



## Oxnard Commercial Cannabis Application Phase 2 Evaluation Report

**CCB 2021-03 - SGI Oxnard, LLC**

Tracking Number - Applicant Name/DBA

**2343 N. Oxnard Blvd., Oxnard, CA 93036**

Proposed Location

**Retail (Store-front)**

License Type

### SCORE SUMMARY

**1,196** Points Received

**1,200** Points Available

**99.67% Score**

**Pass CBA & Local Equity Program**

Criteria	Scoring Basis	Points Available	Points Received	Evaluation
<b>1 Business Plan (500 pts)</b>		<b>500</b>	<b>500</b>	
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	90	Addressed criteria.
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 Brian Mitchell-CEO (11.95%), Aaron Herzberg (20%), James Kim (29.3%), Tony Huang (36.5%), Jon Avidor (2.25%). The Shryne Group, Inc. is the parent company with 100% ownership. Start-up costs is \$2.0M to include 3 months operating expenses. Valid and current proof of capital was provided via a bank statement with a balance of \$15.3M. The business will utilize IndicaOnline as their POS software and METRC as the inventory tracking platform to meet regulations. Eight (8) POS locations will service 34 customers/hr. with an avg. 441/day. Cash handling and inventory management were addressed clearly along with compliant banking practices. The business will also accept credit and debit cards (85%) via 3rd party vendor Hypur. The product line will consist of flower (50.3%) and manufactured products (49.7%). Manufactured cannabis good include pens, batteries, and cartridges (23%), edibles (13%), concentrates (8.9%), infused non-edible products (4.8%). The business will have 5 delivery vehicles equipped with GPS tracking to meet regulations. Blaze will be online delivery platform. Annual revenue projections (Retail and Delivery) will approx. be \$18M in Year 1 to \$22M in Year 3.



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<b>2 Labor and Employment Plan (300 pts)</b>		<b>300</b>	<b>300</b>	
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.
<b>Summary</b> They plan to hire 30-40 employees in Year 1. Compensation (living wage) to start at \$16.25-\$24.00/hr. to include a benefits package. The Shryne Group, Inc. is committed to hiring from the local community and plans to work with the UFCW to find local management and employees for this location. They will support employee education through a scholarship program (Oxnard College). They will execute a workforce development program for employees. A General Manager will hold monthly store meetings to touch base on product launches, recognition of employees and changes in laws or regulations. Shryne Group (Authentic Oxnard) has a collective bargaining agreement with UFCW 770.				

Criteria	Scoring Basis	Points Available	Points Received	Evaluation
<b>3 Safety Plan (200 pts)</b>		<b>200</b>	<b>196</b>	
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	66	Safety Plan identified more safety features than the minimum requirement (i.e. First Aid box, AED, Knox box, exit signs, fire hydrant, carbon monoxide, emergency lighting) but described fewer safety features in this criteria than applicants who received full points.
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.
<b>Summary</b> The Fire Consultants, Inc. (TFC) evaluated the project and developed the Plan in line with state regulations. The building was constructed in 1988. The overall safety diagram showed the location of fire alarms, smoke detectors, and fire extinguishers. Additional safety features not on the diagram include sprinklers, pull stations, and exit signs. No hazardous gas will be stored on the property. The building has automated sprinklers installed. A written assessment by The Fire Consultants, Inc. that the plan provided by the business meets all requirements in accordance to the CBC, CFC, and the City of Oxnard amendments was included.				



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Criteria	Scoring Basis	Points Available	Points Received	Evaluation
<b>4 Security Plan (200 pts)</b>		<b>200</b>	<b>200</b>	
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	70	Addressed criteria.
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				
<b>Summary</b> Sapphire Risk Advisory Group, LLC designed Authentic Oxnard's security program and strategy in line with state regulations. The property will be monitored and patrolled by armed security guards (2 Min.) 24 hour/7 days a week. Forty-two (42) cameras will monitor the premises 24/7 by security officers to safeguard the property.				



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