



Oxnard Commercial Cannabis Application Phase 2 Evaluation Report

CCB 2021-01 - Urban Leef LLC

Tracking Number - Applicant Name/DBA

905 S. A St. Suite 3, Oxnard, CA 93030

Proposed Location

Retail (Store-front)

License Type

SCORE SUMMARY

1,137 Points Received

1,200 Points Available

94.75% Score

Pass CBA & Local Equity Program

Criteria	Scoring Basis	Points Available	Points Received	Evaluation
1 Business Plan (500 pts)		500	464	
1.1 A budget for construction, operation and maintenance, compensation of employees, equipment costs, utility cost, and other operation costs.	Percentage	85	76	While the budget addressed all costs required by the criteria, amounts related to employee compensation were not fully calculated out. Pg 5 of PDF file "Business Plan" provided hourly rates for employees only; it didn't multiply them out to get to the monthly or annual cost. The monthly or annual cost is necessary to get to an estimate of how much capital will be needed. While HdL was able back into the approximate costs by combining info in the budget with the pro forma, point deduction as it was not already calculated by Applicant.
1.2 Proof of capitalization in the form of documentation of cash or other liquid assets on hand, Letters of Credit or other equivalent assets.	Percentage	90	72	Proof of capital (pg 8 of Business Plan) was a Chase bank statement for Edgewater Platinum Investments LLC. However, no documentation was provided to confirm who had control over Edgewater and whether they consented to loaning the funds to Applicant.
1.3 3-year pro forma for at least three years of operation.	Percentage	85	85	Addressed criteria.
1.4 Fully describe hours of operation and opening and closing procedures.	All or none	50	50	Addressed criteria.
1.5 Fully describe the day-to-day operations for each license type being sought.	Percentage	90	81	Description of day-to-day operations was limited to the criteria in 1.5.1a-1.5.1f. Applicants who received full points for this criteria described operations beyond the minimum requirements.
1.5.1 Additional criteria for RETAIL applications only:				
a. Describe customer check-in procedures.				
b. Identify location and procedures for receiving deliveries during business hours.				
c. Identify number of Point-of-Sales location and estimated number of customers to be served per hour/day.				
d. Describe the proposed product line and estimate the percentage of sales of flower and manufactured products.				
e. Describe the product handling procedures.				
f. If proposed, describe delivery service procedures, number of vehicles and product security during transportation.				
1.6 Fully describe cash handling procedures.	All or none	50	50	Addressed criteria.
1.7 Fully describe inventory control procedures including identification of point-of-sales and track and trace software.	All or none	50	50	Addressed criteria.
Summary	Proposed business will be owned 100% by Kortney Potter. Startup costs expected to be approx. \$172k + approx. \$51k per month in operation costs. Funding will be provided by Edgewater Platinum Investments LLC. Proof of funds was provided for \$607k. Construction will take approx. 14 weeks from demo to certificate of occupancy. The proposed business will have 3 POS locations in the retail area and will use the Blaze POS system. Proposed product line will include flower (projected to be 30% of sales), vape (20%), topicals (15%), tinctures (12%), edibles (10%), concentrates (8%) and beverages (5%). Annual revenue projections start at approximately \$1.9M in Year 1 and grow to \$2.7M in Year 3.			



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2. Labor and Employment Plan (300 pts)		300	280	
2.1 Describe compensation to and opportunities for continuing education and employee training.	<i>Percentage</i>	105	85	- Description of employee training on pg 2 was limited in detail. Applicants who received full points for this criteria provided an outline of the training program, descriptions of the training topics and/or sometimes a schedule for training. - Description of continuing education on pg 2 was limited in detail. Applicants who received full points for this criteria provided information such as venues through which employees could attain more education and/or possible courses.
2.2 Describe the extent to which the CCB will be a locally managed enterprise whose owners and/or managers reside within the Ventura County area.	<i>All or none</i>	45	45	Addressed criteria.
2.3 Describe the number of employees, title/position and their respective responsibilities.	<i>Percentage</i>	105	105	Addressed criteria.
2.4 Thoroughly describe employee policies and procedures (complete manuals are not required to be submitted).	<i>All or none</i>	45	45	Addressed criteria.
Summary	Proposed business will have 15+ management and staff-level employees, including the CEO. Salaries range from \$15-\$20 per hour for retail associates to \$75k per year for the Operations Manager. Sub-contracted positions will include IT and Security. Applicant committed to a minimum of 75% management staff that will reside in the City of Oxnard or within Ventura County. The CEO and Operations Manager will travel to the location routinely and when not on site, will hold daily conference calls and virtual meetings with management staff. Applicant committed to entering into a labor peace agreement upon licensing.			



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3 Safety Plan (200 pts)		200	198	
3.1 The Safety Plan shall be prepared by a professional fire prevention and suppression consultant. An assessment of the facility's fire safety plan by a qualified licensed fire prevention and suppression consultant. An appropriate plan will consider all possible fire, hazardous material, and inhalation issues/threats and will have both written and physical mechanisms in place to deal with each specific situation. Identify all gases and/or chemicals to be used and their storage locations (testing).	<i>Percentage</i>	70	68	Safety plan addressed the minimum required topics and referenced additional safety situations, but provided less detail on those additional situations than applicants who received full points. For example, pg 10 of PDF file "3. Safety Plan" identified "the most common types of emergencies (bomb threats, fire and explosions, hazardous materials release, suspicious package, earthquakes, utility outage, gunfire, death or serious injury, workplace violence, hostage situation." Pgs 12-13 provided detailed mechanisms to handle some situations (burglary and robbery), but not others such as bomb threats, suspicious package, earthquakes, etc.
3.2 Identify fire alarm and monitoring system including the name and contact information for the alarm company	<i>All or none</i>	7	7	Addressed criteria.
3.3 Describe accident and incident reporting procedures	<i>All or none</i>	8	8	Addressed criteria.
3.4 Describe evacuation routes	<i>All or none</i>	8	8	Addressed criteria.
3.5 Location of fire extinguishers and other fire suppression equipment	<i>All or none</i>	8	8	Addressed criteria.
3.6 Describe procedures and training for all fire and medical emergencies	<i>All or none</i>	8	8	Addressed criteria.
3.7 Describe and identify the location of all gas monitoring equipment. A detailed diagram of the overall facility's safety features.	<i>All or none</i>	7	7	Addressed criteria.
3.8 Written description of safety features, including but not limited to fire prevention, suppression, HVAC and alarm systems.	<i>Percentage</i>	70	70	Addressed criteria.
3.9 Clarify if your building has sprinklers?	<i>All or none</i>	7	7	Addressed criteria.
3.10 What date was the subject building constructed?	<i>All or none</i>	7	7	Addressed criteria.
Summary The Safety Plan consultant is Jeffrey Lutz of Lutz & Associates Consulting. The building was constructed circa 1980 and the proposed space allotted for the cannabis retail facility is 1,605 sq. ft. The Plan considered fire, medical and hazardous situations. The diagram showed the following safety features: fire extinguishers, smoke detectors, and first aid kits. The business will contract with ADT Commercial Alarm Division for fire protection and monitoring services. Applicant provided a sample Incident Reporting Form.				



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4 Security Plan (200 pts)		200	195	
4.1 The Security Plan shall be prepared by a professional security consultant. A thorough Security Plan should consider all access control, inventory control, cash handling procedures. Complete policy/procedures manuals are not required at this point of the application process. Please only provide a detailed description for each criteria.	<i>All or none</i>	30	30	Applicant indicated it will have a comprehensive security plan that addresses items such as access control, inventory control, and cash handling procedures, among other things, but did not provide much detail. However, as the applicant addressed the criteria, no point deduction.
4.2 Premises (Security) Diagram. In addition to diagrams submitted for other sections of the application, applicants are expected to submit a premises diagram (floor plan, detail) which, focuses on the proposed security measures and how they relate to the overall business. (Pursuant to CCR Title 16, Division 42, §5006. Premises Diagram).	<i>Percentage</i>	70	65	See 4.2.5 below.
4.2.1 The diagram shall be accurate, dimensioned and to scale (minimum scale 1/8"). The scale may be smaller if the proposed location exceeds more than a 1/2 acre parcel but must not be printed on larger than an 11" x 17" sheet of paper. (Blueprints and engineering site plans are not required at this point of the application process).				
4.2.2 The diagram must be drawn to scale and clearly identify property boundaries, entrances, exits, interior partitions, walls, rooms, windows and doorways. The activity in each room and the location of all cameras must be identified on the diagram.				
4.2.3 Description of cannabis activity that will be conducted in each area of the premise. Commercial cannabis activities that must be identified on the diagram/floor plan may include but are not limited to the following if applicable to the business operations; storage areas, batch sampling areas, loading/unloading of shipment areas, packaging and labeling, customer sales areas, training areas, employee break room areas, and testing areas.				
4.2.4 Limited-access areas, defined as areas in which cannabis goods are stored or held and only accessible to a licensee, its employee or contractors, and areas used for video surveillance monitoring and storage devices (Pursuant to CCR Title 16, Division 42, §5000 (m) Limited-Access Area and §5042. Limited-Access Area).				
4.2.5 Number and location of all video surveillance cameras.				Cameras depicted on the premises diagram were not numbered. (pg 4 of the PDF Security Plan)
4.3 Identify intrusion alarm and monitoring system including the name and contact information for the monitoring company.	<i>All or none</i>	30	30	Addressed criteria.
4.4 Discuss whether the CCB will utilize the services of on-site security guards. Include in the discussions:	<i>Percentage</i>	70	70	Addressed criteria.
4.4.1 Number of guards				
4.4.2 Hours guards will be on-site				
4.4.3 Locations they will be positioned				
4.4.4 Their roles and responsibilities				
Summary Applicant is working with Armortech Security and Investigations and its owner, Samuel Yador. Yador is a service veteran with 7+ years of security-related experience, including in the cannabis industry. The business will also utilize security cameras (indoor and outdoor) and panic buttons as part of its security plan. The proposed business will be monitored by an ADT 24/7 alarm system and two security guards will be onsite each shift.				



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5 Community Benefit Agreement and Local Equity Program (Pass/Fail)				
5.1 Executed Cannabis Community Benefit Agreement and Local Equity Program	Pass/Fail	Required	Pass	Addressed criteria.
Summary Applicant signed the Cannabis Community Benefit Agreement and Local Equity Program form.				