City of Lansing
Medical Marihuana Commission
Regular Meeting
Friday, January 10, 2020 2:00 PM
2500 S Washington Avenue
City Clerk’s Training Room

Meeting Agenda

1. Call to Order/Introductions
2. Approval of the Agenda
3. Approval of Minutes from 12-06-2019
4. Public Comment on Agenda Items
5. Commission Appeal Hearings
   - RJB Enterprises – 6420 S Cedar St
   - Arbor Farm – dba Herbana – 2001 W Saginaw St
6. New Business & Updates
7. Public Comment
8. Adjournment
Timeline
RJB Enterprises LLC
6420 S Cedar St
Lansing, Michigan 48911

June 27, 2019 – Application submitted .................................................................2
July 1, 2019 – Department review of applications begins
July 25, 2019 – Distance Maps Created ..................................................................11
August 23, 2019 – Density Maps Created ...............................................................12
October 7, 2019 – Score & Rank Denial Letter Sent ..............................................16
October 11, 2019 – Hearing Officer Appeal submitted .........................................20
November 23, 2019 – Second Score & Rank Second Denial Letter Sent ..............23
November 23, 2019 – Commission Hearing Date Letter Set ...................................23
December 12, 2019 – Commission Appeal Submitted ..........................................35

No Exhibits were submitted by the appellant.
Business Information

Annual License Application Fee: $5000.00
One Year License Term

(City Codified Ordinances - Chapter 1300)
https://mi-lansing-civicplus.com/171/Business-Licenses

Establishment/DBA  RJB Enterprises LLC DBA Pleasantrees Lansing
Name

Establishment Phone Number  3053401556
Name

Establishment Address  6420 S Cedar Street

City  Lansing  State  MI

Zip  48011

Applicant Type  
- Individual
- Corporation
- LLC
- LLP

Facility Type  
- Provisioning Center
- Secure Transporter
- Safety Compliance
- Processor Facility
- Grower

(Please initial) I have filed our organizational documents with the State of Michigan. (If individual I have proof of registration to do business in Michigan.)
MCL333.206(3)(iii)(B)
(d)

Applicant/Corporation/LLC/LLP Information - This needs to be where you can be reached quickly for questions regarding your application.

Don Crottenden
<table>
<thead>
<tr>
<th>Applicant/Corp</th>
<th>3053401556</th>
</tr>
</thead>
<tbody>
<tr>
<td>Phone Number</td>
<td></td>
</tr>
<tr>
<td>Secondary Phone Number</td>
<td></td>
</tr>
<tr>
<td>Contact email</td>
<td><a href="mailto:dc@enjoypleasantrees.com">dc@enjoypleasantrees.com</a></td>
</tr>
<tr>
<td>address</td>
<td></td>
</tr>
<tr>
<td>Applicant/Corp/LLC/LIB</td>
<td>20 S Cedar St</td>
</tr>
<tr>
<td>Address</td>
<td></td>
</tr>
<tr>
<td>City</td>
<td>Lansing</td>
</tr>
<tr>
<td>Zip</td>
<td>48911</td>
</tr>
<tr>
<td>State</td>
<td>MI</td>
</tr>
</tbody>
</table>
Attachments

Please review the general instructions, which are available at [https://lansingmi.gov/marijuana](https://lansingmi.gov/marijuana), prior to starting.

Ensure that you attach the correct documents to the following buttons. You may attach multiple documents to a button.

**Application Documents 1300.05(b)(1), (2), (3), (7), (24)** - Please attach the following:

You may download the Stakeholder Information Page [here](#).

<table>
<thead>
<tr>
<th>Stakeholder Information Page(s)</th>
<th>DC-Stakeholder Info (1).pdf</th>
<th>596.23KB</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>TN-Stakeholder Information (1).pdf</td>
<td>587.37KB</td>
</tr>
<tr>
<td></td>
<td>RB-Stakeholder Info.pdf</td>
<td>641.36KB</td>
</tr>
</tbody>
</table>

You may download the Operator/Employee Information page [here](#).

<table>
<thead>
<tr>
<th>Operator/Employee Information page(s)</th>
<th>MRE-Operator and Employee Information.pdf</th>
<th>1007.92KB</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Travis - Operator Employee Info.pdf</td>
<td>1.05MB</td>
</tr>
</tbody>
</table>

**Organizational Documents 1300.05(b)(2), (12)(i), (ii), (viii), 1300.06(b)(1)** - Please attach the following:

<table>
<thead>
<tr>
<th>LLC, LLP, or Corpotion Docs</th>
<th>RJB Enterprises Articles.pdf</th>
<th>174.28KB</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>EGP Operating Agreement.pdf</td>
<td>5.67MB</td>
</tr>
<tr>
<td></td>
<td>RJB OA Executed.pdf</td>
<td>194.16KB</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>FEIN Verification Letter</th>
<th>RJB EIN .pdf</th>
<th>29.21KB</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ownership Structure</td>
<td>RJB Hierarchy.pdf</td>
<td>34.26KB</td>
</tr>
<tr>
<td>Organization Chart</td>
<td>Org Chart - Lansing .pdf</td>
<td>2.14MB</td>
</tr>
<tr>
<td>Short &amp; Long Term Goals</td>
<td>Short and Long Term Goals-Lansing.pdf</td>
<td>164.9KB</td>
</tr>
</tbody>
</table>

**Criminal History 1300.05(b), (5), (6): 1300.06(b)(4)** - Please attach one of each for each stakeholder, operator and employee.

<table>
<thead>
<tr>
<th>Criminal History Background Check form(s)</th>
<th>DC-Criminal History Check Auth (1).pdf</th>
<th>560.64KB</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>MRE-Criminal History Record Check Auth.pdf</td>
<td>586.67KB</td>
</tr>
<tr>
<td></td>
<td>RB-Criminal History Record Check Auth.pdf</td>
<td>621.45KB</td>
</tr>
<tr>
<td></td>
<td>TH_Criminal Background Check.pdf</td>
<td>750.83KB</td>
</tr>
<tr>
<td></td>
<td>TN-Criminal History Record Check Authorization.pdf</td>
<td>578.53KB</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Copy of Photo ID(s)</th>
<th>Dan Crittenden License.pdf</th>
<th>34.44KB</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>MRE- Driver's License.pdf</td>
<td>315.56KB</td>
</tr>
<tr>
<td></td>
<td>RJB DL.pdf</td>
<td>231.63KB</td>
</tr>
<tr>
<td></td>
<td>Thomas Neary License.pdf</td>
<td>158.68KB</td>
</tr>
<tr>
<td></td>
<td>TH-DL.pdf</td>
<td>1.73MB</td>
</tr>
</tbody>
</table>

**Patient Education Plan 1300.05(b)(9)** - Please attach your Patient Education Plan:
Drug/Alcohol Awareness Plan 1300.05(b)(10) - Please attach your Drug & Alcohol Awareness Plan:

Drug and Alcohol Awareness Plan

Worker Training Plan 1300.05(b)(11); 1300.05(b)(12)(vi) - Please attach your Worker Training Plan:

Worker Training Plan

Marketing, Advertising & Promotion Plan 1300.05(b)(12)(iii); 1300.06(b)(1) - Please attach your Marketing, Advertising & Promotion Plan:

Marketing Advertising & Promotion Plan

Improvements Made or Proposed to Building 1300.06(b)(3) - Please attach the following:

Any Supporting Materials

Tangible Capital Investment 1300.05(b)(12)(iv); 1300.05(b)(13); 1300.06(b)(1) - Please attach any of the following which apply:

TCI Plan

Any Supporting Materials

Document(s) demonstrating ownership or exclusive lease of Provisioning Center

Job Creation - Additional Lansing Jobs (1300.05(b)(12)(v); 1300.06(b)(1) - Please attach documentation showing the number of additional jobs which will be created in the Lansing area at other medical marijuana facility types. Do NOT include jobs at this provisioning center.

Job Creation - not Including Provisioning Center

Job Creation - this Provisioning Center ONLY 1300.05(b)(23) - Please attach a plan and any supporting documentation which includes the following:
<table>
<thead>
<tr>
<th>Document(s) regarding number of FTE (full time equivalent) jobs at the provisioning center only</th>
</tr>
</thead>
<tbody>
<tr>
<td>Projected annual budget and revenue at Provisioning Center only</td>
</tr>
<tr>
<td>Percent of Employees earning over $15.00/hr</td>
</tr>
<tr>
<td>Other Compensation</td>
</tr>
</tbody>
</table>

**Financial Structure & Financing 1300.05(b)(12)(vii); 1300.06(b)(5)** - Provide evidence and explanation of the financial structure and financing for the proposed establishment(s).

**Financial Structure & Financing**

- Financial Structure & Funding.pdf 182.55KB

**Supporting Documents**

**Plan to integrate with a Grow Facility in Lansing 1300.05(b)(12)(ix); 1300.06(b)(1)** - Please attach the following:

**Integration Plan**

- INTEGRATION PLAN.pdf 193.83KB

**Supporting Documents**

- Integration Plan LOI.pdf 2.32MB
  - i.e. licenses for other medical marijuana facilities in Lansing or proof of application for other medical marijuana facility licenses in Lansing

**Community Outreach & Education Plan 1300.05(b)(12)(x); 1300.06(b)(2)** - Please attach your plan and any supporting materials.

**Outreach & Education Plan**

- Community Outreach & Education.pdf 326.77KB

**Charitable Plans & Strategies 1300.05(b)(12)(xi); 1300.06(b)(1)** - Please attach your plan and any supporting documents

**Charitable Plans & Strategies**

- Charitable Plans & Strategies - Lansing.pdf 589.31KB

**Charitable Plans Supporting Docs**

- Charitable Plans - Supporting Docs.pdf 495.27KB

**Security Plan 1300.05(b)(14); 1300.06(b)(2)** - Please attach your security plan and any supporting documents to ensure compliance with ordinance.

**Security Plan and Supporting Documents**

- FACILITY SECURITY PLAN.pdf 383.45KB

**Floor Plans 1300.05(b)(15)** - Please attach your facility's floor plans.
### Proposed Text & Graphics 1300.05(b)(16)
- Please attach your facility's plan for outdoor text and graphics.

<table>
<thead>
<tr>
<th>Proposed Text &amp; Graphics</th>
<th>Proposed Text &amp; Graphics.pdf</th>
<th>94.18KB</th>
</tr>
</thead>
</table>

### Location Area Map 1300.05(b)(17)
- Please attach your location's area map.

<table>
<thead>
<tr>
<th>Location Area Map</th>
<th>Location Area Map.pdf</th>
<th>194.78KB</th>
</tr>
</thead>
</table>

### Sanitation & Waste Disposal Plan 1300.05(b)(18)
- Please attach your plan.

<table>
<thead>
<tr>
<th>Sanitation and Waste Disposal Plan</th>
<th>Sanitation &amp; Waste Disposal Plan.pdf</th>
<th>160.98KB</th>
</tr>
</thead>
</table>

### Patient Recordkeeping 1300.05(b)(19)
- Please attach your plan for securing patient records.

<table>
<thead>
<tr>
<th>Patient Recordkeeping</th>
<th>PATIENT RECORD KEEPING PLAN.pdf</th>
<th>438.97KB</th>
</tr>
</thead>
</table>

### Testing Procedures (1300.05(b)(20)
- Please attach your plan.

<table>
<thead>
<tr>
<th>Testing Procedures</th>
<th>Testing Procedures.pdf</th>
<th>108.32KB</th>
</tr>
</thead>
</table>

### Treasury Form(s) 1300.05(b)(4); 1300.05(b)(21)
- Please attach the following for each stakeholder.

<table>
<thead>
<tr>
<th>Completed City of Lansing Treasury Office Form</th>
<th>DC-Lansing Treasury Info Request (1).pdf</th>
<th>597.42KB</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>RB-Lansing Treasury Info Request.pdf</td>
<td>627.33KB</td>
</tr>
<tr>
<td></td>
<td>TN-Lansing Treasury Info Request (1).pdf</td>
<td>605.82KB</td>
</tr>
</tbody>
</table>

### Bank Statement(s) 1300.05(b)(22)
- Please attach your bank statement(s) showing $100,000 in liquid assets.

<table>
<thead>
<tr>
<th>Bank Statement(s)</th>
<th>Financial Structure &amp; Funding.pdf</th>
<th>182.55KB</th>
</tr>
</thead>
</table>

### Sufficient Financial Resources 1300.05(b)(22) 1300.06(b)(5)
- Please attach the following:

<table>
<thead>
<tr>
<th>Financial Resources Litigation Form</th>
<th>DC-Financial Resources and Litigation History (1).pdf</th>
<th>490.46KB</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>RB - Financial Resources Litigation History.pdf</td>
<td>530.94KB</td>
</tr>
<tr>
<td></td>
<td>TN-Financial Resources Litigation History (1).pdf</td>
<td>525.46KB</td>
</tr>
</tbody>
</table>

### Document(s) which support net worth

<table>
<thead>
<tr>
<th>Document(s)</th>
<th>Financial Structure &amp; Funding.pdf</th>
<th>182.55KB</th>
</tr>
</thead>
</table>

### Business Experience 1300.05(b)(8); 1300.06(b)(5)
- Please attach the following:

<table>
<thead>
<tr>
<th>Resume for Each Stakeholder</th>
<th>Crittenden CV.pdf</th>
<th>80.02KB</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Neary CV.pdf</td>
<td>63.69KB</td>
</tr>
<tr>
<td></td>
<td>Michael R. Edick 2019.pdf</td>
<td>72.28KB</td>
</tr>
<tr>
<td></td>
<td>Randall Buchman Resume.pdf</td>
<td>134.59KB</td>
</tr>
<tr>
<td></td>
<td>Harrison CV.pdf</td>
<td>95.34KB</td>
</tr>
</tbody>
</table>
Applicable Licenses such as medical licenses held by Stakeholder(s)

Insurance Policy 1300.05(B)(26) - Please attach your entire insurance policy or intent to insure.

Insurance Policy 6420 Intent to Insure.pdf 154.07KB

Proof of Bond or Escrow 1300.05(b)(27) - Please attach a letter of intent to insure from an insurer qualified to do business in Michigan, or a letter of intent to bond.

Proof of Bond or Escrow Account Surety Bond Executed.pdf 1.67MB

Traffic Plan 1300.09(i); 1300.06(b)(2), (3); 1300.05(b)(15) - Please attach your plan and any supporting materials (example: parking site plan, quotes, traffic analysis, etc.)

Traffic Plan TRAFFIC PLAN.pdf 63.12KB

Noise Plan 1300.06(b)(3); 1300.09(i) - Please attach your plan.

Noise Control Plan Noise Control Plan.pdf 70.71KB

Odor Plan 1300.06(b)(3); 1300.09(i) - Please attach your plan for odor control.

Odor Plan Odor Plan.pdf 1.04MB

Applicant-Stakeholder History 1300.06(b)(1), (4), (5); 1300.08(e), MCL 333.27401; MCL 333.27402(3)(a), (b), (c); MCL 333.27495

SOM Pre-qualification Letter RJB State PreQualification.pdf 1.19MB
RJB PreQual Confirmation.pdf 95.68KB

Morals, Good Order & General Welfare Litigation History Form for each Stakeholder

DC-Morals, Good Order, Gen Welfare Litigation (1).pdf 495.33KB
RB-Morals Good Order and General Welfare Litigation (1).pdf 537.49KB
TN-Morals Good Order and General Welfare Litigation History (1).pdf 536.41KB
Affirmations

Please affirm each of the following statements by entering your initials in the box for each statement. (You may select a font or draw your initials.)

I affirm that I, the applicant, and each stakeholder and employee is at least 18 years of age and has not been convicted of or pled guilty or no contest to a disqualifying felony. 1300.05(b)(4)

Initial here:*

Dan Crittenden

I affirm that I, the applicant or operator. 1300(b)(7)

Choose one *

○ have not had a business license revoked or suspended
○ have had a business license revoked or suspended

Initial here *

Dan Crittenden

I acknowledge that I, the applicant, am aware that all matters related to marijuana, growing, cultivation, possession, dispensing, testing, safety compliance, transporting, distribution, and use are currently subject to State and Federal Laws, Rules, and Regulations, and that the approval or granting of a license hereunder does not exonerate or exculpate myself, the applicant, from abiding by the provisions and requirements and penalties associated with those laws, rules, and regulations or exposure to any penalties associated therewith; and further myself, the applicant, waives and forever releases any claim, demand, action, legal redress, or recourse against the City of Lansing, its elected and appointed Officials and its Employees and Agents for any claims, damages, liabilities, causes a result of the violation by myself, the applicant, its Officials, members, partners, shareholders, employees and agent of those laws, rules, and regulations and hereby waives and assumes the risk of any such claims and damages, and lack of recourse against the City of Lansing, its elected and appointed Officials, employees, attorneys, and agents 1300.05(b)(24)

Initial here:*

Dan Crittenden

I swear that neither I, the applicant, nor any stakeholder is in default to the City of Lansing for failure to pay any property taxes, special assessments, fines, fees or other financial obligations to the City 1300.05(b)(21)

Initial here:*

Dan Crittenden

I agree to report any changes to the information required under Chapter 1300 to the City Clerk within ten (10) business days 1300.08(d).

Initial here:*

Dan Crittenden

By submitting this application for a medical marijuana license, I affirm: (1) that I have read and understand Ordinance 1217 and the instructions for this application, (2) that I have submitted a complete application, and (3) that I have submitted all documents that will be considered for each section of the application.; A document should be uploaded to each applicable scoring section; failure to do so may impact the completeness and/or score of your application.
<table>
<thead>
<tr>
<th><strong>Stamps</strong></th>
<th><strong>Endicia</strong></th>
<th><strong>Shipping Label Receipt</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>9405 5116 9900 0563 1717 46</td>
<td>Delivery Confirmation™ Service Number</td>
<td></td>
</tr>
</tbody>
</table>

**Priority Mail 2-3 Day Mail with USPS Tracking #**
- Electronic Signature: Insured
- Total Postage and Fees: $4.95
- Date: 10/07/2019
- Mailing Date: 10/08/2019

**From:**
- Chris Swope
- Lansing City Clerk's Office
- 124 W Michigan Ave Floor 9
- Lansing MI 48909-1612

**To:**
- R.J. Enterprises LLC
- Emerald Growth Partners
- 1001 Woodward Ave 5th Floor
- Detroit MI 48226-2723

**USPS Postmark Here**

**Instructions:**
1. Apply adhesive label to package with tape - DO NOT TAPE OVER BAR CODE. Be sure all labels are secured. Self-adhesive label is recommended.
2. Place the label so it does not wrap around the edge of the package. The package may be shipped by airmail, and your local post office will handle it. This package may also be shipped by an overnight freight company. The label must be applied by the time of mailing.
3. Each receiving number is unique and can be used only once - NOT COPY.
4. You must mail this package on the "mail date" that is specified on this label.
October 7, 2019

RJB Enterprises LLC – Emerald Growth Partners
c/o Daniel Crittenden
1001 Woodward Ave – 5th Floor
Detroit, MI  48226

Dear Provisioning Center Applicant,

The Lansing City Ordinance section 1300.6 discusses Provisioning Center license application evaluation. Your score of 56.50 out of 100 eliminates the possibility of scoring in the top five. Therefore, your application for licensure is denied.

Attached are your sub-scores based on the criteria posted on https://lansingmi.gov/1637/Medical-Marijuana and a brief summary of determining factors for each sub-score.

You will not be selected to receive a Provisioning Center license in the City of Lansing for the proposed business at 6420 S Cedar St.

You have the right to appeal this denial of licensure within 14 days of the date of this letter by filing with the City Clerk’s Office a written statement setting forth fully the grounds for the appeal pursuant to Chapter 1300.15(c). Please note that initial appeals are referred to a hearing officer appointed by the City Clerk who will review the appeal and information submitted. The hearing officer will consider the information and make a recommendation to the City Clerk, who will make a decision on the appeal. To encourage efficiency, appeals will be conducted as a paper hearing without oral presentation. Please ensure that you include all information in your written appeal that you would like the hearing officer to consider. Appeals are limited to materials provided during the application process. No new application material will be considered on appeal.

Chapter 1300 provides that should the applicant not receive a license, one-half the application fee shall be returned. This refund will be processed after all appeals are exhausted.

Sincerely,

Chris Swope, CMMC/MMC
Lansing City Clerk

CC: City Attorney
    Lansing Police Department
<table>
<thead>
<tr>
<th>#</th>
<th>Category</th>
<th>Total Possible Points</th>
<th>Score</th>
<th>Location of Material</th>
<th>Scoring Insights</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Ownership Structure</td>
<td>1</td>
<td>0</td>
<td>Org Docs, Ownership Struct., 1 pg.</td>
<td>Ownership structure lacks percent of ownership as required in public scoring criteria. 10/7/19</td>
</tr>
<tr>
<td>2</td>
<td>Organizational Chart</td>
<td>1</td>
<td>1</td>
<td>Org Docs, Org Chart, 1 pg.</td>
<td>Has org chart. 8/22/19</td>
</tr>
<tr>
<td>3</td>
<td>Worker Training Program</td>
<td>1</td>
<td>1</td>
<td>Other Req Docs, Worker Training Plan, 13 pgs.</td>
<td>Has plan. 8/22/19</td>
</tr>
<tr>
<td>4</td>
<td>Short and Long Term Goals and Objectives</td>
<td>1</td>
<td>0</td>
<td>Org Docs, Goals, 2 pgs.</td>
<td>Does not have short and long term goals. 9/23/19</td>
</tr>
<tr>
<td>5</td>
<td>Community Outreach &amp; Education</td>
<td>1</td>
<td>0</td>
<td>Community Outreach, Outreach &amp; Ed, 4 pgs.</td>
<td>Does not have plan to reach out to neighborhood groups. 8/22/19</td>
</tr>
<tr>
<td>6</td>
<td>Marketing, Advertising &amp; Promotion</td>
<td>3</td>
<td>1</td>
<td>Marketing</td>
<td>Three minor minimization examples with very little detail, no budget. 7/9/19</td>
</tr>
<tr>
<td>7</td>
<td>Tangible Capital Investment Dollar Amount</td>
<td>5</td>
<td>2</td>
<td>1 page Investment Plan</td>
<td>Allowable stated TCI is $2,000,000.00 9/23/19</td>
</tr>
<tr>
<td>8</td>
<td>Tangible Capital Investment Own/Lease</td>
<td>3</td>
<td>1</td>
<td>9 pg. Lease with Permission</td>
<td>Applicant has a lease for the building with owner permission to operate a MM facility, but does not currently own building and did not provide a purchase agreement. 9/23/19</td>
</tr>
<tr>
<td>9</td>
<td>Tangible Capital Investment Supporting Material</td>
<td>3</td>
<td>0</td>
<td>4 pages in Support Documents</td>
<td>Does not have supporting material to corroborate their TCI claim. 9/23/19</td>
</tr>
<tr>
<td>10</td>
<td>Financial Structure &amp; Financing</td>
<td>2</td>
<td>0</td>
<td>Nothing submitted</td>
<td>No GAAP operating or startup budget submitted. 8/23/19</td>
</tr>
<tr>
<td>11</td>
<td>LARA Pre-Qual</td>
<td>3</td>
<td>3</td>
<td>Demo of Reg Prequal Letter Version 1</td>
<td>Letter dated 3/21/19 for RJB Enterprises LLC. 8/23/19</td>
</tr>
<tr>
<td>12</td>
<td>Integration with Grows</td>
<td>4</td>
<td>0</td>
<td>Integrate Integration Plan</td>
<td>Has a plan to purchase Jartnick Consulting's grow at 1322 Rensen St. This is considered speculative because Jartnick does not have a license, they are just conditionally approved. The property has to be fully licensed to be sold. 8/23/19</td>
</tr>
<tr>
<td>13</td>
<td>Charitable Plans &amp; Strategies</td>
<td>4</td>
<td>4</td>
<td>Charity</td>
<td>$50K per year, has signed agreements with charities. 8/22/19</td>
</tr>
<tr>
<td>14</td>
<td>Number of and job descriptions for PC ONLY</td>
<td>3</td>
<td>3</td>
<td>Job Creation FTEs</td>
<td>More than six (6) employees with detailed job descriptions. 8/23/19</td>
</tr>
<tr>
<td>15</td>
<td>Healthcare</td>
<td>2</td>
<td>2</td>
<td>Job Creation FTEs</td>
<td>Employer will offer Healthcare. 8/23/19</td>
</tr>
<tr>
<td>16</td>
<td>Paid Time Off</td>
<td>1</td>
<td>1</td>
<td>Job Creation FTEs</td>
<td>Employer will offer PTO. 8/23/19</td>
</tr>
<tr>
<td>17</td>
<td>Retirement</td>
<td>1</td>
<td>0</td>
<td>Job Creation FTEs</td>
<td>Employer does not offer 401K plan to all employees. 9/23/19</td>
</tr>
<tr>
<td>18</td>
<td>% of employees at $15+/hr</td>
<td>3</td>
<td>3</td>
<td>Job Creation FTEs</td>
<td>100% of employees will make $15+/hr. 8/23/19</td>
</tr>
<tr>
<td>19</td>
<td>Projected Annual Budget</td>
<td>2</td>
<td>0</td>
<td>Nothing submitted</td>
<td>No GAAP operating budget submitted. 8/23/19</td>
</tr>
<tr>
<td>20</td>
<td>Total COL Jobs</td>
<td>6</td>
<td>0</td>
<td>Job Creation FTEs</td>
<td>Employer will create 50 additional jobs at speculative Grow. They do not have an application in at this time, no points are awarded for speculative jobs. 8/23/19</td>
</tr>
<tr>
<td>21</td>
<td>Financial Litigation History</td>
<td>1</td>
<td>1</td>
<td>Financial Litigation Form</td>
<td>Has completed form(s) for all stakeholder(s). 9/23/19</td>
</tr>
<tr>
<td>22</td>
<td>Net Worth</td>
<td>3</td>
<td>0</td>
<td>6 unduplicated pages in Finance Section</td>
<td>Doesn’t have proof of $100,000.00 in applicant (LLC) name. Doesn’t have solid proof of net worth. No CPA attestation or tax returns in stakeholders’ names. Doesn’t have full documentation of initial start-up and operating costs. 9/23/19</td>
</tr>
<tr>
<td>23</td>
<td>LARA Pre-Qual</td>
<td>3</td>
<td>3</td>
<td>Demo of Reg Prequal Letter Version 1</td>
<td>Letter dated 3/21/19 for RJB Enterprises LLC. 8/23/19</td>
</tr>
<tr>
<td>24</td>
<td>Stakeholder Experience City of Lansing Businesses</td>
<td>1</td>
<td>0</td>
<td>Experience, Resume Multi Versions</td>
<td>No mention of Lansing business ownership. 8/23/19</td>
</tr>
<tr>
<td>25</td>
<td>Stakeholder Experience Relevant Businesses</td>
<td>1</td>
<td>1</td>
<td>Experience, Resume Multi Versions</td>
<td>More than five (5) years combined relevant medical, agricultural or retail business experience. 9/23/19</td>
</tr>
<tr>
<td>26</td>
<td>Stakeholder Experience Medical Marijuana Business</td>
<td>1</td>
<td>1</td>
<td>Experience, Resume Multi Versions</td>
<td>More than five (5) years Medical Marijuana experience. 9/23/19</td>
</tr>
<tr>
<td>27</td>
<td>Total Financial Stability &amp; Business Experience</td>
<td>10</td>
<td>6</td>
<td></td>
<td></td>
</tr>
<tr>
<td>28</td>
<td>Impact on Neighborhood Distance Between PC &amp; Residential Zoning</td>
<td>7</td>
<td>3</td>
<td><a href="https://lansing.maps.arcgis.com/apps/webappviewer/index.html?id=be0634345255438ba55b14c9b19e9f22">Link</a></td>
<td>PC Property abuts Residential Zoning on one side. (NW)</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>---</td>
<td>---</td>
<td>---</td>
<td>---</td>
<td>---</td>
<td>---</td>
</tr>
<tr>
<td>28</td>
<td>Impact on Neighborhood Density of PCs</td>
<td>7</td>
<td>1.5</td>
<td>Lose 2 points for every existing PC within a 1/2 mile radius. <strong>None</strong>&lt;br&gt;Lose 1 point for every existing PC within a 1 mile radius. <strong>#5, #9, #10, #11, #13</strong>&lt;br&gt;Lose .5 point for every existing PC within a 1.5 mile radius. <strong>#2</strong>&lt;br&gt;Lose .25 point for every existing PC within a 2 mile radius. <strong>None</strong>&lt;br&gt;Lost 5.5 points 8/23/19</td>
<td></td>
</tr>
<tr>
<td>29</td>
<td>Traffic &amp; Parking</td>
<td>3</td>
<td>3</td>
<td>Public Service Review</td>
<td>Tier 1 excellent parking and circulation 9/3/19</td>
</tr>
<tr>
<td>30</td>
<td>Security Plan</td>
<td>3</td>
<td>3</td>
<td>LPO Review</td>
<td>Tier 1 - Equip specs, guard, safe, barriers, off site video storage, alarms with panic button 9/9/19</td>
</tr>
<tr>
<td></td>
<td><strong>Total - Land Use &amp; Resident Safety</strong></td>
<td>20</td>
<td>10.50</td>
<td></td>
<td></td>
</tr>
<tr>
<td>31</td>
<td>Planned Outreach</td>
<td>1</td>
<td>0</td>
<td>Community Outreach, Outreach &amp; Ed, 4 pgs.</td>
<td>Does not have plan to reach out to neighborhood groups. 8/22/19</td>
</tr>
<tr>
<td>32</td>
<td>Improvements to Building</td>
<td>3</td>
<td>2</td>
<td>Building Improvements No Support Docs</td>
<td>SEV-$723,900&lt;br&gt;$2,000,000 stated - 176% of SEV&lt;br&gt;No documents to substantiate amount - one point deduction. 8/27/19</td>
</tr>
<tr>
<td>33</td>
<td>Plan to Minimize Traffic</td>
<td>1</td>
<td>1</td>
<td>Traffic Plan</td>
<td>Has a plan. 9/3/19</td>
</tr>
<tr>
<td>34</td>
<td>Noise Plan</td>
<td>1</td>
<td>1</td>
<td>Noise &amp; Odor Noise Plan</td>
<td>Has a plan. 10/7/19</td>
</tr>
<tr>
<td>35</td>
<td>Odor Plan</td>
<td>4</td>
<td>4</td>
<td>Noise &amp; Odor Odor Plan</td>
<td>Has detailed plan with equipment specs &amp; budget. 8/23/19</td>
</tr>
<tr>
<td></td>
<td><strong>Total Outreach</strong></td>
<td>10</td>
<td>8</td>
<td></td>
<td></td>
</tr>
<tr>
<td>36</td>
<td>Stakeholder History Proof of LARA Prequal</td>
<td>2</td>
<td>2</td>
<td>Demo of Reg Prequal Letter Version 1</td>
<td>Letter dated 3/21/19 for RJB Enterprises LLC. 8/23/19</td>
</tr>
<tr>
<td>37</td>
<td>Demo of Regulatory Compliance</td>
<td>5</td>
<td>5</td>
<td>Demo of Reg Compliance Plan</td>
<td>No conditional denial letters, no code violations since lease signed. 9/3/19</td>
</tr>
<tr>
<td>38</td>
<td>Morals, Good Order &amp; General Welfare Litigation History</td>
<td>3</td>
<td>3</td>
<td>Demo of Reg Lit Hist Form</td>
<td>Has completed form(s) for all stakeholder(s). 9/23/19</td>
</tr>
<tr>
<td></td>
<td><strong>Total Applicant Stakeholder History</strong></td>
<td>10</td>
<td>10</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td><strong>Total Score</strong></td>
<td>100</td>
<td>56.50</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Dear Lansing City Clerk’s Office,

RJB Enterprises LLC seeks to utilize (Ord. No. 1217, § 1, 9-7-17), 1300.15. - License revocation; bases for revocation; appeal of license denial., to seek an appeal of the its provisioning center license denial. Upon review of the ranking/scoring sheet received on October 7, 2019 we noticed inaccuracies in scoring related to the category numbers below. RJB asks for the opportunity to highlight instances the categories may have been incorrectly scored. Upon review, up to a possible 37 points may be added back to the score total and place RJB Enterprises in the range of applicants awarded licenses. Below are the sections we believe are grounds for our appeal.

Category #4: Scoring Insights states that, “Does not have short and long term goals. 9/23/19” yet a section of the application was labeled “Short and Long Term Goals.” (+1 point)

Category #5: Scoring Insights states that, “Does not have plan to reach out to neighborhood groups 8/22/19” but such plans were included in the application under the Charitable plans & Strategies portion of the application. Interactions with and donations to AdventHouse Ministries, Loaves and Fishes Ministries, and the Lansing Art Gallery & Education Center are also included in the application. (+1 point)

Category #6: Scoring Insights states that, “Three minor minimization examples with very little detail, no budget 7/9/19” but section titled Marketing, Advertising & Promotion plan is six pages long and goes into detail, with examples, and marketing is included in the budget provided within Short and Long Term Goals portion of the submission. See (+2 points)

Category #7: Scoring Insights states that, “Allowable stated TCI is $2,000,000.00 9/23/19” but offers no other justification or guidance, also the application detailed significantly more tangible capital investment dollar amounts, but was not addressed. See Lilu’s Garden Letter of Intent related to $40,000,000.00. (+3 points)

Category #8: Preference given to building ownership, but point deducted for no purchase agreement, signed master lease provided. (+1 point)

Category #9: Scoring Insights states that, “Does not have supporting material to corroborate their TCI claim. 9/23/19” support was included in the Financial Structure and Funding portion of the application and in bank statement documentation. Also see Lilu’s Garden Letter of Intent related to $40,000,000.00. (+3 points)
Category #10: Scoring Insights states that, "No GAAP operating startup budget submitted 8/23/19" but a budget was submitted in the Projected Revenue and Earnings portion of the submission as well as the Short and Long Term Goals section. (+2 points)

Category #12: Scoring Insights states that, "Has plan to purchase Jartnick Consulting’s grow at 1322 Rensen St. This is considered speculative because Jartnick does not have a license, they are just conditionally approved. The property has to be fully licensed to be sold. 8/23/19” but the scoring criteria states that “Points awarded for evidence which documents ownership of licensed (or pending application for) medical marijuana grow operations within the City of Lansing,” which was provided. Furthermore, Emerald Growth Partners has advanced $100,000.00 to Jartnick Consulting per the Letter of Intent provided in the application. (+4 points)

Category #19: See Category #10 same comment left in Scoring Insights. (+2 points)

#20: Scoring Insights states that, “...no points are awarded for speculative jobs. 8/23/19” yet staffing cannot be completed until license awarded. (+6 points)

Category #22: Scoring Insights states that, “Doesn’t have proof of $100,000.00 in applicant (LLC) name.” applicant showed bank statements for Emerald Growth Partners with significantly more capital than required, which is the parent company of RJB Enterprises LLC. Scoring criteria states, “CPA attestation of Net Worth or Bank Statements Supporting Initial Start-Up and Operating Costs,” which were provided. Furthermore, applicant was Pre-Qualified by the state of Michigan for 12 retail locations, each of which require capital of $300,000 per location. (+3 points)

Category #27: Scoring Insights states that, “PC Property abuts Residential Zoning on one side” but the Location Area Map provided shows it is completely surrounded by business operations. (+4 points)

Category #28: Scoring Insights states removed points for PC within certain distances, but the website shows applicants 9, 10, 11, and 13 were withdrawn or denied. (+4 points)

Category #31: Scoring Insights states that, “Does not have plan to reach out to neighborhood groups 8/22/19” but such plans were included in the application under the Charitable plans & Strategies portion of the application. Interactions with and donations to AdventHouse Ministries, Loaves and Fishes Ministries, and the Lansing Art Gallery & Education Center are also included in the application. (+1 point)
If added, the points discussed above would increase the Total Business Plan and Job Creation from 22 to 47, Total Financial Stability & Business Experience from 6 to 9, Total - Land Use & Resident Safety from 10.50 to 18.50, Total Outreach from 8 to 9, Total Applicant Stakeholder History remaining at 10, and Total Score from 56.50 to 93.50. (+37 points) We believe that the higher score would create the possibility of scoring in the top 5 and award of license by the City of Lansing.

Respectfully,

Daniel Crittenden
CFO – Pleasantrees
Delivery Confirmation™ Service Number:
9405 5116 9900 0331 7223 39

Priority Mail 2-DAY with USPS TRACKING #*
Electronic Service Fee: $0.00
Additional Services: Insured
Total Postage and Fees: $6.95
Weight: 1 oz
Print Date: 11/21/2019  Mailing Date: 11/23/2019

From:  Chris Swope
Lansing City Clerk's Office
124 W Michigan Ave Floor 9
Lansing MI 48933-1612

To:  RJB Enterprises LLC
Emerald Growth Partners
C/o Daniel Crittenden
1001 Woodward Ave Floor 5th
Detroit MI 48226-2723

*Regular Priority Mail 2-DAY Service postage rates apply. There is no fee for Delivery Confirmation™ service on Priority Mail services with use of this electronic shipping label. Postmark required if fee refund requested. Delivery information is not available by phone for the electronic option.

Instructions:
1. Adhere shipping label to package with tape or glue - DO NOT TAPE OVER BARCODE. Be sure all edges are secured. Self-adhesive label is recommended.
2. Place the label so it does not wrap around the edge of the package.
3. This package may be deposited in any collection box, handed to your mail carrier, or presented to a clerk at your local Post Office.
4. Each confirmation number is unique and can be used only once - DO NOT PHOTOCOPY.
5. You must mail this package on the "mail date" that is specified on this label.
November 23, 2019

RJB Enterprises LLC
c/o Daniel Crittenden
1001 Woodward Ave, 5th Floor
Detroit, MI  48226

Dear Provisioning Center Applicant,

I have reviewed the report and recommendation of the hearing officer on your appeal of the Scoring and Ranking denial of your application to operate a Medical Marihuana Provisioning Center in the City of Lansing at 6420 S Cedar St. I have determined that your appeal remains denied.

You have the right to appeal this denial of licensure to the Medical Marihuana Commission within thirty (30) days of the date of this letter by filing a written statement to the Commission with the City Clerk’s Office.

Should you choose to appeal, your Commission Hearing will be held at 2:00 p.m. on Friday, January 10, 2020. Commission Hearings are held at the Clerk’s Marijuana Licensing Unit, 2500 S Washington Ave, Lansing, MI 48910.

The Medical Marihuana Commission Appeal will become a matter of public record. The Commission’s review of the appeal shall not be de novo. The Commission shall only overturn, or modify, a decision or finding of the Clerk if it finds such decision or finding to be arbitrary or capricious and not supported by material, substantial, and competent facts on the whole record considered by the Clerk in arriving at such decision or finding.

Chapter 1300 provides that should the applicant not receive a license, one-half the application fee shall be returned. This refund will be processed after all appeals are exhausted.

Sincerely,

Chris Swope, CMMC
City Clerk

cc: M. Yankowski, Lansing Police Chief
    J. Smiertka, Lansing City Attorney
<table>
<thead>
<tr>
<th>#</th>
<th>Category</th>
<th>Total Possible Points</th>
<th>Score</th>
<th>Location of material</th>
<th>Scoring Insights</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Ownership Structure</td>
<td>1</td>
<td>0</td>
<td>Org Docs, Ownership Struc., 1 pg.</td>
<td>Ownership structure lacks percent of ownership as required in public scoring criteria. 10/7/19</td>
</tr>
<tr>
<td>2</td>
<td>Organizational Chart</td>
<td>1</td>
<td>1</td>
<td>Org Docs, Org Chart, 1 pg.</td>
<td>Has Org chart. 8/22/19</td>
</tr>
<tr>
<td>3</td>
<td>Worker Training Program</td>
<td>1</td>
<td>1</td>
<td>OtherReqDocs, Worker Training Plan, 13 pgs.</td>
<td>Has plan. 8/22/19</td>
</tr>
<tr>
<td>4</td>
<td>Short and Long Term Goals and Objectives</td>
<td>1</td>
<td>0</td>
<td>Org Docs, Goals, 2 pgs.</td>
<td>Does not have short and long term goals. 9/23/19</td>
</tr>
<tr>
<td>5</td>
<td>Community Outreach &amp; Education</td>
<td>1</td>
<td>0</td>
<td>Community Outreach, Outreach &amp; Ed., 4 pgs.</td>
<td>Does not have plan to reach out to neighborhood groups. 8/22/19</td>
</tr>
<tr>
<td>6</td>
<td>Marketing, Advertising &amp; Promotion</td>
<td>3</td>
<td>1</td>
<td>Marketing</td>
<td>Three minor minimization examples with very little detail, no budget. 7/9/19</td>
</tr>
<tr>
<td>7</td>
<td>Tangible Capital Investment Dollar Amount</td>
<td>5</td>
<td>2</td>
<td>1 page Investment Plan</td>
<td>Allowable stated TCI is $2,000,000.00 9/23/19</td>
</tr>
<tr>
<td>8</td>
<td>Tangible Capital Investment Own/Lease</td>
<td>3</td>
<td>1</td>
<td>9 pg. Lease with Permission</td>
<td>Applicant has a lease for the building with owner permission to operate a MM facility, but does not currently own building and did not provide a purchase agreement. 9/23/19</td>
</tr>
<tr>
<td>9</td>
<td>Tangible Capital Investment Supporting Material</td>
<td>3</td>
<td>0</td>
<td>4 pages in Support Documents</td>
<td>Does not have supporting material to corroborate their TCI claim. 9/23/19</td>
</tr>
<tr>
<td>10</td>
<td>Financial Structure &amp; Financing</td>
<td>2</td>
<td>0</td>
<td>Nothing submitted</td>
<td>No GAAP operating or startup budget submitted. 8/23/19</td>
</tr>
<tr>
<td>11</td>
<td>LARA Pre-Qual</td>
<td>3</td>
<td>3</td>
<td>Demo of Reg Prequal Letter</td>
<td>Letter dated 3/21/19 for RJB Enterprises LLC. 8/23/19</td>
</tr>
<tr>
<td>12</td>
<td>Integration with Grows</td>
<td>4</td>
<td>0</td>
<td>Integrate Integration Plan</td>
<td>Has a plan to purchase Jartnick Consulting's grow at 1322 Rensen St. This is considered speculative because Jartnick does not have a license, they are just conditionally approved. The property has to be fully licensed to be sold. 8/23/19</td>
</tr>
<tr>
<td>13</td>
<td>Charitable Plans &amp; Strategies</td>
<td>4</td>
<td>4</td>
<td>Charity</td>
<td>$50K per year, has signed agreements with charities. 8/22/19</td>
</tr>
<tr>
<td>14</td>
<td>Number of and job descriptions for PC ONLY</td>
<td>3</td>
<td>3</td>
<td>Job Creation FTEs</td>
<td>More than six (6) employees with detailed job descriptions. 8/23/19</td>
</tr>
<tr>
<td>15</td>
<td>Healthcare</td>
<td>2</td>
<td>2</td>
<td>Job Creation FTEs</td>
<td>Employer will offer Healthcare. 8/23/19</td>
</tr>
<tr>
<td>16</td>
<td>Paid Time Off</td>
<td>1</td>
<td>1</td>
<td>Job Creation FTEs</td>
<td>Employer will offer PTO. 8/23/19</td>
</tr>
<tr>
<td>17</td>
<td>Retirement</td>
<td>1</td>
<td>0</td>
<td>Job Creation FTEs</td>
<td>Employer does not offer 401K plan to all employees. 9/23/19</td>
</tr>
<tr>
<td>18</td>
<td>% of employees at $15+/hr</td>
<td>3</td>
<td>3</td>
<td>Job Creation FTEs</td>
<td>100% of employees will make $15+/hr. 8/23/19</td>
</tr>
<tr>
<td>19</td>
<td>Projected Annual Budget</td>
<td>2</td>
<td>0</td>
<td>Nothing submitted</td>
<td>No GAAP operating budget submitted. 8/23/19</td>
</tr>
<tr>
<td>20</td>
<td>Total COL Jobs</td>
<td>6</td>
<td>0</td>
<td>Job Creation FTEs</td>
<td>Employer will create 50 additional jobs at speculative Grow. They do not have an application in at this time, no points are awarded for speculative jobs. 8/23/19</td>
</tr>
<tr>
<td>---</td>
<td>Total Business Plan &amp; Job Creation</td>
<td>50</td>
<td>22</td>
<td></td>
<td></td>
</tr>
<tr>
<td>21</td>
<td>Financial Litigation History</td>
<td>1</td>
<td>1</td>
<td>Financial Litigation Form</td>
<td>Has completed form(s) for all stakeholder(s). 9/23/19</td>
</tr>
<tr>
<td>22</td>
<td>Net Worth</td>
<td>3</td>
<td>0</td>
<td>6 unduplicated pages in Finance Section</td>
<td>Doesn’t have proof of $100,000.00 in applicant (LLC) name. Doesn’t have solid proof of net worth. No CPA attestation or tax returns in stakeholders’ names. Doesn’t have full documentation of initial start-up and operating costs. 9/23/19</td>
</tr>
<tr>
<td>23</td>
<td>LARA Pre-Qual</td>
<td>3</td>
<td>3</td>
<td>Demo of Reg Prequal Letter</td>
<td>Letter dated 3/21/19 for RJB Enterprises LLC. 8/23/19</td>
</tr>
<tr>
<td>24</td>
<td>Stakeholder Experience City of Lansing Businesses</td>
<td>1</td>
<td>0</td>
<td>Experience, Resume Multi Versions</td>
<td>No mention of Lansing business ownership. 8/23/19</td>
</tr>
<tr>
<td>25</td>
<td>Stakeholder Experience Relevant Businesses</td>
<td>1</td>
<td>1</td>
<td>Experience, Resume Multi Versions</td>
<td>More than five (5) years combined relevant medical, agricultural or retail business experience. 9/23/19</td>
</tr>
<tr>
<td>26</td>
<td>Stakeholder Experience Medical Marijuana Business</td>
<td>1</td>
<td>1</td>
<td>Experience, Resume Multi Versions</td>
<td>More than five (5) years Medical Marijuana experience. 9/23/19</td>
</tr>
<tr>
<td>---</td>
<td>Total Financial Stability &amp; Business Experience</td>
<td>10</td>
<td>6</td>
<td></td>
<td></td>
</tr>
<tr>
<td>27</td>
<td>Impact on Neighborhood Distance Between PC &amp; Residential Zoning</td>
<td>7</td>
<td>3</td>
<td><a href="https://lansing.maps.arcgis.com/apps/webappviewer/index.html?id=be0634845295488baa55bi6c40b19e9722">https://lansing.maps.arcgis.com/apps/webappviewer/index.html?id=be0634845295488baa55bi6c40b19e9722</a></td>
<td>PC Property abuts Residential Zoning on one side. (NW)</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>---</td>
<td>---</td>
<td>---</td>
<td>---</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>28</strong> Impact on Neighborhood Density of PCs</td>
<td>7</td>
<td>1.5</td>
<td>Lose 2 points for every existing PC within a 1/2 mile radius. <strong>None</strong> Lose 1 point for every existing PC within a 1 mile radius. <strong>#5, #9, #10, #11, #13</strong> Lose .5 point for every existing PC within a 1.5 mile radius. <strong>#2</strong> Lose .25 point for every existing PC within a 2 mile radius. <strong>None</strong> <strong>Lost 5.5 points 8/23/19</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>29</strong> Traffic &amp; Parking</td>
<td>3</td>
<td>3</td>
<td>Public Service Review</td>
<td>Tier 1 excellent parking and circulation 9/3/19</td>
<td></td>
</tr>
<tr>
<td><strong>30</strong> Security Plan</td>
<td>3</td>
<td>3</td>
<td>LPD Review</td>
<td>Tier I - Equip specs, guard, safe, barriers, off site video storage, alarms with panic button 9/9/19</td>
<td></td>
</tr>
<tr>
<td><strong>Total - Land Use &amp; Resident Safety</strong></td>
<td><strong>20</strong></td>
<td></td>
<td><strong>10.50</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>31</strong> Planned Outreach</td>
<td>1</td>
<td>0</td>
<td>Community Outreach, Outreach &amp; Eid, 4 pgs.</td>
<td>Does not have plan to reach out to neighborhood groups. 8/22/19</td>
<td></td>
</tr>
<tr>
<td><strong>32</strong> Improvements to Building</td>
<td>3</td>
<td>2</td>
<td>Building Improvements No Support Docs</td>
<td>SEV-$723,000 $2,000,000 stated - 276% of SEV No documents to substantiate amount - one point deduction. 8/27/19</td>
<td></td>
</tr>
<tr>
<td><strong>33</strong> Plan to Minimize Traffic</td>
<td>1</td>
<td>1</td>
<td>Traffic Traffic Plan</td>
<td>Has a plan. 9/3/19</td>
<td></td>
</tr>
<tr>
<td><strong>34</strong> Noise Plan</td>
<td>1</td>
<td>1</td>
<td>Noise &amp; Odor Noise Plan</td>
<td>Has a plan. 10/7/19</td>
<td></td>
</tr>
<tr>
<td><strong>35</strong> Odor Plan</td>
<td>4</td>
<td>4</td>
<td>Noise &amp; Odor Odor Plan</td>
<td>Has detailed plan with equipment specs &amp; budget. 8/23/19</td>
<td></td>
</tr>
<tr>
<td><strong>Total Outreach</strong></td>
<td><strong>10</strong></td>
<td></td>
<td><strong>8</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>36</strong> Stakeholder History</td>
<td>2</td>
<td>2</td>
<td>Demo of Reg Prequal Letter Version 1</td>
<td>Letter dated 3/21/19 for RJB Enterprises LLC. 8/23/19</td>
<td></td>
</tr>
<tr>
<td><strong>37</strong> Demo of Regulatory Compliance</td>
<td>5</td>
<td>5</td>
<td></td>
<td>No conditional denial letters, no code violations since lease signed. 9/3/19</td>
<td></td>
</tr>
<tr>
<td><strong>38</strong> Morals, Good Order &amp; General Welfare Litigation History</td>
<td>3</td>
<td>3</td>
<td>Demo of Reg Lit Hist Form</td>
<td>Has completed form(s) for all stakeholder(s). 9/23/19</td>
<td></td>
</tr>
<tr>
<td><strong>Total Applicant Stakeholder History</strong></td>
<td><strong>10</strong></td>
<td></td>
<td><strong>10</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Total Score</strong></td>
<td><strong>100</strong></td>
<td></td>
<td><strong>56.50</strong></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Clerk’s Statement of Facts
RJB Enterprises LLC – 6420 S Cedar St

All items submitted were reviewed for the sections they were attached to. Supplemental items submitted were also reviewed for the sections indicated in email. It is the Clerk’s Office policy to not allow cure on appeal. Appellant did not submit any exhibits with their appeal.

Category #4 – Short and Long Term goals were not attached to the appropriate section.

Category #5 – The document they refer to was not attached to the Community Outreach & Education section.

Category #6 – Applicant did not provide minor minimization plan for their marketing examples. Marketing Budget was not submitted in the Marketing, Advertising & Promotion Section.

Category #7 – Tangible Capital is limited to those changes to the property that are permanent. It does not include things like taxes paid, wages paid, furniture, computers or other items which can easily be removed if the business were to shut down.

Category #8 – Points given in this section correspond with the information provided in the application.

Category #9 – Looking for corroboration of the number they stated in category #7. Purchase agreements, bids or invoices from vendors, and similar items. Documents mentioned by the applicant were not provided in this section.

Category #10 – Documents mentioned were not provided in the Financial Section.

Category #12 – There is no pending application on record for the appellant to purchase this grow. There can’t be, because it’s not allowed by the ordinance. Therefore the evidence offered by the appellant cannot be considered.

Category #19 – Documents mentioned were not provided in the Financial Section.

Category #20 – The reason the jobs were deemed speculative is because the appellant has no application in for other marijuana facilities in Lansing. Their argument does not apply.

Category #22 - $100,000 must be (per ordinance) in the name of the applicant. Applicant is RJB Enterprises LLC. No information provided in this section that proved a connection between RJB Enterprises and Emerald Growth Partners. The appellant’s arguments contain information that was not provided in this section of the application.

Category #27 – See attached COL Exhibit maps.

Category #28 – See COL exhibit which shows all Provisioning Centers awarded conditional approval in round 1 are still either conditionally approved or active. The appellant’s argument that these were withdrawn or denied is false.

Category #31 – The documents they refer to were not attached to the Community Outreach & Education section.
Email Attachments:

1. Clerk’s Statement of Facts
2. RJB Enterprises Application
3. RJB Enterprises Hearing Officer Appeal
4. RJB Enterprises Score Sheet
5. LARA Advisory Bulletin re: CPA Attestations
6. American Institute of CPA’s Definition of Compilation
7. Provisioning Center Public Scoring Criteria for Phase 2
8. Application Instructions
9. COL Density maps for RJB Enterprises
10. COL Current list of Phase I Applicants with map numbers indicated.
CITY OF LANSING
OFFICE OF THE CITY CLERK
MARIHUANA BUSINESS LICENSE APPEAL

__________________________________
Date: November 20, 2019

RJB Enterprises, LLC
d/b/a Emerald Growth Partners

Proposed Location:
6420 S. Cedar St.
Lansing, MI 48911

HEARING OFFICER RECOMMENDATION

This decision is remitted to the Clerk of the City of Lansing by Hearing Officer, Hilary M. Lauver, Esq., having been read and informed on the issues recommends that in regard to RJB ENTERPRISES, LLC d/b/a EMERALD GROWTH PARTNERS and its license application for a Medical Marihuana Provisioning Center that the license application remain denied.

FACTS

RJB ENTERPRISES, LLC d/b/a EMERALD GROWTH PARTNERS (“Appellant”) applied to the City of Lansing to operate a Medical Marihuana Provisioning Center within the city limits during Phase 2. This recommendation follows a timely appeal from Appellant.

On or about October 7, 2019, Appellant was informed via letter that its license application was denied. Appellant was informed that this score eliminated the possibility of scoring in the top five applications received in phase 2 and it would not be receiving a provisioning center license. Appellant was also informed that it had the right to appeal the denial within 14 (fourteen) days of the letter’s date by written statement with grounds for appeal. Appellant was also informed of the paper hearing process and advised to include information in its written appeal it wanted considered. With the letter, Appellant was provided a copy of the City of Lansing Provisioning Center Ranking sheet for its business. On the document, Appellant is able to view the total possible points, its attained points, and scoring insight statements.

Appellant has point deficiencies in several categories.

Appellant’s Position

Appellant seeks appellate review pursuant to the Lansing ordinance. It argues that its application was not accurately scored and requests review. With its appeal, Appellant did not provide any exhibits. In its appeal letter, Appellant points to the scoring insights and provides short statements regarding the comments.
City Clerk Position

The City Clerk affirms its position on the denial. The City Clerk iterates that application instructions told applicants to attach all relevant materials to each section that the applicant wanted considered and that applicants cannot cure on appeal with supplemental materials.

APPLICABLE LAW & REASONING

The issue in front of this Hearing Officer is whether Appellant’s Provisioning Center License Application for the City of Lansing was erroneously denied.

In regard to the issuance of licenses and the appellate process for a license:

“The City Council shall provide, by ordinance, a procedure for the issuance of licenses and permits. The ordinance shall, to the greatest extent possible, place the responsibility for the issuance of licenses and permits under one official in order that persons requesting specific licenses and permits will not have to contact more than one City office.”

At the denial of a license under City of Lansing Ordinance No. 1217, an applicant:

May appeal to the city clerk, who shall appoint a hearing officer to hear and evaluate the appeal and make a recommendation to the clerk. Such appeal shall be taken by filing with the city clerk, within 14 days after notice of the action complained of has been mailed to the applicant’s last known address on the records of the city clerk, a written statement setting forth fully the grounds for the appeal. The clerk shall review the report and recommendation of the hearing officer and make a decision on the matter. The clerk’s decision may be further appealed to the commission if applied for in writing to the commission no later than thirty (30) days from the clerk’s decision.

*[The] review of an appeal shall not be de novo. The commission shall only overturn, or modify, a decision or finding of the clerk if it finds such decision or finding to be arbitrary or capricious and not supported by material, substantial, and competent facts on the whole record considered by the clerk in arriving at such decision or finding.

The arbitrary or capricious standard of review is the commission’s review and is adopted by this Hearing Officer. Arbitrary and capricious have generally accepted meanings. Arbitrary is "without adequate determining principle . . . [f]ixed or arrived at through an exercise of will or by caprice, without consideration or adjustment with reference to principles, circumstances, or significance, . . .

---

1 See LANSING CITY CLERK’S OFFICE, City of Lansing City Charter (as amended) at 24 (2015) available at: https://www.lansingmi.gov/DocumentCenter/View/2126/City-Charter?bidId=. In this instance, the license issuance is handled with the City Clerk's office.
2 City of Lansing Ordinance No. 1217 Sec. 1300.15(C).
3 Id. at 1300.3(F).
4 There is an inherent binary in license issuance: issued or denied, not a spectrum of decisions. Given that this is a licensing situation, and that the only prescribed review under Ordinance No. 1217 is arbitrary and capricious, that is the standard that will be observed here.
decisive but unreasoned.”⁶ Capricious is “apt to change suddenly; freakish; whimsical; humorsome.”⁷ The burden is on the party attacking to affirmatively prove the arbitrary and unreasonable decision.⁸ This is not to say that a local body may “abrogate constitutional restraints.”⁹

As to whether an applicant can submit supplemental materials on appeal, the Lansing Ordinance in Section 1300.5(B) states that “[a] complete application for a license or licenses required by this chapter shall be made under oath on forms provided by the city clerk and shall contain all of the following[.]” (emphasis added). The ordinance then enumerates all the documents and information required for application submission. Per Michigan Court rule, appeals are based on the record already in place.¹⁰ Further, an appellate body will generally not consider issues not raised in or ruled on by a lower review.¹¹ The appellate review is limited to the record before the lower court at the time of the relevant decision.

Under the City of Lansing Ordinance No. 1217 Section 1300.5:

(B)(12)(IV) Planned tangible capital investment in the city, including detail related to the number and nature of applicant’s proposed medical marihuana establishments in the city and whether the locations of such establishments will be owned or leased; further, if multiple licenses are proposed, an explanation of the economic benefits to the city and job creation, if any, to be achieved through the award of such multiple licenses. Supporting factual data shall be included with the response to this subsection[.] (emphasis added)

Under the City of Lansing Ordinance No. 1217 Section 1300.6, review of an application will consider:

(D) In the event that there are more applicants for provisioning center licenses who meet the minimum requirements set forth in 1300.6(B) than there are licenses available in either phase one or two, the top scoring twenty (20) applicants in phase one and top scoring five (5) applicants in phase two, shall be eligible to receive provisioning center licenses in accordance with the assessment, evaluation, scoring, and ranking procedures established in this chapter[.]

An applicant must have included, inter alia, in its application for a provisioning center license:

A copy of the proposed business plan for the establishment, including, but not limited to the following: . . . (VII) Financial structure and financing of the proposed medical marihuana establishments. . . . (17) a location area map, as measured pursuant to section 1300.13(d) of the medical marihuana establishment and surrounding area that

---

⁶ Id.
⁷ Id.
⁹ Id. at 162.
¹⁰ See e.g., MCR 7.105(B)(4); (5)(d) (requiring that the appellate court receive a certified copy of a case’s record and stating review of a trial court’s decision was for legitimate reason based on “arguable support in the record[.]”)
identifies the relative locations and the distances, as measured pursuant to Section 1300.13 (A).  

The Lansing Ordinance incorporates provisions and definitions of the Medical Marihuana Facilities Licensing Act, 2016 PA 281 (as amended) (“MMFLA”) so as to:

“not limit an individual’s or entity’s rights under the [Michigan Medical Marihuana Act (MMMA)], MMA or the [Michigan Tracking Act (MTA)]” and drafters intended that “these acts supersede [the] ordinance where there is a conflict.”

A Lansing applicant must then comply with the MMFLA. Pursuant to Sec. 402 of the MMFLA, in evaluating an applicant for licensure, an applicant’s history of “noncompliance with any regulatory requirements in this state or any other jurisdiction” will be considered.

Pursuant to Section 409, a licensure does not “create or vest any right, title, franchise, or other property interest.”

Here, this Hearing Officer will decline to review any supplemental materials provided by Appellant in effort to cure application deficiencies. Per requirements in the Lansing Ordinance in Section 1300.5(B) and general state appellate practice, review on appeal is to the record originally provided and reviewed. See e.g., Napier v. Jacobs, 429 Mich. 222, 232-35 (1987). Thus, this review will address the appeal on Appellant’s first basis and the application as originally provided.

As to this appeal, Appellant provided little argument as to why its scoring is inaccurate. The lack of substance and articulable reason for why provided information sufficed is notable. It is not enough for Appellant to “simply announce a position or assert an error[.]” Thus leaving the overseer of appeal to “discover and rationalize the basis for his claims, or unravel and elaborate for him his arguments, and then search for authority to either sustain or reject his position.”

“Failure to brief a question on appeal is tantamount to abandoning it.” In the instances where Appellant provides no argument and just a contrary statement to the scoring insight, its arguments are considered abandoned.

**SHORT AND LONG-TERM GOALS**

Appellant stated that it provided a section with this very title, however, Appellant did not provide it in this section. The original scoring is accurate as to this section.

---

12 City of Lansing, Michigan Ordinance No. 1217 Sec. 1300.5(B).
13 City of Lansing, Michigan Ordinance No. 1217 Sec. 1300.2(C).
14 *Id.* at Sec. 1300.2(D).
15 MMFLA, MCL § 333.27402(3)(g).
16 Here, Appellant’s appeal letter includes sufficient information and material not originally provided. It will be considered supplemental material and treated as such.
17 In this case it discusses that an “exception that review is permissible ‘to prevent a miscarriage of justice.’” “Most jurisdictions recognize the authority of an appellate court to review an issue, even where the issue was not preserved, when some fundamental error would otherwise result in some egregious result.” However, that “such power of review is to be exercised quite sparingly. *Napier*, 429 Mich. at 233. Under the facts presented, there is not a fundamental error so as to trigger exercising supplementing on appeal.
19 *Id.*
COMMUNITY OUTREACH
Appellant included no information in its original application detailing plans to reach out to neighborhood groups. Appellant indicates in its appeal that this information was under Charitable Plans and Strategies. This is accurate, but Appellant cites the very reason why points weren’t allocated under this section. The documents pertain to a different category where Appellant received a different score. This Hearing Officer sees no merit in awarding points here.

MARKETING & ADVERTISING
Here, Appellant states that it provided 6 pages in its original application regarding this section. The scoring insights informed Appellant of the absence of detail in this section. Additionally, materials that were submitted for a different category cannot double count here. The factfinder “must give deference to an agency’s findings of fact.”\(^{21}\) The factfinder may not set aside findings just because other facts in the record could have come to a different conclusion.\(^{22}\) As the City has utilized the same benchmark for each application, there is no basis for the Hearing Officer to suggest another threshold here. Thus, Appellant’s point allocation is appropriate.

TANGIBLE CAPITAL
The City defines tangible capital as an asset with a physical form. Thus, only such assets would count in the calculation. The City considers Tangible Capital Investment to detail how a business is going to invest its money and assets, not how many of them it has. Also considered in Tangible Capital are building improvements to the interior and exterior. Not considered are products, packaging, furniture, or other items that are readily removeable from the establishment.

Appellant argues that there were detailed amounts not addressed in its scoring insights. However, it does not detail what it is referring to in its original application materials. As the City has utilized the same benchmark for each application, there is no basis for the Hearing Officer to suggest another threshold here. Appellant did not meet the thresholds and/or didn’t provide sufficient detail to corroborate its tangible capital claims. It did not do so in its original application and did not highlight what it was about those original materials that was inaccurately considered. As to category 9, Appellant points to a letter of intent that it again did not include for this section in its original application. Thus, Appellant’s point allocation here is appropriate.

FINANCIAL STRUCTURE & PLANNING
Again, in this section Appellant highlights a portion of its application from another section. It cannot be considered on appeal in this section. Thus, Appellant’s point allocation here is appropriate.

INTEGRATION WITH GROWS
Appellant highlights here an application of which there is no record of pending status. Without a pending application on record, there is no merit to Appellant’s argument because the grow facility does not have a status which can be considered per the criteria.


\(^{22}\) Id.
PROJECTED ANNUAL BUDGET
Appellant points to its comments in a different category. The documents mentioned in the other category were again not provided in the corresponding section. Appellant did not provide information provided to correspond with generally acceptable accounting principles (GAAP). There is no basis to award additional points as the information was lacking with the original application in this section.

TOTAL COL JOBS
Appellant has no other applications on record. Thus, nothing can be considered in this section to allocate points as Appellant requests.

IMPACT ON NEIGHBORHOOD
In this category, this Hearing Officer will “give deference to an agency's findings of fact.”23 This section is not intended to relate to the buffering standards. The City relies on land use demographics, which find that the property is within ¼ mile of residential zoning. In the scoring criteria it was explained that this is “[d]istance between residential zoned areas and applicant’s provisioning center. Evaluation is based on whether any residential property abuts the proposed location, and if not, whether there is residential zoning within ¼ mile of the proposed location.”24 Appellant’s argument is without substance, it merely points to other businesses. Without the detail for Category 27, Appellant has in essence abandoned its argument. There is no basis for additional points here. As to Category 28, Appellant’s argument is inaccurate. As to the centers to which it references, all the provisioning centers are either conditionally approved or active. Again, there is no basis for additional points.

PLANNED OUTREACH
Again, Appellant points to documents that were not provided in this section. Thus, they cannot be considered in this category.

CONCLUSION
For the foregoing reasons, it is recommended that Appellant’s application for a provisioning center license should remain denied.

Respectfully Submitted,

/s/ Hilary Lauver

Dated: November 20, 2019

Hilary M. Lauver, Hearing Officer

---

Dear Mr. Swope,

RJB Enterprises LLC d/b/a Pleasantrees wishes to appeal the denial of licensure received Saturday November 23, 2019 within the thirty (30) day window given, and to have the Commission Hearing (offered in the denial) at 2:00 pm on Friday, January 10, 2020 at the Clerk’s Marijuana Licensing Unit, 2500 S Washington Ave, Lansing, MI 48910. Please let me know if there is anything not mentioned in the denial email that is required prior to the hearing.

Please confirm receipt of this email.

Respectfully,

Michael J. Yassay

Director of Finance & Legal Operations – Emerald Growth Partners

248.756.0286
Timeline
Arbor Farm dba Herbana
2001 W Saginaw St
Lansing, Michigan 48915

June 25, 2019 – Application submitted .................................................................2

July 1, 2019 – Department review of applications begins

July 25, 2019 – Distance Maps Created .................................................................11

August 23, 2019 – Density Maps Created ..............................................................12

October 7, 2019 – Score & Rank Denial Letter Sent ..............................................18

October 11, 2019 – Hearing Officer Appeal submitted ..........................................20

November 23, 2019 – Second Score & Rank Second Denial Letter Sent .............48

November 23, 2019 – Commission Hearing Date Letter Set .............................48

December 12, 2019 – Commission Appeal Submitted .........................................60

No Exhibits were submitted by the appellant.
Business Information

Annual License Application Fee: $5000.00
One Year License Term

(City Codified Ordinances - Chapter 1300)
https://mi-lansing-civicplus.com/171/Business-Licenses

Establishment/DBA Name *
Herbana

Establishment Phone Number *(734) 474-5881

Establishment Address *
2001 W. Saginaw Street

City * Lansing
State * MI
Zip 48015

Applicant Type *
○ Individual
○ Corporation
○ LLC
○ LLP

Facility Type *
○ Provisioning Center
○ Secure Transporter
○ Safety Compliance
○ Processor Facility
○ Grower

(Please initial) I have filed our organizational documents with the State of Michigan. (If individual I have proof of registration to do business in Michigan.)
MCL333.206(3)(iiii)(B)(d) *

Applicant/Corporation/LLC/LLP Information - This needs to be where you can be reached quickly for questions regarding your application.
Applicant/Corp/LLC/LLP: Arbor Farm I, LLC

Name

Date of Birth (if Individual)

Establishment Information

Applicant/Corp Phone Number
(734) 474-5881

Secondary Phone Number
(734) 368-8595

Contact email address
James@arborholdings.com

Applicant/Corp/LLC/LLP: 6 N. Fourth Ave, Ste. 302

Address

City: Ann Arbor

State: MI

Zip: 48104
Please review the general instructions, which are available at https://lansingmi.gov/marijuana, prior to starting.

Ensure that you attach the correct documents to the following buttons. You may attach multiple documents to a button.

**Application Documents 1300.05(b)(1), (2), (3), (7), (24)** - Please attach the following:

You may download the Stakeholder Information Page here.

**Stakeholder Information Page(s)**

- Stakeholder Information Pages- Arbor Farm I, LLC DBA Herbana-2001 W. Saginaw Street.pdf 401.78KB

You may download the Operator/Employee Information page here.

**Operator/Employee Information page(s)**

**Organizational Documents 1300.05(b)(2), (12)(i), (ii), (viii), 1300.06(b)(1)** - Please attach the following:

- LLC Documents- Arbor Farm I, LLC DBA Herbana-2001 W. Saginaw Street.pdf 1.14MB
- Business Plan- Arbor Farm I, LLC, DBA Herbana-2001 W. Saginaw Street.pdf 1.02MB

**FEIN Verification Letter**

- FEIN Verification Letter- Arbor Farm I, LLC DBA Herbana-2001 W. Saginaw Street.pdf 934.8KB

**Ownership Structure**

- Ownership Structure- Arbor Farm I, LLC DBA Herbana-2001 W. Saginaw Street.pdf 137.53KB

**Organization Chart**

- Organizational Chart- Arbor Farm I, LLC DBA Herbana-2001 W. Saginaw Street.pdf 281.07KB

**Short & Long Term Goals**

- Short and Long Term Goals- Arbor Farm I, LLC DBA Herbana-2001 W. Saginaw Street.pdf 131.39KB

**Criminal History 1300.05(b), (5), (6): 1300.06(b)(4)** - Please attach one of each for each stakeholder, operator and employee.

**Criminal History Background Check form(s)**

- Criminal History Background Check Forms- Arbor Farm I, LLC DBA Herbana-2001 W. Saginaw Street.pdf 406.57KB

**Copy of Photo ID(s)**

- Copy of Photo IDs- Arbor Farm I, LLC DBA Herbana-2001 W. Saginaw Street.pdf 2.87MB

**Patient Education Plan 1300.05(b)(9)** - Please attach your Patient Education Plan:

**Patient Education Plan**

- Patient Education Plan- Arbor Farm I, LLC DBA Herbana-2001 W. Saginaw Street.pdf 138.4KB
**Drug/Acohol Awareness Plan 1300.05(b)(10)** - Please attach your Drug & Alcohol Awareness Plan:

| Drug and Alcohol Awareness Plan | Drug Awareness Plan-Arbor Farm I, LLC DBA Herban-2001 W. Saginaw Street.pdf | 133.04KB |

**Worker Training Plan 1300.05(b)(11): 1300.05(b)(12)(vi)** - Please attach your Worker Training Plan:

| Worker Training Plan | Employee Handbook-Arbor Farm I, LLC DBA Herban-2001 W. Saginaw Street.pdf | 403.33KB |
| | Worker Training Plan-Arbor Farm I, LLC DBA Herban-2001 W. Saginaw Street.pdf | 99.79KB |

**Marketing, Advertising & Promotion Plan 1300.05(b)(12)(iii): 1300.06(b)(1)** - Please attach your Marketing, Advertising & Promotion Plan:

| Marketing, Advertising & Promotion Plan | Marketing, Advertising, and Promotion Plan-Arbor Farm I, LLC DBA Herban-2001 W. Saginaw Street.pdf | 67.9KB |

**Improvements Made or Proposed to Building 1300.06(b)(3)** - Please attach the following:

| Plan | Building Improvement Plan-Arbor Farm I, LLC DBA Herban-2001 W. Saginaw Street.pdf | 146.27KB |

**Tangible Capital Investment 1300.05(b)(12)(iv): 1300.05(b)(13): 1300.06(b)(1)** - Please attach any of the following which apply:

| TCI Plan | Tangible Capital Investment Plan-Arbor Farm I, LLC, DBA Herban-2001 W. Saginaw Street.pdf | 158.55KB |
| Document(s) demonstrating ownership or exclusive lease of Provisioning Center | Documents Supporting Ownership or Lease-Arbor Farm I, LLC DBA Herban-2001 W. Saginaw Street.pdf | 9.32MB |

**Job Creation - Additional Lansing Jobs (1300.05(b)(12)(v): 1300.06(b)(1)** - Please attach documentation showing the number of additional jobs which will be created in the Lansing area at other medical marijuana facility types. Do NOT include jobs at this provisioning center.

| Job Creation (not including Provisioning Center) | Expected Job Creation NOT INCLUDING Provisioning Center-Arbor Farm I, LLC, DBA Herban-2001 W. Saginaw Street.pdf | 252.85KB |

**Job Creation - this Provisioning Center ONLY 1300.05(b)(23)** - Please attach a plan and any supporting documentation which includes the following:
| Document(s) regarding number of FTE (full time equivalent) jobs at the provisioning center only | Expected Job Creation Provisioning Center ONLY- Arbor Farm I, LLC, DBA Herbana-2001 W. Saginaw Street.pdf | 109.42KB |
| Projected annual budget and revenue at Provisioning Center only | Projected Annual Budget and Revenue at Provisioning Center Only-Arbor Farm I, LLC, DBA Herbana-2001 W. Saginaw Street.pdf | 125.24KB |
| Percent of Employees earning over $15.00/hr | Expected Job Creation Provisioning Center ONLY- Arbor Farm I, LLC, DBA Herbana-2001 W. Saginaw Street.pdf | 109.42KB |
| Other Compensation | Expected Job Creation Provisioning Center ONLY- Arbor Farm I, LLC, DBA Herbana-2001 W. Saginaw Street.pdf | 109.42KB |

**Financial Structure & Financing 1300.05(b)(12)(vii): 1300.06(b)(5)** - Provide evidence and explanation of the financial structure and financing for the proposed establishment(s).

| Supporting Documents | Supporting Documents-Finance Arbor Farm I, LLC DBA Herbana 2001 W. Saginaw Street.pdf | 3.98MB |

**Plan to integrate with a Grow Facility in Lansing 1300.05(b)(12)(ix): 1300.06(b)(1)** - Please attach the following:

| Integration Plan | Integration Plan-Arbor Farm I, LLC, DBA Herbana-2001 W. Saginaw Street.pdf | 81.6KB |
| Supporting Documents | Supporting Documents-Integration Arbor Farm I, LLC, DBA Herbana-2001 W. Saginaw St.pdf | 8.17MB |

**Community Outreach & Education Plan 1300.05(b)(12)(x): 1300.06(b)(2)** - Please attach your plan and any supporting materials.

| Outreach & Education Plan | Community Outreach & Education Plan-Arbor Farm I, LLC, DBA Herbana-2001 W. Saginaw Street.pdf | 71.69KB |

**Charitable Plans & Strategies 1300.05(b)(12)(xi): 1300.06(b)(1)** - Please attach your plan and any supporting documents.

| Charitable Plans Supporting Docs | Supporting Documents-Charity Arbor Farm I, LLC, DBA Herbana-2001 W. Saginaw Street.pdf | 4.83MB |

**Security Plan 1300.05(b)(14): 1300.06(b)(2)** - Please attach your security plan and any supporting documents to ensure compliance with ordinance.
|--------------------------------------|--------------------------------------------------------------------------------------------------|---------|

**Floor Plans 1300.05(b)(15)** - Please attach your facility's floor plans.

<table>
<thead>
<tr>
<th>Floor Plans</th>
<th>Floor Plans - Arbor Farm I, LLC DBA Herbana - 2001 W. Saginaw Street.pdf</th>
<th>8.25MB</th>
</tr>
</thead>
</table>

**Proposed Text & Graphics 1300.05(b)(16)** - Please attach your facility's plan for outdoor text and graphics.

|--------------------------|-------------------------------------------------------------------------------------------------|---------|

**Location Area Map 1300.05(b)(17)** - Please attach your location's area map.

<table>
<thead>
<tr>
<th>Location Area Map</th>
<th>Location Area Map - Arbor Farm I, LLC, DBA Herbana - 2001 W. Saginaw Street.pdf</th>
<th>1.67MB</th>
</tr>
</thead>
</table>

**Sanitation & Waste Disposal Plan 1300.05(b)(18)** - Please attach your plan.

<table>
<thead>
<tr>
<th>Sanitation and Waste Disposal Plan</th>
<th>Sanitation &amp; Waste Disposal Plan - Arbor Farm I, LLC, DBA Herbana - 2001 W. Saginaw Street.pdf</th>
<th>106.53KB</th>
</tr>
</thead>
</table>

**Patient Recordkeeping 1300.05(b)(19)** - Please attach your plan for securing patient records.

<table>
<thead>
<tr>
<th>Patient Recordkeeping</th>
<th>Patient Recordkeeping - Arbor Farm I, LLC, DBA Herbana - 2001 W. Saginaw Street.pdf</th>
<th>110.12KB</th>
</tr>
</thead>
</table>

**Testing Procedures (1300.05(b)(20)** - Please attach your plan.

<table>
<thead>
<tr>
<th>Testing Procedures</th>
<th>Testing Procedures - Arbor Farm I, LLC, DBA Herbana - 2001 W. Saginaw Street.pdf</th>
<th>73.75KB</th>
</tr>
</thead>
</table>

**Treasury Forms(s) 1300.05(b)(4); 1300.05(b)(21)** - Please attach the following for each stakeholder.

<table>
<thead>
<tr>
<th>Completed City of Lansing Treasury Office Form</th>
<th>Treasury Forms - Arbor Farm I, LLC, DBA Herbana - 2001 W. Saginaw Street.pdf</th>
<th>421.45KB</th>
</tr>
</thead>
</table>

**Bank Statement(s) 1300.05(b)(22)** - Please attach your bank statement(s) showing $100,000 in liquid assets.

<table>
<thead>
<tr>
<th>Bank Statement(s)</th>
<th>Bank Statements - Arbor Farm I, LLC, DBA Herbana - 2001 W. Saginaw Street.pdf</th>
<th>1.6MB</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>CPA Attestation - Arbor Farm I, LLC, DBA Herbana - 2001 W. Saginaw Street.pdf</td>
<td>451.25KB</td>
</tr>
</tbody>
</table>

**Sufficient Financial Resources 1300.05(b)(22) 1300.06(b)(5)** - Please attach the following:

<table>
<thead>
<tr>
<th>Financial Resources Litigation Form</th>
<th>Financial Resources Litigation Forms - Arbor Farm I, LLC, DBA Herbana - 2001 W. Saginaw Street.pdf</th>
<th>351.58KB</th>
</tr>
</thead>
</table>
Business Experience 1300.05(b)(8); 1300.06(b)(5) - Please attach the following:

Resume for Each Stakeholder
Stakeholder Resumes-Arbor Farm I, LLC, DBA Herbana-2001 W. Saginaw Street.pdf 128.63KB

Applicable Licenses held by Stakeholder(s)
Applicable Licenses Held by Stakeholders-Arbor Farm I, LLC, DBA Herbana-2001 W. Saginaw Street.pdf 1.77MB
such as medical licenses

Insurance Policy 1300.05(B)(26) - Please attach your entire insurance policy or intent to insure.

Insurance Policy
Intent to Insure-Arbor Farm I, LLC, DBA Herbana-2001 W. Saginaw Street.pdf 80.65KB

Proof of Bond or Escrow 1300.05(b)(27) - Please attach a letter of intent to insure from an insurer qualified to do business in Michigan, or a letter of intent to bond.

Proof of Bond or Escrow Account
Intent to Bond-Arbor Farm I, LLC, DBA Herbana-2001 W. Saginaw Street.pdf 80.23KB

Traffic Plan 1300.09(i); 1300.06(b)(2), (3); 1300.05(b)(15) - Please attach your plan and any supporting materials (example: parking site plan, quotes, traffic analysis, etc.)

Traffic Plan
Traffic Plan-Arbor Farm I, LLC, DBA Herbana-2001 W. Saginaw Street.pdf 11.44KB

Noise Plan 1300.06(b)(3); 1300.09(i) - Please attach your plan.

Noise Control Plan
Noise Plan-Arbor Farm I, LLC, DBA Herbana-2001 W. Saginaw Street.pdf 20.69KB

Odor Plan 1300.06(b)(3); 1300.09(i) - Please attach your plan for odor control.

Odor Plan
Odor Plan-Arbor Farm I, LLC, DBA Herbana-2001 W. Saginaw Street.pdf 129.3KB

Applicant-Stakeholder History 1300.06(b)(1), (4), (5); 1300.08(e), MCL 333.27401; MCL 333.27402(3)(a), (b), (c); MCL 333.27405

SOM Pre-qualification Letter
SOM Prequalification Letter-Arbor Farm I, LLC, DBA Herbana-2001 W. Saginaw Street.pdf 549.4KB

Morals, Good Order & General Welfare Litigation History Form for each Stakeholder
Morals. Good Order & General Welfare Litigation History Forms-Arbor Farm I, LLC, DBA Herbana-2001 W. Saginaw Street.pdf 535.69KB
Affirmations

Please affirm each of the following statements by entering your initials in the box for each statement. (You may select a font or draw your initials.)

I affirm that I, the applicant, and each stakeholder and employee is at least 18 years of age and has not been convicted of or pled guilty or no contest to a disqualifying felony. 1300.05(b)(4)

Initial here:*  

I affirm that I, the applicant or operator. 1300(b)(7)

Choose one*  

- have not had a business license revoked or suspended
- have had a business license revoked or suspended

Initial here*  

I acknowledge that I, the applicant, am aware that all matters related to marijuana, growing, cultivation, possession, dispensing, testing, safety compliance, transporting, distribution, and use are currently subject to State and Federal Laws, Rules, and Regulations, and that the approval or granting of a license hereunder does not exonerate or exculpate myself, the applicant, from abiding by the provisions and requirements and penalties associated with those laws, rules, and regulations or exposure to any penalties associated therewith; and further myself, the applicant, waives and forever releases any claim, demand, action, legal redress, or recourse against the City of Lansing, its elected and appointed Officials and its Employees and Agents for any claims, damages, liabilities, causes a result of the violation by myself, the applicant, its Officials, members, partners, shareholders, employees and agent of those laws, rules, and regulations and hereby waives and assumes the risk of any such claims and damages, and lack of recourse against the City of Lansing, its elected and appointed Officials, employees, attorneys, and agents 1300.05(b)(24)

Initial here:*  

I swear that neither I, the applicant, nor any stakeholder is in default to the City of Lansing for failure to pay any property taxes, special assessments, fines, fees or other financial obligations to the City 1300.05(b)(21)

Initial here:*  

I agree to report any changes to the information required under Chapter 1300 to the City Clerk within ten (10) business days 1300.08(d).

Initial here:*  

By submitting this application for a medical marijuana license, I affirm: (1) that I have read and understand Ordinance 1217 and the instructions for this application, (2) that I have submitted a complete application, and (3) that I have submitted all documents that will be considered for each section of the application. A document should be uploaded to each applicable scoring section; failure to do so may impact the completeness and/or score of your application.
stamps endicia

Shipping Label Receipt

Delivery Confirmation™ Service Number:

9405 5116 9900 0432 6149 84

Priority Mail 2-DAY with USPS TRACKING #*
Electronic Service Fee: $0.00
Additional Services: Insured
Total Postage and Fees: $6.95
Weight: 1 oz
Print Date: 09/24/2019
Mailing Date: 09/25/2019

From: Chris Swope
Lansing City Clerk's Office
124 W Michigan Ave Floor 9
Lansing MI 48933-1612

To: Arbor Farm LLC
C/o James Daly
201 S First St, Apt 701
Ann Arbor MI 48104-1395

*Regular Priority Mail 2-DAY Service postage rates apply. There is no fee for Delivery Confirmation™ service on Priority Mail services with use of this electronic shipping label. Postmark required if fee refund requested. Delivery information is not available by phone for the electronic option.

Instructions:
1. Adhere shipping label to package with tape or glue - DO NOT TAPE OVER BARCODE. Be sure all edges are secured. Self-adhesive label is recommended.
2. Place the label so it does not wrap around the edge of the package.
3. This package may be deposited in any collection box, handed to your mail carrier, or presented to a clerk at your local Post Office.
4. Each confirmation number is unique and can be used only once - DO NOT PHOTOCOPY.
5. You must mail this package on the "mail date" that is specified on this label.
September 24, 2019

Arbor Farm I LLC
\[c/o James Daly\]
201 South First Street Apt 701
Ann Arbor, Michigan 48104

Dear Provisioning Center Applicant,

The Lansing City Ordinance section 1300.6 discusses Provisioning Center license application evaluation. **Your score of 76 out of 100** eliminates the possibility of scoring in the top five. Therefore, your application for licensure is denied.

Attached are your sub-scores based on the criteria posted on [https://lansingmi.gov/1637/Medical-Marijuana](https://lansingmi.gov/1637/Medical-Marijuana) and a brief summary of determining factors for each sub-score.

**You will not be selected to receive a Provisioning Center license in the City of Lansing for the proposed business at 2001 West Saginaw Street.**

You have the right to appeal this denial of licensure within 14 days of the date of this letter by filing with the City Clerk’s Office a written statement setting forth fully the grounds for the appeal pursuant to Chapter 1300.15(c). Please note that initial appeals are referred to a hearing officer appointed by the City Clerk who will review the appeal and information submitted. The hearing officer will consider the information and make a recommendation to the City Clerk, who will make a decision on the appeal. To encourage efficiency, appeals will be conducted as a paper hearing without oral presentation. Please ensure that you include all information in your written appeal that you would like the hearing officer to consider. Appeals are limited to materials provided during the application process. No new application material will be considered on appeal.

Chapter 1300 provides that should the applicant not receive a license, one-half the application fee shall be returned. This refund will be processed after all appeals are exhausted.

Sincerely,

Chris Swope, CMMC/MMC
Lansing City Clerk

CC: City Attorney
    Lansing Police Department
## City of Lansing Provisioning Center Ranking

**Applicant Address**  
---

<table>
<thead>
<tr>
<th>#</th>
<th>Category</th>
<th>Score</th>
<th>Location of material</th>
<th>Scoring Insights</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Ownership Structure</td>
<td>1</td>
<td>Org Docs, Ownership Struc., 1 pg.</td>
<td>Has organizational structure. 8/9/19</td>
</tr>
<tr>
<td>2</td>
<td>Organizational Chart</td>
<td>1</td>
<td>Org Docs, Org Chart, 19 pgs.</td>
<td>Has org chart. 8/9/19</td>
</tr>
<tr>
<td>3</td>
<td>Worker Training Program</td>
<td>1</td>
<td>OtherReqDocs, Worker Training Plan, 3 pgs.</td>
<td>Has plan. 8/9/19</td>
</tr>
<tr>
<td>4</td>
<td>Short and Long Term Goals and Objectives</td>
<td>1</td>
<td>Org Docs, Goals, 1 pg.</td>
<td>Has goals. 8/9/19</td>
</tr>
<tr>
<td>5</td>
<td>Community Outreach &amp; Education</td>
<td>1</td>
<td>Community Outreach, Outreach &amp; Ed, 2 pgs.</td>
<td>Has plan. 8/9/19</td>
</tr>
<tr>
<td>6</td>
<td>Marketing, Advertising &amp; Promotion</td>
<td>3</td>
<td>Marketing</td>
<td>One general statement, two examples with no detail, and no budget. 9/23/19</td>
</tr>
<tr>
<td>7</td>
<td>Tangible Capital Investment Dollar Amount</td>
<td>5</td>
<td>42 Pages in TCI Section</td>
<td>Applicant states $17,331,000 in TCI. 8/12/19</td>
</tr>
<tr>
<td>8</td>
<td>Tangible Capital Investment Own/Lease</td>
<td>3</td>
<td>12 page Purchase Agreement</td>
<td>Has signed purchase agreement, but does not currently own the building. 8/12/19</td>
</tr>
<tr>
<td>9</td>
<td>Tangible Capital Investment Supporting Material</td>
<td>3</td>
<td>28 page Supporting Documents in TCI Section</td>
<td>Most of Stated TCI is not corroborated by supporting material. 8/12/19</td>
</tr>
<tr>
<td>10</td>
<td>Financial Structure &amp; Financing</td>
<td>2</td>
<td>Job Creation-Budget revenue 9 pages</td>
<td>Detailed 3 year budget for the provisioning center with line item start up costs, expenses and revenue. 8/21/19</td>
</tr>
<tr>
<td>11</td>
<td>LARA Pre-Qual</td>
<td>3</td>
<td>demo of reg prequalification</td>
<td>Letter dated May 7, 2018 for Arbor Farms I LLC 7/10/19</td>
</tr>
<tr>
<td>12</td>
<td>Integration with Grows</td>
<td>4</td>
<td>Integration</td>
<td>Applicant has applied for and received conditional approval for 10 Class C grow licenses in Lansing. 8/9/19</td>
</tr>
<tr>
<td>13</td>
<td>Charitable Plans &amp; Strategies</td>
<td>4</td>
<td>Charitable Plans</td>
<td>$24K per year total. $15k to Lansing Promise, $5.5k in in-kind volunteer time, and $3.5K per year in landscaping services to Point Public Art Project. A letter accepting planned donation from Lansing Promise. Less than ideal yearly contribution, which is $25K/yr. 8/9/19</td>
</tr>
<tr>
<td>14</td>
<td>Number of and job descriptions for PC ONLY</td>
<td>3</td>
<td>Job Creation FTE's</td>
<td>More than six (6) jobs, with job descriptions. 8/9/19</td>
</tr>
<tr>
<td>15</td>
<td>Healthcare</td>
<td>2</td>
<td>Job Creation FTE's</td>
<td>Employer will offer Healthcare. 9/12/19</td>
</tr>
<tr>
<td>16</td>
<td>Paid Time Off</td>
<td>1</td>
<td>Job Creation FTE's</td>
<td>Employer will offer Paid Time Off. 9/12/19</td>
</tr>
<tr>
<td>17</td>
<td>Retirement</td>
<td>1</td>
<td>Job Creation FTE's</td>
<td>Employer will offer 401K plan. 9/12/19</td>
</tr>
<tr>
<td>18</td>
<td>% of employees at $15+/hr</td>
<td>3</td>
<td>Job Creation FTE's</td>
<td>100% of employees will make $15+/hr. 8/9/19</td>
</tr>
<tr>
<td>19</td>
<td>Projected Annual Budget</td>
<td>2</td>
<td>Job Creation Budget revenue 9 pages</td>
<td>Detailed 3 year budget for the provisioning center with line item start up costs, expenses and revenue. 8/21/19</td>
</tr>
<tr>
<td>20</td>
<td>Total COL Jobs</td>
<td>6</td>
<td>Job Creation Lansing</td>
<td>83 Full time jobs at grow and processor. This is less than the ideal number of jobs, which is 201+. 8/9/19</td>
</tr>
<tr>
<td><strong>Total Business Plan &amp; Job Creation</strong></td>
<td>50</td>
<td>41</td>
<td></td>
<td></td>
</tr>
<tr>
<td>21</td>
<td>Financial Litigation History</td>
<td>1</td>
<td>2 Financial Litigation Forms</td>
<td>Has completed form(s) for all stakeholder(s) 9/12/19</td>
</tr>
<tr>
<td>22</td>
<td>Net Worth</td>
<td>3</td>
<td>31 pages in Financial Section</td>
<td>No proof of $100K bank account in applicant name. No solid proof of net worth. Revenue from common stock without guarantee of dollar amount 7/9/19 No documentation of initial start up and operating costs. 7/9/19</td>
</tr>
<tr>
<td>23</td>
<td>LARA Pre-Qual</td>
<td>3</td>
<td>demo of reg prequalification</td>
<td>Letter dated May 7, 2018 for Arbor Farms I LLC 7/10/19</td>
</tr>
<tr>
<td>24</td>
<td>Stakeholder Experience City of Lansing Businesses</td>
<td>1</td>
<td>Experience Stakeholder Resume</td>
<td>No mention of Lansing business ownership in resumes. 7/12/19</td>
</tr>
<tr>
<td>No.</td>
<td>Category</td>
<td>Rating</td>
<td>Subcategory</td>
<td>Details</td>
</tr>
<tr>
<td>-----</td>
<td>--------------------------------------------------------------------------</td>
<td>--------</td>
<td>-------------</td>
<td>------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------</td>
</tr>
<tr>
<td>25</td>
<td>Stakeholder Experience Relevant Businesses</td>
<td>1</td>
<td>Experience Stakeholder Resume</td>
<td>More than five (5) years relevant medical, retail or agricultural experience. 9/12/19</td>
</tr>
<tr>
<td>26</td>
<td>Stakeholder Experience Medical Marijuana Business</td>
<td>1</td>
<td>Experience Stakeholder Resume</td>
<td>More than five (5) years MM experience. 9/12/19</td>
</tr>
<tr>
<td>27</td>
<td>Total Financial Stability &amp; Business Experience</td>
<td>10</td>
<td></td>
<td></td>
</tr>
<tr>
<td>28</td>
<td>Impact on Neighborhood Distance Between PC &amp; Residential Zoning</td>
<td>7</td>
<td></td>
<td>PC Property abuts Residential Zoning on the south side. 8/19/19</td>
</tr>
<tr>
<td>29</td>
<td>Impact on Neighborhood Density of PCs</td>
<td>7</td>
<td></td>
<td></td>
</tr>
<tr>
<td>30</td>
<td>Traffic &amp; Parking</td>
<td>3</td>
<td></td>
<td>Tier 3 - poor parking/circulation, impact on nearby neighborhoods. 8/29/19</td>
</tr>
<tr>
<td>31</td>
<td>Security Plan</td>
<td>3</td>
<td></td>
<td>Tier 2 - *NO off site surveillance storage noted as required by ordinance. Does have Video surveillance, alarm, specified barriers, Vault, security guard, some equip specs.</td>
</tr>
<tr>
<td>32</td>
<td>Planned Outreach</td>
<td>1</td>
<td></td>
<td></td>
</tr>
<tr>
<td>33</td>
<td>Improvements to Building</td>
<td>3</td>
<td></td>
<td>SEV - None, it has been a church since 2011 Sale price in 2011 was $175,000. Total improvements planned $331,157 = 189% of last sale price. Has construction estimate from Dymaxion Development. 8/26/19</td>
</tr>
<tr>
<td>34</td>
<td>Plan to Minimize Traffic</td>
<td>1</td>
<td></td>
<td>Has a plan 8/27/19</td>
</tr>
<tr>
<td>35</td>
<td>Noise Plan</td>
<td>1</td>
<td></td>
<td>Has plan. 8/9/19</td>
</tr>
<tr>
<td>36</td>
<td>Odor Plan</td>
<td>4</td>
<td></td>
<td>Has plan with good description, but no specs or budget. 8/9/19</td>
</tr>
<tr>
<td>37</td>
<td>Total Outreach</td>
<td>10</td>
<td></td>
<td></td>
</tr>
<tr>
<td>38</td>
<td>Stakeholder History</td>
<td>2</td>
<td></td>
<td>Letter dated May 7, 2018 for Arbor Farms I LLC 7/10/19</td>
</tr>
<tr>
<td>39</td>
<td>Demo of Regulatory Compliance</td>
<td>5</td>
<td></td>
<td>No code violations. No conditional denial letters. 8/30/19</td>
</tr>
<tr>
<td>40</td>
<td>Morals, Good Order &amp; General Welfare Litigation History</td>
<td>3</td>
<td></td>
<td>Has completed form(s) for all stakeholder(s). 9/12/19</td>
</tr>
<tr>
<td>41</td>
<td>Total Applicant Stakeholder History</td>
<td>10</td>
<td></td>
<td></td>
</tr>
<tr>
<td>42</td>
<td>Total Score</td>
<td>100</td>
<td></td>
<td>76.00</td>
</tr>
</tbody>
</table>
Clerk Chris Swope  
Lansing City Clerk’s Office  
Ninth Floor, City Hall  
124 W Michigan Avenue  
Lansing, Michigan 48933  

RE: **IN THE MATTER OF THE APPLICATION FOR PROVISIONING CENTER LICENSURE OF Arbor Farm I, LLC DBA HERBANA**

Dear Clerk Swope,

Please accept this letter as notice that this law firm, specifically David A. Rudoi, has been retained to represent Arbor Farm I, LLC in their appeal. This letter is to serve as a notice of appeal pursuant to Chapter 1300.15(c).

On September 24, 2019, Arbor Farm I, LLC (hereinafter Arbor Farms) received the attached correspondence indicating that their application for a license to operate a Medical Marihuana Provisioning Center in the City of Lansing had been denied based on a score of 76 out of 100 points eliminating Arbor Farms from the possibility of scoring in the top five. We assert that this denial was improper based on incorrect scoring of the sections detailed below.

Based on an updated scoring of Arbor Farms’ application, we believe a more accurate scoring of this application should be 92.25 out of 100 points, which would not eliminate Arbor Farms from the possibility of scoring in the top five.

I. **The Total Business Plan & Job Creation section was scored at 41 out of 50. Based on the city of Lansing ordinance and Scoring Criteria, a more accurate scoring of this section should have received 50 out of 50 points.**

   1. **Marketing, Advertising & Promotion (Scored 1/3):**
      a. **Reasoning on Rubric:** One general statement, two examples with no detail, and no budget.

      b. **Why this is Incorrect:** The city of Lansing Ordinance details that an applicant shall provide, “[a] proposed marketing, advertising, and business promotion plan, including plans to minimize the exposure of marketing or promoting marihuana products to minors.” §1300.4(b)(12)(iii). The Medical Marijuana Provisioning Center Scoring Criteria (Scoring Criteria) states that the Marketing Advertising and Promotion Plan should include, “Minimization of Exposure to Minors List methods/type, and how to
reduce chances of exposure to minors for each, including a budget and examples.” Scoring Criteria #6.

The rubric’s assertion that the provided Marketing and Advertising Plan had “one general statement, two examples with no detail, and no budget” is inaccurate. The provided Marketing and Advertising plan fulfills both the city of Lansing ordinance requirements as well as the Scoring Criteria. Arbor Farms’ Marketing and Advertising Plan addresses how they will minimize the exposure of marketing/promotion of marijuana products to minors. Specifically, the plan states that age restrictions will be used during advertising, advertisements will not be made to the public without evidence that no more than 30 percent of the audience is reasonably expected to be 17 years or younger, and all advertising will have a label that states “keep out of reach of children.” No marijuana leaves, Rx symbols or pharmaceutical references will be utilized in advertising, to limit anything that may appear interesting to children. Each of these steps will reduce the chances of exposure to minors. Examples of the planned types of marketing methods including logo, website, print advertising, email advertising, word of mouth and packaging were detailed. Therefore, based on the fact that the provided Marketing and Advertising Plan included ways to minimize exposure of marijuana to minors which will reduce chances of exposure to minors, examples of advertising avenues, and a budget of marketing expenses, Arbor Farms fulfilled all required aspects in the City of Lansing Ordinance and Scoring Criteria and should receive 3 out of 3 points for this section.

2. **Tangible Capital Investment Own/Lease; Scored 2/3:**

   a. **Reasoning on Rubric:** Applicant has signed purchase agreement, but does not currently own the building.

   b. **Why this is incorrect:** The City of Lansing ordinance requires applicants to provide, “[p]lanned tangible capital investment in the city, including . . . whether the locations of such establishments will be owned or leased. . . .” Lansing Ordinance §1300.5(B)(12)(IV). The Scoring Criteria states that an applicant must provide “Documentation demonstrating ownership or exclusive lease of provisioning center building by one or more stakeholder or applicant. Preference given to ownership.” Scoring Criteria #8.

   Arbor Farms provided a signed purchase agreement for 2001 W. Saginaw Street. This purchase agreement is better than a warranty deed or proof of ownership of the building because it requires the seller to sell the property if Arbor Farms receive licensure from the city of Lansing. Whereas a warranty deed could be promised to multiple different businesses without making the city aware of that fact. If the city of Lansing provides Arbor Farms with approval, the Seller must sell the property to James Daly (Arbor Farms). If the sale is not completed “on account of Seller’s default or failure to perform hereunder, Purchaser may . . . specifically enforce the terms.” Purchase
Agreement(19)(a). With no way for the seller to back out this property, once Arbor Farms receives city approval, will have to be sold to Arbor Farms by way of owner/member James Daly.

This purchase agreement further states “Purchaser [James Daly or one of his assigns, Arbor Farms] shall have the exclusive right to seek and obtain any federal, state, or other governmental approval . . . with respect to the Property, and Purchaser’s right to do so shall take precedence over any such right of Seller with respect to the Property in the event such incentives, inducements, allowances or similar benefits may only be sought by one party.” Purchase Agreement Page 10 [emphasis added]. Therefore, based on the provided purchase agreement James Daly, or one of his assigns has the exclusive right to apply for and obtain city of Lansing licensure at 2001 W. Saginaw street. James Daly, co-owner of Arbor Farms has assigned his exclusive interest in this property to Arbor Farms. Based on the purchase agreement’s provision providing exclusive use of property for application of government approval. Thus, this purchase agreement is superior to a warranty deed or proof of ownership because if prevents multiple applicants seeking licensure at the same property. Though the purchase agreement is not a deed in Arbor Farms or James Daly’s name, it is a legally binding contract that provides for the purchase and sole retention of a government license at 2001 W. Saginaw street. Further, this purchase agreement will be executed at the time the city of Lansing approves Arbor Farms provisioning center application. Moreover, applicant provided proof of ample funds to complete the purchase of this property. See provided bank statements.

Finally, the provided purchase agreement is better for the interests of city of Lansing than current ownership of a building. A warranty deed could be sold at any time after an individual provided the information for the city of Lansing, whereas this purchase agreement must be fulfilled at the time Arbor Farms receives licensure from the city of Lansing. The seller does not have the option to back out and sell the property to another applicant or individual. Additionally, a purchase agreement will infuse further and additional taxes into the city of Lansing due to the recalibration of the value of the property.

Therefore, based on the fact that the purchase agreement requires sale of the property to Arbor Farms upon licensure, permits the sole use of the property to Arbor Farms, and creates additional tax revenue for the City of Lansing, Arbor Farms should have received the full 3 points in regard to ownership of the proposed property.
3. **Tangible Capital Investment Supporting Materials; Scored (1/3):**

   a. **Reasoning on Rubric:** Most of Stated TCI is not corroborated by supporting material.

   b. **Why this is Incorrect:** The City of Lansing ordinance requires applicants to provide, “planned tangible capital investment in the city, including . . . whether the locations of such establishments will be owned or leased. . . .” Lansing Ordinance §1300.5(B)(12)(IV). Further, the scoring criteria provides the evaluation will be based on, “the completeness and quality of the documentation which corroborates the financial figures provided for total capital investment.” Scoring Criteria #9.

   Arbor Farms provided 28 pages of tangible capital investment supporting materials which included; an estimate from Luke Landscape detailing and showing the cost of the Point Public Art Project adaptation at $62,398.52, purchase Agreement for 2001 W. Saginaw street for the amount of $1,000,000, purchase agreement for sister property at 735 Hazel for the amount of $3,600,000.

   The provided supplements are as thorough as possible based on the fact that a lot of the numbers are contingent on licensure from the city of Lansing. Employee salaries and benefits are projections provided in the pro formas but do not have additional corroborating materials until the businesses are fully operational. Similarly, the construction costs can only be estimated and provided by an estimate from the company. The 735 East Hazel project is a massive endeavor that is currently in the process of coming into fruition, estimates of costs were provided however, no material documentation is available at this time.

   Therefore, based on the fact that Arbor Farms provided several pages of corroborating supporting material through revenue and expense projections, pro formas, construction estimates, landscaping estimates, construction and landscaping renderings and site plans, along with purchase agreements, they should have received 3 out of 3 points in this section.

a. **Reasoning on Rubric:** $24k per year total. $15k in in-kind volunteer time, and 3.5k per year in landscaping services to Point Public Art Project. A letter accepting planned donation from Lansing Promise. Less than ideal yearly contribution which is $25k per year.

b. **Why this is Incorrect:** The Lansing ordinance requires an applicant provide “Charitable plans and strategies, whether fiscally or through volunteer work.” §1300.5(b)(12)(xi). The scoring criteria provides evaluation of “contributions, stated financial commitments, and/or volunteer work supported by specific donation amounts or value of volunteer work.” Scoring Criteria #13.

Arbor Farms Proposed charitable donations in the approximate amount of $24,500 per year, which includes $15,000 per year to the Lansing Promise and other Lansing charities, approximately $5,500 worth of labor each year, and approximately $3,500 in lawn services and upkeep of the MDOT Median. The score received only gives credit for $24,000 per year in total. Additionally, the $13,000 initial cleanup of the MDOT Median (Point Public Art Project) was never factored into the total sum of charitable donations. Moreover, the majority of the numbers provided in Arbor Farms Charitable Plan and Strategies were approximations. For example, the Charitable Plan states, “This will provide 240 hours of volunteer time to nonprofits in need, a low estimation of approximately $5,500 worth of labor per year.” Charitable Plans & Strategies Pg. 2. The Charitable Plan also states, “lawn services and annual re-mulching will cost approximately $3,500.00 per year.” Charitable Plans & Strategies Pg. 2.

The city of Lansing Ordinance states that an application for a license shall contain “charitable plans and strategies, whether fiscally or through volunteer work.” 1300.5(b)(12)(xi). There is no indication that an applicant must donate a dollar amount to charity. The city provides no indication of where the “ideal yearly contribution of $25,000 per year” comes from, this number is not listed in either the City of Lansing ordinance or the Scoring Criteria. Arbor Farms should not be penalized for nearly satisfying an arbitrary number created outside of the ordinance and scoring criteria. Clearly, had Arbor Farms been aware of the $25,000 threshold they would have provided a more customary mid-range estimate, versus a low estimate, of the value of the planned volunteer time and pointed out the value of the initial $13,000 clean-up donation, which would have been enough to meet that $25,000 annual donation threshold for the next 26 years.

Therefore, based on the improper calculation of the annual amount of charitable donation proposed by Arbor Farms which is actually at least a $25,000 annual donation for the next 26 years, along with the arbitrary creation of a $25,000 threshold, Arbor Farms should receive 4 out of 4 points in this section.

---

1 Based on $13,000/$500 per year charitable donation = 26 years.
5. Total COL Jobs: Scored (3/6):

a. **Reasoning on Rubric:** 83 Full time jobs at grow and processor. This is less than ideal number of jobs, which is 201+.

b. **Why this is Incorrect:** §1300.5(b)(23) of the Lansing Ordinance states that an applicant must include, “An estimate of the number and type of jobs that the medical marihuana establishment is expected to create, the amount and type of compensation expected to be paid for such jobs...” Section 1300.5(b)(12(v) cited by the Scoring Criteria provides that an applicant must provide “expected job creation from the proposed medical marihuana establishment(s).” The Scoring Criteria itself provides little additional information only stating, “Number of additional jobs created by your stakeholders within the City of Lansing at other medical marijuana facilities types. (Grower/Processor).” Scoring Criteria #20. Nothing in the ordinance nor Scoring Criteria states that the ideal number of jobs is 201+. This is an arbitrary number that was never substantiated in any of the provided guidelines by the city of Lansing. Moreover, 201 is an inflated number of jobs based on sound business practices. Arbor Farms intends to operate 10 grow facilities and 1 processor facility that will only require 83 employees, in addition to their proposed provisioning center. For a business to remain solvent while employing over 200 employees, they would need to operate approximately 27 grow and processor facilities, a massive operation that is likely not the norm in this business or the city of Lansing. If other facilities are proposing employment numbers of this magnitude, they are either proposing significantly larger operations, or they are overinflating numbers for the purpose of obtaining points with no intention of following through.

Arbor Farms provided a realistic number of employees that would be needed to operate the proposed grow and processor facilities. With an estimated 83 full time jobs outside of the provisioning center, Arbor Farms estimates paying $3,664,000 in compensation to employees. We believe the total compensation should be considered rather than an arbitrary “ideal number of jobs.” Furthermore, Arbor Farms provided a preliminary estimate of what initial employment would look like. Arbor Farms has proposed a vast structure of businesses in the city of Lansing which only continue to grow. We feel that the scoring criteria should be looked at realistically based on numbers that are not over inflated simply to earn an applicant points. Arbor Farms is providing the city of Lansing only with plans it can and will carry out.

Therefore, based on the arbitrary nature of the “ideal number of jobs, which is 201+”, the realistic base numbers provided by Arbor Farms, and the opportunity for growth in the proposed facilities, we believe Arbor Farms should receive 6 points for this section, or at least more than 3 points out of 6 points.
II. The Total Financial Stability & Business Experience section was scored 6 out of 10. Based on the city of Lansing ordinance and Scoring Criteria, a more accurate scoring of this section should have received 9 out of 10 points.

1. Net Worth: Scored (0/3):

   a. Reasoning on Rubric: No proof of $100k bank account in applicant name. No solid proof of net worth. Revenue from common stock without guarantee of dollar amount 7/9/19. No documentation of initial startup and operating costs. 7/9/19.

   Why this is Incorrect: The city of Lansing ordinance requires an applicant to provide “Financial structure and financing of the proposed medical marihuana establishment(s) . . . Verification, including copies of actual bank statements, showing that the applicant has minimum net worth of $100,000.00 in the applicant's name . . . [and] whether the applicant has reasonably and tangibly demonstrated it possesses sufficient financial resources to fund, and the requisite business experience to execute, the submitted business plan and other plans required by Section 1300.05. 1300.5(b)(12)(vii); 1300.5(b)(22); 1300.6(b)(5). The scoring criteria requires “CPA Attestation of Net Worth or Bank Statements Supporting Initial Start-Up and Operating Costs.” Scoring Criteria #22.

   Member Jay Daly spoke with a representative from the City of Lansing and was assured that the fact that the $100,000 was in Arbor Holdings, LLC the holding company of Arbor Farm I, LLC DBA Herbana (Applicant) would meet the requirement of showing $100,000. In fact, Applicant provided a bank statement which showed 1.1 million dollars, over ten times the requirement set forth by the city of Lansing. Though the funds are not in an account with the name “Arbor Farm I, LLC” on it, there was ample documentation showing the funds were in a bank account with the name Arbor Holdings, LLC, the holding company which will fund Arbor Farm I, LLC.

   The Rubric also states that there is “No solid proof of net worth.” A bank statement showing $1,195,042.97, an explanation of the financial structure and financing which clarifies that Arbor Holdings, LLC is the parent company of Arbor Farm I, LLC, along with a CPA attestation of funds attributed to Arbor Holdings, LLC, parent company of Arbor Farms provide ample solid proof the net worth of this company.

   Documentation of initial startup and operating costs are provided in the Projected Annual Budget and Revenue at Provisioning Center document provided with this application. This information is also provided in the document titled “Supporting Documents-Finance. Arbor Farm I, LLC DBA Herbana 2001 W. Saginaw Street.” Moreover, under #19 of the rubric, the scoring insights state “Detailed 3 year budget for the provisioning center with line item startup costs, expenses, and revenue.” Scoring Rubric Pg. 1 #19.

   Based on the fact that the $100,000 is in the name of the applicant’s holding, which was previously okayed by a city of Lansing representative, Arbor Farm should receive
1 point for this requirement. The proof of net worth was shown by the holding company’s bank account showing over 1 million dollars in the account along with a CPA attestation of funds and should receive an additional point. Finally, documentation of initial startup and costs was provided in the Projected Annual Budget and Revenue along with the Supporting Finance Documents and confirmed by the notes on the rubric provided by the City of Lansing. Therefore, Arbor Farms should receive 3 out of 3 points in this section.

III. The Total Land Use & Resident Safety section was scored 10 out of 20. Based on the city of Lansing ordinance and Scoring Criteria, a more accurate scoring of this section should have received 13.25 out of 20 points.

1. Impact on Neighborhood Density of PCs; Scored (4/7):

   a. **Reasoning on Rubric:** Lose 2 points for every existing PC within a ½ mile radius. #12 Lose 1 point for every existing PC within a 1 mile radius. None. Lose .5 point for every existing PC within a 1.5 mile radius. #20. Lose .25 points for every existing PC within a 2 mile radius. #4, #17. Points lost: 3.

   b. **Why this is Incorrect:** The city of Lansing ordinance provides criteria which will be evaluated in scoring for a provisioning center, one of which is “whether the proposed establishment will be consistent with land use for the surrounding neighborhood and not have a detrimental effect on traffic patterns and resident safety.” §1300.6(b)(2). The scoring criteria for this section provides, “surrounding neighborhoods: density of provisioning centers surrounding the applicant's proposed location. Evaluation is based on how many of the first round 20 PC's are within 1-2 mile radius of proposed provisioning center.” Scoring Criteria #28.

   Based on the provided City of Lansing Medical Marihuana Application Sites map, Site #4 is 2.03 miles away from the proposed provisioning center. See provided screen shot of measurement between the two locations.

   Therefore, based on the described scoring criteria detailed on the rubric, Arbor Farms should have only lost 2.75 points and received 4.25 out of 7 points in this section.

2. Traffic & Parking; Scored (1/3):

   a. **Reasoning on Rubric:** Tier 3-Poor parking/circulation, impact on nearby neighborhoods.

   b. **Why this is Incorrect:** The city of Lansing ordinance provides criteria which will be evaluated in scoring for a provisioning center, one of which is “whether the proposed establishment will be consistent with land use for the surrounding neighborhood and not have a detrimental effect on traffic patterns and resident safety.” §1300.6(b)(2). The scoring criteria provides points for “review of location site and any plan(s) the applicant
has provided which would minimize the traffic and parking impact on nearby neighborhoods.” Scoring Criteria #29.

The previous uses of this property were a church and a bank, both of which likely generated either the equivalent amount of traffic that will be generated by the proposed provisioning center, or a greater amount of traffic than will be generated by the proposed use. The stated, “poor parking/circulation, impact on nearby neighborhoods” provides no explanation as to why the use of the provisioning facility would have a negative impact on the nearby neighborhoods. The provided plan would allow for adequate parking, scheduled product delivery, and a similar historical use of the property.

Therefore, due to a minimal/non-existent impact on traffic from the previous use of the property, adequate parking, and scheduled delivery times, Arbor Farms should receive 3 out of 3 points for this section.

3. **Security Plan: Scored (2/3):**

   a. **Reasoning on Rubric:** Tier 2- * NO off site surveillance storage noted as required by ordinance. Does have video surveillance, alarm, specified barriers, vaults, security guard, some equip specs.

   b. **Why this is Incorrect:** In regard to a security plan, Sections 1300.5(b)(14) and Sections 1300.6(b)(2) are the only ordinance sections cited in the Scoring Criteria, and offsite storage is not required. The Scoring Criteria itself states only provides, “Security Plan Review to ensure compliance with ordinance.” Section 1300.5(b)(14) requires, “a description of the security plan for the medical marihuana establishment, including, but not limited to, any lighting, alarms, barriers, recording/monitoring devices, and/or security guard arrangements proposed for the establishment and premises. The security plan must contain the specification details of each piece of security equipment. Each medical marihuana establishment must have a security guard present during business hours or alternative security procedures shall be proposed in the business plan.” §1300.5(b)(14). Additionally, section 1300.6(b)(2) provides the application will be assessed on “Whether the proposed establishment will be consistent with land use for the surrounding neighborhood and not have a detrimental effect on traffic patterns and resident safety.” §1300.6(b)(2).

The Security Plan provided by Arbor Farms includes a description of the security plan for the proposed provisioning center, which includes lighting, barriers, recording/monitoring devices and security guard arrangements. Per the ordinance, Arbor Farms will have a security guard present during business hours. The proposed facility will not have a detrimental effect on resident safety.

Finally, Arbor Farms security plan implicitly accounts for off-site storage and certainly doesn’t exclude it. In fact, the provided security plan states the intent of the Security Plan is to “ensure the safety of patients and employees and to ensure all State and
Local laws are followed.” Security Plan Page 2. (emphasis added) The provided security plan also notes that security measures include, “alarms monitored 24/7 by an offsite company (All Star Alarm), licensed by the state of Michigan.” Security Plan Page 10. (emphases added). All Star Alarm will be installing and maintaining both the alarm and surveillance systems and recordings for Arbor Farms. All Star Alarm is an off-site company which means all records or alarm and surveillance recordings will be stored off-site. Further, this plan explains that the recordings devices will “allow for remote viewing on enabled workstations and/or smartphones.” Security Plan Page 18. Remote viewing on workstations and/or smartphones could only be done with off-site storage. Additionally, All-star Alarm, The Department, and law enforcement agencies will have access to surveillance recordings, which would suggest the surveillance records will be stored off-site. Security Plan Page 19. Arbor Farms will utilize off-site surveillance storage for a minimum of 14 days per the ordinance, as part of their surveillance system.

Therefore, based on the fact the rubric notes only address the lack of offsite surveillance storage as required by the ordinance as a negative aspect of the security plan and that aspect is not provided in either of the reference ordinance sources, Arbor Farms should have received the full 3 points for this section.

IV. The Total Outreach section was scored 9 out of 10. Based on the city of Lansing ordinance and Scoring Criteria, a more accurate scoring of this section should have received 10 out of 10 points.

   a. Reasoning on Rubric: Has plan with good description; but no specs or budget.
   b. Why this is Incorrect: The city of Lansing ordinance states it will evaluate an application based on, “Planned outreach on behalf of the proposed establishment, and whether the applicant or its stakeholders have made, or plan to make, significant physical improvements to the building housing the medical marihuana establishment, including plans to eliminate or minimize traffic, noise, and odor effects on the surrounding neighborhood.” §1300.6(b)(3). The ordinance further provides, “No medical marihuana provisioning center shall be operated in a manner creating noise, dust, vibration, glare, fumes, or odors detectable to normal senses beyond the boundaries of the property on which the medical marihuana provisioning center is operated; or any other nuisance that hinders the public health, safety and welfare of the residents of the City.” §1300.9(i). The scoring criteria required, “any plan(s) the applicant has provided which would minimize or eliminate the impact of increased odor on nearby neighborhoods. Please document in budget of expenditures.” Scoring Criteria #35.

The provided Odor plan included specific types of filters, including “charcoal air filters and 900 CFM duct fans . . . HEPA filters and ionizing air purification systems” along with specifics of the number of these filters and fans per each floor. See provided Odor
Therefore, based on the fact that Arbor Farms did provide specifics on the types of fans and filters it would use and as provided in the Scoring Criteria, the scoring for this section should be a 4 out of 4.

**CONCLUSION AND REQUESTED RELIEF**

For the above stated reasons, Arbor Farm I, LLC respectfully requests that the City of Lansing rescind their denial sent on September 24, 2019. Arbor Farms further requests the City of Lansing rescore the submitted provisioning center application based on the enumerated reasonings detailed in this appeal before issuing another decision on the status of Arbor Farms provisioning center application.

Respectfully Submitted,

David A. Rudoi (P75169)
Licensing Attorneys, PLLC
104 W. Fourth Street, Suite 210
Royal Oak, MI 48067
Telephone: (248) 935-9074
Fax: (248) 282-0556

CC: Arbor Farm I, LLC, Petitioner/Appellant

Enclosures: Denial email from the City of Lansing
Scoring Criteria from City of Lansing
List of What was submitted from City of Lansing, Arbor Farms
Screen shot of measurement between the two locations.
Dear Provisioning Center Applicant,

Ann Arbor, Michigan 48104
201 South First Street

c/o Jamie Daly
Arbor Farm LLC

September 24, 2019

West Saginaw Street.

You will not be selected to receive a Provisioning Center License in the City of Lansing for the proposed business at 2001

Although your application for license is denied.

We eliminate the possibility of scoring in the top five. Therefore, your application for license is denied.

The Lansing City Ordinance Section 3200.6 discusses Provisioning Center License Application Evaluation. Your score of 76 out of 100 eliminates the possibility of scoring in the top five.

Sincerely,

Your Name

Date: June 24, 2019, at 9:00 AM

Subject: Application Denial - Arbor Farm LLC DBA Herbania - Score 8 Rank

From: Jamie Daly, Jenner
appeals are referred to a hearing officer appointed by the City Clerk who will review the appeal and information submitted. The hearing officer will consider the information and make a recommendation to the City Clerk, who will make a decision on the appeal. To encourage efficiency, appeals will be conducted as a paper hearing without oral presentation. Please ensure that you include all information in your written appeal that you would like the hearing officer to consider. Appeals are limited to materials provided during the application process. No new application material will be considered on appeal.

Chapter 1300 provides that should the applicant not receive a license, one-half the application fee shall be returned. This refund will be processed after all appeals are exhausted.

Sincerely,

Chris Swope
CMMC/MMC
Lansing City Clerk

CC: City Attorney
Lansing Police Department

Jennifer Smith-Zande
Medical Marijuana Licensing & Elections Clerk
Lansing City Clerk’s Office
124 W. Michigan Avenue | Lansing, MI 48933
City Hall: 517-483-4131 FAX: 517-377-0068
SWOC: 517-483-4485 FAX: 517-483-4493
Direct: 517-483-4151
Jennifer.Smith-Zande@lansingmi.gov
Website | Facebook | Twitter
<table>
<thead>
<tr>
<th>Total Possible Points</th>
<th>Applicant Address</th>
<th>Location of material</th>
<th>Scoring Insights</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>$0</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>#</td>
<td>Category</td>
<td>Score</td>
<td></td>
</tr>
<tr>
<td>1</td>
<td>Ownership Structure</td>
<td>1 1</td>
<td>Org Docs, Ownership Struc., 1 pg.</td>
</tr>
<tr>
<td>2</td>
<td>Organizational Chart</td>
<td>1 1</td>
<td>Org Docs, Org Chart, 19 pgs.</td>
</tr>
<tr>
<td>3</td>
<td>Worker Training Program</td>
<td>1 1</td>
<td>Other RedDocs, Worker Training Plan, 3 pgs.</td>
</tr>
<tr>
<td>4</td>
<td>Short and Long Term Goals and Objectives</td>
<td>1 1</td>
<td>Org Docs, Goals, 2 pg.</td>
</tr>
<tr>
<td>5</td>
<td>Community Outreach &amp; Education</td>
<td>1 1</td>
<td>Community Outreach, Outreach &amp; Ed., 2 pgs.</td>
</tr>
<tr>
<td>6</td>
<td>Marketing, Advertising &amp; Promotion</td>
<td>3 1</td>
<td>Marketing</td>
</tr>
<tr>
<td>7</td>
<td>Tangible Capital Investment Dollar Amount</td>
<td>5 5</td>
<td>41 Pages in TCI Section</td>
</tr>
<tr>
<td>8</td>
<td>Tangible Capital Investment Own/Lease</td>
<td>3 2</td>
<td>12 page Purchase Agreement</td>
</tr>
<tr>
<td>9</td>
<td>Tangible Capital Investment Supporting Material</td>
<td>3 1</td>
<td>38 page Supporting Documents in TCI Section</td>
</tr>
<tr>
<td>10</td>
<td>Financial Structure &amp; Financing</td>
<td>2 2</td>
<td>Job Creation Budget revenue 9 pages</td>
</tr>
<tr>
<td>11</td>
<td>LARA Pre-Qual</td>
<td>3 3</td>
<td>Demo of reg prequalification</td>
</tr>
<tr>
<td>12</td>
<td>Integration with Grows</td>
<td>4 4</td>
<td>Integration</td>
</tr>
<tr>
<td>13</td>
<td>Charitable Plans &amp; Strategies</td>
<td>4 3</td>
<td>Charitable Plans</td>
</tr>
<tr>
<td>14</td>
<td>Number of and job descriptions for PC ONLY</td>
<td>3 3</td>
<td>Job Creation FT/ET</td>
</tr>
<tr>
<td>15</td>
<td>Healthcare</td>
<td>2 2</td>
<td>Job Creation FT/ET</td>
</tr>
<tr>
<td>16</td>
<td>Paid Time Off</td>
<td>1 1</td>
<td>Job Creation FT/ET</td>
</tr>
<tr>
<td>17</td>
<td>Retirement</td>
<td>1 1</td>
<td>Job Creation FT/ET</td>
</tr>
<tr>
<td>18</td>
<td>% of employees at $15+/hr</td>
<td>3 3</td>
<td>Job Creation FT/ET</td>
</tr>
<tr>
<td>19</td>
<td>Projected Annual Budget</td>
<td>2 2</td>
<td>Job Creation Budget revenue 9 pages</td>
</tr>
<tr>
<td>20</td>
<td>Total COL Jobs</td>
<td>6 3</td>
<td>Job Creation</td>
</tr>
</tbody>
</table>

**Total Business Plan & Job Creation:** 50 41

- **Financial Litigation History:** 1 1 | 2 Financial Litigation Format | Has completed form(s) for all stakeholder(s). 9/12/19

- **Net Worth:** 3 0 | 31 pages in Financial Section | No solid proof of net worth. Revenue from common stack without guarantee of dollar amount. 7/9/19

- **LARA Pre-Qual:** 3 3 | Demo of reg prequalification | Letter dated May 7, 2018 for Arbor Farms I LLC 7/10/19

- **Stakeholder Experience:** City of Lansing Businesses 1 0 | Experience Stakeholder Resume | No mention of Lansing business ownership in resumes. 7/12/19

*City of Lansing Provisioning Center Ranking*
<table>
<thead>
<tr>
<th>Stakeholder Experience Relevant Businesses</th>
<th>1</th>
<th>1</th>
<th>Experience Stakeholder Resume</th>
<th>More than five (5) years relevant medical, retail or agricultural experience. 9/12/19</th>
</tr>
</thead>
<tbody>
<tr>
<td>Stakeholder Experience Medical Marijuana Business</td>
<td>1</td>
<td>1</td>
<td>Experience Stakeholder Resume</td>
<td>More than five (5) years MM experience. 9/12/19</td>
</tr>
</tbody>
</table>

**Total Financial Stability & Business Experience**

<table>
<thead>
<tr>
<th>Impact on Neighborhood Distance Between PC &amp; Residential Zoning</th>
<th>7</th>
<th>3</th>
<th><a href="https://lansing.maps.arcgis.com/apps/webappviewer/index.html?id=be683495255438ba5514f9b39c34f22">https://lansing.maps.arcgis.com/apps/webappviewer/index.html?id=be683495255438ba5514f9b39c34f22</a></th>
<th>PC Property abuts Residential Zoning on the north side. 8/19/19</th>
</tr>
</thead>
<tbody>
<tr>
<td>Impact on Neighborhood Density of PCs</td>
<td>7</td>
<td>4</td>
<td><a href="https://lansing.maps.arcgis.com/apps/webappviewer/index.html?id=be683495255438ba5514f9b39c34f22">https://lansing.maps.arcgis.com/apps/webappviewer/index.html?id=be683495255438ba5514f9b39c34f22</a></td>
<td>Lose 2 points for every existing PC within a 1/2 mile radius. #12 Lose 1 point for every existing PC within a 1 mile radius. None Lose .5 point for every existing PC within a 1.5 mile radius. #20 Lose .25 point for every existing PC within a 2 mile radius. #4, #37 Points lost: #3 9/9/19</td>
</tr>
</tbody>
</table>

| Traffic & Parking | 3 | 1 | Public Service Review | Tier 3 - Poor parking/circulation, impact on nearby neighborhoods. 8/29/19 |

| Security Plan | 3 | 2 | LPD Review | Tier 2 - *No off site surveillance storage needed as required by ordinance. Does have Video surveillance, alarm, specified barriers, Vault, security guard, some equip specs. |

**Total - Land Use & Resident Safety**

<table>
<thead>
<tr>
<th>Planned Outreach</th>
<th>1</th>
<th>1</th>
<th>Community Outreach, Outreach &amp; Ed. 2 ngs.</th>
<th>Has plan. 8/9/19</th>
</tr>
</thead>
<tbody>
<tr>
<td>Improvements to Building</td>
<td>3</td>
<td>3</td>
<td>Building Improvements Support Docs</td>
<td>SEV-None, it has been a church since 2011. Sale price in 2011 was $175,000. Total improvements planned $551,157 x 109% of last sale price. Has construction estimate from Dymansion Development. 8/16/19</td>
</tr>
<tr>
<td>Plan to Minimize Traffic</td>
<td>1</td>
<td>1</td>
<td>Traffic Plan 2 pg.</td>
<td>Has a plan 8/27/19</td>
</tr>
<tr>
<td>Noise Plan</td>
<td>1</td>
<td>1</td>
<td>Noise &amp; Odor Noise Plan</td>
<td>Has plan. 8/9/19</td>
</tr>
<tr>
<td>Odor Plan</td>
<td>4</td>
<td>1</td>
<td>Noise &amp; Odor Odor Plan</td>
<td>Has plan with good description, but no specs or budget. 8/9/19</td>
</tr>
</tbody>
</table>

**Total Outreach**

<table>
<thead>
<tr>
<th>Stakeholder History Proof of LARA Prequal</th>
<th>2</th>
<th>2</th>
<th>Demo of reg prequalification</th>
<th>Letter dated May 7, 2018 for Arbor Farms LLC 7/10/19</th>
</tr>
</thead>
<tbody>
<tr>
<td>Demo of Regulatory Compliance</td>
<td>5</td>
<td>5</td>
<td><a href="http://biaonline.org/2018/09/13/83554">http://biaonline.org/2018/09/13/83554</a></td>
<td>No code violations. No conditional denial letters. 8/30/19</td>
</tr>
<tr>
<td>Morals, Good Order &amp; General Welfare Litigation History</td>
<td>3</td>
<td>3</td>
<td>Demo of Reg Morals Form</td>
<td>Has completed form(s) for all stakeholder(s). 9/12/19</td>
</tr>
</tbody>
</table>

**Total Applicant Stakeholder History**

| Total Score | 10 | 10 | 100 | 76.00 |
## Business Information

<table>
<thead>
<tr>
<th>Establishment/DBA</th>
<th>Herbana</th>
</tr>
</thead>
<tbody>
<tr>
<td>Name</td>
<td></td>
</tr>
<tr>
<td>Establishment</td>
<td>(734) 474-5881</td>
</tr>
<tr>
<td>Phone Number</td>
<td></td>
</tr>
<tr>
<td>Establishment</td>
<td>2001 W. Saginaw Street</td>
</tr>
<tr>
<td>Address</td>
<td></td>
</tr>
<tr>
<td>City</td>
<td>Lansing</td>
</tr>
<tr>
<td>State</td>
<td>MI</td>
</tr>
<tr>
<td>Zip</td>
<td>48915</td>
</tr>
<tr>
<td>Applicant Type</td>
<td></td>
</tr>
<tr>
<td>Facility Type</td>
<td></td>
</tr>
<tr>
<td>Applicant/Corporation/LLC/LLP Information</td>
<td>This needs to be where you can be reached quickly for questions regarding your application.</td>
</tr>
</tbody>
</table>
Establishment Information

Applicant/Corp: Arbor Farm 1, LLC

Name

Date of Birth (If Individual)

Secondary Phone: (734) 388-8895

Secondary Phone Number

Contact email: James@arborholdings.com

Address: 6 N. Fourth Ave, Ste 302

City: Ann Arbor

State: MI

Zip: 48104
Attachments

Please review the general instructions, which are available at https://lansingmi.gov/marijuana, prior to starting.

Ensure that you attach the correct documents to the following buttons. You may attach multiple documents to a button.

**Application Documents 1300.05(b)(1), (2), (3), (7), (24)** - Please attach the following:

You may download the Stakeholder Information Page here.

**Stakeholder Information Page(s)** Stakeholder Information Page- Arbor Farm I, LLC DBA Herbanas-2001 W. Saginaw Street.pdf 401.79KB

You may download the Operator/Employee Information page here.

**Operator/Employee Information page(s)**

**Organizational Documents 1300.05(b)(2), (12)(i), (ii), (iv), 1300.06(b)(1)** - Please attach the following:

**LLC, LLP, or Corporation Docs** LLC Documents- Arbor Farm I, LLC DBA Herbanas-2001 W. Saginaw Street.pdf 1.14MB

Business Plan- Arbor Farm I, LLC, DBA Herbanas-2001 W. Saginaw Street.pdf 1.02MB

**FEIN Verification Letter** FEIN Verification Letter- Arbor Farm I, LLC DBA Herbanas-2001 W. Saginaw Street.pdf 934.81KB

**Ownership Structure** Ownership Structure- Arbor Farm I, LLC DBA Herbanas-2001 W. Saginaw Street.pdf 137.53KB

**Organization Chart** Organizational Chart- Arbor Farm I, LLC DBA Herbanas-2001 W. Saginaw Street.pdf 237.07KB

**Short & Long Term Goals** Short and Long Term Goals- Arbor Farm I, LLC DBA Herbanas-2001 W. Saginaw Street.pdf 131.39KB

**Criminal History 1300.06(b), (5), (6), 1300.06(b)(4)** - Please attach one of each for each stakeholder, operator and employee.

**Criminal History Background Check Form(s)** Criminal History Background Check Forms- Arbor Farm I, LLC DBA Herbanas-2001 W. Saginaw Street.pdf 406.97KB

**Copy of Photo ID(s)** Copy of Photo IDs- Arbor Farm I, LLC DBA Herbanas-2001 W. Saginaw Street.pdf 2.87MB

**Patient Education Plan 1300.05(b)(9)** - Please attach your Patient Education Plan:

**Patient Education Plan** Patient Education Plan- Arbor Farm I, LLC DBA Herbanas-2001 W. Saginaw Street.pdf 138.4KB
Drug & Alcohol Awareness Plan 1300.05(b)(10) - Please attach your Drug & Alcohol Awareness Plan:

Drug and Alcohol Awareness Plan

Drug Awareness Plan Arbor Farm I, LLC DBA Herbana-2001 W. Saginaw Street.pdf

Worker Training Plan 1300.05(b)(11); 1300.05(b)(12)(vi) - Please attach your Worker Training Plan:

Worker Training Plan

Employee Handbook Arbor Farm I, LLC DBA Herbana-2001 W. Saginaw Street.pdf
Worker Training Plan Arbor Farm I, LLC DBA Herbana-2001 W. Saginaw Street.pdf

Marketing, Advertising & Protection Plan 1300.05(b)(13)(iii); 1339.06(b)(1) - Please attach your Marketing, Advertising & Promotion Plan:

Marketing, Advertising, and Promotion Plan Arbor Farm I, LLC DBA Herbana-2001 W. Saginaw Street.pdf

Improvements Made or Proposed to Building 1300.06(h)(3) - Please attach the following:

Plan

Building Improvement Plan Arbor Farm I, LLC DBA Herbana-2001 W. Saginaw Street.pdf

Any Supporting Materials

Supporting Materials Building Improvement Plan Arbor Farm I, LLC, DBA Herbana-2001 W. Saginaw Street.pdf

Tangible Capital Investment 1300.05(b)(12)(iv); 1300.05(b)(12); 1300.06(b)(1) - Please attach any of the following which apply:

TCI Plan

Tangible Capital Investment Plan Arbor Farm I, LLC, DBA Herbana-2001 W. Saginaw Street.pdf

Any Supporting Materials

TCI Supporting Materials Arbor Farm I, LLC DBA Herbana-2001 W. Saginaw Street.pdf

Document(s) demonstrating ownership or exclusive lease of Provisioning Center

Documents Supporting Ownership or Lease Arbor Farm I, LLC DBA Herbana-2001 W. Saginaw Street.pdf

Job Creation - Additional Lansing Jobs 1300.05(b)(12)(v); 1300.06(b)(4) - Please attach documentation showing the number of additional jobs which will be created in the Lansing area at other medical marijuana facility types. Do NOT include jobs at this provisioning center.

Job Creation (not including Provisioning Center)

Expected Job Creation NOT INCLUDING Provisioning Center Arbor Farm I, LLC DBA Herbana-2001 W. Saginaw Street.pdf

Job Creation - this Provisioning Center ONLY 1300.05(b)(23) - Please attach a plan and any supporting documentation which includes the following:
Projected Annual Budget and Revenue includes HVAC & Odor Mitigation Costs

Financial Structure & Financing 1300.05(b)(12)(vii); 1300.06(b)(4) - Provide evidence and explanation of the financial structure and financing for the proposed establishment(s).

Financial Structure & Financing
Financial Structure and Financing- Arbor Farm I, LLC, DBA Herbana-2001 W. Saginaw Street.pdf 79.79KB

Supporting Documents
Supporting Documents-Finance Arbor Farm I, LLC DBA Herbana 2001 W. Saginaw Street.pdf 3.98KB

Plan to Integrate with a Grow Facility in Lansing 1300.05(b)(12)(ix); 1300.06(b)(1) - Please attach the following:

Integration Plan
Integration Plan- Arbor Farm I, LLC, DBA Herbana-2001 W. Saginaw Street.pdf 81.9KB

Supporting Documents
Supporting Documents-Integration Arbor Farm I, LLC, DBA Herbana-2001 W. Saginaw Street.pdf 8.17KB

Community Outreach & Education Plan 1300.05(b)(12)(x); 1300.06(b)(2) - Please attach your plan and any supporting materials.

Community Outreach & Education Plan
Community Outreach & Education Plan Arbor Farm I, LLC, DBA Herbana-2001 W. Saginaw Street.pdf 71.88KB

Charitable Plans & Strategies 1300.05(b)(12)(xi); 1300.06(b)(11) - Please attach your plan and any supporting documents

Charitable Plans & Strategies
Charitable Plans and Strategies Arbor Farm I, LLC, DBA Herbana-2001 W. Saginaw Street.pdf 206.99KB

Charitable Plans Supporting Docs
Supporting Documents-Charity Arbor Farm I, LLC, DBA Herbana-2001 W. Saginaw Street.pdf 4.83KB

Security Plan 1300.05(b)(14); 1300.06(b)(2) - Please attach your security plan and any supporting documents to ensure compliance with ordinance.
Floor Plans 1300.05(b)(15) - Please attach your facility's floor plans.

Floor Plans

Floor Plans-Arbor Farm I, LLC DBA Herbana-2001 W. Saginaw Street.pdf 8.28MB

Proposed Text & Graphics 1300.05(b)(16) - Please attach your facility's plan for outdoor text and graphics.

Proposed Text & Graphics

Proposed Text and Graphic Plan-Arbor Farm I, LLC, DBA Herbana-2001 W. Saginaw Street.pdf 3.31MB

Location Area Map 1300.05(b)(17) - Please attach your location's area map.

Location Area Map

Location Area Map-Arbor Farm I, LLC, DBA Herbana-2001 W. Saginaw Street.pdf 1.87MB

Sanitation & Waste Disposal Plan 1300.05(b)(18) - Please attach your plan.

Sanitation and Waste Disposal Plan

Sanitation & Waste Disposal Plan-Arbor Farm I, LLC, DBA Herbana-2001 W. Saginaw Street.pdf 106.53KB

Patient Recordkeeping 1300.05(b)(19) - Please attach your plan for securing patient records.

Patient Recordkeeping

Patient Recordkeeping Plan-Arbor Farm I, LLC, DBA Herbana-2001 W. Saginaw Street.pdf 11.12KB

Testing Procedures 1300.05(b)(20) - Please attach your plan.

Testing Procedures

Testing Procedures-Arbor Farm I, LLC, DBA Herbana-2001 W. Saginaw Street.pdf 73.75KB

Treasury Form(s) 1300.05(b)(4); 1300.05(b)(21) - Please attach the following for each stakeholder.

Completed City of Lansing Treasury Office Form

Treasury Forms-Arbor Farm I, LLC, DBA Herbana-2001 W. Saginaw Street.pdf 421.45KB

Bank Statement(s) 1300.05(b)(22) - Please attach your bank statement(s) showing $100,000 in liquid assets.

Bank Statement(s)

Bank Statements-Arbor Farm I, LLC, DBA Herbana-2001 W. Saginaw Street.pdf 1.9MB
CPA Attestation-Arbor Farm I, LLC, DBA Herbana-2001 W. Saginaw Street.pdf 451.25KB

Sufficient Financial Resources 1300.05(b)(22) 1300.05(b)(25) - Please attach the following:

Financial Resources

Financial Resources Litigation Forms-Arbor Farm I, LLC, DBA Herbana-2001 W. Saginaw Street.pdf 381.59KB
**Business Experience 1300.06(b)(5)** - Please attach the following:

- **Resume for Each Stakeholder**
  - Stakeholder Resume Arbor Farm I, LLC, DBA Herba-2001 W. Saginaw Street.pdf
  - 128.65KB

- **Applicable Licenses held by Stakeholder(s)**
  - Applicable Licenses Held by Stakeholders Arbor Farm I, LLC, DBA Herba-2001 W. Saginaw Street.pdf
  - 1.77MB such as medical licenses.

**Insurance Policy 1300.05(B)(26)** - Please attach your entire insurance policy or Intent to insure.

- **Insurance Policy**
  - Intent to Insure Arbor Farm I, LLC, DBA Herba-2001 W. Saginaw Street.pdf
  - 80.65KB

**Proof of Bond or Escrow 1300.05(B)(37)** - Please attach a letter of intent to insure from an insurer qualified to do business in Michigan, or a letter of intent to bond.

- **Proof of Bond or Escrow Account**
  - Intent to Bond Arbor Farm I, LLC, DBA Herba-2001 W. Saginaw Street.pdf
  - 80.23KB

**Traffic Plan 1300.08(b)(2)(3): 1300.03(b)(3)** - Please attach your plan and any supporting materials (example: parking site plan, quotes, traffic analysis, etc.)

- **Traffic Plan**
  - Traffic Plan Arbor Farm I, LLC, DBA Herba-2001 W. Saginaw Street.pdf
  - 11.44KB

**Noise Plan 1300.06(b)(3): 1200.03(b)** - Please attach your plan.

- **Noise Control Plan**
  - Noise Plan Arbor Farm I, LLC, DBA Herba-2001 W. Saginaw Street.pdf
  - 20.89KB

**Odor Plan 1300.06(b)(3): 1300.09(b)** - Please attach your plan for odor control.

- **Odor Plan**
  - Odor Plan Arbor Farm I, LLC, DBA Herba-2001 W. Saginaw Street.pdf
  - 129.3KB

**Applicant-Stakeholder History 1300.08(b)(1), (5), (9), 1300.08(a), MCL 333.27401**

**SOM Pre-qualification Letter**

  - 549.4KB

**Morals, Good Order & General Welfare Litigation History**

- Morals, Good Order & General Welfare Litigation History Form Arbor Farm I, LLC, DBA Herba-2001 W. Saginaw Street.pdf
  - 535.69KB
Affirmations

Please affirm each of the following statements by entering your initials in the box for each statement. (You may select a font or draw your initials.)

I affirm that I, the applicant, and each stakeholder and employee is at least 18 years of age and has not been convicted of or found guilty or no contest to a disqualifying felony. 1300.05(b)(4)

Initial here:

I affirm that I, the applicant or operator: 1300(b)(7)

Choose one
  R have not had a business license revoked or suspended
  R have had a business license revoked or suspended

Initial here

I acknowledge that I, the applicant, am aware that all matters related to marijuana, growing, cultivation, possession, dispensing, testing, safety compliance, transporting, distribution, and use are currently subject to State and Federal Laws, Rules, and Regulations, and that the approval or granting of a license hereunder does not exonerate or exculpate myself; the applicant, from abiding by the provisions and requirements and penalties associated with those laws, rules, and regulations or exposure to any penalties associated therewith; and further myself, the applicant, waives and forever releases any claim, demand, action, legal redress, or recourse against the City of Lansing, its elected and appointed Officials and its Employees and Agents for any claims, damages, liabilities, causes a result of the violation by myself, the applicant, its Officials, members, partners, shareholders, employees and agent of those laws, rules, and regulations and hereby waives and assumes the risk of any such claims and damages, and lack of recourse against the City of Lansing, its elected and appointed Officials, employees, attorneys, and agents 1300.05(b)(24)

Initial here:

I swear that neither I, the applicant, nor any stakeholder is in default to the City of Lansing for failure to pay any property taxes, special assessments, fines, fees or other financial obligations to the City 1300.08(b)(21)

Initial here:

I agree to report any changes to the information required under Chapter 1300 to the City Clerk within ten (10) business days 1300.08(d).

Initial here:

By submitting this application for a medical marijuana license, I affirm: (1) that I have read and understand Ordinance '1217' and the instructions for this application, (2) that I have submitted a complete application, and (3) that I have submitted all documents that will be considered for each section of the application; A document should be uploaded to each applicable scoring section; failure to do so may impact the completeness and/or score of your application.
stamps
endicia  Shipping Label Receipt

Delivery Confirmation™ Service Number:
9405 5116 9900 0120 8051 44

Priority Mail 2-DAY with USPS TRACKING #*
Electronic Service Fee: $0.000
Additional Services: Insured
Total Postage and Fees: $6.95
Weight: 1 oz
Print Date: 11/22/2019  Mailing Date: 11/23/2019

From:  Chris Swope
Lansing City Clerk's Office
124 W Michigan Ave Floor 9
Lansing MI 48933-1612

To:  Arbor Farm LLC
     c/o James Daly
     201 S First St, Apt 701
     Ann Arbor MI 48104-1395

*Regular Priority Mail 2-DAY Service postage rates apply. There is no fee for Delivery Confirmation™ service on Priority Mail services with use of this electronic shipping label. Postmark required if fee refund requested. Delivery information is not available by phone for the electronic option.

Instructions:
1. Adhere shipping label to package with tape or glue - DO NOT TAPE OVER BARCODE. Be sure all edges are secured. Self-adhesive label is recommended.
2. Place the label so it does not wrap around the edge of the package.
3. This package may be deposited in any collection box, handed to your mail carrier, or presented to a clerk at your local Post Office.
4. Each confirmation number is unique and can be used only once - DO NOT PHOTOCOPY.
5. You must mail this package on the "mail date" that is specified on this label.
November 23, 2019

Arbor Farm I LLC
  c/o James Daly
  201 S First St, Apt 701
  Ann Arbor, MI 48104

Dear Provisioning Center Applicant,

I have reviewed the report and recommendation of the hearing officer on your appeal of the Scoring and Ranking denial of your application to operate a Medical Marihuana Provisioning Center in the City of Lansing at 2001 W Saginaw St. I have determined that your appeal remains **denied**.

You have the right to appeal this denial of licensure to the Medical Marihuana Commission within thirty (30) days of the date of this letter by filing a written statement to the Commission with the City Clerk’s Office.

Should you choose to appeal, your Commission Hearing will be held at 2:00 p.m. on Friday, January 10, 2020. Commission Hearings are held at the Clerk’s Marijuana Licensing Unit, 2500 S Washington Ave, Lansing, MI 48910.

The Medical Marihuana Commission Appeal will become a matter of public record. The Commission’s review of the appeal shall not be de novo. The Commission shall only overturn, or modify, a decision or finding of the Clerk if it finds such decision or finding to be arbitrary or capricious and not supported by material, substantial, and competent facts on the whole record considered by the Clerk in arriving at such decision or finding.

Chapter 1300 provides that should the applicant not receive a license, one-half the application fee shall be returned. This refund will be processed after all appeals are exhausted.

Sincerely,

Chris Swope, CMMC
City Clerk

cc: M. Yankowski, Lansing Police Chief
    J. Smiertka, Lansing City Attorney
<table>
<thead>
<tr>
<th>#</th>
<th>Category</th>
<th>Total Possible Points</th>
<th>Score</th>
<th>Location of material</th>
<th>Scoring Insights</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Ownership Structure</td>
<td>1</td>
<td>1</td>
<td>Org Docs, Ownership Structure, 1 pg.</td>
<td>Has organizational structure. 8/9/19</td>
</tr>
<tr>
<td>2</td>
<td>Organizational Chart</td>
<td>1</td>
<td>1</td>
<td>Org Docs, Org Chart, 19 pgs.</td>
<td>Has org chart. 8/9/19</td>
</tr>
<tr>
<td>3</td>
<td>Worker Training Program</td>
<td>1</td>
<td>1</td>
<td>OtherReqDocs, Worker Training Plan, 3 pgs.</td>
<td>Has plan. 8/9/19</td>
</tr>
<tr>
<td>4</td>
<td>Short and Long Term Goals and Objectives</td>
<td>1</td>
<td>1</td>
<td>Org Docs, Goals, 1 pg.</td>
<td>Has goals. 8/9/19</td>
</tr>
<tr>
<td>5</td>
<td>Community Outreach &amp; Education</td>
<td>1</td>
<td>1</td>
<td>Community Outreach, Outreach &amp; Ed, 2 pgs.</td>
<td>Has plan. 8/9/19</td>
</tr>
<tr>
<td>6</td>
<td>Marketing, Advertising &amp; Promotion</td>
<td>3</td>
<td>1</td>
<td>Marketing</td>
<td>One general statement, two examples with no detail, and no budget. 9/23/19</td>
</tr>
<tr>
<td>7</td>
<td>Tangible Capital Investment Dollar Amount</td>
<td>5</td>
<td>5</td>
<td>42 Pages in TCI Section</td>
<td>Applicant states $17,331,000 in TCI. 8/12/19</td>
</tr>
<tr>
<td>8</td>
<td>Tangible Capital Investment Own/Lease</td>
<td>3</td>
<td>2</td>
<td>12 page Purchase Agreement</td>
<td>Has signed purchase agreement, but does currently own the building. 8/12/19</td>
</tr>
<tr>
<td>9</td>
<td>Tangible Capital Investment Supporting Material</td>
<td>3</td>
<td>1</td>
<td>28 page Supporting Documents in TCI Section</td>
<td>Most of Stated TCI is not corroborated by supporting material. 8/12/19</td>
</tr>
<tr>
<td>10</td>
<td>Financial Structure &amp; Financing</td>
<td>2</td>
<td>2</td>
<td>Job Creation-Budget revenue 9 pages</td>
<td>Detailed 3 year budget for the provisioning center with line item start up costs, expenses and revenue. 8/21/19</td>
</tr>
<tr>
<td>11</td>
<td>LARA Pre-Qual</td>
<td>3</td>
<td>3</td>
<td>demo of reg prequalification</td>
<td>Letter dated May 7, 2018 for Arbor Farms I LLC 7/10/19</td>
</tr>
<tr>
<td>12</td>
<td>Integration with Grows</td>
<td>4</td>
<td>4</td>
<td>Integration</td>
<td>Applicant has applied for and received conditional approval for 10 Class C grow licenses in Lansing. 8/9/19</td>
</tr>
<tr>
<td>13</td>
<td>Charitable Plans &amp; Strategies</td>
<td>4</td>
<td>3</td>
<td>Charitable Plans</td>
<td>$24K per year total. $15k to Lansing Promise, $5.5K in in-kind volunteer time, and $3.5K per year in landscaping services to Point Public Art Project. A letter accepting planned donation from Lansing Promise. Less than ideal yearly contribution, which is $25K/yr. 8/9/19</td>
</tr>
<tr>
<td>14</td>
<td>Number of and job descriptions for PC ONLY</td>
<td>3</td>
<td>3</td>
<td>Job Creation FTE's</td>
<td>More than six (6) jobs, with job descriptions. 8/9/19</td>
</tr>
<tr>
<td>15</td>
<td>Healthcare</td>
<td>2</td>
<td>2</td>
<td>Job Creation FTE's</td>
<td>Employer will offer Healthcare. 9/12/19</td>
</tr>
<tr>
<td>16</td>
<td>Paid Time Off</td>
<td>1</td>
<td>1</td>
<td>Job Creation FTE's</td>
<td>Employer will offer Paid Time Off. 9/12/19</td>
</tr>
<tr>
<td>17</td>
<td>Retirement</td>
<td>1</td>
<td>1</td>
<td>Job Creation FTE's</td>
<td>Employer will offer 401K plan. 9/12/19</td>
</tr>
<tr>
<td>18</td>
<td>% of employees at $15+/hr</td>
<td>3</td>
<td>3</td>
<td>Job Creation FTE's</td>
<td>100% of employees will make $15+/hr. 8/9/19</td>
</tr>
<tr>
<td>19</td>
<td>Projected Annual Budget</td>
<td>2</td>
<td>2</td>
<td>Job Creation Budget revenue 9 pages</td>
<td>Detailed 3 year budget for the provisioning center with line item start up costs, expenses and revenue. 8/21/19</td>
</tr>
<tr>
<td>20</td>
<td>Total COL Jobs</td>
<td>6</td>
<td>3</td>
<td>Job Creation Lansing</td>
<td>83 Full time jobs at grow and processor. This is less than the ideal number of jobs, which is 201+. 8/9/19</td>
</tr>
<tr>
<td></td>
<td><strong>Total Business Plan &amp; Job Creation</strong></td>
<td><strong>50</strong></td>
<td><strong>41</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>21</td>
<td>Financial Litigation History</td>
<td>1</td>
<td>1</td>
<td>2 Financial Litigation Farms</td>
<td>Has completed form(s) for all stakeholder(s) 9/12/19</td>
</tr>
<tr>
<td>22</td>
<td>Net Worth</td>
<td>3</td>
<td>0</td>
<td>31 pages in Financial Section</td>
<td>No proof of $100K bank account in applicant name. No solid proof of net worth. Revenue from common stock without guarantee of dollar amount 7/9/19 No documentation of initial start up and operating costs. 7/9/19</td>
</tr>
<tr>
<td>23</td>
<td>LARA Pre-Qual</td>
<td>3</td>
<td>3</td>
<td>demo of reg prequalification</td>
<td>Letter dated May 7, 2018 for Arbor Farms I LLC 7/10/19</td>
</tr>
<tr>
<td>24</td>
<td>Stakeholder Experience City of Lansing Businesses</td>
<td>1</td>
<td>0</td>
<td>Experience Stakeholder Resume</td>
<td>No mention of Lansing business ownership in resumes. 7/12/19</td>
</tr>
<tr>
<td>25</td>
<td>Stakeholder Experience Relevant Businesses</td>
<td>1</td>
<td>1</td>
<td>Experience Stakeholder Resume</td>
<td>More than five (5) years relevant medical, retail or agricultural experience. 9/12/19</td>
</tr>
<tr>
<td>Stakeholder Experience</td>
<td>1</td>
<td>1</td>
<td>Experience Stakeholder Resume</td>
<td>More than five (5) years MM experience. 9/12/19</td>
<td></td>
</tr>
<tr>
<td>------------------------</td>
<td>---</td>
<td>---</td>
<td>-------------------------------</td>
<td>-----------------------------------------------</td>
<td></td>
</tr>
<tr>
<td><strong>Total Financial Stability &amp; Business Experience</strong></td>
<td>10</td>
<td>6</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Impact on Neighborhood Distance Between PC &amp; Residential Zoning</td>
<td>7</td>
<td>3</td>
<td><a href="https://lansing.maps.arcgis.com/apps/webappviewer/index.html?id=be0634345255438ba55b14c9b9e9f22">https://lansing.maps.arcgis.com/apps/webappviewer/index.html?id=be0634345255438ba55b14c9b9e9f22</a></td>
<td>PC Property abuts Residential Zoning on the south side. 8/19/19</td>
<td></td>
</tr>
<tr>
<td>Impact on Neighborhood Density of PCs</td>
<td>7</td>
<td>4</td>
<td><a href="https://lansing.maps.arcgis.com/apps/webappviewer/index.html?id=be0634345255438ba55b14c9b9e9f22">https://lansing.maps.arcgis.com/apps/webappviewer/index.html?id=be0634345255438ba55b14c9b9e9f22</a></td>
<td>Lose 2 points for every existing PC within a 1/2 mile radius. #12 Lose 1 point for every existing PC within a 1 mile radius. None Lose .5 point for every existing PC within a 1.5 mile radius. #20 Lose .25 point for every existing PC within a 2 mile radius. #4, #17 Points Lost: 3. 8/9/19</td>
<td></td>
</tr>
<tr>
<td>Traffic &amp; Parking</td>
<td>3</td>
<td>1</td>
<td>Public Service Review</td>
<td>Tier 3 - poor parking/circulation, impact on nearby neighborhoods. 8/29/19</td>
<td></td>
</tr>
<tr>
<td>Security Plan</td>
<td>3</td>
<td>2</td>
<td>LPD Review</td>
<td>TIER 2 - *NO off site surveillance storage noted as required by ordinance. Does have Video surveillance, alarm, specified barriers, Vault, security guard, some equip specs.</td>
<td></td>
</tr>
<tr>
<td><strong>Total - Land Use &amp; Resident Safety</strong></td>
<td>20</td>
<td>10.00</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Planned Outreach</td>
<td>1</td>
<td>1</td>
<td>Community Outreach, Outreach &amp; Ed, 2 pgs.</td>
<td>Has plan. 8/9/19</td>
<td></td>
</tr>
<tr>
<td>Improvements to Building</td>
<td>3</td>
<td>3</td>
<td>Building Improvements Support Docs</td>
<td>SEV: None, it has been a church since 2011 Sale price in 2011 was $175,000. Total improvements planned $331,157 = 189% of last sale price. Has construction estimate from Dymaxion Development. 8/26/19</td>
<td></td>
</tr>
<tr>
<td>Plan to Minimize Traffic</td>
<td>1</td>
<td>1</td>
<td>Traffic Plan 1 pg.</td>
<td>Has a plan 8/27/19</td>
<td></td>
</tr>
<tr>
<td>Noise Plan</td>
<td>1</td>
<td>1</td>
<td>Noise &amp; Odor Noise Plan</td>
<td>Has plan. 8/9/9</td>
<td></td>
</tr>
<tr>
<td>Odor Plan</td>
<td>4</td>
<td>3</td>
<td>Noise &amp; Odor Odor Plan</td>
<td>Has plan with good description, but no specs or budget. 8/9/19</td>
<td></td>
</tr>
<tr>
<td><strong>Total Outreach</strong></td>
<td>10</td>
<td>9</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Stakeholder History Proof of LARA Prequal</td>
<td>2</td>
<td>2</td>
<td>demo of reg prequalification</td>
<td>Letter dated May 7, 2018 for Arbor Farms I LLC 7/10/19</td>
<td></td>
</tr>
<tr>
<td>Demo of Regulatory Compliance</td>
<td>5</td>
<td>5</td>
<td><a href="https://bsaonline.com/SiteSearch/SiteSearch">https://bsaonline.com/SiteSearch/SiteSearch</a></td>
<td>No code violations. No conditional denial letters. 8/30/19</td>
<td></td>
</tr>
<tr>
<td>Morals, Good Order &amp; General Welfare Litigation History</td>
<td>3</td>
<td>3</td>
<td>Demo of Reg Morals Form</td>
<td>Has completed form(s) for all stakeholder(s). 9/12/19</td>
<td></td>
</tr>
<tr>
<td><strong>Total Applicant Stakeholder History</strong></td>
<td>10</td>
<td>10</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Total Score</strong></td>
<td>100</td>
<td>76.00</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Clerk’s Statement of Facts
Arbor Farm I, LLC dba Herbana – 2001 W Saginaw

The appellant provided only argument, no exhibits from the appellant’s application were provided. Cure on appeal is not permitted.

Part I – 1 – Marketing, Advertising & Promotion – See Scoring Insights

Part I – 2 – Tangible Capital Investment Own/Lease – See Scoring Insights

Part I – 3 – Tangible Capital Investment Supporting Materials – See Scoring Insights. Parts of Appellant’s arguments are redacted as they contain information which was not provided in this section of the original application. In the Clerk’s Office review, employee salaries were not considered Tangible Capital for any application.

Part I – 4 – Charitable Plans & Strategies – See Scoring insights – Parts of Appellant’s arguments are redacted as they contain information which was not provided in this section of the original application. No information was found to show their “Public Art Project” was a 501(c)3 charity.

Part 1 – 5 – Total COL Jobs – See Scoring Insights

Part II – 1 – Net Worth – See Scoring Insights

Part III – 1 – Impact on Neighborhood Density of PCs – See Scoring Insights and COL Exhibits of GIS Density Measurements

Part III – 2 – Traffic & Parking – Traffic & Parking was reviewed by a City of Lansing Public Service employee who specializes in this area. See Scoring Insights.

Part III – 3 – Security Plan – Security Plans were reviewed by the Lansing Police Department. See Scoring Insights.

Part IV – 1 – Odor Plan – Parts of Appellant’s arguments are redacted as they contain information which was not provided in this section of the original application.

Email Attachments:

1. Clerk’s Statement of Facts
2. Arbor Farm’s Application
3. Arbor Farm’s Hearing Officer Appeal
4. Arbor Farm’s Score Sheet
5. LARA Advisory Bulletin re: CPA Attestations
6. American Institute of CPA’s Definition of Compilation
7. GIS Density Maps for .5 Mile, 1 Mile, 1.5 Miles, 2 Miles, and close ups of PC #4
8. Provisioning Center Public Scoring Criteria for Phase 2
9. Application Instructions
HEARING OFFICER RECOMMENDATION

This decision is remitted to the Clerk of the City of Lansing by Hearing Officer, Hilary M. Barnard, Esq., having been read and informed on the issues recommends that in regard to ARBOR FARM I, LLC d/b/a HERBANA and its license application for a Medical Marihuana Provisioning Center that the license application remain denied.

FACTS

ARBOR FARM I, LLC d/b/a HERBANA (“Appellant”) applied to the City of Lansing to operate a Medical Marihuana Provisioning Center within the city limits during Phase 2. This recommendation follows a timely appeal from Appellant.

By letter dated September 24, 2019, Appellant was informed that its license application was denied. Appellant was informed that this score eliminated the possibility of scoring in the top five applications received in phase 2 and it would not be receiving a provisioning center license. Appellant was also informed that it had the right to appeal the denial within 14 (fourteen) days of the letter’s date by written statement with grounds for appeal. With the letter, Appellant was provided a copy of the City of Lansing Provisioning Center Ranking sheet for its business. On the document, Appellant is able to view the total possible points, its attained points, and scoring insight statements.

Appellant has point deficiencies in several categories.

Appellant’s Position

Appellant seeks appellate review pursuant to the Lansing ordinance. It argues that its application was not accurately scored, and the point allocation should be 92.25
City Clerk Position

The City Clerk affirms its position on the denial. The City Clerk iterates that application instructions told applicants to attach all relevant materials to each section that the applicant wanted considered.

APPLICABLE LAW & REASONING

The issue in front of this Hearing Officer is whether Appellant’s Provisioning Center License Application for the City of Lansing was erroneously denied.

In regard to the issuance of licenses and the appellate process for a license:

“The City Council shall provide, by ordinance, a procedure for the issuance of licenses and permits. The ordinance shall, to the greatest extent possible, place the responsibility for the issuance of licenses and permits under one official in order that persons requesting specific licenses and permits will not have to contact more than one City office.”

At the denial of a license under City of Lansing Ordinance No. 1217, an applicant:

May appeal to the city clerk, who shall appoint a hearing officer to hear and evaluate the appeal and make a recommendation to the clerk. Such appeal shall be taken by filing with the city clerk, within 14 days after notice of the action complained of has been mailed to the applicant’s last known address on the records of the city clerk, a written statement setting forth fully the grounds for the appeal. The clerk shall review the report and recommendation of the hearing officer and make a decision on the matter. The clerk’s decision may be further appealed to the commission if applied for in writing to the commission no later than thirty (30) days from the clerk’s decision.

* * *

[The] [r]eview of an appeal shall not be de novo. The commission shall only overturn, or modify, a decision or finding of the clerk if it finds such decision or finding to be arbitrary or capricious and not supported by material, substantial, and competent facts on the whole record considered by the clerk in arriving at such decision or finding.

---

1 See LANSING CITY CLERK'S OFFICE, City of Lansing City Charter (as amended) at 24 (2015) available at: https://www.lansingmi.gov/DocumentCenter/View/2126/City-Charter?bidId=. In this instance, the license issuance is handled with the City Clerk’s office.
2 City of Lansing Ordinance No. 1217 Sec. 1300.15(C).
3 Id. at 1300.3(E).
The arbitrary or capricious standard of review is the commission’s review and is adopted by this Hearing Officer.\(^4\) Arbitrary and capricious have generally accepted meanings.\(^5\) Arbitrary is “without adequate determining principle . . . [f]ixed or arrived at through an exercise of will or by caprice, without consideration or adjustment with reference to principles, circumstances, or significance, . . . decisive but unreasoned.”\(^6\) Capricious is “apt to change suddenly; freakish; whimsical; humorsome.”\(^7\) The burden is on the party attacking to affirmatively prove the arbitrary and unreasonable decision.\(^8\) This is not to say that a local body may “abrogate constitutional restraints.”\(^9\)

As to whether an applicant can submit supplemental materials on appeal, the Lansing Ordinance in Section 1300.5(B) states that “[a] complete application for a license or licenses required by this chapter shall be made under oath on forms provided by the city clerk and shall contain all of the following[.]” (emphasis added). The ordinance then enumerates all the documents and information required for application submission. Per Michigan Court rule, appeals are based on the record already in place.\(^10\) Further, an appellate body will generally not consider issues not raised in or ruled on by a lower review.\(^11\) The appellate review is limited to the record before the lower court at the time of the relevant decision.

Under the City of Lansing Ordinance No. 1217 Section 1300.5:

(B)(12)(IV) Planned tangible capital investment in the city, including detail related to the number and nature of applicant’s proposed medical marijuana establishments in the city and whether the locations of such establishments will be owned or leased; further, if multiple licenses are proposed, an explanation of the economic benefits to the city and job creation, if any, to be achieved through the award of such multiple licenses. Supporting factual data shall be included with the response to this subsection[.]” (emphasis added)

Under the City of Lansing Ordinance No. 1217 Section 1300.6, review of an application will consider:

(D) In the event that there are more applicants for provisioning center licenses who meet the minimum requirements set forth in 1300.6(B) than there are licenses available in either phase one or two, the top scoring twenty (20) applicants in phase

---

\(^4\) There is an inherent binary in license issuance: issued or denied, not a spectrum of decisions. Given that this is a licensing situation, and that the only prescribed review under Ordinance No. 1217 is arbitrary and capricious, that is the standard that will be observed here.


\(^6\) Id.

\(^7\) Id.


\(^9\) Id. at 162.

\(^10\) See e.g., MCR 7.105(B)(4); (5)(d) (requiring that the appellate court receive a certified copy of a case’s record and stating review of a trial court’s decision was for legitimate reason based on “arguable support in the record[.]”)

one and top scoring five (5) applicants in phase two, shall be eligible to receive provisioning center licenses in accordance with the assessment, evaluation, scoring, and ranking procedures established in this chapter.[1]

An applicant must have included, *inter alia*, in its application for a provisioning center license:

A copy of the proposed business plan for the establishment, including, but not limited to the following: . . . (VII) Financial structure and financing of the proposed medical marihuana establishments. . . . (17) a location area map, as measured pursuant to section 1300.13(d) of the medical marihuana establishment and surrounding area that identifies the relative locations and the distances, as measured pursuant to Section 1300.13 (A). 12

The Lansing Ordinance incorporates provisions and definitions of the Medical Marihuana Facilities Licensing Act, 2016 PA 281 (as amended) (“MMFLA”) so as to:

“not limit an individual’s or entity’s rights under the [Michigan Medical Marihuana Act (MMMA)], MMA or the [Michigan Tracking Act (MTA)]” and drafters intended that “these acts supersede [the] ordinance where there is a conflict.” 13

A Lansing applicant must then comply with the MMFLA. 14 Pursuant to Sec. 402 of the MMFLA, in evaluating an applicant for licensure, an applicant’s history of “noncompliance with any regulatory requirements in this state or any other jurisdiction” will be considered. 15 Pursuant to Section 409, a licensure does not “create or vest any right, title, franchise, or other property interest.”

Here, this Hearing Officer will decline to review any supplemental materials 16 provided by Appellant in effort to cure application deficiencies. Per requirements in the Lansing Ordinance in Section 1300.5(B) and general state appellate practice, review on appeal is to the record originally provided and reviewed. See e.g., *Napier v. Jacobs*, 429 Mich. 222, 232-35 (1987). 17 Thus, this review will address the appeal on Appellant’s first basis and the application as originally provided.

**MARKETING, ADVERTISING & PROMOTION**

In this section, the scoring insights provided that “One general statement, two examples with no detail, and no budget.” Appellant argues that its score is incorrect because its submission met the

---

12 City of Lansing, Michigan Ordinance No. 1217 Sec. 1300.5(B).
13 City of Lansing, Michigan Ordinance No. 1217 Sec. 1300.2(C).
14 *Id.* at Sec. 1300.2(D).
15 MMFLA, MCL § 333.27402(3)(g).
16 Here, Appellant’s appeal letter includes sufficient information and material not originally provided. It will be considered supplemental material and treated as such.
17 In this case it discusses that an “exception that review is permissible ‘to prevent a miscarriage of justice.’” “Most jurisdictions recognize the authority of an appellate court to review an issue, even where the issue was not preserved, when some fundamental error would otherwise result in some egregious result.” However, that “such power of review is to be exercised quite sparingly. *Napier*, 429 Mich. at 233. Under the facts presented, there is not a fundamental error so as to trigger exercising supplementing on appeal.
requirements of the City’s rubric. Appellant argues that it will do what the plan says, but this is not a demonstration of detail of a plan. Further, there appears to be no budget information related to marketing provided in this section, and no argument provided for its absence. There is no basis to award further points in this category.

**Tangible Capital**
The City defines tangible capital as an asset with a physical form. Thus, only such assets would count in the calculation. The City considers Tangible Capital Investment to detail how a business is going to invest its money and assets, not how many of them it has. Also considered in Tangible Capital are building improvements to the interior and exterior. Not considered are products, packaging, furniture, or other items that are readily removable from the establishment.

Appellant argues that its score is incorrect for each subcategory under tangible capital. First, regarding ownership and lease. The Appellant argues that its purchase agreement is better than a warranty deed or proof of ownership. This Hearing Officer disagrees. The purchase agreement functions as a contract, whereas a deed or other ownership proof demonstrates that the building is owned by the business and is not contingent on a trigger. The point allocation is appropriate here. Second, Appellant argues that its score for supporting materials is inaccurate. Much of Appellant’s argument was not provided with its initial application and cannot now be considered as an attempt to cure deficiencies on appeal. The City also does not consider employee salaries in this section. There is no basis to provide additional points for supporting materials.

**Charitable Plans**
Here, much of Appellant’s argument was not originally provided with its application which cannot be considered on appeal. The scoring insights provide, “$24K per year total. $15k to Lansing Promise, $5.5K in in-kind volunteer time, and $3.5K per year in landscaping services to Point Public Art Project. A letter accepting planned donation from Lansing Promise. Less than ideal yearly contribution, which is $25K/yr.” Also unclear from the appeal letter and the application materials is whether the referenced Public Art Project is a 501(c)(3) charity. The factfinder is “must give deference to an agency’s findings of fact.” The factfinder may not set aside findings just because other facts in the record could have come to a different conclusion. As the City has utilized the same benchmark for each application, there is no basis for the Hearing Officer to suggest another threshold here. Thus, Appellant’s point allocation is appropriate.

**Total COL Jobs**
Appellant again in this section requests that the threshold amount that the City utilized be undermined. There is no basis nor authority for the Hearing Officer to do. Even if this were not the case, Appellant points to 83 jobs being created and an estimated salary amount. The salary amount does not relate to numeric existence of jobs; thus, Appellant’s argument is unconvincing. There is no basis to award additional points here.

---

19 Id.
NET WORTH
Under this section, Appellant’s argument rests on the pertinent funds actually residing in accounts pertaining to Appellant’s holding organization. Appellant even cites the exact language that defeats its argument, “Verification, including copies of actual bank statements, showing that the applicant has minimum net worth of $100,000.00 in the applicant’s name.” (emphasis added). As the funds do not reside in Appellant’s name, there is no basis for this Hearing Officer to exceed the ordinance language.

IMPACT ON NEIGHBORHOOD
In this category, this Hearing Officer will “give deference to an agency's findings of fact.” This section is not intended to relate to the buffering standards. The City relies on land use demographics, which find that the property is within ¼ mile of residential zoning. In the scoring criteria it was explained that this is “[d]istance between residential zoned areas and applicant’s provisioning center. Evaluation is based on whether any residential property abuts the proposed location, and if not, whether there is residential zoning within ¼ mile of the proposed location.” The argument that Appellant was not aware of this is without merit.

TRAFFIC & PARKING
Appellant’s score provides that “Tier 3 - poor parking/circulation, impact on nearby neighborhood.” Appellant argues that there would be a minimal or non-existent impact on traffic. Appellant is located in a high-traffic part of the city. There is little traffic circulation due to the nature of the road set up. The City of Lansing Public Service evaluates this aspect of the applicant materials. The factfinder may not set aside findings just because other facts in the record could have come to a different conclusion. Deferring to the agency’s finding, there is no basis for additional points here.

SECURITY PLAN
Here, Appellant is lacking off-site surveillance as required. Not excluding off-site storage is not the same as a plan that specifically details it. Saying one will follow rules and regulations is neither an example of how it will be done or details of plans to do so. There is no basis to award additional points here.

ODOR PLAN
The entirety of Appellant’s argument under this section was not included in its original application. Appellant is not able to cure on appeal. Thus, no points could be added here.

CONCLUSION

For the foregoing reasons, it is recommended that Appellant’s application for a provisioning center license should remain denied.

Respectfully Submitted,

Dated: October 19, 2019

Hilary M. Barnard, Hearing Officer
December 23, 2019

Dear City of Lansing Medical Marihuana Commission,

Thank you for taking time during the holiday season to understand our current $17,331,000 investment in the City of Lansing with an additional xxxxx planned in the next two years. Our company is proud to be headquartered in Lansing.

My partner Brian Doelle and I have effectively engaged our community since founding our first provisioning center in 2017. We have built places which have been welcomed and supported by community members and leaders alike. Our company currently employs 65 full time employees across seven first-in-class facilities currently operating in Michigan.

Never have we committed, nor has the City of Lansing seen in actual terms, the amount we have invested here in this emerging industry. We are now focused on City of Lansing approving our provisioning center location.

Your thoughtful leadership is validating. As I was quoted by Lansing City Pulse, the City of Lansing is poised as the natural hub for this industry. There is no doubt that our Lansing community is better prepared because of your attention to supporting safe operators.

Again, thank you for your time and attention to these critical issues.

Respectfully,

James Daly
Co-owner of Arbor Farm I, LLC

P.S. The Mayor of Lansing recently asked whether we plan to sell our Lansing-made products in Lansing. We trust the City of Lansing would agree that our investment here is unmatched if given an objective review of the facts. Attached is our ongoing appeal as we continue to request approval for a retail marijuana facility within the City of Lansing.

Attachment
December 23, 2019

Via E-mail at:
Clerk@lansingmi.gov

Medical Marihuana Commission
Lansing City Clerk’s Office
Ninth Floor, City Hall
124 W Michigan Avenue
Lansing, Michigan 48933

RE: IN THE MATTER OF THE APPLICATION FOR PROVISIONING CENTER LICENSURE OF ARBOR FARM I, LLC DBA HERBANA

Dear City of Lansing Medical Marihuana Commission,

Please accept this letter as notice that this law firm, specifically David A. Rudoi, has been retained to represent Arbor Farm I, LLC in their appeal. This letter is to serve as a notice of appeal pursuant to Chapter 1300.15(C) and 1300.3.

1. Introduction

On September 24, 2019, Arbor Farm I, LLC DBA Herbana (hereinafter Arbor Farms) received the attached correspondence indicating that their application for a license to operate a Medical Marihuana Provisioning Center in the City of Lansing had been denied based on a score of 76 out of 100 points eliminating Arbor Farms from the possibility of scoring in the top five.

On October 7, 2019, Arbor Farms appealed this denial to City of Lansing Clerk, Chris Swope, asserting that although a majority of the application was properly scored, this denial was improper based on incorrect scoring of several sections of the application.
On October 19, 2019 Hearing Officer Hilary M. Barnard wrote a Memo to Lansing City Clerk, Chris Swope, in which she recommended that Arbor Farms application for a medical marihuana provisioning center remain denied.

On November 23, 2019, City of Lansing Clerk, Chris Swope, sent an email to Arbor Farms denying their appeal.

Arbor Farms is now appealing the denial of licensure to the Medical Marihuana Commission within thirty (30) days with this written statement to the Commission with the City Clerk’s Office. Arbor Farms understands the Hearing will be held at 2:00 P.M. on Friday, January 10, 2020 at the Clerk’s Marijuana Licensing Unit, 2500 S. Washington Avenue in Lansing Michigan.

II. RECOMMENDATION FROM HEARING OFFICER HILARY M. BARNARD

The Hearing Officer reviewed the nine sections of the application that Arbor Farms addressed in their appeal (condensing Tangible Capital and Supporting Materials into one section) in their recommendation. After reviewing all nine sections, the Hearing Officer failed to allocate any additional points to the original scoring. Appellant believes this is inaccurate and an additional 16.25 points should have been added to the original scoring for a total 92.25 points out of 100.

I. Marketing, Advertising, and Promotion

This section was originally scored 1 out of 3 points and Appellant believes it should have been scored 3 out of 3 points. The Hearing Officer states, “Appellant argues that it will do what the plan says, but this is not a demonstration of detail in a plan. Further, there appears to be no budget information related to marketing provided in this section, and no
argument for its absence.” Based on the determination that laying out an actual plan for marketing does not demonstrate detail, the Hearing Officer found no basis to award further points in this category. The Hearing Officer did not even address the arguments made by Appellant that the scoring did not even take into consideration the requirements in both the City of Lansing Ordinance and the Scoring Criteria itself, which was the basis of the appeal argument in this section. For example, the original appeal stated,

The provided Marketing and Advertising plan fulfills both the city of Lansing ordinance requirements as well as the Scoring Criteria. Arbor Farms’ Marketing and Advertising Plan addresses how they will minimize the exposure of marketing/promotion of marijuana products to minors. Specifically, the plan states that age restrictions will be used during advertising, advertisements will not be made to the public without evidence that no more than 30 percent of the audience is reasonably expected to be 17 years or younger, and all advertising will have a label that states “keep out of reach of children.” No marijuana leaves, Rx symbols or pharmaceutical references will be utilized in advertising, to limit anything that may appear interesting to children. Each of these steps will reduce the chances of exposure to minors. Examples of the planned types of marketing methods including logo, website, print advertising, email advertising, word of mouth and packaging were detailed. . . . Therefore, based on the fact that the provided Marketing and Advertising Plan included ways to minimize exposure of marijuana to minors which will reduce chances of exposure to minors, examples of advertising avenues, and a budget of marketing expenses, Arbor Farms fulfilled all required aspects in the City of Lansing Ordinance and Scoring Criteria and should receive 3 out of 3 points for this section.

Original Appeal Page 2.

Further, Arbor Farms included three examples of how they will minimize the exposure to minors, which the city of Lansing stated was the ideal number on Scoring Insights of other applications. These examples included, age restrictions when advertising, including on their website and with email, not advertising or marketing marijuana product
to members of the public without reliable evidence that no more than 30 percent of the audience or readership for the television program, radio program, internet web site, or print publication, is reasonably expected to be aged 17 years or younger, and utilization of labels that state not for children.

Finally, the marketing plan was documented in the budget, provided with the application on pages 4, 5, and 6, as noted in the original appeal. However, it should be noted that the original General Instructions for the Medical Marijuana Provisioning Center Application stated, “[s]upporting documents such as quotes, receipts, equipment specifications, bank statements, etc. must be uploaded in the sections you intend them to support.” This does not make mention of a requirement to include the budget in every section it may apply to. It also didn’t state that the individual scoring that section would not have access to the other provided documents, such as the budget Conversely, in the updated General Instructions, bolded, and highlighted in yellow it now states, “[e]ach section may be reviewed by a different evaluator. Only the information attached to each section will be used to evaluate that section.” This indicates that the city is aware its original instructions were ambiguous, and is now trying to rectify that issue. Appellant should not be penalized for the City of Lansing’s original ambiguous language by losing points based on a failure to include the budget in every section it may apply. Thus, two additional points would be warranted in this section. Please See Original Appeal Attached for additional information.
2. Tangible Capital

This section was actually broken into two separate sections, “Tangible Capital Investment Own/Lease” and “Tangible Capital Investment Supporting Materials.” Tangible Capital Investment Own/Lease section was originally scored 2 out of 3 points and Appellant believes it should have been scored 3 out of 3 points. Tangible Capital Investment Supporting Materials was originally scored 1 out of 3 and Appellant believes it should have been scored 3 out of 3 points, for a total of 6 out of 6 points in the combined section.

The Hearing Officer finds the provided purchase agreement is not better than a warranty deed or proof of ownership because it is a contract rather than ownership that is not contingent on a trigger and finds the point allocation proper on this point. Appellant disagrees with this assertion as the provided purchase agreement provides the exclusive right for the purchaser, Arbor Farms, to terminate the contract not the seller. For example, the original appeal notes purchase agreement states,

If the city of Lansing provides Arbor Farms with approval, the Seller must sell the property to James Daly (Arbor Farms). If the sale is not completed “on account of Seller’s default or failure to perform hereunder, Purchaser may . . . specifically enforce the terms.” Purchase Agreement(19)(a). With no way for the seller to back out this property, once Arbor Farms receives city approval, will have to be sold to Arbor Farms by way of owner/member James Daly.

Original Appeal Pages 2-3. This gives Arbor Farms ownership contingent on nothing other than their ability to obtain licensure from the City of Lansing. Based on these set of circumstances, this purchase agreement is better than or at least just as good as a warranty deed or proof of ownership. Moreover,
This purchase agreement further states “Purchaser [James Daly or one of his assigns, Arbor Farms] shall have the exclusive right to seek and obtain any federal, state, or other governmental approval . . . with respect to the Property, and Purchaser’s right to do so shall take precedence over any such right of Seller with respect to the Property in the event such incentives, inducements, allowances or similar benefits may only be sought by one party.” Purchase Agreement Page 10 [emphasis added]. Therefore, based on the provided purchase agreement James Daly, or one of his assigns has the exclusive right to apply for and obtain city of Lansing licensure at 2001 W. Saginaw street. James Daly, co-owner of Arbor Farms has assigned his exclusive interest in this property to Arbor Farms. Based on the purchase agreement’s provision providing exclusive use of property for application of government approval. Thus, this purchase agreement is superior to a warranty deed or proof of ownership because if prevents multiple applicants seeking licensure at the same property. Though the purchase agreement is not a deed in Arbor Farms or James Daly’s name, it is a legally binding contract that provides for the purchase and sole retention of a government license at 2001 W. Saginaw street. Further, this purchase agreement will be executed at the time the city of Lansing approves Arbor Farms provisioning center application.

Original Appeal Page 3.

Next, the Hearing Officer asserts, “[m]uch of Appellant’s argument was not provided with its initial application and cannot now be considered as an attempt to cure deficiencies on appeal. The City also does not consider employee salaries in this section. There is no basis to provide additional points for supporting materials.” Appellant provided 28 pages of supporting materials with Tangible Capital Investment Plan showing a total capital investment of $17,331,000. These materials included;

a Construction estimate from Dymaxion Development totaling $331,157, an estimate from Luke Landscape detailing and showing the cost of the Point Public Art Project adaptation at $62,398.52, purchase Agreement for 2001 W. Saginaw street for the amount of $1,000,000, purchase agreement for sister property at 735 Hazel for the amount of $3,600,000, a partial pro forma with expense and revenue projections for all licenses applied for in Lansing, a 3 year pro forma forecast for the provisioning center specifically,
renderings of the proposed facility after build out and site plans for the proposed adoption of the Point Public Art Project.

Original Appeal Page 4. In fact, no additional materials were submitted with the provided appeal. The appeal merely provided arguments pointing out materials and documents that were provided in Tangible Capital scoring section of the original application describing a $17,331,000 total investment in the City of Lansing. Thus, a combined three additional points would be warranted in this section. Please See Original Appeal Attached for additional information.

3. Charitable Plans

This section was originally scored 3 out of 4 points and Appellant believes it should have been scored 4 out of 4 points. The Hearing Officer states, “much of Appellant’s argument was not originally provided with its application which cannot be considered on appeal.” This is entirely inaccurate. Again, Arbor Farms did not provide any additional materials or numbers. The appeal simply pointed out that the scoring of the application was done incorrectly based on two reasons. First, the $25,000 yearly threshold was never stated in the city ordinance nor the scoring criteria making it arbitrary for purposes of scoring an application. Second, even though we believe the $25,000 yearly threshold is arbitrary and should have no indication on scoring in this section, nonetheless that number was met by the provided estimates in the Charitable Plans and strategies.

Arbor Farms Proposed charitable donations in the approximate amount of $24,500 per year, which includes $15,000 per year to the Lansing Promise and other Lansing charities, approximately $5,500 worth of labor each year, and approximately $3,500 in lawn services and upkeep of the MDOT Median. The score received only gives credit for $24,000 per year in total. Additionally, the $13,000 initial cleanup of the MDOT Median (Point 631 E. Big Beaver ST 211, Troy, MI 48083 Tel: 248.935.9074 • Fax: 248.282.0556 -67-
Public Art Project) was never factored into the total sum of charitable donations.

The city of Lansing Ordinance states that an application for a license shall contain “charitable plans and strategies, whether fiscally or through volunteer work.” 1300.5(b)(12)(xi). There is no indication that an applicant must donate a dollar amount to charity. The city provides no indication of where the “ideal yearly contribution of $25,000 per year” comes from, this number is not listed in either the City of Lansing ordinance or the Scoring Criteria. Arbor Farms should not be penalized for nearly satisfying an arbitrary number created outside of the ordinance and scoring criteria. Clearly, had Arbor Farms been aware of the $25,000 threshold they would have provided a more customary mid-range estimate, versus a low estimate, of the value of the planned volunteer time and pointed out the value of the initial $13,000 clean-up donation, which would have been enough to meet that $25,000 annual donation threshold for the next 26 years.

Original Appeal Page 5.

The Hearing Officer goes on to state, “[t]he factfinder may not set aside findings just because other facts in the record could have come to a different conclusion. As the City has utilized the same benchmark for each application, there is no basis for the Hearing Officer to suggest another threshold here. Thus, Appellant’s point allocation is appropriate.” However, the review of this Appeal is contingent on the proper scoring of the application materials based on the City of Lansing Ordinance and the provided Scoring Criteria. If review of this application cannot be based on ensuring proper scoring based on the City’s own criteria, why have Criteria or an Ordinance at all? Arbor Farms adhered to the City of Lansing’s Ordinance and the provided Scoring Criteria, thus, one additional point would be warranted in this section. Please See Original Appeal Attached for additional information.

---

1 Based on $13,000/$500 per year charitable donation = 26 years.
4. **Total COL jobs**

This section was originally scored 3 out of 6 points and Appellant believes it should have been scored 6 out of 6 points. The Hearing Officer states, “Appellant again in this section requests that the threshold amount that the City utilized be undermined. There is no basis nor authority for the Hearing Officer to do.” The Hearing Officer further finds the Appellant’s argument with 83 jobs created unconvincing. However, the Hearing Officer again fails to address the issue address in Appellant’s Appeal, which states;

§1300.5(b)(23) of the Lansing Ordinance states that an applicant must include, “An estimate of the number and type of jobs that the medical marijuana establishment is expected to create, the amount and type of compensation expected to be paid for such jobs...” Section 1300.5(b)(12(v) cited by the Scoring Criteria provides that an applicant must provide “expected job creation from the proposed medical marijuana establishment(s).” The Scoring Criteria itself provides little additional information only stating, “Number of additional jobs created by your stakeholders within the City of Lansing at other medical marijuana facilities types. (Grower/Processor).” Scoring Criteria #20. Nothing in the ordinance nor Scoring Criteria states that the ideal number of jobs is 201+. This is an arbitrary number that was never substantiated in any of the provided guidelines by the city of Lansing. Moreover, 201 is an inflated number of jobs based on sound business practices. Arbor Farms intends to operate 10 grow facilities and 1 processor facility that will only require 83 employees, in addition to their proposed provisioning center. For a business to remain solvent while employing over 200 employees, they would need to operate approximately 27 grow and processor facilities, a massive operation that is likely not the norm in this business or the city of Lansing. If other facilities are proposing employment numbers of this magnitude, they are either proposing significantly larger operations, or they are overinflating numbers for the purpose of obtaining points with no intention of following through.

Arbor Farms provided a realistic number of employees that would be needed to operate the proposed grow and processor facilities. With an estimated 83 full time jobs outside of the provisioning center, Arbor Farms estimates paying $3,664,000 in compensation to employees. We believe the
total compensation should be considered rather than an arbitrary “ideal number of jobs.” Furthermore, Arbor Farms provided a preliminary estimate of what initial employment would look like. Arbor Farms has proposed a vast structure of businesses in the city of Lansing which only continue to grow. We feel that the scoring criteria should be looked at realistically based on numbers that are not over inflated simply to earn an applicant points. Arbor Farms is providing the city of Lansing only with plans it can and will carry out.

Original Appeal Page 6. Why are 83 Jobs “unconvincing?” Where in the City of Lansing Ordinance or the Scoring Criteria does it state that the ideal number of jobs is 201+? The Hearing Officer is deferring to the original scoring with no reasoning as to why they are not addressing the provided Ordinance and Scoring Criteria. Conversely, Appellant provided multiple reasons why this scoring was in error. Thus, three additional points would be warranted in this section. Please See Original Appeal Attached for additional information.

5. Net Worth

This section was originally scored 0 out of 3 points and Appellant believes it should have been scored 3 out of 3 points. The Hearing Officer states, “[a]s the funds do not reside in Appellant’s name, there is no basis for this Hearing Officer to exceed the ordinance language. Appellant disagrees. Though the Hearing Officer finally addresses the fact that the scoring should be based on the City of Lansing Ordinance, they completely ignore the remaining applicable portion of the ordinance and the Scoring Criteria.

The city of Lansing ordinance requires an applicant to provide “Financial structure and financing of the proposed medical marihuana establishment(s) . . . Verification, including copies of actual bank statements, showing that the applicant has minimum net worth of $100,000.00 in the applicant’s name . . . [and] whether the applicant has reasonably and tangibly demonstrated it possesses sufficient financial
resources to fund, and the requisite business experience to execute, the submitted business plan and other plans required by Section 1300.05, 1300.5(b)(12)(vii); 1300.5(b)(22); 1300.6(b)(5). The scoring criteria requires “CPA Attestation of Net Worth or Bank Statements Supporting Initial Start-Up and Operating Costs.” Scoring Criteria #22.

Original Appeal Page 7. This argument from the Hearing Officer focuses on only the first portion of the ordinance but ignores the requirement of “whether the applicant has reasonably and tangibly demonstrated it possesses sufficient financial resources to fund, and the requisite business experience to execute, the submitted business plan and other plans.” Appellant clearly tangibly demonstrated possession of sufficient financial resources and the ability to fund the proposed business plan in excess of what the City of Lansing required. As provided in the Original Appeal,

Member Jay Daly spoke with a representative from the City of Lansing and was assured that the fact that the $100,000 was in Arbor Holdings, LLC the holding company of Arbor Farm I, LLC DBA Herbana (Applicant) would meet the requirement of showing $100,000. In fact, Applicant provided a bank statement which showed 1.1 million dollars, over ten times the requirement set forth by the city of Lansing. Though the funds are not in an account with the name “Arbor Farm I, LLC” on it, there was ample documentation showing the funds were in a bank account with the name Arbor Holdings, LLC, the holding company which will fund Arbor Farm I, LLC.

The Rubric also states that there is “No solid proof of net worth.” A bank statement showing $1,195,042.97, an explanation of the financial structure and financing which clarifies that Arbor Holdings, LLC is the parent company of Arbor Farm I, LLC, along with a CPA attestation of funds attributed to Arbor Holdings, LLC, parent company of Arbor Farms provide ample solid proof the net worth of this company.

Documentation of initial startup and operating costs are provided in the Projected Annual Budget and Revenue at Provisioning Center document provided with this application. This information is also provided in the document titled “Supporting Documents-Finance. Arbor Farm I, LLC DBA Herbana 2001 W. Saginaw Street.” Moreover, under #19 of the rubric, the

631 E. Big Beaver ST 211, Troy, MI 48083
Tel: 248.935.9074 - Fax: 248.282.0556

-71-
scoring insights state “Detailed 3 year budget for the provisioning center with line item startup costs, expenses, and revenue.” Scoring Rubric Pg. 1 #19.

Original Appeal 7. Additionally, the Scoring Criteria required a CPA attestation of Net Worth or Bank Statements supporting initial startup and operating costs, which were also provided. Finally, even if the Hearing Officer disagreed with Appellant’s argument in regard to the bank statements being in the Appellant’s name, they still should have addressed the other elements of the ordinance and Scoring Criteria and provided additional points in the section. Thus, three additional points would be warranted in this section. Please See Original Appeal Attached for additional information.

6. Impact on Neighborhood Density

This section was originally scored 4 out of 7 points and Appellant believes it should have been scored 4.25 out of 7 points. The Hearing Officer states, “[t]he City relies on land use demographics, which find that the property is within ¼ mile of residential zoning. In the scoring criteria it was explained that this is “[d]istance between residential zoned areas and applicant’s provisioning center. Evaluation is based on whether any residential property abuts the proposed location, and if not, whether there is residential zoning within ¼ mile of the proposed location. The argument that Appellant was not aware of this is without merit.” This is incorrect because the Appellant was addressing Impact on Neighborhood Density of PC’s whereas the Hearing Officer Quotes the Scoring Criteria for The Impact on Neighborhood Distance Between PC & Residential Zoning. Appellant does not disagree that no additional points should be awarded in that section. However, it should be noted that the Hearing Officer’s statement “[t]he argument that Appellant was
not aware of this is without merit” is also incorrect as Appellant never alleged they were not aware of this requirement. Therefore, based on the fact that the Hearing Officer clearly did not read the correct Appeal in regard to this section, Appellant re-iterates the argument made in the original appeal.

The Scoring Rubric provided that an applicant would lose .25 points for every existing PC within a 2 mile radius, and the original scoring found Provisioning Centers #4 and #17 were within a 2 mile radius.

Based on the City of Lansing Medical Marihuana Application Sites map, Site #4 is 2.03 miles away from the proposed provisioning center. See provided screen shot of measurement between the two locations. This means, Arbor Farms should not have lost .25 points for it being within a 2 mile radius. Therefore, based on the described scoring criteria detailed on the rubric, Arbor Farms should have only lost 2.75 points and received 4.25 out of 7 points in this section.

Original Appeal Page 8. Thus, .25 additional points would be warranted in this section.

Please See Original Appeal Attached for additional information.

7. Traffic and Parking

This section was originally scored 1 out of 3 points and Appellant believes it should have been scored 3 out of 3 points. The Hearing Officer deferred to The City of Lansing Public Service and found no basis for additional points. In a continued pattern, the Hearing Officer neglected to evaluate the City of Lansing Ordinance or Scoring Criteria and simply deferred to the points provided. Whereas, Appellant actually adhered to the provided guidance from the City of Lansing Ordinance and the provided Scoring Criteria.

In the original appeal Appellant asserted, based on the City of Lansing Ordinance criteria for evaluation of a provisioning center which is “whether the proposed
establishment will be consistent with land use for the surrounding neighborhood and not have a detrimental effect on traffic patterns and resident safety,” Arbor Farms should have been awarded additional points. As stated in the original appeal,

The previous uses of this property were a church and a bank, both of which likely generated either the equivalent amount of traffic that will be generated by the proposed provisioning center, or a greater amount of traffic than will be generated by the proposed use. The stated, “poor parking/circulation, impact on nearby neighborhoods” provides no explanation as to why the use of the provisioning facility would have a negative impact on the nearby neighborhoods. The provided plan would allow for adequate parking, scheduled product delivery, and a similar historical use of the property.

Original Appeal Page 9.

Further, the City of Lansing zoning ordinance states, for a retail use one parking space per 250 square feet is required. When designing the parking spots for this building, the City of Lansing zoning ordinance was used to determine an adequate number of spaces. In fact, by that rubric, based on the first floor square footage (the area used for operations), 11 parking spaces, rounded up, would be required. Appellant provided 18 spaces, nearly double the required amount. Even if one were to use the zoning requirements for a liquor store, the requirement would be 13.4 or 14 parking spaces, which would still put Appellant well above the required number of parking spaces. Thus, two additional points would be warranted in this section. Please See Original Appeal Attached for additional information.

8. Security Plan

This section was originally scored 2 out of 3 points and Appellant believes it should have been scored 3 out of 3 points. The Hearing Officer states, “[n]ot excluding off-site storage is not the same as a plan that specifically details it. Saying one will follow rules
and regulations is neither an example of how it will be done or details of plans to do so. There is no basis to award additional points here.” The Hearing Officer neglected to review the portion of the Appeal and the originally provided Security Plan which states that Arbor Farms will have,

alarms monitored 24/7 by an **offs**ite company (All Star Alarm), licensed by the state of Michigan.” Security Plan Page 10. (emphases added). All Star Alarm will be installing and maintaining both the alarm and surveillance systems and recordings for Arbor Farms. All Star Alarm is an off-site company which means all records or alarm and surveillance recordings will be stored off-site. Further, this plan explains that the recordings devices will “allow for remote viewing on enabled workstations and/or smartphones.” Security Plan Page 18. Remote viewing on workstations and/or smartphones could only be done with off-site storage. Additionally, All-star Alarm, The Department, and law enforcement agencies will have access to surveillance recordings, which would suggest the surveillance records will be stored off-site.

Original Appeal Page 10. This does not “not exclude[e] off-site storage” in fact, this shows that offsite storage will be utilized. Additionally, saying one will follow rules and regulations as a portion of the Security Plan does provide insight into how Arbor Farms plans to do so, by re-iterating that all aspects of the city of Lansing Ordinance, along with the State of Michigan Rules and Regulations, will be adhered to. Thus, one additional point would be warranted in this section. Please See Original Appeal Attached for additional information.

9. Odor Plan

This section was originally scored 3 out of 4 points and Appellant believes it should have been scored 4 out of 4 points. The Hearing Officer states, “The entirety of Appellant’s argument under this section was not included in its original application. Appellant is not
able to cure on appeal. Thus, no points could be added here.” This statement is inaccurate. No additional information nor materials were provided in or with the submitted appeal in regard to the Odor Plan. Appellant merely highlighted portions of the originally submitted Odor Plan that appeared to have been overlooked. For example, our original appeal states, “[t]he provided Odor plan included specific types of filters, including ‘charcoal air filters and 900 CFM duct fans . . . HEPA filters and ionizing air purification systems’ along with specifics of the number of these filters and fans per each floor.” Original Appeal Page 10. The appeal directly quotes material from the provided odor plan, which was included in the original application under the Odor Plan section.

In addition, the Scoring Criteria for the Odor Plan specifically states, “Please document in budget of expenditures” which was done. This was pointed out in the appeal that the Odor Plan was documented in the provided budget which was attached as, “Projected Annual Budget and Revenue at Provisioning center only. The HVAC and Odor Mitigation projected costs can be found on pages 1, 2, and 3 of this extensive document.” Original Appeal Page 11. Moreover, proof that this document was submitted was provided in the list of what was submitted from City of Lansing, which was provided by the City of Lansing upon submission. Finally, Appellant again asserts they should not be penalized based on ambiguous language in the general instructions provided by the City of Lansing. Please see above argument regarding the location of attached budget under Marketing, Advertising, and Promotion. Thus, one additional point would be warranted in this section. Please See Original Appeal Attached for additional information.
CONCLUSION AND REQUESTED RELIEF

Based on the Hearing Officer’s failure to address the majority of the arguments made in the appeal, along with the above stated reasons, Arbor Farm I, LLC respectfully requests that the Medical Marihuana Commission grant the appeal and rescind the City of Lansing denial sent on September 24, 2019. Arbor Farms further requests the City of Lansing re-score the original application and grant conditional approval to operate a Provisioning Center in the City of Lansing.

Respectfully Submitted,

[Signature]

David A. Rudoi (P75169)
Licensing Attorneys, PLLC
104 W. Fourth Street, Suite 210
Royal Oak, MI 48067
Telephone: (248) 935-9074
Fax: (248) 282-0556

CC: Arbor Farm I, LLC, Petitioner/Appellant

Attachments: City of Lansing Denial Email dated September 24, 2019
Original Appeal
City of Lansing Hearing Officer Report
City of Lansing Denial Email dated November 23, 2019
General Instructions at time of Submission
Current General Instructions