

**2019 CITY OF OAKLAND**

**EQUITY APPLICANT DISPENSARY PERMIT APPLICATION**

**1. Applicant Information**

a. Name: EFFET, LLC 4/14/21 - UPDATED: OAKLYN LEGACY HOLDINGS LLC

**b. Type of Corporate Structure:**

Corporation      Limited Liability Company      Partnership      Individual

Collective     Other: \_\_\_\_\_

c. Doing Business As: \_\_\_\_\_

d. Please Attach a Copy of State Registration (if applicable)

**e. Partner/Owner/Manager Information:**

Please list all persons directly or indirectly interested in the permit sought, including all officers, directors, general partners, managing members, stockholders, and partners. Please attach additional pages if necessary (additional pages should be on 8½ x 11" paper; single sided, and include a Header with the applicant's name on the top right corner of each page).

Last Name: <u>ROBERSON</u>	First Name: <u>GARY</u>	Middle Initial: <u>A</u>
Alias(es): _____		
Title: <u>Owner</u>		
Business Address: <u>950 77th Ave</u>		
City: <u>Oakland</u>	State: <u>CA</u>	Zip: <u>94621</u>

Last Name:		First Name:		Middle Initial:
Alias(es):				
Title:				
Date of Birth:	Phone:	Email:		
Residential Address:				
City:	State:	Zip:		
Business Address:				
City:	State:	Zip:		

Last Name:		First Name:		Middle Initial:
Alias(es):				
Title:				
Date of Birth:	Phone:		Email:	
Residential Address:				
City:		State:		Zip:
Business Address:				
City:		State:		Zip:

Last Name:		First Name:		Middle Initial:
Alias(es):				
Title:				
Date of Birth:	Phone:		Email:	
Residential Address:				
City:		State:		Zip:
Business Address:				
City:		State:		Zip:

Last Name:		First Name:		Middle Initial:
Alias(es):				
Title:				
Date of Birth:	Phone:		Email:	
Residential Address:				
City:		State:		Zip:
Business Address:				
City:		State:		Zip:

**2. Verification of Equity Status**

OMC 5.80.010 and OMC 5.81 define an "Equity Applicant" as an Applicant whose ownership/owner<sup>2</sup>:

1. Is an Oakland resident; and
2. Has an annual income at or less than 80 percent of Oakland Average Medium Income (AMI) adjusted for household size; and
3. Either

(i) has lived in any combination of Oakland police beats 2X, 2Y, 6X, 7X, 19X, 21X, 21Y, 23X, 26Y, 27X, 27Y, 29X, 30X, 30Y, 31Y, 32X, 33X, 34X, 5X, 8X and 35X for at least ten of the last twenty years OR

(ii) was arrested after November 5, 1996 and convicted of a cannabis crime committed in Oakland.

<sup>2</sup> "Ownership" shall mean the individual or individuals who:

- i. With respect to for-profit entities, including without limitation corporations partnerships, limited liability companies, has or have an aggregate ownership interest (other than a security interest, lien, or encumbrance) of 50% or more of the entity.
- ii. With respect to not for-profit entities, including without limitation a non-profit corporation or similar entity, constitutes or constitute a majority of the board of directors.
- iii. With respect to collective has or have a controlling interest in the collective's governing body.

Please provide supporting documentation as described below:

For proof of ownership please provide entity formation documents or documents filed with the California Secretary of State (e.g. articles of incorporation, stock issuance records, operating agreements, partnership agreements).

For proof of income please provide federal tax returns and at least one of the following documents: two months of pay stubs, current Profit and Loss Statement, Balance Sheet, or proof of current eligibility for General Assistance, Food Stamps, Medical/CALWORKs, or Supplemental Security Income or Social Security Disability (SSI/SSDI).

For proof of conviction should be demonstrated through Court documents, Probation documents, Department of Corrections or Federal Bureau of Prisons documentation.

For proof of residency please complete the below Proof of Residency Chart and provide a minimum of two of the documents listed below, evidencing 10 years of residency shall be considered acceptable proof of residency. All residency documents must list the applicant's first and last name, and the Oakland residence address in applicable police beats

- California driver's record; or
- California identification card record ; or
- Property tax billing and payments; or
- Verified copies of state or federal income tax returns where an Oakland address is listed as a primary address; or
- School records; or
- Medical records; or
- Oakland Housing Authority records; or
- Utility company billing and payment covering any month in each of the ten years.

Proof of Residency Chart

NAME OF EQUITY INDIVIDUAL Gary Roberson		
CURRENT OAKLAND ADDRESS	DATES	



NAME OF EQUITY INDIVIDUAL		
CURRENT OAKLAND ADDRESS	DATES	
	FROM	TO
PRIOR OAKLAND ADDRESS(ES)		

NAME OF EQUITY INDIVIDUAL		
CURRENT OAKLAND ADDRESS	DATES	
	FROM	TO
PRIOR OAKLAND ADDRESS(ES)		

NAME OF EQUITY INDIVIDUAL		
CURRENT OAKLAND ADDRESS	DATES	
	FROM	TO
PRIOR OAKLAND ADDRESS(ES)		

### 3. Business Plan

Using only the spaces provided below, please answer the following questions.

- a) Describe Applicant's understanding of the cannabis dispensary market, what customers in this market are seeking, and how Applicant intends on capturing market share.

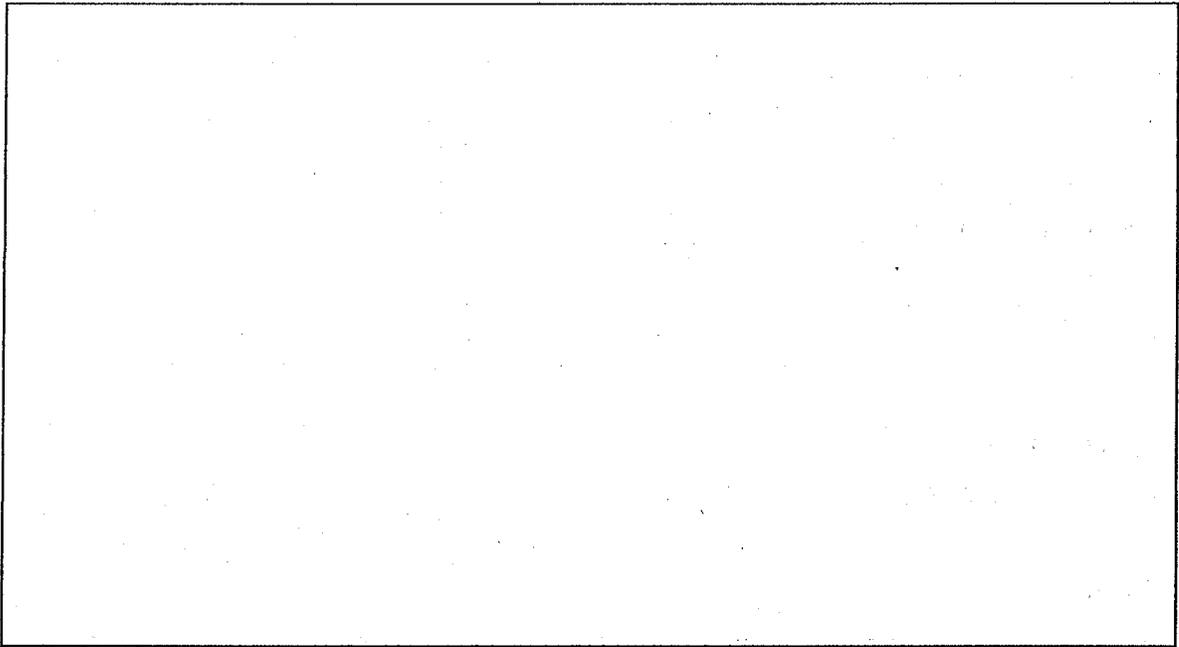
It is my understanding that the cannabis retail market is constantly reshaping due to regulatory changes and growing competition. From my observation, the companies that are data driven are able to quickly adapt to shifting market pressures, including the competitive landscape, regulatory curveballs, consumer taste and product trends.

I've also observed companies that stay nimble, keep their operations lean and their budtenders engaged are able to competitively turn their assortment of product.

EFFET, LLC is currently exploring POS options to optimize sales analytics to take the guesswork out of cannabis and cannabis product procurement.

EFFET is also exploring other platforms which provide clients unlimited access to the most accurate and actionable data and analyses available on WHAT is selling, WHEN, WHERE, and for HOW MUCH on a daily, weekly, monthly, quarterly and annual basis. These leverage real retail tracking data and insights into WHO the cannabis consumer is today to make strategic decisions that will advance the financial goals of EFFET, LLC business.

Consumer insights research is available to drill-down to specific geographies and consumer segments so we can see cuts of the data trended over time that are relevant to cannabis retail company needs.



b) Describe Applicant's background and experience in cannabis dispensing or similar industries.

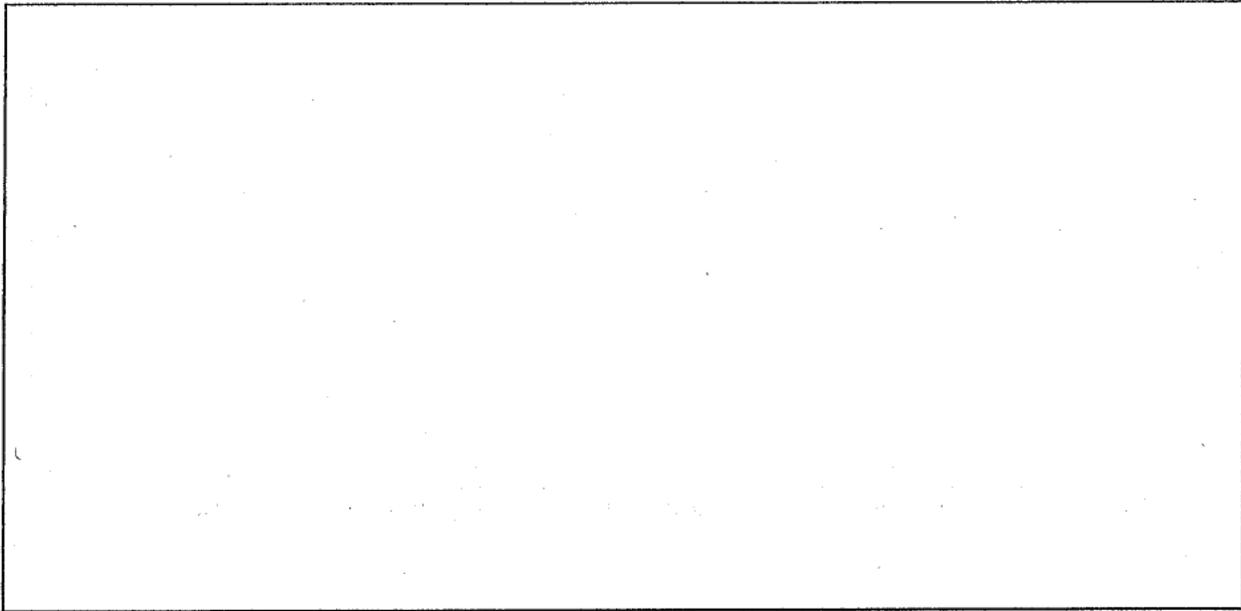
Gary Roberson, sole owner of EFFET, LLC has 20+ years of cannabis retail experience.

He is Oaksterdam University Alumni. He attended and graduated Oaksterdam University in 2011. During his time there he became hungry for knowledge about the developing legal cannabis industry. He quickly absorbed all the info the school had to offer on on cannabis. He learned history and law, business management, business start-up, science and economis, extracts and topicals and advocacy and action, patient/consumer relations and Dispensary Operations.

After he graduted from Oaksterdam University never stopped learning.He has taken additional class focused on business, organic cultivation, sustainable practices and cannabis propagation.

He also is a long standing member of multiple cannabis activism groups such as Cal Norml, California Grower's Association and Minority Cannabis Business Association.

His connections in the industry, mentors and networking abilities helps him keep up with the fast paced, ever-changing cannabis industry on both local and statewide levels.



c) Explain how Applicant will cover its startup costs and working capital requirements. If Applicant's funds are currently available, please attach a letter of credit demonstrating sufficient capitalization to cover initial business costs. If these funds are not yet available, please outline how Applicant will gather enough capital to cover initial business costs. Examples include:

- I. Selling or converting other personal assets to raise funds.
- II. Borrowing against personal assets.
- III. Raising funds from investors.
- IV. Obtaining a loan from a third party.
- V. Obtaining a letter of credit from a third party.
- VI. Other (please describe)



d) Using the following tables, please provide Applicant's anticipated start-up expenses.

<b>REAL ESTATE AND ADMINISTRATIVE EXPENSES</b>	<b>\$ AMOUNT</b>
Purchase or Rent	6,500
Construction or Remodeling	N/A
Utility Deposits	1,500
Legal and Accounting Fees	5,000
Insurance	5,500
Prepaid Insurance	N/a
Pre-Opening Salaries and Benefits	N/a
Other (please provide detail)	N/a

<b>CAPITAL EQUIPMENT LIST</b>	<b>\$ AMOUNT</b>
Furniture	1,000
Equipment	8,500
Fixtures	2,000
Machinery	N/A
Other (please provide detail)	N/A

<b>OPENING INVENTORY</b>	<b>\$ AMOUNT</b>
Category 1: Flower	15,000
Category 2: Extracts and Vapes	12,500
Category 3: Edibles and Topicals	2,500
Category 4: Seeds and Clones	2,000
Category 5: Other	1,000

<b>ADVERTISING AND PROMOTIONAL EXPENSES</b>	<b>\$ AMOUNT</b>
Advertising	7,500
Signage	2,500
Printing	500
Travel/entertainment	N/A
Other/additional categories	N/A

<b>OTHER EXPENSES</b>	<b>\$ AMOUNT</b>
Reserve for Contingencies	7,500
Other Expense 1:	N/A
Other Expense 2:	N/A

e) Please provide a staffing plan for the first three years using the following tables for each anticipated owner or employee:

**2021**

<b>Position Title:</b>	<b>Salary Costs per Month</b>	<b>Benefit Costs per Month</b>	<b>Number Employed at this Position</b>	<b>Anticipated Month of Hiring</b>
Supervisor	3,500	850	1	1st
Compliance Manager	3,500	850	1	1st
Budtender	2,350	650	2	1st
Security Staff	3,500	850	2	1st

**2022**

<b>Position Title:</b>	<b>Salary Costs per Month</b>	<b>Benefit Costs per Month</b>	<b>Number Employed at this Position</b>	<b>Anticipated Month of Hiring</b>
Supervisor	4,000	875	1	1st
Compliance Manager	3,500	875	1	1st
Budtender	2,600	675	3	1st
Security Staff	4,000	875	2	1st

**2023**

<b>Position Title:</b>	<b>Salary Costs per Month</b>	<b>Benefit Costs per Month</b>	<b>Number Employed at this Position</b>	<b>Anticipated Month of Hiring</b>
Supervisor	4,200	900	1	1st
Compliance Manager	4,000	900	1	1st
Budtender	2,800	700	5	1st
Security Staff	4,000	900	3	1st

f) Please provide a forecast of your income statement (profit and loss) for each of the first three years, including:

	<b>2021</b>	<b>2022</b>	<b>2023</b>
<b>REVENUES</b>			
Product/Service 1	665,000	900,000	1,050,000
Product/Service 2	640,000	1,100,000	1,850,000
Product/Service 3	135,000	225,000	345,000
Other Revenue			
<b>TOTAL REVENUES</b>	<b>1,440,000</b>	<b>2,300,000</b>	<b>3,350,000</b>
<b>COST OF GOODS SOLD</b>			
Product/Service 1	395,000	525,000	619,500
Product/Service 2	375,000	645,000	1,091,500
Product/Service 3	80,000	177,000	265,500
Salaries-Direct	112,200	124,800	132,000
Payroll Taxes and Benefits-Direct	55,000	67,500	80,500
Depreciation-Direct	5,000	7,000	7,000
Supplies	7,500	11,150	12,350
Other Direct Costs	0	0	0
<b>TOTAL COSTS OF GOODS SOLD</b>	<b>1,030,200</b>	<b>1,557,450</b>	<b>2,208,350</b>
<b>GROSS PROFIT (LOSS)</b>	<b>409,800</b>	<b>742,550</b>	<b>1,141,650</b>
<b>OPERATING EXPENSES</b>			
Advertising and Promotion	7,500	14,500	14,500
Automobile/Transportation	N/A	8,500	8,500
Bad Debts/Losses and Thefts	N/A	3,500	3,500
Bank Service Charges	150	175	200
Business Licenses and Permits	28,500	85,000	92,000
Charitable Contributions	7,500	14,000	25,000
Computer and Internet	900	4,500	5,500
Continuing Education	1,500	2,500	2,500
Depreciation-Indirect	N/A	N/A	N/A
Dues and Subscriptions	1,000	1,250	1,500

	2021	2022	2023
Insurance	5,000	5,750	6,250
Meals and Entertainment	N/A	2,500	3,250
Merchant Account Fees	1,000	1,750	1,750
Miscellaneous Expense	1,500	2,250	2,250
Office Supplies	2,000	3,950	4,200
Payroll Processing	9,500	10,750	12,250
Postage and Delivery	250	325	350
Printing and Reproduction	5,000	6,750	7,500
Professional Services – Legal, Accounting	10,000	12,500	13,750
Occupancy	N/A	N/A	N/A
Rental Payments	78,000	85,800	91,150
Salaries-Indirect	6,000	8,100	8,100
Payroll Taxes and Benefits- Indirect	750	975	1,000
Subcontractor	80,000	95,000	107,000
Telephone	1,800	2,100	2,400
Travel	N/A	N/A	N/A
Utilities	9,000	9,500	10,250
Website Development	3,500	3,750	3,750
<b>TOTAL OPERATING EXPENSES</b>	<b>260,350</b>	<b>385,675</b>	<b>428,400</b>
<b>OPERATING PROFIT (LOSS)</b>	<b>149,450</b>	<b>365,675</b>	<b>428,400</b>
<b>INTEREST (INCOME), EXPENSE &amp; TAXES</b>			
Interest (Income)			
Interest Expense			
Income Tax Expense			
<b>TOTAL INTEREST (INCOME), EXPENSE &amp; TAXES</b>	<b>106,000</b>	<b>255,500</b>	<b>387,500</b>
<b>NET INCOME (LOSS)</b>	<b>\$ 43,450</b>	<b>\$ 101,375</b>	<b>\$ 325,750</b>

## 5. Compliance with State Law

Using only the space provided below, please describe how Applicant will comply with state law, including:

- i. The supply chain from which applicant will obtain cannabis and cannabis products (Applicants need not name specific vendors; identifying license categories is sufficient).
- ii. How Applicant plans to record the movement of cannabis and cannabis products in their custody, such as with a track and trace system.

Gary Roberson, owner of EFFET, LLC is very familiar with legislation and regulations surrounding California cannabis. Early on he attended stakeholder outreach meetings, informational sessions and pre-regulatory meetings across the state.

As a stakeholder in cannabis industry, Gary has participated in discussions and engaged with regulatory agents and policymakers, expressing his concerns regarding legislation, regulation, taxation and racial equity.

Gary also understands that compliance with local and state laws and regulation is a fulltime job and plans to hire a Compliance Management personnel to ensure that EFFET, LLC's dispensary operations are always in good standing with the City of Oakland and State of California.

If EFFET, LLC granted a dispensary permit, we plan to integrate it into our Microbusiness License which allows us to engage in cannabis Distribution, Cultivation, Non-Store Front Retail and Type 6 Manufacturing (Nonvolatile). We would obtain cannabis and cannabis product through transactions within our Microbusiness (Non-Arm's Length transaction), through transactions with other state licensed and compliant Distributors (Arm's Length transaction) or through other state licensed and compliant Cultivators and Manufacturers.

California has selected Metrc as the state's track-and-trace system used to track commercial cannabis activity and movement across the distribution chain ("seed-to-sale").

Gary has attended Track & Trace workshop and will be granted as the Account Manager via Metrc's "Business Account Manager" Training and will be responsible for ensuring that inventory added into Metrc is correct.

**6. Tax Rates**

Using only the space provided below, please answer the following questions regarding local and state tax laws that apply to cannabis dispensaries.

i. Local Taxes:

a. What are the City of Oakland's current business tax rates for cannabis businesses?

For Equity Dispensary Permit Holders it's 0.12% on gross receipts up to \$1.5M with all licence types.

ii. State Taxes:

a. What is the cannabis excise tax rate for adult use cannabis purchases?

15%

b. What is the sales tax rate for adult use cannabis sales?

10%

iii. What measures, including point of sale systems, Applicant will implement to ensure proper collection of local and state taxes.

EFFET has a 1yr. subscription with the POS platform provider Webjoint. It is currently suspended until retail operations begin. It allows quick and easy Metro integration for Tracking and Tracing all cannabis and cannabis product.

David Keegan will be hired as CFO of EFFET, LLC. He is a long time friend and has a Bachelor's Degree in Business & Finance. He will be working with EFFET, LLC's CPA to ensure proper tax filing.

## 7. Odor Mitigation

Using only the space provided below, please submit a plan for how cannabis odors will not be detectable outside of the proposed facility, such as utilization of carbon filters.

### Odor Control Plan:

All locations where odor emitting activities will take place will be equipped with industry specific best technologies for mitigating odor including but not limited to, exhaust fans, carbon filters, air filters, and odor neutralizers.

### Procedural Activities:

Procedures will include isolation of odor emitting activities and emissions from other areas of the building through doors and windows.

### Maintenance Plan:

Daily Inspections/maintenance activities will be performed to ensure that engineering controls remain functional.

Facility manager will be responsible for maintenance activities and will replace carbon filters according to manufacturers suggestions or earlier. Facility manager is an Oaksterdam University Alumni and an expert on industry specific technologies and strategies. He understand that odor mitigation is a matter of public health & safety as well as nuisance abatement. He plan to adhere to City of Oakland and State of California regulation concerning odor reduction.

Records of purchases of replacement carbon filters, performed maintenance tracking, documentation of notifications of malfunctions, scheduled and performed training sessions and monitoring of administrative and engineering controls.

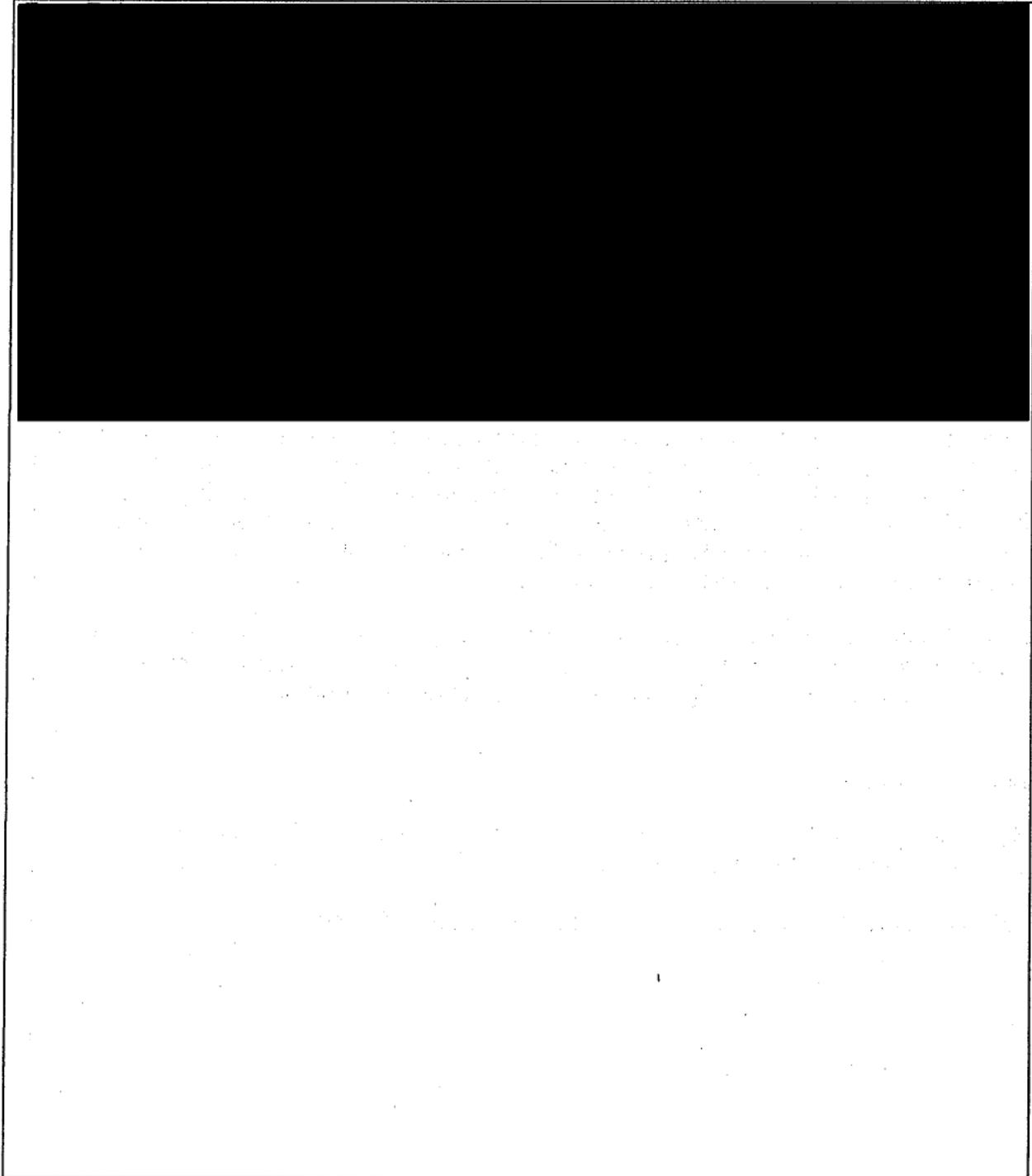
### Operational Process:

Odor emitting activities will may include packaging of cannabis and cannabis product and non-volatile manufacturing processes.

Staff will ensure that the odor mitigating system remains functional.

**8. Neighborhood Beautification**

Using only the space provided below, please submit a community beautification plan detailing specific steps your business will take to reduce illegal dumping, littering, graffiti and blight and promote beautification of the adjacent community. Examples of specific steps include participating in City of Oakland Adopt a Spot/Drain program, installing murals, removing graffiti within 48 hours and providing landscaping.



# Neighborhood Beautification Plan

## Oaklyn Legacy Holdings, LLC



### Proposed Cannabis Retail Location

**2855 Ford St Oakland, CA 94601**

**“Everybody can  
be great ...  
because  
anybody can  
serve.”**

*-Dr. Martin Luther King Jr.*



## **First Off... We Love Oakland! It is our home and there is no place like it!**

Oakland native ,Gary Roberson, Founder of OAKLYN LEGACY and 2019 OAKLAND DISPENSARY LOTTERY WINNER would love to be honored become a Dispensary owner and a pillar of the Jingtowntown District.

## **Our Observation**

The proposed location for the dispensary is situated on the corner of Ford & 29th in the Jingtowntown.

We've surveyed this district to assess how we can be of assistance to those already on the ground, working diligently to keep the area clean and beautiful.

After conversations with community members, online research and many meditative walks around the area, we've produce a plan to do our part in the ongoing battle to keep Oakland's streets waste and graffiti free.



## Our Strategy

Strategies like those that are encouraged by resources like “Keep Oakland Beautiful” have allowed Oakland’s citizen to maintain neighborhood cleanliness.

OAKLYN LEGACY’s plan is to sign up to lead neighborhood clean-up crews and volunteer in annual community cleaning events like Earth Day, MLK Day of Service, Creek To The Bay Day and the Great American Clean Up. We also plan to participate in the Adopt-A-Spot program by choosing Jingtowntown as one of our adoptees to maintain.

Activities include trash pickup, storm drain cleaning, waterway cleaning, weeding and graffiti



removal.

We will supply brooms, dust pans, buckets, bags, gloves and painting equipment and material for cleanups and graffiti removal.

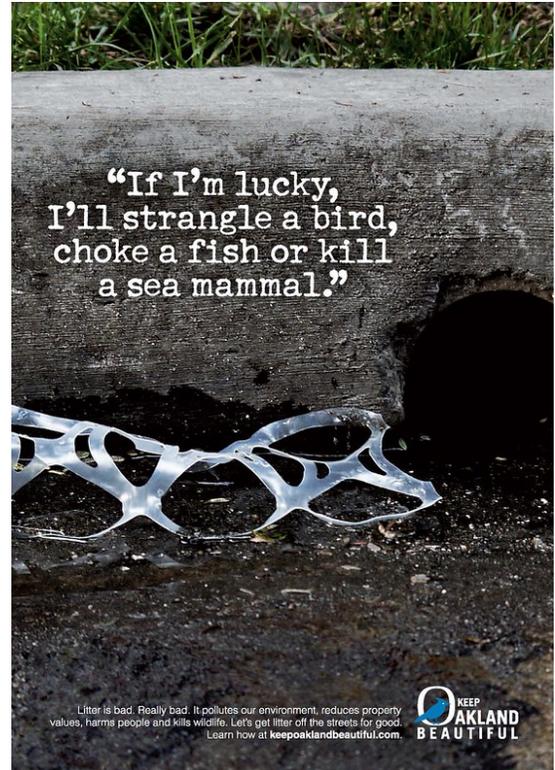
Individual and social bubble clean up will help us reduce the spread of Covid-19. All Volunteer will be required to wear PPE.

## Help Nature Thrive

Two things that we are really excited:

- Potentially working groups like Pernod Richard volunteers to help introduce California native plant propagation methods and perform nursery tasks including preparing pots, transplanting native plants, and removing invasive species.
- Habitat restoration and litter removal near the Oakland Estuary between Fruitvale Bridge and Miller-Sweeney Bridge to improve wildlife habitat and help filter pollutants before they reach the San Francisco Bay. If we destroy the land we will destroy the ocean. We can't allow either.

Keeping trash out of streets and waterways will help prevent flooding by allowing storm water to flow through unobstructed storm drains.



## Maintenance & Updates

We plan to continuously monitor the area for unsightliness and deploy volunteers when necessary because we understand that we can't let up.

We also plan on doing a monthly check on the City of Oakland's website for volunteering opportunities happening in Jingtletown.

We've signed up to the Keep Oakland Beautiful mailing list and Facebook page to receive information on community beautification events.

## Prevention

OAKLYN LEGACY will also take part in Preventative Programs like the Cigarette Litter Prevention Programs. Strategies will include:

- Installing freestanding permanent cigarette butt containers in high-traffic public areas near bus stops, and wall-mounted containers at neighborhood bars and cafes that see heavy cigarette smoking patterns



- Creation of clever, highly visible and attractive banners, posters, table tents and other materials urging smokers to properly dispose of their cigarette butts.

## Doing More

We will apply to serve on the board of Keep Oakland Beautiful volunteer. If invited to do so our representative will advocate for funds and community activities that will benefit the Jingtowntown Community.

We will “Keep Oakland Beautiful” by become a business sponsor to contribute

We will connect with The Jingtowntown Arts, Business and Community group for information on things we can get involved with their cause for the greater good of the community.

## From The Heart

Ultimately we are dedicated to serving the community surrounding our business because we love the community, the people and we feel that it’s our moral obligation as citizens and business operators from and doing business in the City of Oakland.





**9. Supporting Documents**

Please check the boxes below for each supporting document submitted with this application. Please ensure that all supporting documents include a Header with the applicant's name on the top right corner of each page.

Copy of State Registration for corporate structure

Letter of Credit if applicable

Proof of Ownership

Proof of Income

And either

Proof of Residency

or

Proof of Conviction

**10. Commitment to Participate in Post-Public Drawing Training**

By submitting this application, I agree to participate in a technical assistance training provided by the City of Oakland for equity dispensary applicants selected in the public drawing and I understand that failing to participate in this training is grounds for the City of Oakland proceeding with the public drawing runner-up.

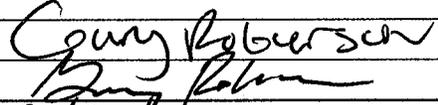
**11. Oath of Application**

I, the undersigned, declare under penalty of perjury that to the best of my knowledge, the information contained in this application and its supporting documentation is truthful, correct and complete; and, the information contained in this application and its supporting documentation discloses all facts regarding the applicant and associated individuals necessary to allow the City Administrator to properly evaluate the Applicant's qualifications for registration.

I, the undersigned further agree and acknowledge that I may be required to provide additional information as needed, for a complete investigation by the City Administrator.

I, the undersigned, further agree and recognize that I am responsible for obeying all Federal, State, County and local laws.

I, the undersigned, further agree and understand that any misrepresentations, omissions or falsifications in the application or any documents attached thereto or amendments thereto will be immediate grounds for the City Administrator to deny this permit application and/or immediate grounds for revocation of a medical cannabis permit.

APPLICANT NAME:	Cory Robertson
SIGNATURE:	
DATE:	2/20/20

**FOR OFFICE USE ONLY:**

**Application:**

Received by: n marcus Date: 2/26/20

Receipt #: 048059