



Oxnard Commercial Cannabis Application Phase 2 Evaluation Report

CCB 2021-02 - Pure CA, LLC

Tracking Number - Applicant Name/DBA

156 S. A Street, Oxnard, CA 93030

Proposed Location

Unknown - not identified on application

License Type

SCORE SUMMARY

1,187 Points Received

1,200 Points Available

98.92% Score

Pass CBA & Local Equity Program

Criteria	<i>Scoring Basis</i>	Points Available	Points Received	Evaluation
1 Business Plan (500 pts)		500	491	
1.1 A budget for construction, operation and maintenance, compensation of employees, equipment costs, utility cost, and other operation costs.	<i>Percentage</i>	85	85	Addressed criteria.
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.	<i>Percentage</i>	90	90	Addressed criteria.
1.3 3-year pro forma for at least three years of operation.	<i>Percentage</i>	85	85	Addressed criteria.
1.4 Fully describe hours of operation and opening and closing procedures.	<i>All or none</i>	50	50	Addressed criteria.
1.5 Fully describe the day-to-day operations for each license type being sought.	<i>Percentage</i>	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.	<i>All or none</i>	50	50	Addressed criteria.
1.7 Fully describe inventory control procedures including identification of point-of-sales and track and trace software.	<i>All or none</i>	50	50	Addressed criteria.

Summary The owners are Jordan Lams-CEO (24.13%) and MXY Holdings, LLC (75.87%). Start-up budget is \$294K with operating expenses at \$501K for 2021. They will be fully capitalized by parent company MXY Holdings. Valid and current proof of capital was provided via bank statements amounting to approx. \$8.9M. They anticipate to service 10-57 customers per hour, or between 100-569 per day. There will be 3 POS stations, up to 6 as the business grows. Flowhub and METRC will be the inventory and movement platform to meet regulations. They intend to have 1 leased delivery vehicle equipped with GPS tracking. Delivery and product handling procedures were described in detail. Clear cash handling and inventory control procedures (SOP's) were included. The product line will consist of flower (55%), concentrates (25%), edibles (15%) and others (5%). Annual revenue projections start at approx. \$2.2M in 2021 and grow to \$14.8M in 2024.



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2 Labor and Employment Plan (300 pts)				
2.1 Describe compensation to and opportunities for continuing education and employee training.	<i>Percentage</i>	105	105	Addressed criteria.
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 They plan to hire 12 employees in year 1 and up to 28 employees by Year 4 (80% locally). Compensation (living wage) will start at \$13 per hour including a benefits package and ESOP. Continuing education and recurrent training will be ongoing and will coincide with employee reviews. They will support personal development and will send management to industry events and workshops. 100% of supply and equipment expense (non-labor, non-rent) will be aimed to source from Oxnard businesses. They will work with their union to find qualified employees and establish a referral program. They will look locally for event sponsorship opportunities. A Labor Peace Agreement was not mentioned in the application.				

Criteria	Scoring Basis	Points Available	Points Received	Evaluation
3 Safety Plan (200 pts)				
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	70	Addressed criteria.
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 was prepared by Pyrocop in line with state regulations. The building was constructed in 1960. The HVAC system is not controlled by a supervising alarm system and will not be installed unless required by code. The existing building is not equipped with a sprinkler system. Pure CA will contract with The Bay Alarm Company to provide comprehensive surveillance, smoke, fire and robbery alarm systems. No gas monitoring devices/alarm systems are required for this retail location.				



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4 Security Plan (200 pts)		200	196	
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	Addressed criteria.
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	66	4.2.4 - Limited-access areas were not identified on the diagrams provided (Pgs. 52, 53, 54, 58, 73 and 82 of the PDF file #3).
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.				
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	The Security Plan was prepared by Core Security Solutions, Inc. in line with state regulations. The perimeter of the business will be patrolled and monitored by 2 armed security guards 24/7. Twenty (20) Security surveillance cameras will be utilized on the premises to ensure consistent monitoring of the facility. Bay Alarm Company will be their security monitoring company.			



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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.				