



Oxnard Commercial Cannabis Application Phase 2 Evaluation Report

CCB 2021-38 - FGH Retail Services, LLC

Tracking Number - Applicant Name/DBA

2320 North Rose Ave., Oxnard, CA 93036

Proposed Location

Retail and Local Equity Applicant/Retail

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 are 34 owners listed along with Vanessa Hernandez-CEO (5.46%), David Garcia-David Garcia (16.39%), Ricardo Hernandez (16.39%), and Andrea Hernandez (12.56%). FGH Investors, LLC will have 100% ownership. Start-up cost is \$3.85M. Valid and current proof of capital provided via numerous bank statements, a Trust Agreement, letters of credit and loans from third-parties amounting to over \$5M. Trez will be used as their POS software and METRC for inventory management to meet regulations. There will be 8 POS stations servicing 650 customer/day and 55/customers/hour. They will hire 7 drivers with each deliver vehicle equipped with GPS tracking to meet regulatory requirements. Product handling procedures was not described in detail. Inventory control and security protocols was described in detail. The product line will consist of flower (including pre-rolls) (66%), concentrates (25%), edibles (7%), topicals (1%) and CBD only (1%). Annual revenue projections start at approximately \$11.3M in Year 1 to \$16.3M in Year 3.



Oxnard Commercial Cannabis Application Phase 2 Evaluation Report

CCB 2021-38 - FGH Retail Services, LLC

Tracking Number - Applicant Name/DBA

Criteria	Scoring Basis	Points Available	Points Received	Evaluation
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 The applicant plans to hire 50-60 employees locally with compensations (minimum wage) starting at \$15/hr. to include benefits. The business will be 100% locally-managed. The management team lives in Oxnard or in Ventura County. They will provide ongoing and supplemental training periodically and mandatory to ensure compliance. Continuing education will be offered as an option to employees annually and career advancement is fostered. An employee handbook will be made available upon hire. As the business acquire more than 20 employees, they will enter into a Labor Peace Agreement with UFCW 770.

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	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.

Summary The Safety Plan was prepared by CFP Engineering, LLC in line with state regulations. The building was constructed in 1997. The building is currently sprinklered and monitoring fire alarm system installed. Charcoal air filters will be integrated into the HVAC system to mitigate odors to meet regulations. No gas monitoring devices/alarm systems are required as no extraction or cultivation to be part of this retail/delivery operations.



Oxnard Commercial Cannabis Application Phase 2 Evaluation Report

CCB 2021-38 - FGH Retail Services, LLC

Tracking Number - Applicant Name/DBA

Criteria	Scoring Basis	Points Available	Points Received	Evaluation
4 Security Plan (200 pts)		200	200	
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				
Summary Cornwall Security Services ("CSS") prepared the Security Plan in line with state regulations. The business will be patrolled by 3 armed security officers from Cornwall Security Services during business hours. Forty-seven (47) security surveillance cameras will be utilized on the premises to clearly and consistently monitor and safeguard the property.				



Oxnard Commercial Cannabis Application
Phase 2 Evaluation Report

CCB 2021-38 - FGH Retail Services, LLC

Tracking Number - Applicant Name/DBA

Criteria	Scoring Basis	Points Available	Points Received	Evaluation
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.				