Commercial Cannabis Proposals Scoring and Ranking

CONTRA COSTA COUNTY BOARD OF SUPERVISORS NOVEMBER 19, 2019



Commercial Cannabis RFP Background

- Request for Proposal (RFP) and selection process required per County Cannabis Ordinance (Section 88-28.404) for storefront retail, commercial cultivation and manufacturing in agricultural zoning district.
- The Cannabis Ordinance imposes a limit of four (4) cannabis retail storefronts, ten (10) commercial cannabis cultivation and two (2) manufacturing businesses in agricultural zoning districts.
- The purpose of the RFP process is to enable the County to determine which of the commercial cannabis proposals in these categories to invite to apply for a land use permit.

Additional Discretionary Review and Permitting Required

- The proposals invited by the Board to apply for a land use permit (LUP) will still need to go through a discretionary LUP process.
- The LUP review and approval process will include submission of additional application materials, compliance with California Environmental Quality Act, public noticing, and public hearings.
- A County health permit, state license, and County business license will also be required before such business may open.

Response to RFP

- The Request for Proposals (RFP) was approved by the Board on February 12, 2019 and issued on February 14, 2019.
- Letters of Intent (LOI) were a required first step for respondents (to confirm appropriate zoning and property interest).
- LOIs were due on April 4, 2019. 60 were received, 53 were invited to submit full proposals.
- Proposals were due on June 27, 2019. 40 Proposals were received:
 - 21 for storefront retail.
 - 19 for commercial cultivation.
 - Zero for manufacturing in an agricultural district.

Role of Cannabis Proposal Review Panel

- The role of the Panel was to evaluate, score and rank cannabis proposals according to the criteria set forth in the RFP.
- The Panel's ranking of the proposals is meant to provide the Board with guidance for selecting the commercial cannabis proposals to apply for a land use permit.
- The Panel's ranking is only a recommendation. The final selection will be made by the Board.

Cannabis Proposal Review Panel

As set forth in the RFP, the Review Panel was made up of the following County Departments/Agencies (each department designated its representatives):

- County Administrator's Office: Julie Enea
- Department of Agriculture: Matt Slattengren
- Contra Costa County Fire Protection District: Chris Bachman
- Health Services Department: Joe Doser (Environmental Health)
 and Mayra Lopez (Tobacco Prevention)
- Department of Conservation and Development: John Kopchik,
 Jason Crapo, Ruben Hernandez, Michael Hart, and Jamar Stamps

Scoring and Ranking of Proposals

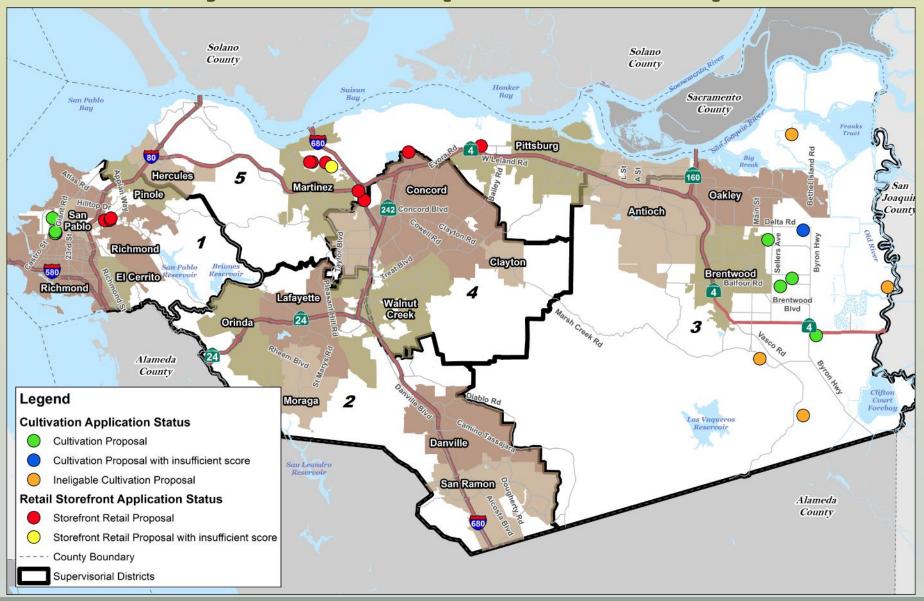
- The Panel scored each proposal based on the scoring criteria identified in the February 14, 2019 RFP.
- Storefront retailer proposals were scored independently from commercial cultivation proposals.
- The panel interviewed all 21 retail storefront applicants.
- Commercial cultivation applicants were not interviewed as less than ten were located in eligible areas.
- Panel members had access to all 40 full proposals and reviewed and preliminarily evaluated the proposals independently.
- The Panel met a total of 15 times.

RFP Scoring Criteria

RFP Scoring Categories - (See the attached RFP for detailed criteria within each category)

- 1. Cover Letter/Ownership Qualifications (200 points)
- 2. Location (200 points)
- 3. Business and Operating Plan (200 points)
- 4. Security Plan (200 points)
- 5. Sustainability (100 points)
- 6. Community/Economic Benefit (200 points)
- 7. Equitable Geographic Distribution (100 points)

Countywide Map of All Proposals



Overview of Proposals

- A total of 40 proposals were submitted 21 for storefront retail and
 19 for commercial cultivation.
- Overall, the County received a good pool of applicants. Most proposals were extremely detailed, thorough, and responsive.
- One storefront retail proposal received a failing score due to scores below 70% in the categories of Cover Letter/Ownership Qualifications, Business and Operating Plan, and Sustainability and an overall score below 80%.

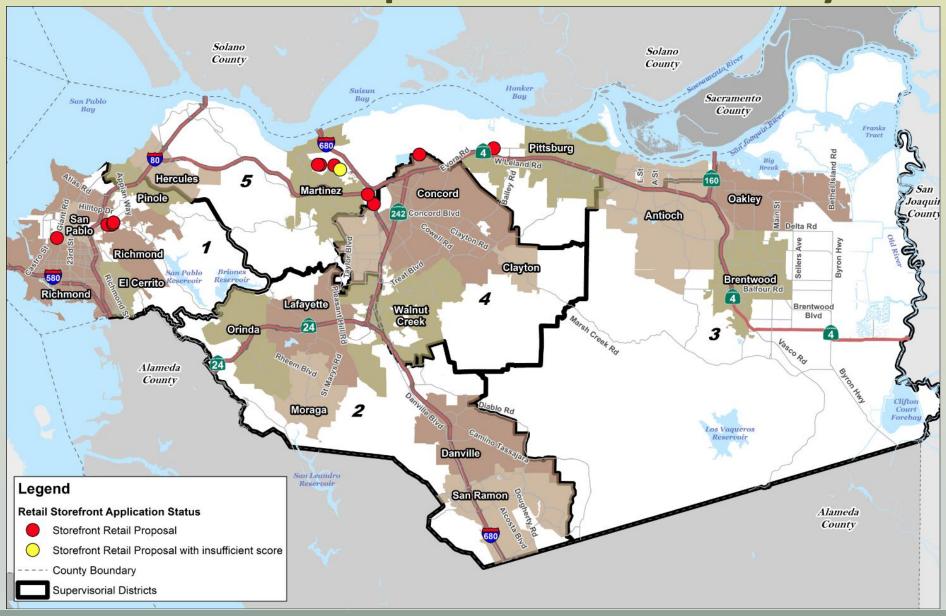
Overview of Proposals (cont.)

- Eleven (11) commercial cultivation proposals were deemed ineligible due to being located in areas not served by a "retail water supply" as required by County code.
- One commercial cultivation proposal received a failing score due to scores below 70% in the categories of Location, Business and Operating Plan, and Sustainability and an overall score below 80%.
- 20 of the 21 retail storefront proposals and 7 of the 19 commercial cultivation proposals received recommended passing scores from the Panel and are eligible to be invited to apply for an LUP.

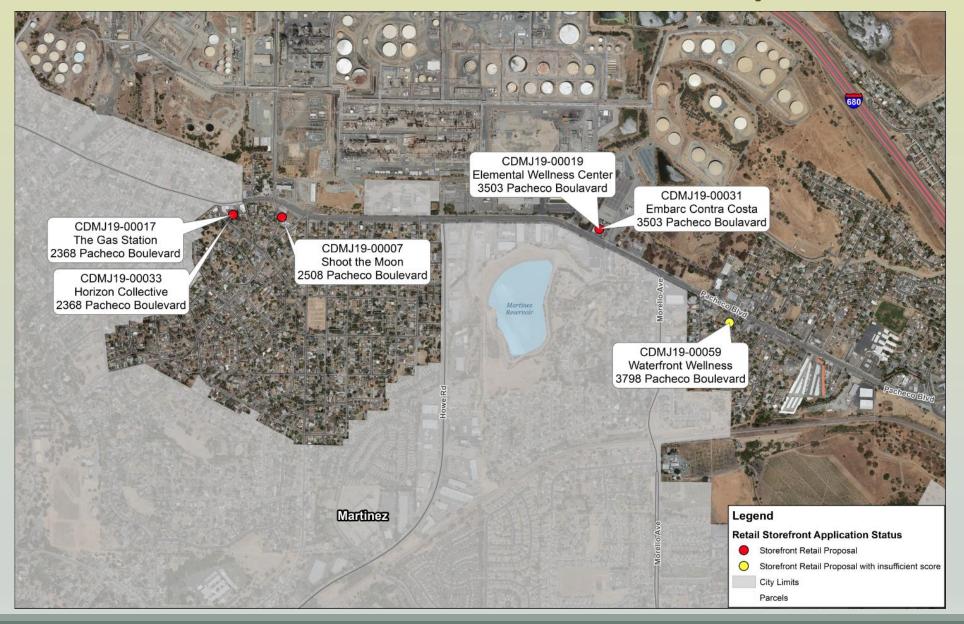
Retail Storefront Proposals

- For the 21 storefront retail proposals, the number of applications received for each area of the County are as follows:
 - 6 in the "North" Pacheco Boulevard area;
 - 4 In the "South" Pacheco Boulevard area;
 - 7 in El Sobrante;
 - 2 in Bay Point (same site);
 - 1 in Clyde;
 - 1 in North Richmond.
- County Ordinance Section 88-28.410(b)(3)(B) prohibits storefront retailers within 500 feet of each other.

Retail Storefront Proposal Locations Countywide



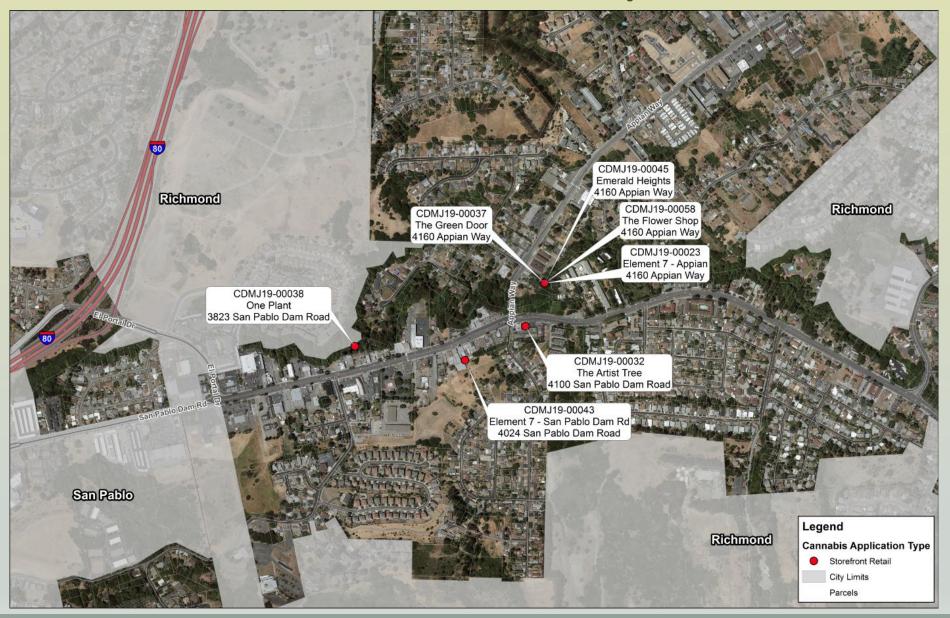
North Pacheco Boulevard Retail Storefront Proposal Locations



South Pacheco Boulevard Retail Storefront Proposal Locations



El Sobrante Retail Storefront Proposal Locations



North Richmond Retail Storefront Proposal Location



Clyde and Bay Point Retail Storefront Proposal Locations



Retail Storefront Scoresheet

Adapti	Iccation Mumber	N.e.s	Qualifications (200)	2. Location (Countership	3. Business av. (2000 pts.)	A. Security plant	5. Sustainability (200 pts.)	6. Community (100 pts.)	Distribution (100 F	TOTAL (LAUCE)	Rank*	
	CDMJ19-00012	South Pacheco	Authentic 925	180	200	190	200	90	195	100	1155	1
	CDMJ19-00032	El Sobrante	The Artist Tree	195	175	180	200	100	190	100	1140	2
	CDMJ19-00031	North Pacheco	Embarc Contra Costa	185	185	180	200	95	185	100	1130	3
	CDMJ19-00001	South Pacheco	Garden of Eden	180	180	180	195	85	185	100	1105	4
	CDMJ19-00034	South Pacheco	Bento	175	185	185	200	85	170	100	1100	5
	CDMJ19-00028	South Pacheco	Perfect Union	190	185	180	185	70	190	100	1100	5
	CDMJ19-00058	El Sobrante	The Flower Shop	190	165	180	175	85	185	100	1080	7
	CDMJ19-00019	North Pacheco	Elemental Wellness Center	175	180	160	190	90	180	100	1075	8
	CDMJ19-00042	Bay Point	Element 7 - Bay Point	160	175	160	190	85	180	100	1050	9
	CDMJ19-00017	North Pacheco	The Gas Station	160	170	170	200	80	170	100	1050	9
	CDMJ19-00023	El Sobrante	Element 7 - Appian Way	160	160	160	190	85	180	100	1035	11
Š	CDMJ19-00033	North Pacheco	Horizon Collective	160	175	170	200	70	145	100	1020	12
Scores	CDMJ19-00057	Clyde	Stone Age Farmacy	170	155	160	200	85	150	100	1020	12
8	CDMJ19-00039	Bay Point	The Green Door - Bay Point	155	170	180	185	80	145	100	1015	14
	CDMJ19-00043	El Sobrante	Element 7 - San Pablo Dam Road	160	150	155	180	85	180	100	1010	15
Passing	CDMJ19-00007	North Pacheco	Shoot the Moon	140	170	150	180	90	175	100	1005	16
	CDMJ19-00037	El Sobrante	The Green Door - Appian Way	1 55	160	180	185	80	140	100	1000	17
	CDMJ19-00016	Richmond	White Fire Dispensary	17 5	140	150	165	85	150	100	965	18
<u>†</u>	CDMJ19-00045	El Sobrante	Emerald Heights	150	155	150	175	7 5	155	100	960	19
	CDMJ19-00038	El Sobrante	One Plant	155	180	155	160	70	140	100	960	19
	CDMJ19-00059	North Pacheco	Waterfront Wellness	100	180	100	175	50	140	100	845	21

Observations on Distinguishing Features of Retail Storefront Proposals

- All proposals were reviewed and scored according to the scoring criteria in the RFP
- Most proposals were very comprehensive and had relatively similar level of quality in many areas, notably in operations plan and security
- Some areas where the proposals significantly differentiated themselves in the eyes of the Panel were:
 - Location, including degree of accessibility, compatibility with surrounding uses, visibility, and adequacy of parking
 - Quality of interview and level of experience
 - Community Benefit
 - Sustainability

Retail Storefront Rankings

Rank*	Business Name	Area			
1	Authentic 925	South Pacheco			
2	The Artist Tree	El Sobrante			
3	Embarc Contra Costa	North Pacheco			
4	Garden of Eden	South Pacheco			
5	Bento	South Pacheco			
5	Perfect Union	South Pacheco			
7	The Flower Shop	El Sobrante			
8	Elemental Wellness Center	North Pacheco			
9	Element 7 - Bay Point	Bay Point			
9	The Gas Station	North Pacheco			
11	Element 7 - Appian Way	El Sobrante			
12	Horizon Collective	North Pacheco			
12	Stone Age Farmacy	Clyde			
14	The Green Door - Bay Point	Bay Point			
15	Element 7 - San Pablo Dam Road	El Sobrante			
16	Shoot the Moon	North Pacheco			
17	The Green Door - Appian Way	El Sobrante			
18	White Fire Dispensary	Richmond			
19	Emerald Heights	El Sobrante			
19	One Plant	El Sobrante			
21	Waterfront Wellness	North Pacheco			

→ Passing Scores

Geographic Distribution and Selection Scenarios

- To address geographic distribution, the Panel has developed alternate ranking scenarios for Board consideration.
 - Scenario #1 1 in El Sobrante, 1 on north Pacheco Boulevard, 1 on south Pacheco Boulevard, and 1 in Bay Point.
 - **Scenario #2** 1 in El Sobrante, 2 on south Pacheco Boulevard, and 1 on north Pacheco Blvd.

Scenario #1

1 in El Sobrante, 1 on south Pacheco Boulevard, 1 on north Pacheco Boulevard, and 1 in Bay Point

	Rank*	Business Name	Area			
→	1	Authentic 925	South Pacheco			
→	2	The Artist Tree	El Sobrante			
→	3	Embarc Contra Costa	North Pacheco			
	4	Garden of Eden	South Pacheco			
	5	Bento	South Pacheco			
	5	Perfect Union	South Pacheco			
	7	The Flower Shop	El Sobrante			
	8	Elemental Wellness Center	North Pacheco			
→	9	Element 7 - Bay Point	Bay Point			
	9	The Gas Station	North Pacheco			

^{*}Proposals that share same rank color are mutually exclusive due to being located on same site or within 500-feet of each other

Scenario #2

1 in El Sobrante, 2 on south Pacheco Boulevard, and 1 on north Pacheco Boulevard

	Rank*	Business Name	Area				
\longrightarrow	1	Authentic 925	South Pacheco				
\longrightarrow	2	The Artist Tree	El Sobrante				
\longrightarrow	3	Embarc Contra Costa	North Pacheco				
	4	Garden of Eden	South Pacheco				
→	5	Bento	South Pacheco				
	5	Perfect Union	South Pacheco				
	7	The Flower Shop	El Sobrante				
	8	Elemental Wellness Center	North Pacheco				
	9	Element 7 - Bay Point	Bay Point				
	9	The Gas Station	North Pacheco				

^{*}Proposals that share same rank color are mutually exclusive due to being located on same site or within 500-feet of each other

Existing Medical-Only Dispensary in El Sobrante

- The business currently known as One Plant is operating as a medical marijuana dispensary in El Sobrante. One Plant submitted a proposal for retail storefront so it could expand to adult use cannabis and received a passing score (ranked 19th).
- If the Board invites four different proposals to apply for an LUP, it is possible that One Plant would continue to operate as a medical-only cannabis dispensary.

Proposal Details and Summary Information

- All 40 full proposals are attached.
- The Panel has prepared 2-page sheets of each scored proposal that summarizes each section of the proposal and their scores (address field contains a link to an interactive map).
- Images of each proposal mentioned in the scenarios follow this slide.

Garden of Eden MJ19-0001

RANK: #4

Business Name: Garden of Eden

Owners: Matt Light (20%) Laurie Light (20%)

Laurie Light (20%) Shareef El-Sissi (10%) Soufyan Abouamed (50%)

Total Score: 1,105/1,200 (Rank #4)
Address: 100 Union St., Pacheco

Business Type: Storefront Retail and Delivery

Square Footage: 3,115-s.f. (1,350-s.f. retail area)

Off-Street Parking: 31 Shared Spaces

Within 500-feet of: Authentic 925, Perfect Union



Vicinity Map

Proposal Pros and Cons

- Central location off Pacheco Boulevard
- 500 paid employee community service hours proposed annually

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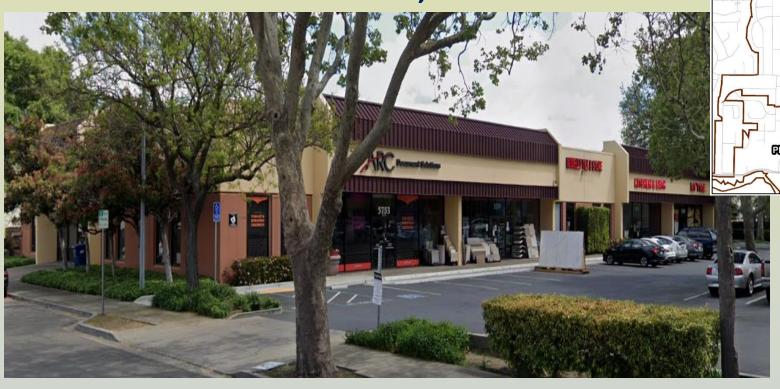
- Located on narrow side street (Union St.), not as visible as other proposals on Pacheco Blvd.
- Monetary contribution to non-profit organizations lower than some other proposals
- Located near Pacheco Community Cente

Building Rendering Before/After(Remodel and update of existing building)



Authentic 925 (Rank #1)

100 N. 1st Ave., Pacheco





The Artist Tree (Rank #2)

4100 San Pablo Dam Rd., El Sobrante



Embarc Contra Costa (Rank #3)

3503 Pacheco Blvd., Pacheco







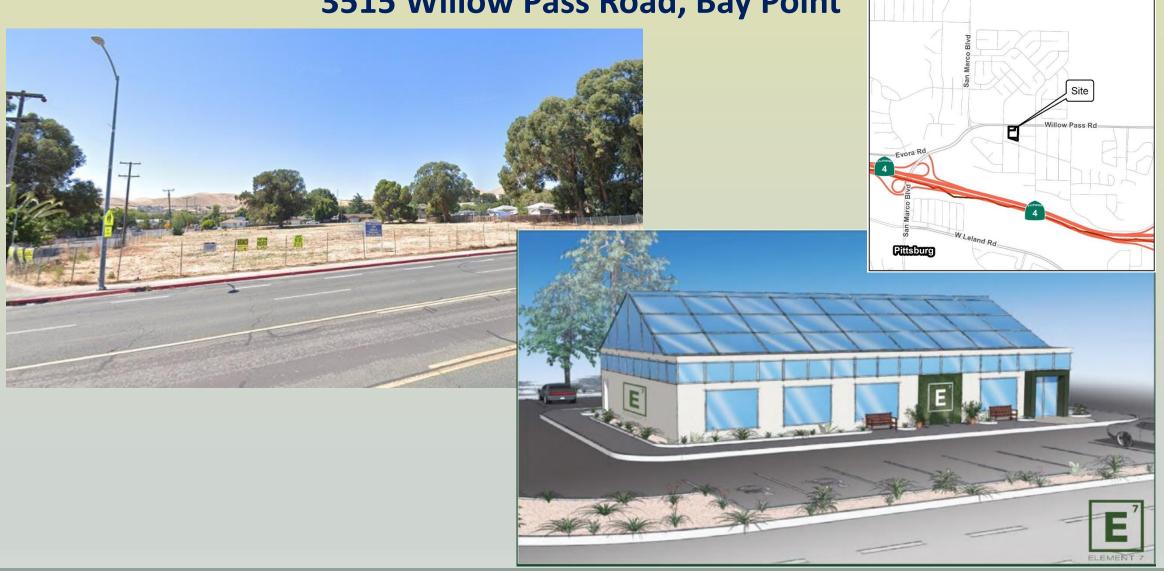
Bento (Rank #5)

5236 Pacheco Blvd., Pacheco



Element 7 - Bay Point (Rank #9)

3515 Willow Pass Road, Bay Point

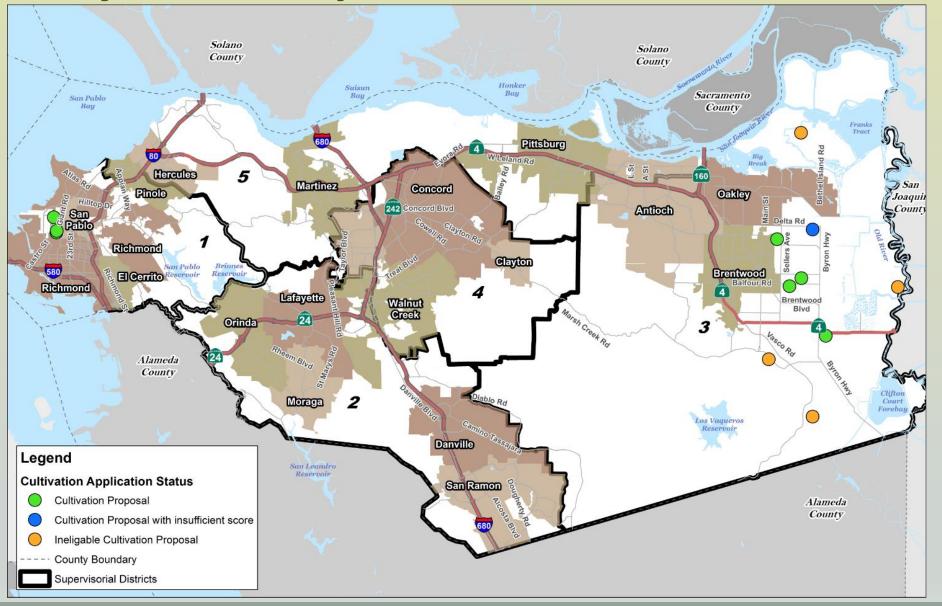


One Plant (Rank #19)

3823 San Pablo Dam Road, El Sobrante



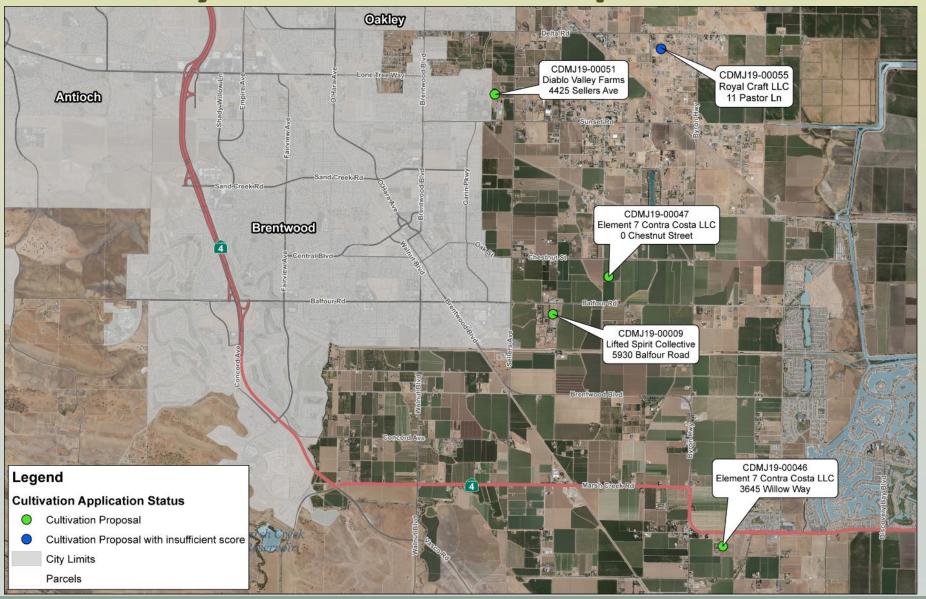
County Wide Map for Commercial Cultivation



North Richmond Cultivation Proposal Locations



East County Cultivation Proposal Locations



Commercial Cultivation Scoresheet

- Roy	THICATION NUMBER	Area .	Business Name	L. Cover Letter Duc.	2. Location Les	3. Business ar (200 pts.)	A. Security plan	5. Sustainability	6. Community (LIDO pts.)	Distribution (100)	TOTAL LI, LUC.	Rank Rank	
Scores	CDMJ19-00009	Brentwood	Lifted Spirit Collective	YES	195	195	190	195	100	200	100	1175	1
9	CDMJ19-00026	Richmond	703 Chesley, LLC	YES	180	200	180	185	95	185	100	1125	2
8 S	CDMJ19-00047	Brentwood	Element 7 - Chestnut Street	YES	190	190	190	185	90	175	100	1120	3
Passing	CDMJ19-00046	Byron	Element 7 - Willow Way	YES	190	160	190	185	90	175	100	1090	4
asi	CDMJ19-00008	Richmond	Casa Rasta Farms	YES	170	185	155	190	90	190	100	1080	5
→	CDMJ19-00051	Brentwood	Diablo Valley Farms	YES	185	200	170	175	90	160	100	1080	5
	CDMJ19-00027	Richmond	Magic Flower Gardens, LLC	YES	195	200	140	190	90	140	100	1055	7
	CDMJ19-00055	Knightsen	Royal Craft LLC	YES	140	130	110	190	50	140	100	860	8
	CDMJ19-00002	Knightsen	Royal Winzone Management Inc	NO								0	N/A
	CDMJ19-00003	Knightsen	U.S. Gods Dragon Management Inc	NO								0	N/A
	CDMJ19-00004	Knightsen	U.S. Phoenix Management Inc	NO								0	N/A
	CDMJ19-00005	Knightsen	Golden Flower Enterprise Inc	NO								0	N/A
	CDMJ19-00006	Knightsen	Granville Dragon Management, Inc	NO								0	N/A
	CDMJ19-00010	Knightsen	Thrive Biotech Farm, Inc	NO								0	N/A
	CDMJ19-00013	Knightsen	Jings Garden, Inc.	NO								0	N/A
	CDMJ19-00014	Knightsen	Living Well Biotech Farm, Inc	NO								0	N/A
	CDMJ19-00030	Byron	WWBDM LLC	NO								0	N/A
	CDMJ19-00048	Bethel Island	Element 7 (0 Canal)	NO								0	N/A
	CDMJ19-00049	Brentwood	Element 7 (430 Camino Diablo)	NO								0	N/A

Commercial Cultivation Rankings

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Rank	Business Name	Area	
1	Lifted Spirit Collective	Brentwood	
2	2 703 Chesley, LLC		
3	Element 7 - Chestnut Street	Brentwood	
4	Element 7 - Willow Way	Byron	
5	Casa Rasta Farms	Richmond	
6	Diablo Valley Farms	Brentwood	
7	Magic Flower Gardens, LLC	Richmond	
8	Royal Craft LLC	Knightsen	

Additional Considerations

- The Panel recommends all invitations must be based on the description of the project in the proposals. Applications must live up to the commitments made in the proposals.
- A process for selecting the final three commercial cultivation invitees will be brought to the Board at a later date.

Next Steps

- Schedule for December 10th the Board decision on which proposals to invite to apply for an LUP.
- Within 90 days of being invited by the Board, the applicant must apply for a Land Use Permit and pay applicable fees.
- LUP applications will proceed through the normal discretionary review process, including one or more public hearings.
- Upon review and approval of an LUP, the applicant must obtain other necessary approvals prior to commencing operations, including a County health permit, State license, County business license, and necessary building permits.

Appendix - Interview Questions

- 1. Please briefly summarize your experience in the cannabis industry. What lessons have you learned and how will you apply that experience to this proposal?
- 2. What do you think is the strongest feature or aspect of your proposal?
- 3. Tell us what your understanding is of the County's and the State's step-by-step permitting and licensing process. What is your experience going through similar processes and do you anticipate any scheduling challenges?
- 4. Land use permits are a public process. What type of site specific controversy have you anticipated with your proposal and what have you done and will you do to address those concerns?
- 5. Almost 40% of Tobacco store retailers sell tobacco to underage youth. Describe the policies and plans that you would implement and how you would enforce these policies to ensure your cannabis products do not end up in the hands of youth. Explain how your marketing strategy will not encourage youth to attempt to access your product.
- 6. Give us a summary of how your business will benefit the community, including hiring and community outreach. What local community/non-profit organizations are you already engaged with (financially or otherwise)? Or, who are you planning to engage with?
- 7. Would you like to provide any summary or concluding remarks?