



## Oxnard Commercial Cannabis Application Phase 2 Evaluation Report

### CCB 2021-43 - HPC of Oxnard, LLC

Tracking Number - Applicant Name/DBA

360 W. Esplanade Drive, Oxnard, CA 93036

Proposed Location

Retail and Local Equity Applicant/Retail

License Type

#### SCORE SUMMARY

1,156 Points Received

1,200 Points Available

**96.33% 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>481</b>	
1.1 A budget for construction, operation and maintenance, compensation of employees, equipment costs, utility cost, and other operation costs.	Percentage	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.	Percentage	90	90	Addressed criteria.
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	71	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. *See 1.5.1.d below.
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.				The summarized - rather than full - percentage breakdown of sales of flower and manufactured product resulted in a point deduction. Applicants who received full points for this criteria provided a percentage breakdown for every product offered. (Pg. 19 of PDF file #3)
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** The owners are Beth Thuna-CEO (51%), Sean Frank-Gen. Mgr. (40%), Sandy Dune-Ops. Dir. (3%), Nicole Fox-Dir. (3%), and Luis Castaneda-Mgr. (3%). Start-up budget is \$814K. Valid and current proof of capital was provided via the Thuna Family Trust financial statements in the amount of \$1.5 and bank statements amounting to approx. \$2.3M. SOPs will be provided to employees for the day-to-day operations to maintain compliance with State and local laws. Treez will be their POS software with METRC as the inventory platform to meet regulations. There will be 7 POS stations servicing 514-750 customers/day. They will have 6 delivery vehicles equipped with GPS tracking to meet regulations. Product handling procedures explained that customers will be prohibited from selecting, holding or viewing product at all times. Inventory storage and security controls will accurately document location, amounts, and descriptions of all cannabis products. The product line will consist of dried flower (50%), manufactured cannabis products (40%), and accessories (10%). Annual revenue projections start at approximately \$6M in Year 1 to \$10.3M 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 They plan to hire 55 employees (80% locally), and management (75% locally) from Oxnard and Ventura County with compensations starting at \$18/hr. to include health care benefits. They plan to provide retirement benefits to their employees. Regular onsite training is planned on an ongoing basis. SOPs for a Training Plan and an Employee Handbook have been developed to meet operational standards and compliance. These will be made available upon hire. A Labor Peace Agreement has been entered with UFCW 770.</b>				

Criteria	Scoring Basis	Points Available	Points Received	Evaluation
<b>3 Safety Plan (200 pts)</b>		<b>200</b>	<b>175</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	49	Safety Plan was prepared by HPC of Oxnard and not by a professional consultant. The Plan addressed the minimum required topics and described how it would comply with local and state laws, but provided little detail beyond what criteria 3.1-3.10 required. Applicants who received full points for this criteria described operations beyond the minimum requirements. (Pg. 95-104 of the PDF file #3)
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 The Safety Plan was not prepared by a fire prevention and suppression consultant. The building was constructed in 2019 and it is outfitted with sprinklers and fire alarm systems. HEPA air filters will be integrated into the HVAC system to mitigate odors. No gas monitoring devices/alarm systems are required as no extraction or cultivation to be part of this retail/delivery operations. An evacuation plan has been developed and will have a designated responsible staff to train employees of the process.</b>				



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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 prepared the Security Plan in line with state regulations. The business will be monitored by at least 1 armed security guard during all hours of operation, 365 days a year. Bay Alarm will be the security alarm and monitoring system company. Forty-seven (47) security surveillance cameras will be utilized on the premises ensure complete coverage of activities on the premises 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 Applicant signed the Cannabis Community Benefit Agreement and Local Equity Program form.</b>				