus lanes or any other public way.
- c. Delivery Scooters. Any scooters utilized for home delivery by the Applicant will be electrically powered.
- 9. <u>Notice to Cure.</u> In the event that any of the parties is in breach of this Agreement, it shall be entitled to reasonable notice and opportunity to cure, as a condition precedent to seeking enforcement by the ABCA Board. Unless the breach is of an emergency nature or if a breach represents a repeated breach of the same term of this Agreement in a ninety (90) day period of time, then reasonable notice and opportunity shall be provided for a cure within 15 calendar days of the date of receipt of such notice. ANC 6B will notify Johannes Cassidy-Seyoum, CEO via electronic mail [jcsmusicllc@gmail.com] of any alleged violations. If Applicant refuses or fails to commence the cure or diligently pursue a cure within the 15 day period, such refusal or failure shall constitute a cause for requesting a formal investigation, or other actions allowed by the ABC Board. If, however, a breach reasonably requires more than 15 days to cure, Applicant will notify the parties with a timeline for commencing the cure and addressing the breach.
- 10. <u>Entire Agreement</u>. This Agreement replaces, in full, any previous agreements between Applicant and ANC 6B.
- 11. <u>Changes to Agreement</u>. This Agreement may only be modified by written agreement of all the parties or their successors.
- 12. <u>Counterpart and Facsimile Signature</u>. This Agreement may be executed in two or more counterparts which together shall constitute a single agreement. Execution of this Agreement may be made by any electronically transmitted signature, which shall constitute an original signature.
- 13. <u>Access to Agreement</u>. Applicant will make copies of this Agreement available at the Premises at all times and will ensure that its employees and delivery staff are understand the terms of this Agreement.

IN WITNESS WHEREOF, the parties have affixed hereunto their signatures.

APPLICANT:

JJHH Holdings, LLC t/a High Demand 511 11th Street, SE Washington, DC 20003 Johannes Cassidy-Seyoum, CEO E-mail: jcsmusicllc@gmail.com

	DocuSigned by:		10/7/2024
Signature:	4F732D271EBD401	Date: _	

ANC 6B:

Edward Ryder, Chairperson Advisory Neighborhood Commission 6B 700 Pennsylvania Avenue, SE, Suite # 2032 Washington, DC 20003 6b@anc.dc.gov

In-Store

- 1. Security will greet customers at the door and guide them to the check-in desk.
- 2. Employees will greet the customer and ask for their Government-Issued ID and Medical Cannabis Card to determine: 1) if they are a minor patient, patient or caregiver, 2) if they are a first-time customer or returning customer, and 3) if they already have a medical cannabis card or need guidance on registration.
 - a. If given both a medical cannabis card and government-issued ID, the employee will verify the name matches on both forms of identification.

3. If they are a first-time customer over the age of 21 without a Medical Cannabis Card:

- a. Show them to the <u>self-certification page</u> on ABCA's website and instruct them on how to receive a medical cannabis card let them know they will need to upload a government-issued ID and a photo of themselves.
 - i. If they are not DC residents show them to the Non-Resident Registration page where they can self-certify and pay a small fee to obtain a DC Medical Cannabis Card.
- b. Once they have registered and obtained an email from ABCA granting them a 30-day temporary card ask them to forward the email to [highdcdemand@gmail.com].
- c. Create a profile for this customer in our POS system that is linked to the government tracking system METRC which links to their METRC profile already created by ABCA. [advise them this may take 5-10 minutes for the system to update with their registration.]
- d. Guide them to available seating space in the lobby and let them know a team member will be out shortly to assist them.

4. If they are a first-time customer under the age of 21 without a Medical Cannabis Card or looking to be a Caregiver:

- a. Direct them to the correct ABCA registration page but inform them they cannot purchase cannabis today/until they come back with the proper medical cannabis card.
- b. Inform Patients under the age of 21 that they will need a Physician's recommendation as a part of their minor patient registration process.
- c. Guide them back to the front door.

5. If they are a first-time customer with an Out-of-State Medical Cannabis Card.

- a. Determine that the medical card is current and not expired.
- b. Create a profile for this customer in our POS system that is linked to the government tracking system METRC which links to their METRC profile already

- created by ABCA. [advise them this may take 5-10 minutes for the system to update with their registration.
- c. Guide them to available seating space in the lobby and let them know a team member will be out shortly to assist them.

6. If they are a first-time customer under the age of 18 with a Medical Cannabis Card:

- a. Ask to see the government-issued ID and medical cannabis card of their caregiver that is with them in-store.
- b. Create a profile for each customer in our POS system that is linked to the government tracking system METRC which links to their METRC profile already created by ABCA.
 - i. Verify that their METRC profiles list each other as a caregiver and minor patient respectfully.
 - ii. Verify that the names listed in METRC match the identification given.
- c. Guide them to available seating space in the lobby and let them know a team member will be out shortly to assist them.

7. If they are a first-time customer with a Medical Cannabis Caregiver Card:

- a. Ask for the name of the patient they are picking up on behalf of.
- b. Create a profile in our POS system that is linked to the government tracking system METRC which links to their METRC profile already created by ABCA.
 - i. Verify that their METRC profile lists the name of the minor patient given to you.
- c. Guide them to available seating space in the lobby and let them know a team member will be out shortly to assist them.

8. If they are a first-time customer 18 and older with a Medical Cannabis Card:

- a. If they have a temporary medical cannabis card ask them to forward the email from ABCA granting them a 30-day temporary card to highdcdemand@gmail.com.
- b. Create a a profile for this customer in our POS system that is linked to the government tracking system METRC which links to their METRC profile already created by ABCA.
- c. Guide them to available seating space in the lobby and let them know a team member will be out shortly to assist them.

9. If they are a returning customer under 18:

- a. Ask to see the identification of their caregiver that is with them in-store and make sure the name of their caregiver name matches their card and their METRC profile.
- b. Guide them to available seating space in the lobby and let them know a team member will be out shortly to assist them.

10. If they are a returning caregiver:

a. Ask for the caregiver's medical cannabis card and match the name and age on the card to their METRC profile.

- b. Ask for the name of the patient they are purchasing for and verify that the name they gave matches the name they are registered to purchase for via the METRC system.
- c. Guide them to available seating space in the lobby and let them know a team member will be out shortly to assist them.

11. If they are a returning customer 18 or older:

- a. Ask for their medical cannabis card/temporary medical card and match their card to the profile already created in our METRC system.
- b. Guide them to available seating space in the lobby and let them know a team member will be out shortly to assist them.

Delivery

- 1. Before a delivery is prepared, patients and/or caregivers will need to make a profile through our POS system which will require them to upload their medical cannabis card and government-issued ID. Once this is done, a team member will verify the patient's information within our POS system with the integrated government METRC system. Once the information is verified, the team member will approve their profile, allowing the delivery order to proceed. If the information given can not be verified, the team member will terminate the order and notify the person ordering as to why.
- 2. Upon arrival at the patient or caregiver's address delivery personnel will identify the customer and ask for their name to make sure it matches the name on the order before beginning the transaction.
- 3. Upon the arrival employees will ask if they are a patient, caregiver, or minor patient.

a. Patient

- i. Employees will ask for the patient's medical cannabis card to be presented.
- ii. Employees will verify the identity of the patient's uploaded government ID matches the medical cannabis card they were presented with and the patient's information in the METRC system.

b. Caregiver

- i. Employees will ask for the patient's medical cannabis card to be presented.
- ii. Employees will verify the identity of the patient's uploaded government ID matches the medical cannabis card they were presented with and the patient's information in the METRC system.
- iii. Employees will ask for the name of the patient they are purchasing for and verify the name given matches the name registered to them in the METRC system.

c. Minor Patient

High Demand Standard Operating Procedures Identity Verification

- i. Employees will guarantee a caregiver is accompanying the minor patient.
 - 1. Employees will ask for the caregiver's identification and verify the name on their ID matches the name in METRC the minor patient is registered under.
- ii. Employees will ask for the patient's medical cannabis card to be presented.
- iii. Employees will verify the identity of the patient's uploaded government ID matches the medical cannabis card they were presented with and the patient's information in the METRC system.