



Oxnard Commercial Cannabis Application Phase 2 Evaluation Report

CCB 2021-51 - TeraGreen, LLC

Tracking Number - Applicant Name/DBA

2801 Paseo Mercado, Oxnard, CA 93030

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 owners are Constantino Papanicolaou (60%) and Andrew Papanicolaou (40%). Start-up budget is at \$2.2M. Valid and current proof of capital was provided via bank/financial statements amounting to \$5.7M. Meadow will be their POS software and METRC as their inventory platform to meet regulations. There will be 4 POS stations servicing up to 5-15 customers per day. They plan to hire drivers using their own vehicles equipped with GPS tracking to be compliant. A retail salesperson/management will assist customers at all times. Inventory storage and security protocols clearly described the applicant's inventory management system. Cash handling procedures were explained in detail outlining clear cash transaction processes and secured management of currency. The product line (% income) are flower (55%), pre-rolls (8%), concentrates (10%), vape pens (16%), edibles (10%) and accessories (1%). Annual revenue projections start at approximately \$258K in 2021 to \$6.5M in 2024.



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2 Labor and Employment Plan (300 pts)		300	300	
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 15-20 employees from the community with compensations starting at \$15/hr. to include a benefits package. A "benefit audit" will compare adjoining counties' pay structure to Ventura County for existing positions. They plan to provide onsite product training on a regular basis to ensure compliance to local and state laws. A Labor Peace Agreement was not mentioned but as the business grows a collective bargaining rights of employees will be in place. An Employee Handbook outlining transparent expectational and requirements will be provided upon hire to adhere to local and state laws.

Criteria	Scoring Basis	Points Available	Points Received	Evaluation
3 Safety Plan (200 pts)		200	196	
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 CFP Engineering, LLC prepared a preliminary safety plan for this facility in line with state regulations. A final fire/life safety plan report will be updated and completed once the project is approved by the City. The building was constructed in 1990. The building has an automatic fire system installed. Charcoal air filters will be integrated into the HVAC system to mitigate odors. Once final architectural documents are complete, installation of fire extinguishers throughout the building is planned. No gas monitoring devices/alarm systems are required as no extraction or cultivation to be part of this retail/delivery operations.



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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				
This Security Plan was developed by Phalanx International, with cooperation from Invictus International Holdings LLC, in line with state regulations. Three (3) roving and static armed security officers will patrol and secure the property during business hours. Twenty-one (21) security surveillance cameras will be utilized on the premises 24/7 to safeguard and monitor the property. To mitigate shrinkage/theft, certain cameras will be optimized to provide coverage to processes that are prone to shrinkage.				



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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.				