

"A Community of Opportunities"

December 21, 2020

Greater Goods Marketplace LLC Colin Disheroon 416 Semple Avenue Aptos, CA. 95003

Dear Applicant:

Thank you for submitting a Cannabis Pre-application with the City of Watsonville for exploration of a potential cannabis facility. This letter is to inform you of the Pre-Application phases, evaluation rankings, Cannabis Use Permit Pre-Application process and identifies which applicants are selected to continue for phase three.

PRE-APPLICATION MATERIALS

The Cannabis Pre-Application requested materials are found in Appendix A of the <u>Cannabis Use Permit Pre-Application Procedures Guidelines</u>. Applicants were expected to submit via mail one (1) signed original Cannabis Use Permit Pre-Application Form and one (1) USB Flash drive containing a scanned copy of the signed Cannabis Use Permit Pre-Application form and all evaluations criteria. The responses to all evaluations criteria was not to exceed 125 pages. The submittal documents were to be saved on a single USB flash drive in the following manner:

- Digital File #1 "Cannabis Use Permit Pre-Application" form (pages 1-4, including all required signatures and related documents)
- Digital File #2 "Evaluation Criteria" (Responses to the Evaluation Criteria found in Sections 1-5. This file shall not exceed 125 pages. Points may be deducted for every page over the prescribed limit.
- Digital File #3 "Proof of Capitalization" (All bank statements, loan documents, promissory notes, financial and commitment letters)

All Cannabis Pre-Applications were required to be submitted prior to October 15, 2020 by close of business day.

CANNABIS PRE-APPLICATIONS PROCESS

The Cannabis Pre-Application process consists of the following phases:

- Phase One Pre-application Submittal and determination of Eligibility
- Phase Two Pre-application Evaluation and First Ranking (1,000 Points)
- Phase Three Interview and Second Ranking (1,500 Points)
- Phase Four Interview Panel Final Decision



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PHASE TWO: Pre-Applications Evaluation and First Ranking (1,000 Points)

Phase two evaluations (Attachment 1) scored each Cannabis Pre-Application based on the following criteria:

- Section 1. Business Plan (200 Points)
- Section 2. Labor and Employment Plan (200 Points)
- Section 3. Neighborhood Plan (200 Points)
- Section 4. Community Benefits Plan (200 Points)
- Section 5. Owner Qualifications (200 Points)

The following number of licenses are available in the City of Watsonville (Please note that each license type has 1 equity license set-aside):

- 2 Cultivation Permits
- 9 Manufacturing Permits
- 2 Distribution Permits
- 3 Processing Permits
- 3 Retail Dispensary Permits
- 7 Non-storefront Retail Delivery Permits for cultivators/manufacturers/processers

AMENDMENTS TO THE PRE-APPLICATION

Applicants are not allowed to make amendments to their Pre-Application or to supplement their Pre-Application, except as otherwise specifically permitted in the cannabis preapplication procedure or authorized in writing by the City.

LIVE SCAN AND SUPPLEMENTAL BACKGROUND CHECK

As part of the Cannabis Pre-Application process, each individual applying as owner submitted a Live Scan to check fingerprints against the Department of Justice's (DOJ) records. Individuals who do not meet the State and/or City's eligibility requirements will be disqualified from continuing in the Cannabis Pre-Application process. Eligibility disqualifiers are found in State Law BPC Division 10, Chapter 5, Section 26057 (B) (4) and in Watsonville Municipal Code Sections 14-53.110 and 14-53.111. The Live Scan Background Checks are provided as Attachment 2.

PHASE THREE: INTERVIEWS AND SECOND RANKING

The Cannabis Use Permit Pre-Application has now advanced to Phase three. The City's Cannabis Selection Committee consists of representatives of the Police Chief, Fire Chief, Community Development Director, City Manager, and an independent third-party cannabis consultant selected by the Zoning Administrator will interview and evaluate three more applicants than the number of cannabis use permits available for each permit type. Three more applications than the number of available permits in each permit category are invited to interview as part of Phase three. Those applicants interviewed received the highest scores from Phase two for each category.

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Your application for a cannabis retail, distribution, and manufacturing license earned a score of 99.3%, 97.5%, and 97.5% in Phase two, and your application is currently ranked at number 1 out of 21 applications for these license type(s), and you are eligible to proceed to Phase three of the Pre-Application process.

Applicants will be interviewed and evaluated based upon the criteria below. See APPENDIX A for a description of the evaluation criteria:

- Business Plan (450 Points)
- Labor & Employment Plan (450 Points)
- Community Benefits (300 Points)
- Qualifications of Owners (300 Points)

Phase three scores will be tabulated and combined with Phase two scores to establish an overall score. The top scoring applicants from the interview shall be invited to apply for the available Cannabis Use Permits based on permit type. For example, two retail applicants shall be invited to apply for the two available retail Cannabis Use Permits. Prior to making a final decision, the City reserves the right to request and obtain additional information from any candidate who has submitted a Cannabis Pre-Application.

The Interview Panel will make a final determination on the advancement of applications. However, the City reserves the right to award a lesser number of permits than are available, or to award no permits at all. Successful applicants will be authorized to apply for a discretionary permit upon the Interview Panel's determination to allow submittal of a CANNABIS USE PERMIT application, and should be prepared to attend all discretionary permit hearings to represent their request for a Conditional Use Permit and to respond to questions.

PRIOR TO INTERVIEW

Those applicants selected for Phase three interviews and second ranking are required to pay a fee of \$3,700.00 to the Community Development Department a week prior to interview and submit a Live Scan background check application to the Watsonville Police Department. Payment should be made by certified check, cashier's check, or money order made payable to the City of Watsonville. The interview for Greater Goods Marketplace LLC. is scheduled for **January 25, 2021 at 8:00 a.m.**

The interview will be done remotely through google hangouts and the link will be sent a week prior to interview date.

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If you have any questions regarding Phase three second ranking interviews, please contact Associate Planner Ivan Carmona at 831-768-3078 or by email at <u>ivan.carmona@cityofwatsonville.org</u>

Sincerely,

Ivan Carmona Associate Planner Community Development Department City of Watsonville



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