

HCA Application Supplemental Information



Somerville Marijuana Advisory Committee Interview

Thursday, September 17, 2020, 2:00 pm



Agenda

MAC Questions:

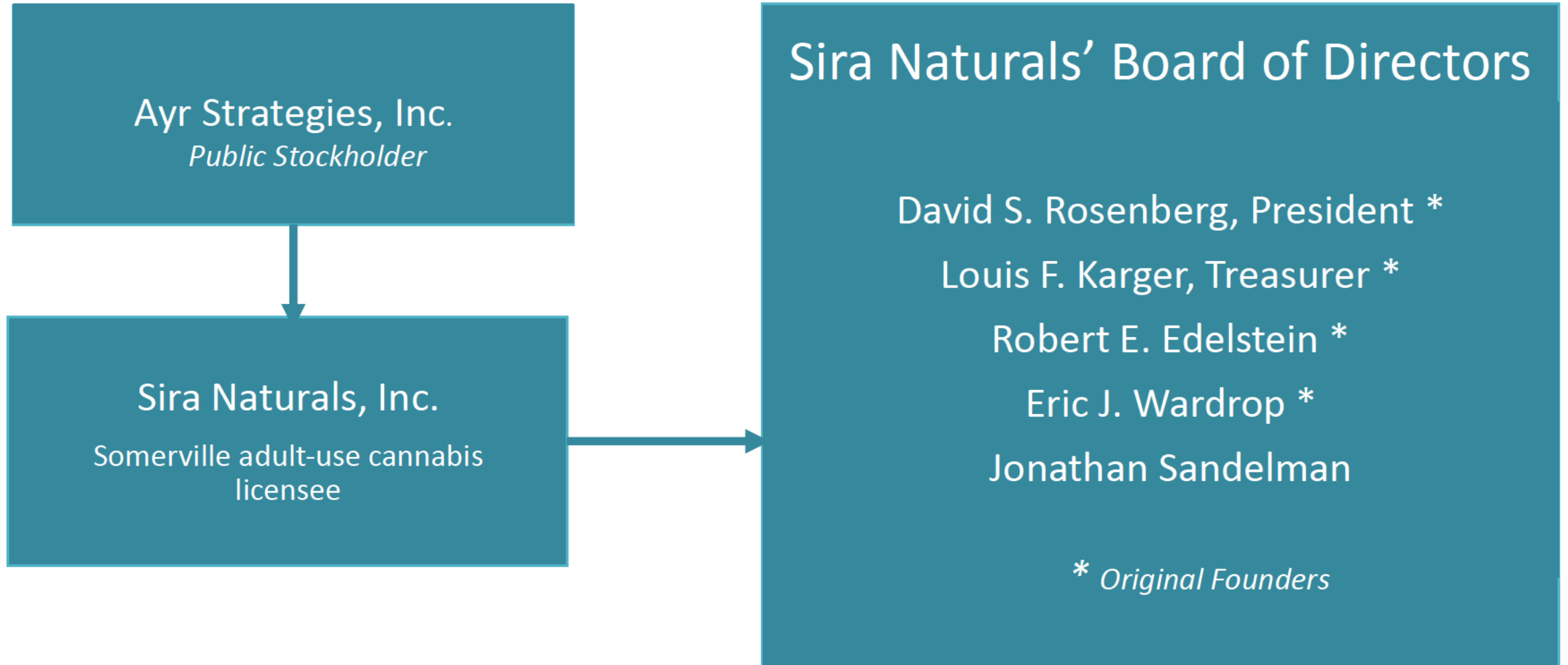
1. Ownership – 2019
 - Community Investments
2. On-site Customer Flow
3. Will AU Lead to Sidewalk Congestion?
 - Transit & Transportation



1. Sira Naturals Ownership – 2019

- Existing local board founded Sira Naturals in 2013, leveraging \$15M to establish our medical operations
- No traditional banking is available due to federal restrictions, inhibiting sufficient capitalization of MA cannabis businesses
- Of the 17 individual medical marijuana licenses originally issued in 2014, only 3 of those licenses are currently locally controlled, managed or run by the original founders
- Following passage of MA Adult Use statute, Sira began search for necessary capital (\$50M+) to enable us to sufficiently expand and take advantage of the new law
- We rejected all investor inquiries that would result in the original founders relinquishing local control
- In 2019, Sira's original founders agreed, and the CCC approved their swap of Sira stock for ownership interests in Ayr Strategies and a seat on the Ayr Board of Directors, making Sira's original founders integral to the ownership of the new public company
- As a condition of the state approved stock swap, the local original Sira founders retain control of Sira Naturals, Inc., including the Board of Directors, all officer and local management positions
- We took no profits out of this transaction. We took ownership in Ayr and thereby retained ownership in Sira

Corporate Structure



Ownership 2019

Challenge	Solution
Capital infusion to expand operations	Ayr partnership
	Stock swap between Sira and Ayr
	Sira gets one seat on Ayr board
	Ayr gets one seat on Sira board
	Sira controls Sira board
Limited banking services	Access to financial institutions
	Funding for Community Investments

New Investment. Community Focus.

Expanding a Diverse Leadership Team & Community Investment Strategy

- Creation of Government Relations & Community Investment Department as part of Leadership Team
- Regional Director added to Leadership Team
- Creation of Advisory Board
- Creation of Sira.Community
- Voluntarily Unionized with UFCW Local 1445
- Expanded Sira Accelerator with a new \$300,000 annual investment for Economic Empowerment entrepreneurs



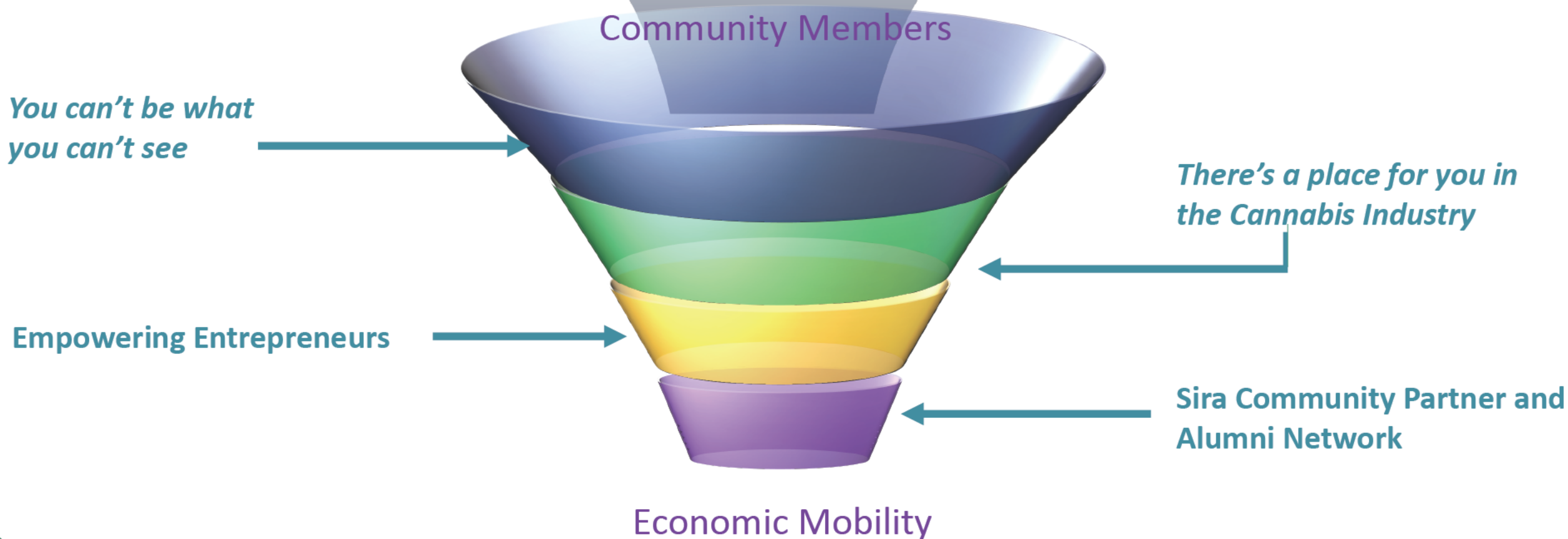
Linda Champion, Chair Sira Advisory Board

Sira.Community: 3 Components

- **Community engagement:** *You can't be what you can't see!*
- **Workforce development:** *There's a place for you in the cannabis industry!*
 - Union employer: UFCW Local 1445
- **Empowering entrepreneurs:** Accelerator 2.0



Sira.Community



Community Investment: Somerville

Community Action Agency of Somerville

- December 2019: Funded Housing Search and Stabilization Advocate for \$51,000 over 3-years
- April 2020: \$10,000 contribution to the Somerville Cares Fund
- August 2020: Pledge of \$150,000 over 3-years



Community Investment: CultivatED

- Founding member of CultivatED with \$25,000 annual contribution.
- Through fellowships, empowers, educates, and employs formerly incarcerated individuals to ensure that a prior marijuana conviction is not a barrier to working in the cannabis industry.
- Sira Naturals committed to accepting at least 3 graduates annually. First cohort begins October 2020.



MASS Cultivat**ED**

3. AU Will Not Lead to Sidewalk Congestion

- Continued Operation of Appointment-Only & Express Online Ordering utilizing advanced IT solutions
 - No Lines Outside of Facility
 - These approaches are good for business as they increase customer satisfaction and better serve our medically vulnerable patients
- Tripling Our Staff in Somerville for Adult Use
- Increase in Area Adult Use Retail Locations
 - Lowering foot traffic per location
- On-site Security Monitors Interior & Exterior of Building
- Store can accommodate
 - 20 customers in queue, with 6-feet social distance
 - 6 customers in express pick-up, with 6-feet social distance



Transit & Transportation

- **Proactive Transportation Study Completed**

- Responding directly to concerns raised by MAC in November 2019

- **DCI – Traffic Impact & Access Study**

- Project not expected to have an impact on the surrounding traffic network
 - Project not expected to have an impact on safety of surrounding intersections
 - The study area chosen was determined by DCI in conjunction with the City of Somerville
 - Located in an area that lends itself to a high volume of biking, walking, and use of public transportation
 - There was no credit taken for the existing trips to the site, which provides a conservative analysis of potential traffic impact
 - There is no project-related degradation in level of service at any of the study intersections

- **DCI – Transportation Access Plan**

- Sira will comply with all Somerville Zoning Requirements and add additional bicycle parking for employees & customers

- **Encouraging Alternative Transit Modes**

- Subsidize MBTA Passes & Blue Bikes Subscriptions





Thank You Somerville!

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Please visit our website:
sira.community